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	01.01. – 31.12.2007	01.01. – 31.12.2008
	€ million	€ million
Sales	225.0	248.5
of which in-house and co-productions	178.9	203.7
of which third-party productions	46.1	44.7
EBITDA	81.7	104.9
Gross profit	32.0	35.5
Operating result	12.4	15.1
Earnings for the year attributable to the shareholders of the parent company	6.2	10.5
Investments in film assets	79.1	73.6
Depreciation of film assets	68.2	88.9
	31.12.2007	31.12.2008
Film assets	181.7	166.3
Equity	74.6	84.7
Balance sheet total	333.3	339.5
Permanent employees (number)	481	500
Earnings per share in € (undiluted and diluted)	0.49	0.83

Constantin Film



Dear shareholders,
dear friends of Constantin Film AG,

A positive trend compared with the previous year was apparent again in the German theatrical industry in 2008. In spite of the strong economic turbulence, which is having a noticeable effect on the media industry too and is likely to make the funding and exploitation of film projects more difficult in general in future, sales in the 2008 theatrical year were 4.9 per cent higher than in the previous year. This was due above all to the increasing quality and appeal of German films, which was attributable to a large extent to the Constantin Film productions **The Baader Meinhof Complex** and **The Wave**. Germans went to movie theatres more often in 2008 – and they were attracted primarily by productions from their own country: as a result, the proportion of the market accounted for by German films rose from 18.9 per cent in the previous year to 26.6 per cent in 2008. (source: FFA)

The debate about digitisation continued in 2008. Following lengthy discussions with the political community, progress was made with the digitisation process in Germany at the end of the year with the approval of the “100 model” by the central association of German movie theatres (HDF) and the AG Kino-Gilde. Beforehand, Bernd Neumann, the State Minister of Culture and Media Affairs, had argued strongly for comprehensive introduction of digital projection in Germany. In the next few years, digitisation needs to help to reduce

the industry’s overall cost burden, to offer audiences a larger selection of films and to move the theatrical business into the digital age.

In the in-house production segment, Constantin Film succeeded in achieving even better results in the theatrical distribution and home entertainment operations last year than in 2007. This is attributable primarily to the outstanding performance of our 2008 distribution programme, with such excellent films as **The Wave**, **Asterix at the Olympic Games**, **Freche Mädchen** and **The Baader Meinhof Complex**.

The environment in which the home entertainment business operates remains stable and all the planned targets were reached.

Constantin Film generated excellent revenues in the licence trading operations, e.g. with the international exploitation of the successful Bernd Eichinger production **Perfume – The Story of a Murderer**.

The difficult economic situation depressed operations in the service production field at Constantin Film AG too. Preparations are therefore being made to enter new sales markets. In addition to the existing production companies abroad (Poland, Romania, Croatia, Turkey), new markets are to be entered in the entertainment field in 2009, e.g. in

◀ The Management Board
of Constantin Film AG
(from left to right):
Hanns Beese,
Bernhard Burgener,
Franz Woodtli,
Martin Moszkowicz

► FOREWORD by the Management Board of Constantin Film AG

Greece and the Czech Republic. Commissions can be obtained from and produced for the television stations on a direct local basis as a result.

The clear focus of Constantin Film AG's corporate operations combined with a team of creative and highly qualified staff and intensive contacts to key global players and prominent companies in the media industry will continue to make sure our company is successful.

2009 promises an attractive theatrical distribution programme, to which the intensive development and production operations and the successful integration of all the company's activities are making steady contributions. It is practically impossible to forecast reliably how the economic situation will develop at the present time all the same. In

view of this, we consider it to be advisable to issue our forecast for the company's sales and operating result in 2009 as an estimated corridor.

We are planning sales of between €220 million and €240 million and a positive operating result of between €10 and €12 million in 2009.

We would like to thank you for the confidence you have placed in us and for your loyalty to us.



► BERNHARD BURGNER / Chairman of the Management Board and Executive Director Licence and Rights Trading; corporate strategy, corporate communications, legal affairs, investor relations, national licence and rights trading, TV entertainment production



► MARTIN MØSZKOWICZ / Film and television



► HANNS BEESE / Finance



► FRANZ WOODTLI / Theatrical and home entertainment sales

The Supervisory Board carried out its advisory and control assignments throughout the 2008 fiscal year. The Management Board kept the Supervisory Board informed promptly and in detail by providing oral and written reports. The Supervisory Board and the Management Board remained in close contact above and beyond this as well.

All the main issues of business policy, particularly the economic development of the company, strategy and planning, relevant business events and business transactions that required approval, were reviewed and discussed intensively, in detail, analytically and empirically on the basis of reports by the Management Board at five ordinary meetings held in the 2008 fiscal year as well as in written decision-making processes, including discussion of these issues with the Management Board. The Supervisory Board exercised its right to inspect the company's books, other documentation and assets on several occasions in the 2008 fiscal year too.

During the 2008 fiscal year, the Supervisory Board focussed on extensive discussion of the performance of the films currently in the process of being exploited, on making sure long-term commitments were made with producers and management, on the planning and approval of new productions and on the strategic alignment of the company's operations. The company's business and audit reports were discussed with the Management Board and the auditor in detail as well. In view of the global financial crisis, the company's refinancing strategy was another subject of intensive discussion in the 2008 fiscal year. The Supervisory Board approved the obtainment / extension of two credit facilities and satisfied itself that the company has sufficient liquidity reserves. Another subject that demanded the Supervisory Board's attention at the end of the 2008 fiscal year and in the course of the 2009 fiscal year so far was the request made by Highlight Communications AG in a letter dated December 2, 2008 in accordance with § 327a Paragraph 1 Sentence 1 of the German Companies Act (AktG) that all the necessary measures are taken to enable the next shareholders' meeting of the company to pass a transfer motion in accordance with § 327a Paragraph 1 Sentence 1 of the German Companies Act (squeeze-out). The Supervisory Board's main role in

this context was to assist the Management Board of the company in preparing the necessary steps for this.

The Supervisory Board also reviewed the ongoing development of corporate governance by the company and its compliance with the recommendations of the German Corporate Governance Code. The statement specified in § 161 of the German Companies Act that has been issued by the Management Board and the Supervisory Board is being made available to the shareholders on a permanent basis in the Internet (www.constantinfilm.de). There is a general production agreement with Bernd Eichinger, one of the members of the Supervisory Board; individual production and/or authorship contracts are concluded for each of his projects. No contracts were concluded with Mr Eichinger in the 2008 fiscal year on the basis of the general production contract. Individual production contracts are concluded with Professor Dr Günter Rohrbach, one of the members of the Supervisory Board, on a project basis. An existing consultancy agreement between DIANA Film GmbH and Professor Dr Günter Rohrbach about the Hotel Lux project was transferred from DIANA Film GmbH to Constantin Film Produktion GmbH in the 2008 fiscal year. The Supervisory Board approved the conclusion of this contract. The Supervisory Board reviewed whether it is possible for this activity as a consultant to lead to conflicts of interest in the activities of the member of the Supervisory Board concerned and for the company. The Supervisory Board is convinced that no major conflicts of interest will arise. Any potential conflicts of interest are avoided by the member of the Supervisory Board concerned abstaining when a vote is taken by the Supervisory Board on any resolutions associated with the implementation of the above-mentioned project. There is a consultancy agreement between the company and Fred Kogel GmbH, where the Supervisory Board member Fred Kogel is indirect sole shareholder. On the basis of this consultancy agreement, Fred Kogel GmbH has been providing various project-based consulting services via its director Mr Fred Kogel since January 1, 2009. The agreement involves in particular advice in connection with specific negotiations with the German TV stations, advice about the feasibility of concepts, TV shows and screenplays, operative supervision of general contracts

► REPORT BY THE SUPERVISORY BOARD Fred Kogel

(in-house and co-productions) and individual licence contract packages with ProSiebenSat.1 Media AG and Premiere during their term. The Supervisory Board approved the conclusion of this consultancy agreement. The Supervisory Board satisfied itself in an appropriate review that the role Fred Kogel GmbH and/or Mr Fred Kogel assume as a consultant in this context will not lead to any major conflicts of interest with respect to the activities of the Supervisory Board member and the company. Any potential conflicts of interest are avoided by Mr Fred Kogel abstaining when a vote is taken by the Supervisory Board on any resolutions associated with matters on which Fred Kogel GmbH acts as a consultant.

The Supervisory Board only formed one committee, the Audit Committee, in the 2008 fiscal year too. The members of the Audit Committee were Messrs Bernhard Burgener, Bernd Eichinger and Paul Graf in the 2008 fiscal year and Messrs Bernd Eichinger and Paul Graf so far in the 2009 fiscal year. Following the end of both the 2007 fiscal year and the 2008 fiscal year, the Audit Committee reviewed the financial statement documents of Constantin Film AG and the Group, checked the risk monitoring system, discussed the audit reports with the auditor and reported to the complete Supervisory Board about its review. It met a total of four times in the 2008 fiscal year. The meetings focussed on analysis of the performance of all the company's relevant business operations as well as on discussion of the company's quarterly reports and planning calculations. In view of the current financial crisis, the company's internal control system was discussed in detail as well. There was extensive debate about significant risks to which the company is exposed.

At the request of the Supervisory Board, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Zweigniederlassung München, audited the bookkeeping records, the financial statements, the consolidated financial statements and the combined management report about the company and the Group for the 2008 fiscal year. On the basis of the audit, the auditor issued an unqualified certificate in each case. The financial statements, the consolidated financial statements and the combined management

report about the company and the Group as well as the audit reports by the auditor and the proposal made by the Management Board about appropriation of the retained earnings were submitted to and examined by the Supervisory Board. The Supervisory Board discussed these documents in detail at the meeting it held for this purpose in the presence of the auditor, who presented a report about the main outcome of his audit, and took the report by the Audit Committee into consideration in this context. The Supervisory Board approved the results of the audit. No objections to the financial statements, the consolidated financial statements and the combined management report about the company and the Group for the 2008 fiscal year were raised after the Supervisory Board completed its own internal review either. At its meeting on March 2, 2009, the Supervisory Board approved the financial statements of Constantin Film AG submitted by the Management Board and the consolidated financial statements; the financial statements of Constantin Film AG have therefore been adopted. Following a review involving consideration of the interests of the company and the shareholders, the Supervisory Board is also in agreement with the proposal made by the Management Board about appropriation of the retained earnings.

The Management Board compiled its report about the relationships between the company and affiliated companies and submitted it to the Supervisory Board with the report prepared about it by the auditor. The auditor issued the following unqualified certificate:

"On the basis of the audit and evaluation we have made in accordance with professional standards, we confirm that

1. the factual details of the report are correct,
2. the payments made by the company in respect of the legal transactions listed in the report were not unreasonably high and
3. there are no reasons to make a significantly different assessment from the Management Board with respect to the measures outlined in the report."

► REPORT BY THE SUPERVISORY BOARD Fred Kogel

The auditor took part in the discussions held by the Supervisory Board about the report on the relationships to affiliated companies and presented a report about the main results of his audit. The Supervisory Board saw no need to raise any objections after it completed its review of the report by the Management Board and the audit report by the auditor; the Supervisory Board approves the results of the audit by the auditor. Following the completion of its review, the Supervisory Board does not have any objections to the statement made by the Management Board at the end of the report about the relationships between Constantin Film AG and affiliated companies.

Fred Kogel resigned from his position as Chairman of the Management Board of Constantin Film AG at his own request at the end of December 31, 2008. Bernhard Burgener has been the new Chairman of the Management Board of Constantin Film AG since January 1, 2009, after he left the Supervisory Board at the end of December 31,

2008. Following his court appointment, Fred Kogel has been a member of the Supervisory Board since January 15, 2009. He was elected to be Chairman of the Supervisory Board on January 26, 2009. Thomas Peter Friedl also resigned from his position as member of the Management Board of Constantin Film AG at his own request with effect from January 31, 2008. There were no further changes in Supervisory Board and Management Board membership in the 2008 fiscal year and in the 2009 fiscal year to date.

The Supervisory Board would like to express its thanks to the Management Board of Constantin Film AG, to the directors of its subsidiaries and affiliated companies and to all the company staff for their hard work in 2008.

Munich, March 2, 2009



► FRED KOGEL / Chairman of the Supervisory Board

MEMBERS OF THE SUPERVISORY BOARD*

FRED KOGEL / Chairman // Producer

BERND EICHINGER / Deputy Chairman // Film producer

MARC CONRAD // Film producer

DR PAUL GRAF // Businessman

PROFESSOR DR GÜNTER ROHRBACH // Independent
producer

MARTIN WAGNER // Lawyer

* See also the notes to the consolidated financial statements, page 140



COMPANY PORTRAIT – STRENGTHS AND STRATEGY

Constantin Film AG has maintained a consistently high level in its German and international film productions ever since it was established in 1977 by the successful producer Bernd Eichinger. The box office hits in the late 80s and early 90s include such films as **Der bewegte Mann**, **Manta, Manta** and **Rossini oder die mörderische Frage, wer mit wem schlief**. Together with international in-house productions like **The Neverending Story**, **The Name of the Rose** and **The House of the Spirits**, these films still attract a large and enthusiastic audience and are classics that are shown regularly by the major German TV stations.

◀ Scene from:
A YEAR AGO IN WINTER
(theatrical release:
November 13, 2008)
by Oscar® prizewinner
Caroline Link. With
Karoline Herfurth and
Johannes Bierbichler

Constantin Film made a successful start to the new millennium with its more recent productions. The co-production **Manitou's Shoe** with Michael Bully Herbig as director is still the most successful German film of all time and generated more than 11.6 million box office admissions in 2001. Bully Herbig's second theatrical film **Dreamship Surprise – Period 1** was similarly successful with more than 9.1 million admissions. Producer Bernd Eichinger has been responsible for outstanding milestones in the history of Constantin Film AG in the dramatic genre with his magnificent film **Perfume – The Story of a Murderer** based on the novel, with the film **Downfall** about the final days in Hitler's bunker and, in 2008, with **The Baader Meinhof Complex**, a film about the terror campaign of the Rotee Armee Fraktion. Enthusiastic audiences have also been captivated by such film highlights as **Nowhere in Africa**, the Oscar®-winning film by the director Caroline Link, Dennis Gansel's film of the novel **The Wave**, the in-house production **The White Maasai** or the audience favourite **Nackt und Kirschblüten – Hanami** by the director Doris Dörrie. In the family entertainment production operations, successful films like **Hui Buh – Das Schlossgespenst**, **Die Wilden Hühner und die Liebe** based on the novel by Bambi prizewinner Cornelia Funke, the CGI children's film **Impy's Wonderland** or the teen comedy **Freche Mädchen** have attracted both children and adults to theatres. Constantin Film obtained the distribution rights to such extremely successful international blockbusters as **Alexander**, **The Passion of the Christ**, **The Sixth Sense**, **Michael Clayton**, **Step Up to the Streets** or **The Women** with Hollywood stars like Meg Ryan and

Annette Bening. Our films in the art house distribution field continue to be very popular with German theatrical audiences too, as the success of **8 Women**, **Lost in Translation**, **The Chorus** or **La Vie en Rose** demonstrate.

6 of the top 10 German blockbusters of the last 20 years were produced or co-produced by Constantin Film; 23 of the top 50 German theatrical films since 1988 were released to theatres by the company. 14 of the 30 most successful German theatrical films of the past 10 years were distributed by Constantin Film. (Source: Top 50 List since 1988, SPIO statistics)

As the most successful independent distribution company in Germany, Constantin Film has managed to compete impressively with the German theatrical distribution companies of the powerful major US studios as well – particularly in the last 8 years. Following a year with poorer sales, 2008 produced very positive results: with more than 10 million box office admissions (previous year: 8.6 million admissions), Constantin Film achieved a market share of 8.4 per cent (previous year: 7.7 per cent). (Source: SPIO statistics)

Constantin Film's national and international in-house productions have always reached a consistently high quality level – a strategy that Constantin Film AG will be maintaining in the 2009 distribution year too, with probably 8–10 German theatrical in-house and co-productions as well as a probable 1–2 productions in the international segment.

Experienced partners have helped and continue to help Constantin Film AG to implement this strategy: they include such well-known producers as Bernd Eichinger, Uschi Reich and Peter Zenk, Professor Dr Günter Rohrbach, Reinhard Klooss, Herman Weigel, Ulrich Limmer's collina Filmproduktion, the two producers Max Wiedemann and Quirin Berg, Sönke Wortmann and Tom Spieß with their production company Little Shark Entertainment and the three Munich producers Jakob Claussen, Thomas Wöbke and Uli Putz. The Constantin Film subsidiaries and affiliated companies are important partners too: Olga Film GmbH with the producers Molly von Fürstenberg and Harry Kügler as well as Viola Jäger and Uli Weber, MOOVIE – the art of

entertainment GmbH with Oliver Berben and Carlo Rola, Christian Becker's Rat Pack Filmproduktion GmbH and Westside Filmproduktion GmbH. At international level, Constantin Film can rely on effective co-operation with such producers as Robert Kulzer in Los Angeles and the subsidiary Impact Pictures with the producers Paul W.S. Anderson and Jeremy Bolt. Longstanding, intensive contacts to nationally and internationally respected novelists, screenplay authors, directors and actors like Cornelia Funke, Uli Edel, Helmut Dietl, Max Färberböck or Doris Dörrie are another key feature of Constantin Film AG's successful film business. Our unique know-how in the production financing field, involving use of a very wide range of different sources of funding that are available at international level, makes it possible to arrange customised financing concepts according to the particular requirements of the individual productions.

Thanks to the longstanding contacts to the companies Summit Entertainment, Odyssey Entertainment, Beta Cinema, Atlas International and Celluloid Dreams, Constantin Film holds a very impressive position in the area of advance sales and global marketing. Most of the productions are sold abroad, either directly or via sales companies.

TV production is a major element of Constantin Film AG's operations. Our subsidiaries Olga Film GmbH, MOOVIE – the art of entertainment GmbH, Rat Pack Filmproduktion GmbH and Westside Filmproduktion GmbH as well as the wholly-owned subsidiary Constantin Television GmbH and the joint venture PolyScreen – Produktionsgesellschaft für Film und Fernsehen mbH established with Polyphon Film- und Fernsehgesellschaft mbH produce successful, high-quality entertainment formats for the German TV market. Our subsidiary Constantin Entertainment GmbH is one of the German market leaders in the TV show and TV entertainment production fields.

A successful corporate strategy depends to a large extent on licence trading too. A distribution company like Constantin Film AG needs about 10 to 15 films a year to achieve the necessary balance between hits and risks. In addition to our in-house productions, our capable licence trading team acquires individual licences from our numerous production partners in Germany and elsewhere for exploitation

in German-speaking countries. The problems encountered in the acquisition of international films have been increasing for a number of years now: there is a general lack of high-quality films and trading was made even more difficult in 2008 by the long strike by authors in the USA and the global financial crisis. Although business in the trading of major blockbusters continues to be excellent, films with smaller budgets are having a more and more difficult time, as the American Film Market at the beginning of November 2008 showed.

The TV stations in Germany hold a dominant position in licence trading business and carry out the purchasing of smaller films themselves to a large extent nowadays. A smoothly operating licence trading business model is inconceivable without their financial commitment in the TV rights field. Constantin Film AG has succeeded in continuing to expand its TV licence sales in recent years. Responsibility for complete exploitation at all the different rights levels has been held by Constantin Film AG itself since July 1, 2004. With the new general licensing contracts concluded in 2007 with Premiere Fernsehen GmbH & Co. KG and Disney Channel, Germany, about the German pay TV rights to Constantin Film's in-house and co-productions and with the output contract for the in-house and co-productions with ProSiebenSat.1 in the free TV field, Constantin Film entered into long-term partnerships with the biggest German television providers for all the productions where principal photography began up to December 31, 2008. The output contract with ProSiebenSat.1 about all the in-house and co-productions in the free TV field was extended for a further year – i.e. for all productions where principal photography begins up to December 31, 2009 – in December 2008.

There has been further expansion of the home entertainment exploitation operations in the last few years, so that they are now a key element in the Constantin Film AG corporate strategy. The company's library (currently about 330 DVD rights to in-house productions and licensed films that are exploited together with Highlight Communications AG and the Paramount Home Entertainment sales organisation) is growing steadily. Constantin Film has established itself as one of the leading independent programme suppliers on the German-speaking home entertainment market.

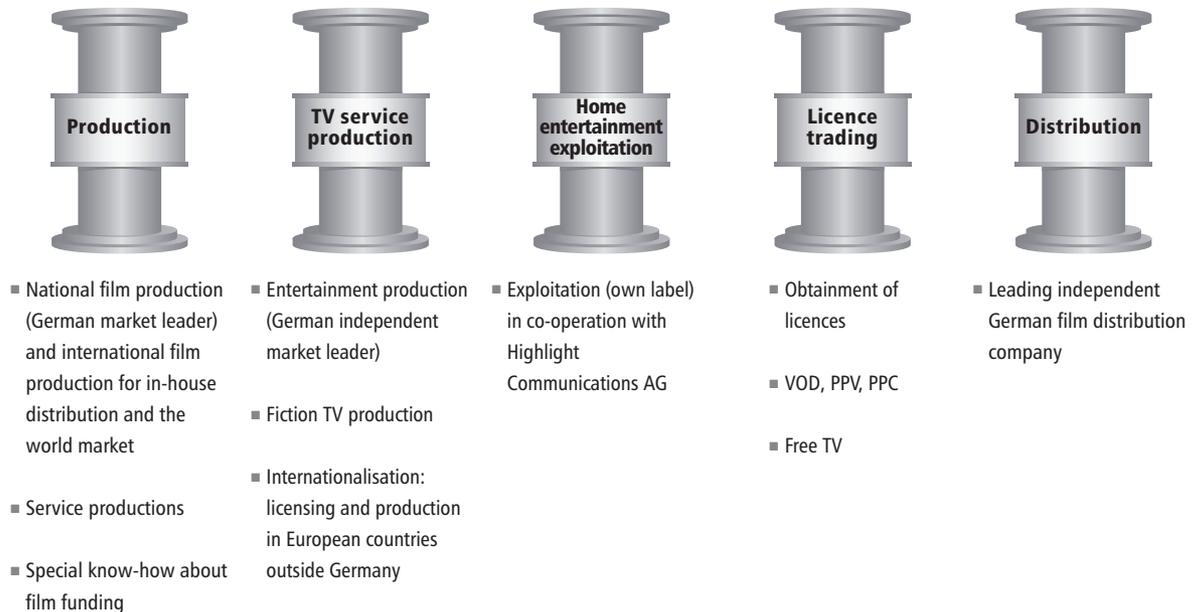
► THE 5-SECTOR STRATEGY implemented by Constantin Film AG

THE 5-SECTOR STRATEGY

The former Chief Executive Officer Fred Kogel, who was appointed to the Management Board in April 2003 and is now Chairman of the Supervisory Board, announced a broadening of Constantin Film AG's business base in August 2003. The aim of the addition of three further areas of operation (licence trading, home entertainment exploitation and intensification of TV service production, particularly TV entertainment) to the classic production and distribution operations was to reduce the inherent volatility of the film business (which is due to the high level of dependence on the product), to expand the core business purposefully and to continue strengthening Constantin Film's leading position on the European media market. The 5-sector strategy already began to fulfil its potential for the first time in 2004, when

considerable success was achieved. Since it was a more difficult theatrical year, the broader business focus was put to a tough test in 2005 – and Constantin Film AG's 5-sector strategy proved to be an emphatic success. Broadening the business base was shown to be the right move to maintain the company's position as one of the most important German media players on a difficult market in 2006 as well. The 5-sector strategy has proved to be correct to this day. In view of the constant changes in market requirements, the strategy continues to need regular adaptation and a high degree of flexibility on the part of Constantin Film AG, however.

Here is an outline of Constantin Film AG's 5-sector strategy:





THE STOCK MARKETS IN 2008

The international stock markets faced strong pressure in 2008 from the global financial market crisis and the substantial deterioration in international economic data.

At the beginning of 2008, the central German index (DAX) succeeded in defending the gains made in the bull market during the previous years, with highs of up to more than 8,000 points. In the course of January, however, there were already very large share price losses down to 6,440 points. This was due to fears of an imminent slowdown of the US economy and further problems attributable to the US subprime crisis. All in all, the DAX suffered a loss in value of 15 per cent in January and was unable to recover to any significant extent in February either. It traded in a relatively narrow range due to rather poor US economic and sentiment indicators. In spite of mainly positive reports by German companies about business development in 2007, the DAX did not manage to exceed the 7,000 point mark on a sustained basis any more.

The DAX was hit by the very negative international developments in March too, when it experienced further substantial share price losses and dropped to as low as 6,167 points. The international financial crisis and the critical situation of some banks, the shifts on the foreign exchange markets and the increases in the prices of many raw materials were factors that depressed the markets particularly. Following a first quarter of 2008 that was therefore very poor and brought the stock market a slump of more than 18 per cent – the biggest drop for a number of years – the German stock market recovered in April and rose by over 6 per cent on the back of the moves

by the US central bank to support Bear Stearns, which had already been apparent in March. This uptrend took the DAX back close to the 7,000 point mark from mid-April onwards, although this was followed from mid-May onwards by a sideward movement, so that only a small increase was achieved by the end of the month.

In June, the German share indices lost 11 per cent or almost 700 points, which was more than they had increased in the two previous months. Far larger losses were suffered primarily by shares in finance companies. The subprime crisis returned, on the one hand, and required a number of extensive capital increases at investment and mortgage banks around the world. On the other hand, the ECB indicated that it would be adopting a stricter course in its monetary policy. Firm raw material prices and the high oil price fanned inflation.

Following a slight recovery from the second half of July onwards, the markets started to be dominated by concerns about the US subprime crisis again in the second half of August. The German blue chips came under stronger pressure again as a result too. Due to the liquidity problems experienced by the US mortgage financiers Fanny Mae and Freddie Mac, shares in finance companies were among the poorest performers on the German stock market as well. In early September, the US government then announced the nationalisation of the ailing mortgage financing companies and thus the assumption of the risks by the US state. The relief felt on the stock markets as a result of this soon disappeared when the fourth-largest US investment bank Lehman Brothers collapsed. The financial crisis now spread increasingly far and increasingly fast: Merrill Lynch, the third-largest Wall Street bank, could only be rescued by being taken over by Bank

◀ Scene from:
THE BAADER MEINHOF
COMPLEX
(theatrical release:
September 25, 2008)
Producer and screen-
play author:
Bernd Eichinger,
book: Stefan Aust
With: Moritz Bleibtreu,
Johanna Wokalek,
Martina Gedeck in the
leading parts

of America; Morgan Stanley and Goldman Sachs – the two last independent investment banks on Wall Street – turned themselves into normal commercial banks; the biggest US savings bank (Washington Mutual) collapsed under the weight of the financial crisis. The only major hope left for stabilisation of the situation was the approval of the US government's rescue plan for the ailing finance sector with a volume of USD 700 billion.

At the end of September, the US banking crisis then spread to Europe with a vengeance and a DAX company was brought down for the first time by the effects of the financial crisis: the German property and government financing company Hypo Real Estate. In the final analysis, it took a rescue package compiled by the financial community and the German government to guarantee the survival of Hypo Real Estate for the time being.

In spite of a concerted global move by central banks to reduce key interest rates, the DAX came under very strong pressure in early October. It was now clear that the financial crisis was spreading to the real economy too. The US financial authorities and the German government developed extensive rescue packages to restore confidence in the banking system. Following initial hesitation, a number of public banks, Commerzbank and Hypo Real Estate announced that they wanted to take advantage of the rescue package that had been prepared with a volume of €500 billion. Bank shares responded positively, so that the decline of the DAX slowed down considerably towards the end of October. The recovery was also influenced by a rush to buy VW shares, in the course of which the car manufacturer's share price rose briefly to more than €1,000. This uptrend was not maintained initially, however and the DAX dropped

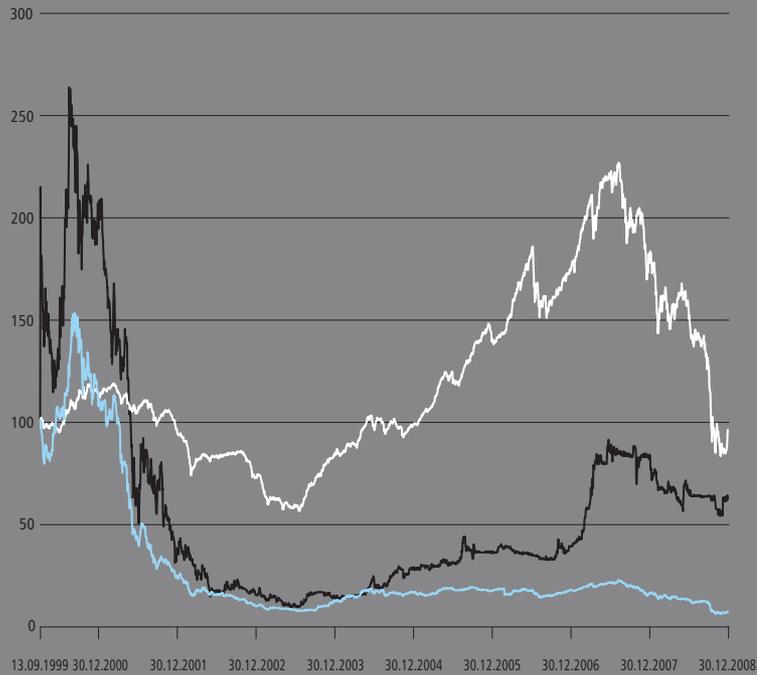
again in November. The international finance markets responded with great uncertainty and volatility to the negative impact of the financial crisis, on the one hand, and to the debate about government stabilisation efforts and further reductions in key interest rates, on the other hand. The DAX index therefore lost about 6 per cent more in the course of the month. It was dragged down primarily by the car industry (- 27.7 per cent), although the banking and property sector suffered losses of more than 15 per cent too. There was not as a result a good basis any more for the traditional year-end rally on the European and German stock markets.

The stock market rose substantially again in the course of December even so, not least of all because of the concerted reductions in interest rates, which had led in the meantime to historically low key interest rates. This development was also attributable to the low oil prices as well as to financial assistance provided to the American car manufacturers, which had a positive influence on the German car industry too. The announcement of a second German economic stimulus package to improve the country's infrastructure also had a positive impact as well. All the sectors of the Prime All Share Index except for technology improved – considerably in some cases.

This positive development at the end of the year did not, however, change the fact that 2008 was one of the worst stock market years in recent decades.

The DAX ended the year on 4,810.20 points. This represented a loss of a good 40 per cent since the beginning of the year. 2008 was therefore the second-worst year in the 20-year history of the central German index.

PERFORMANCE COMPARISON from 13.9.1999 to 31.12.2008 / in per cent



13.9.1999/Issue price € 29.00

31.12.2008/Final price € 17.73

PERFORMANCE COMPARISON from 31.12.2007 to 31.12.2008 / in per cent



31.12.2007/Final price € 21.30

31.12.2008/Final price € 17.73

- Constantin Film Xetra weighted
- SDAX Performance Index weighted
- Prime Media Performance Index weighted

SECURITIES IDENTIFICATION NUMBER 580080

**International Securities Identification Number ISIN:
DE0005800809**

THE CONSTANTIN FILM SHARE

The development in the price of the Constantin Film share, which is listed in the Prime Standard, in 2008 was influenced primarily by the general market movements as well as by the increase in the interest in Highlight Communications AG – the major Constantin Film AG shareholder – held by EM.Sport Media AG to 37.6 per cent, which was announced at the end of March.

The share price increased slightly in the first few days of trading in the year and reached its high for the year of €22.00 as early as January 4, 2008. In line with the market in general, it then suffered considerable losses, dropping first of all to €19.00 and then to €18.55 on February 21, 2008 after a brief consolidation phase followed by another decline. There was then a volatile sideways movement in the share price, which continued until mid-April.

The increase in the interest held in Highlight Communications AG by EM.Sport Media AG to 37.6 per cent that was announced at the end of March led to renewed speculation in the press about Constantin Film AG's stock market listing in future as well as about possible changes in the shareholder structure. The increase in the shareholding also prompted speculation about the obtainment of de facto indirect control over Constantin Film AG by EM.Sport Media AG and about a potentially forthcoming takeover bid. These uncertainties depressed the price of the Constantin Film share. It came under pressure from mid-April onwards and lost a substantial amount of value in the following weeks. The announcement at the beginning of May that Fred Kogel would be leaving the company on December 31, 2008 also depressed the Constantin Film share price. It reached its low for the 1st half of 2008 of €16.01 on May 23, 2008. The publication of positive business figures by Constantin Film AG for the 1st quarter as well as of the decision by EM.Sport Media AG to submit a voluntary takeover bid to acquire the shares of the Constantin Film AG shareholders – thus putting an end to the negative speculation and the uncertainty felt by

the shareholders as a result – led to a recovery in the share price at the end of May. The share price increased considerably, even exceeded the €20 mark again for a short time at the beginning of June and settled at a level just under €19 by the end of the month following a consolidation phase.

As expected, share price development throughout the 3rd quarter was influenced almost exclusively by the price stability attributable to the takeover bid, so that the share price was not affected by the financial market crisis. From the beginning of July until October, the share price moved in a narrow corridor around the bid price of €18.31.

After the final submission period in connection with the takeover bid made by EM.Sport Media AG in accordance with § 39c of the German Securities Acquisition and Takeover Act ended at 24.00 on October 27, 2008, the share price was dragged down below €17 by general market developments and even dropped below €16 at times in the course of November. There was not a distinct recovery until early December, stimulated by the squeeze-out request made by Highlight Communications AG on December 2, 2008. At the request of a main shareholder, the shareholders' meeting of a German public limited company can pass a resolution to transfer the free float shares to the main shareholder in return for an appropriate cash payment. This squeeze-out request from Highlight Communications AG boosted the share price, so that it increased back to almost €18. The share price stayed at this level in a volatile sideways movement until the end of the year.

The final price of the Constantin Film share on December 30, 2008 was €17.73, which represents a loss of more than 16 per cent since the beginning of the year (December 28, 2007: €21.30). Over the same period, the SDAX index lost 46 per cent and the Prime Media Performance Index dropped by as much as more than 59 per cent.

SHARE PRICES / in €, indicating the final Xetra prices

Number of shares on 31.12.2008	12,742,600
Issue price on 13.9.1999	29.00
1999 year-end price	42.50
2000 year-end price	19.29
2001 year-end price	4.04
2002 year-end price	2.56
2003 year-end price	3.92
2004 year-end price	8.48
2005 year-end price	10.94
2006 year-end price	12.20
2007 year-end price	21.30
Highest price on 4.1.2008	22.00
Lowest price on 11.11.2008	15.45
2008 year-end price	17.73

The 9th Annual Shareholders' Meeting of Constantin Film AG was held at the Haus der Bayerischen Wirtschaft in Munich on June 13, 2008. 95.57 per cent of the share capital was represented and all 6 points on the agenda that required a vote to be taken were passed with a majority of 99 per cent.

On November 11, 2008, Deutsche Börse AG co-operated with KfW Mittelstandsbank and Ernst & Young to organise the German Equity Forum at the Messe Frankfurt Congress Centre. Constantin Film AG took the opportunity of this leading European information and networking platform to present the company to the decision-makers in the financial community and to hold its annual conference for analysts.

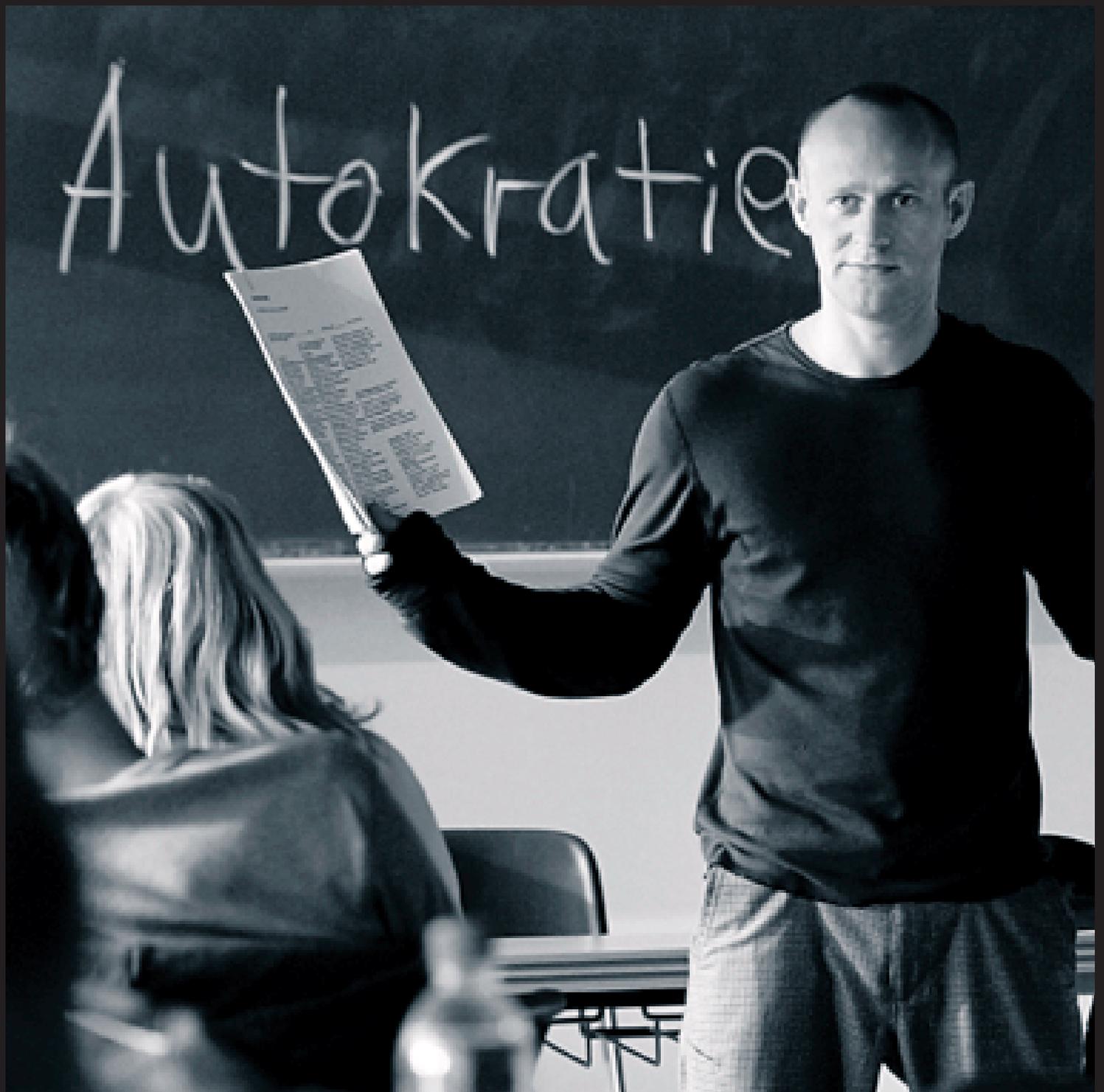
The Constantin Film AG share is followed by 2 teams of analysts: one of the two current reports by the research companies recommends that the share is bought, while the other team thinks it should be held.

THE CONSTANTIN FILM AG SHAREHOLDER STRUCTURE

The total number of shares in Constantin Film AG amounted to 12,742,600 on December 31, 2008. Highlight Communications GmbH held 97.83 per cent of Constantin Film AG on December 31, 2008. The free float totalled 2.17 per cent.

On June 25, 2008, EM.Sport Media AG published the documents for a voluntary public takeover bid to the shareholders of Constantin Film AG to buy their shares for a price of € 18.31 per Constantin Film AG share. The takeover bid is associated with the increase EM.Sport Media AG made in the interest it holds in Highlight Communications AG at the end of March 2008 to 37.6 per cent of the Highlight Communications AG shares; the Highlight Communications Group held a total of 95.48 per cent of the Constantin shares at the time when the takeover bid was made. In a contract dated June 10, 2008, EM.Sport Media AG arranged with Highlight Communications AG that the latter will not offer its interest in Constantin Film AG within the framework of the takeover bid. Highlight Communications AG also undertook irrevocably to buy all the Constantin shares acquired by EM.Sport Media AG in the context of the takeover bid for a price of € 18.31 per Constantin share, so that no Constantin shares remain at EM.Sport Media AG from the takeover bid itself. The purpose of these arrangements is to continue to leave the interest in Constantin Film AG under the management and in the possession of Highlight Communications AG.

Autokratie



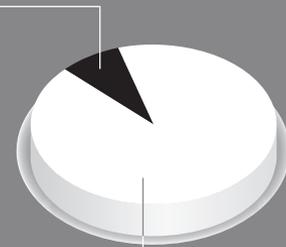
The offer was accepted for 116,063 Constantin shares by the end of the first acceptance period on July 25, 2008. This corresponds to about 0.91 per cent of the share capital and voting rights of Constantin Film AG. Shareholders of Constantin Film AG who had not yet accepted the offer by this time had an opportunity to do so within a further automatic acceptance period. This further acceptance period began on August 1, 2008 and ended on August 14, 2008. The offer was accepted for 68,728 more shares by the end of the further acceptance period. This corresponds to about 0.54 per cent of the share capital and voting rights of Constantin Film AG. Processing of the shares submitted and thus the transfer of the 184,791 Constantin shares submitted by this time within the framework of the takeover bid to Highlight Communications AG were carried out on August 20, 2008.

In accordance with § 39c of the German Securities Acquisition and Takeover Act, the Constantin Film AG shareholders were also entitled to another submission period, which ended at 24.00 on October 27, 2008. The offer was accepted for another 115,071 Constantin shares by the end of this submission period. This corresponds to about 0.9 per cent of the share capital and voting rights of Constantin Film AG. Processing of these shares submitted and thus the transfer of remaining Constantin shares submitted within the framework of the takeover bid to Highlight Communications AG were carried out on November 14, 2008.

◀ Scene from:
THE WAVE
(theatrical release:
March 13, 2008)
with Jürgen Vogel in
the leading part
(Director:
Dennis Gansel)

SHAREHOLDER STRUCTURE AS PER 31.12.2008

2.17 % Free float



97.83 % Highlight Communications AG

SHARES AND OPTIONS HELD BY MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS OF CONSTANTIN FILM AG

The following securities transaction was carried out by members of the Management and Supervisory Boards of Constantin Film AG in the period between January 1, 2008 and December 31, 2008: Fred Kogel sold 11,150 Constantin Film AG shares on July 14, 2008 in the context of the voluntary takeover bid published by EM.Sport Media AG on June 25, 2008. No other securities transactions were carried out by members of the Management and Supervisory Boards of Constantin Film AG.

The members of the Management and Supervisory Boards of Constantin Film AG held the following shares and options on December 31, 2008: Hanns Beese 2,500 shares, Dr Paul Graf 500 shares. The company did not hold any of its own shares on December 31, 2008.

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MANAGEMENT REPORT ABOUT THE COMPANY AND THE GROUP

A. BUSINESS AND GENERAL CONDITIONS

A.1 OVERALL ECONOMIC SITUATION IN GERMANY IN 2008

According to calculations by the German statistical authorities, the Gross Domestic Product (GDP) – adjusted to eliminate price changes – grew by 1.3 per cent in 2008. The German economy grew by 2.5 per cent in the year before.

The global economy started the new year with strong growth, but the economic climate cooled down substantially from the spring of 2008 onwards. Various factors encouraged the downtrend: the increase in inflation all over the world due to raw material price rises, corrections on the property markets in an increasingly large number of countries and the worldwide financial market crisis. In the USA, the investment bank Lehman Brothers collapsed. Europe therefore started to suffer all the effects of the banking crisis in September 2008 too. A little later on, the German property and government financing company Hypo Real Estate (which had a DAX listing) was hit by the crisis with dramatic force. A rescue package drawn up by the German government and the financial community finally guaranteed the survival of Hypo Real Estate for the time being in the autumn. This turbulence caused share prices to slump on the stock markets all over the world. In mid-October, the heads of state and government of the 15 countries in the Eurozone and Great Britain then met for a crisis summit meeting to approve an aid programme worth billions to contain the financial crisis, with the rescue package prepared by the German government amounting on its own to some €500 billion.

The impact of the financial crisis on the German economy became clear in the autumn: Germany is facing a recession and is affected to a particularly large extent by the international economic slump, because it is primarily demand for capital goods that is declining and they play

a major role in German export business. Consumers were at the same time reluctant to shop towards the end of the year too.

The leading institutes and experts are predicting a historic economic slump for 2009: a massive decrease in economic output is expected. The deepest recession since the establishment of the Federal Republic of Germany in 1949 is likely. (Source: ifw Institut für Weltwirtschaft at Kiel University, "Gemeinschaftsdiagnose Herbst 2008", "German Economy 2008" issued by the German statistical authorities)

The Conservative and Social Democrat parties agreed on a second programme to stimulate growth in the German economy in January 2009. It amounts in total to about €50 billion in 2009 and 2010.

A.2 DESCRIPTION OF THE SITUATION OF THE INDUSTRY AND BUSINESS DEVELOPMENT

Theatrical production

Constantin Film AG's production operations focus on high-quality film productions with long-term exploitation potential for both the national and international market. Changes and shifts within the exploitation chain can be absorbed without any major adverse effects as a result. As in the past, Constantin Film AG will be continuing to produce and acquire small, medium-sized and large event films on the basis of this principle.

The German government will be supporting German theatrical films by providing grants of about €60 million per year up to and including 2009 with the help of the Deutscher Filmförderfonds (DFFF). It has already been announced that this programme will be extended beyond 2009. The aim is to make Germany a more attractive film location. The grants do not have to be repaid, are made automatically without any decisions being taken by a jury and are paid out following a review by the FFA. All in all, the DFFF provided funding of €59 million for 98 film productions in 2008, including 38 international co-productions. The total impact of the funding on the German film production industry amounted to about €362 million.

◀ Scene from:
MICHAEL CLAYTON
(theatrical release:
February 28, 2008)
with George Clooney in
the leading part

The feature film projects supported by the DFFF in 2008 included the Constantin Film productions **Männersache**, **Pandorum**, **Die Konferenz der Tiere** and **Pope Joan** as well as the productions by our subsidiaries and affiliated companies and co-productions **Die Perlmutterfarbe**, **Wickie und die starken Männer**, **Tannöd**, **Die Vorstadtkrokodile**, **Maria, ihm schmeckt's nicht!** and **Die Wilden Hühner und das Leben**. Capacity utilisation in the Constantin Film AG theatrical production operations was once again very high in 2008 and the company remained market leader in the production of films in German.

Constantin Film AG and its equity interests regularly have 50 to 70 German and English film projects in the course of development. Rights to make further films are also being bought and developed on an ongoing basis. This means that the company is well-prepared for future production assignments.

The principal photography for 13 theatrical in-house and co-productions began in 2008:

A start was made with the drama **Die Perlmutterfarbe** by the director Marcus H. Rosenmüller from February 26 to April 25, 2008. The story of 13-year-old Alexander who disturbs the social structure of his class by making a small mistake, is based on the "children's novel for almost everyone" that Anna Maria Jokl wrote in 1937. The main role is played by Markus Krojer, who already starred in **Wer früher stirbt, ist länger tot**. The film is a co-production with d.i.e. Film (Robert Marciniak and Uli Alsemann).

The first take for **Männersache** – the first theatrical feature film by and with star comedian Mario Barth – was completed on June 9, 2008. Gernot Röhl and Mario Barth directed the film, which is being produced by Oliver Berben. Everything in the comedy revolves around Mario Barth's favourite subject: relationships between men and women. Principal photography ended on August 11, 2008.

Principal photography for another film of a book from Cornelia Funke's popular series for young people began on June 17, 2008: **Die Wilden Hühner und das Leben** (director: Vivian Naefe) is about falling in love for the first time and the difficulties faced while growing up. The gang of girls from **Die Wilden Hühner** and **Die Wilden Hühner und die Liebe** are joined by the actresses Veronica Ferres and Jessica Schwarz as well as the actor Benno Fühmann. The final take was completed on August 17. The comedy for young people is being co-produced with Bavaria Filmverleih und Produktions GmbH (Uschi Reich).

Shooting of the film of another classic book for young people – **Die Vorstadtkrokodile** – also started on June 17, 2008. More than 800,000 copies of the book by Max von Grün have been sold since it appeared in 1977. Christian Ditter (**Französisch für Anfänger**) directed the film, which features Maria Schrader, Smudo, Nora Tschirner, Ralf Richter and Martin Semmelrogge in the leading roles. Principal photography was completed successfully on August 30, 2008. The Constantin Film subsidiary Rat Pack Filmproduktion GmbH (producer Christian Becker) and his Westside Filmproduktion GmbH with the producers Christian Becker, Anita Schneider and Lena Olbricht produced the film.

Principal photography of the international co-production **Wrong Turn 3** was completed in the period under review as well.

The Bavaria co-production **Summertime Blues** was shot between July 8 and August 22, 2008. This comedy for young people is about 15-year-old Alex, who has to move to a remote part of Southern England with his mother and her new male friend and experiences a summer there that will change his life. Uschi Reich is the producer and Lisa-Marie Reich directed the film. Constantin is only involved as co-producer of the film and does not hold any exploitation rights.

Principal photography of **Pope Joan** – based on Donna W. Cross' international bestseller of the same name, more than 4 million copies of which have been sold in Germany alone since it appeared in 1996 – took place between August 5, 2008 and November 4, 2008. Johanna

Wokalek, David Wenham and John Goodman are playing the leading parts in the historical story of Johanna von Ingelheim, who reaches the highest ranks of the Roman clergy disguised as a man and is elected to be Pope in 853. It was directed by the successful director Sönke Wortmann. Martin Moszkowicz and Oliver Berben are producing the film of the novel for Constantin Film Produktion GmbH as an international co-production with Italian and Spanish partners. The film is being released to theatres in the autumn of 2009.

Principal photography of Michael Bully Herbig's keenly awaited theatrical feature film production **Wickie und die starken Männer** began on August 5. The adventures of the little Viking "Wickie" became popular primarily via the cartoon series, which was shown on the ZDF and ORF stations for the first time in 1974. "Wickie" has fans among both adults and children outside Germany and Austria too. Shooting was completed on November 14, 2008. Christian Becker (**The Wave, Hui Buh – Das Schlossgespenst**) is responsible for producing "The new Bully" with Rat Pack Filmproduktion as a co-production with Constantin Film Produktion GmbH and herbX film. The scheduled theatrical release date is September 9, 2009.

Principal photography of the science fiction thriller **Pandorum** lasted from August 11 to October 22, 2008. The director Christian Alvert (**Antibodies**) has staged the dramatic battle by a group of astronauts to survive in space at Potsdam Babelsberg. The Hollywood stars Dennis Quaid and Ben Foster are playing the leading parts. The film is being made in co-production with Impact Pictures and the producers Robert Kulzer, Jeremy Bolt and Paul W.S. Anderson.

Die Konferenz der Tiere is Constantin Film AG's second CGI animation project after **Impy's Wonderland** and it has been in progress since May 2008, again with Reinhard Klooss as producer and Holger Tappe as director.

Principal photography for the film of Jan Weiler's bestseller **Maria, ihm schmeck's nicht!** was completed between October 6 and December 4, 2008. The German actors Christian Ulmen and Mina

Tander were cast in the main roles in this culture clash comedy. The film is being made as a co-production with the three Munich producers Jakob Claussen, Thomas Wöbke and Uli Putz and an Italian partner and is being released to German theatres on August 6, 2009.

The drama **Tannöd** based on the bestselling novel by Anna Maria Schenkel that has won several prizes was filmed in the autumn of 2008 between September 9 and December 9. The gloomy story is about the Danner family, which was murdered in a single night by an unknown criminal. Bettina Oberli is directing Julia Jentsch, Monica Bleibtreu and Volker Bruch in this film. The scheduled theatrical release date is November 19, 2009. The film is being made as a co-production with Wüste Film West and Hugofilm Productions GmbH (Switzerland).

In addition to this, the subsidiary Rat Pack Filmproduktion GmbH shot the romantic screwball comedy **Mord ist mein Geschäft, Liebling** in the style of the Hollywood comedies of the 50s starring Dean Martin. Nora Tschirner, Rick Kavanian, Christian Tramitz, Bud Spencer and Günther Kaufmann are playing the leading parts. Warner Bros. is responsible for exploitation of the film rights. The film was released to German theatres on February 26, 2009.

Following the strike by American screenplay authors that lasted from the beginning of November 2007 to February 2008 and apparently lost the industry USD 2.5 billion according to estimates by the Los Angeles Economic Development Corp., there is now the threat of a new strike. The negotiations about a collective agreement between the actors and the major film studios have failed. As was the case last year with the screenplay authors, the actors are demanding better payment for the exploitation of films in the Internet and other new media. At the beginning of December, the Screen Actors Guild (SAG) announced January 23, 2009 as the date for authorisation of the strike by its members. This was followed by the formation of a front against the strike within the actors' trade union. More than 130 Hollywood stars, including Alec Baldwin, George Clooney, Matt Damon, Tom Hanks, Cameron Diaz, Charlize Theron etc., encouraged the members of the SAG to vote against the strike, because it might in their opinion

increase the economic plight of many actors and cause major economic damage. The fact that Doug Allen, who had been in charge of the collective agreement negotiations with the studios – which had been unsuccessful so far – was relieved of all his functions at the Screen Actors Guild led to a de-escalation of the situation at the end of January 2009. A new collective agreement is now to be drafted with a new negotiation team consisting of David White, John McGuire and SAG President Alan Rosenberg and negotiations with the Alliance of Motion Picture and Television Producers are to begin again.

One of the most important markets for independent films in the world – the American Film Market – was obviously affected by the previous strike by authors, the forthcoming strike by actors and the financial crisis in 2008. A total of 6 per cent fewer buyers came to Santa Monica. The number of North American buyers was down by as much as 14 per cent. There was once again a general lack of good films in 2008. Whether German films will benefit from this depends on if the German theatrical producers succeed in producing enough high-quality films to fill the gap.

Service productions

Cost management of fiction and, above all, non-fiction service productions continued to increase at both private and public TV stations in 2008 – in view of the difficulties experienced on the TV advertising market, the financial crisis and the recession. This has had a strong impact on the budgets for TV service productions, which is putting sustained pressure on smaller and fiction production companies in particular.

The ProSiebenSat.1 Group, which was hit by the crisis particularly hard in the third quarter and was forced to reduce its earnings forecast for 2008 at the end of September because of large shortfalls in sales on the TV advertising market, is continuing to try and find a way to improve results again by cutting personnel, by making planned economies of up to €70 million in 2009 and by relocating the Sat.1 channel from Berlin to Munich. The ruling by the Düsseldorf Higher

Regional Court on December 3, 2008 put the plans made by the newspaper publisher Axel Springer to take over ProSiebenSat.1 to a final end too. The German cartel authorities had already prohibited the takeover in January 2006. The pay TV station Premiere, which had also caused a tremendous stir during the year following changes in the corporate management and the shareholder structure and a massive reduction in the number of subscribers it publicised and had to report a net loss of €269.4 million in 2008 (previous year: €51.6 million), succeeded in holding on to the most important element in its programme – football – following the allocation of the DFB football rights and will remain the exclusive television partner for the live games in the top two Bundesliga leagues in the coming years.

In this environment, Constantin Film AG also found it increasingly difficult last year to achieve satisfactory results in the TV service production operations and recorded a small reduction in sales over the previous year. Encouraging ratings were reached with many productions in spite of this and the service production operations as a whole are still on track:

The Sat.1 service production by our wholly-owned subsidiary Constantin Television GmbH (producers: Kerstin Schmidbauer and Robin von der Leyen) **Bis dass der Tod uns scheidet** with Muriel Baumeister and Bernhard Schir in the main roles performed excellently on April 15, 2008 with a market share of 14.0 per cent in the target group of particular interest to advertisers (4.43 million viewers). Constantin Television produced the romantic comedy **Ich steig' dir aufs Dach, Liebling** for Sat.1 in 2008 too. Principal photography lasted from August 12 to September 11, 2008. When it was aired for the first time on February 3, the comedy also achieved very good ratings with a market share of 13.6% in the target group of 14–49-year-olds who are of particular interest to advertisers.

The 2nd series of the successful Bavarian daily show **Dahoam is Dahoam** – produced by PolyScreen Produktionsgesellschaft für Film und Fernsehen mbH, a joint venture between Constantin Film AG and

Polyphon Film und Fernsehgesellschaft – is being continued in 2009 too. Constantin Television GmbH is the executive production company.

The Constantin subsidiary Rat Pack Filmproduktion GmbH achieved encouraging success with its Sat.1 production **Das Wunder von Loch Ness**. The spectacular family entertainment film, which recounts the adventures 11-year-old Tim has at legendary Loch Ness, not only achieved excellent ratings (market share of 17.4 per cent in the target group of particular interest to advertisers) but also won the prize in the “Best Visual Effects” category at the 2008 German Television Awards. The prize went to Simone Kraus and Michael Coldewey from the Munich company Trixter, which was also involved in such films as the theatrical hit **Hui Buh – Das Schlossgespenst** produced by Rat Pack. For the ProSieben series “Funny Movie”, Rat Pack also produced the comedy **Dörte’s Dancing** (market share of 22.8 per cent in the target group of particular interest to advertisers), **H3 – Halloween Horror Hostel** (17.1 per cent), **Eine wie keiner** (16.3 per cent) and **Spiel mir das Lied und Du bist tot!** (13.5 per cent). Six films for the new ProSieben **Märchenstunde 1001 Nacht** were in production in December 2008. Numerous well-known actors like Dirk Bach, Josefine Preuß, Axel Stein or Ralf Richter will be appearing in the leading parts. Michael Karen and Nico Zingelmann were the directors.

In 2008, Oliver Berben and his MOOVIE – the art of entertainment GmbH based two productions for ZDF on novels by the successful author Johannes Mario Simmel **Und Jimmy ging zum Regenbogen** with Dennenesch Zoudé and Heino Ferch in the main roles and **Gott schützt die Liebenden** (director: Carlo Rola) with Iris Berben and Peter Simonischek, which attracted an enthusiastic audience on December 3 that represented a very good market share of 16.7 per cent in the target group of particular interest to advertisers. Two films based on the well-known novels **Tabor Süden** by the thriller author Friedrich Ani were also shot for ZDF with Ulrich Noethen and Jeanette Hain playing the leading parts and are being aired on April 4 and April 20, 2009. In the period under review, the TV film **Ladylike** with Monica Bleibtreu,

Gisela Schneeberger and Günther Maria Halmer was in post-production, as was the ARD film **Der verlorene Sohn** with Katja Flint and Kostja Ullmann in the main roles. The three-part ZDF film **Krupp – Eine deutsche Familie** will be a highlight on German TV on March 22, 23 and 25. This service production by MOOVIE – the art of entertainment GmbH has a prominent cast featuring Iris Berben, Benjamin Sadler, Barbara Auer, Nikolai Kinski and others.

The ninth episode of the popular ZDF thriller series **Kommissarin Lucas: Der schwarze Mann**, which was made by our subsidiary Olga Film GmbH, was broadcast on November 29, 2008 and achieved good ratings with a market share of 16.2 per cent in the target group of particular interest to advertisers (4.87 million viewers). Two more episodes are already in post-production. The two-part Sat.1 event **Wir sind das Volk – Liebe kennt keine Grenzen** achieved impressive market shares in the target group of 14–49-year-olds when it was aired on October 6 (12.8 per cent, 3.97 million viewers) and October 7, 2008 (14.6 per cent, 4.41 million viewers). The two-part film about the final days of the East German regime had a prominent cast featuring Anja Kling, Hans Werner Meyer and Heiner Lauterbach.

The numerous productions by Constantin Entertainment GmbH were consistently successful last year too – the Sat.1 productions **Lenßen & Partner**, **K11 – Kommissare im Einsatz** or **Richter Alexander Hold** are just a few examples.

A new series of the prime-time entertainment show **The next Uri Geller** has been on ProSieben since January 2009. The ratings for the special show **Uri Geller Live – Ufos and Aliens** on ProSieben on November 15, 2008 were disappointing, however, with a market share of only 7.3 per cent.

The **Lego-Show** was broadcast on Sat.1 on November 29 and reached a market share of 8.3 per cent in the target group of particular interest to advertisers. The host was Kai Pflaume.

Just a small selection of current productions by Constantin Entertainment GmbH is listed below: a documentary about the “next Uri Geller” Vincent Raven called **Secret Life of Vincent Raven** was made at the end of 2008 and was aired on ProSieben on January 6. The ratings showed a market share of 7.0 per cent. Constantin Entertainment GmbH is producing the reality documentary **Extrem schön! Letzte Hoffnung OP** for RTL at the moment; it will probably be shown after May 2009. The new casting show **Hrvatska Trazi Zvijezdu** is also being produced for the Croatian television market.

Theatrical distribution

The proposals made by State Minister Bernd Neumann about amendment of the German Film Promotion Act (FFG) led to extensive debate in the theatrical industry last year. In March 2008, Neumann presented a draft bill for the new law, which is supposed to come into force in early 2009. This draft bill includes, for example, strengthening of material development by increasing revamped screenplay funding, shortening of the periods for exploitation in pay TV (9 months up to now) and free TV (18 months up to now) and commitment of the TV stations to minimum conditions in the acquisition of exploitation rights in favour of the producers. In the course of the year, there was controversial debate about the proposals for the amendment in the distributors’ and producers’ associations and negotiations were held with the political community. In the autumn, SPD politicians strongly advocated the rights of the producers again at another hearing, since they needed to be taken into particular consideration at times when theatrical films could be exploited digitally. The new Film Promotion Act was then passed by the lower house of the German parliament on November 13 following further changes being made up to the last minute – such as a switch in the basis for calculating the theatre charge from gross to net sales in order to take pressure off the movie theatre industry. After it was passed, the HDF (central association of German movie theatres) in particular adopted an open confrontation course at the end of November 2008 involving strong criticism of the new law and demands, among other things, for grants from the government for the digitisation process. This in turn led to annoyed responses from the AG Kino-Gilde and other associations. At the end

of November, the new head of the Bavarian State Chancellery and Media Minister Siegfried Schneider demonstrated his support for the theatre operators in Bavaria – by applying for additional funding in the coming budget to enable the financial challenges of digitisation to be tackled. The positions held by the HDF and the AG Kino-Gilde then moved closer back together again towards the end of the year and the two organisations expressed their commitment to what is known as the “100 model”, supplemented by a cultural and structural component.

Constantin Film basically welcomes and supports digitisation of the theatrical market strongly in that it is willing, for example, to share in the costs by contributing a proportion of the expenses actually saved by the use of digital copies. This is, however, only feasible if no additional expenses have to be incurred in the digital/analog worlds by the parallel provision of analog and digital copies.

The theatrical industry in Germany demonstrated entrepreneurial courage and confidence in 2008: in spite of a mixed theatrical year in 2007, 95 screens were again opened or reopened in Germany between January and December last year. 117 theatre screens were closed during the same period, mainly for economic reasons. This means that the number of closures has decreased compared with 2007 (134) and 2006 (136).

The average ticket price was €6.14 in 2008. This is €0.10 more than in the previous year. The number of times each inhabitant went to a theatre in Germany in 2008 (1.58 times) was similar to the previous year (1.52 times). This figure is still considerably lower than in such strong theatrical years as 2004 (1.9 times).

2008 brought more encouraging overall results than the previous year, which was very poor with respect to both admission figures (125.4 million) and sales (€767.9 million). At the end of the year, the German theatrical industry reported a total of almost 129.4 million admissions and sales of about €794.7 million. This corresponds to an increase of 3.2 per cent over the previous year in admission figures, while sales

were up 4.9 per cent. Successful, high-quality German film productions were the main reason why the theatrical industry had a somewhat better year in 2008 following the poor performance in the previous year. 185 of the 471 films that were released to theatres in 2008 (2007: 484) came from Germany (2007: 174) and they reached the highest market share since 1991: 26.6 per cent. Almost 34 million people bought tickets for a German film at the box office between January and December 2008 compared with 23.4 million (18.9 per cent) the year before.

The most successful film of the year was Til Schweiger's comedy **Keinohrhasen**, which was released in 2007 and recorded 4.9 million admissions, followed by the animation film **Madagascar 2** (4.8 million admissions) and the new James Bond adventure **Quantum of Solace** (4.7 million admissions).

All in all, eleven films topped the million mark in German box office admissions in 2008 – the largest number since 1991.

The Constantin Film AG productions that were released in 2008 performed excellently: the Bernd Eichinger production **The Baader Meinhof Complex** was the most successful German film by sales with box office receipts of about €17,482,349, while **The Wave** was the most successful German film by admissions (almost 2.6 million).

The results achieved on the international theatrical market last year were as follows:

Total box office receipts of USD 9.6 billion were generated in the USA in 2008, about one per cent less than in 2007, when the figure was USD 9.7 billion. The highlight last year was the second part of the Batman franchise **The Dark Knight**. The outstanding box office hit at French theatres was the comedy **Welcome to the Sticks**, which broke all French theatrical records with more than 20.5 million admissions. British and Irish box office receipts totalled £ 949.5 million in 2008, which is an increase of 5 per cent over 2007. Chinese box office receipts were up 27 per cent by sales at a total of USD 617 million in

2008 and the most successful film was **Red Cliff** by director John Woo, which generated receipts of more than USD 45 million in China alone. **Red Cliff** is a film licensed by Constantin Film AG. (Source: Blickpunkt Film)

Constantin Film released 13 films to German theatres in the year under review: 9 of them were in-house or co-productions and 4 were licensed films. They generated a total of almost 10 million box office admissions last year. 5 Constantin in-house and co-productions attracted audiences of more than a million to theatres: **The Wave**, **The Baader Meinhof Complex**, **Asterix at the Olympic Games**, **Freche Mädchen** and **Kirschblüten – Hanami**.

The Bavarian comedy **Beste Gegend** by director Marcus H. Rosenmüller (**Wer früher stirbt, ist länger tot**, **Die Perlmutterfarbe**), the second part of the trilogy about two women who are friends from the Dachau area, started the 2008 distribution year on January 3, 2008. This licensed film drew enthusiastic audiences of 119,620 – mainly Bavarians – and has appeared on DVD in the meantime.

One of the most successful films in our distribution programme for the year was released to German theatres on January 31, 2008: the European co-production **Asterix at the Olympic Games**. About 1,574,238 enthusiastic viewers saw the entertaining live-action film about the most famous Gallic couple in comic history starring Gérard Depardieu, Clovis Cornillac and Michael Bully Herbig in the leading parts.

Constantin Film released the licensed film **Michael Clayton** to theatres on February 28. Hollywood star George Clooney performed convincingly in this ambitious legal thriller in the role of the lawyer after which the film is named, who works for a well-known New York law firm and suddenly finds himself stuck between the fronts. The film reached audiences of 360,727 in Germany and succeeded in generating box office receipts of USD 48.9 million in the USA.



Another film licensed by Constantin Film AG followed on March 6, 2008: **Step Up to the Streets**. The spectacular dance scenes, the modern rhythms and, not least of all, the attractive young cast of the film attracted excellent audiences of 900,987 to German theatres.

The Wave flooded German theatres on March 13, 2008, became Constantin Film AG's most successful film last year by admissions (2,584,449) and was also the most successful German film by admissions that was released in 2008. The film generated box office receipts of about €15,245,589 in Germany and was produced by the Constantin subsidiary Rat Pack Filmproduktion GmbH. The gripping school thriller with Jürgen Vogel as a teacher who starts an experiment with his pupils about how easily people are led astray and finds that it has serious consequences won such prizes as the bronze award in the German Film Competition in April 2008. The up-and-coming young actor Frederick Lau also won the German Film Prize for the best actor in a supporting role.

The CGI animation film **Impy's Wonderland** captivated both adults and children when it was released to theatres on May 1, 2008. The fast-moving family entertainment production tells the story of the little dinosaur Impy, who is lured to an amusement park from the delightful island Titiwu and experiences exciting adventures there with his friends. The film attracted audiences of 409,596.

Constantin Film released the Woody Allen production **Cassandra's Dream** to theatres on a small scale as a licensed film on June 6, 2008. The thriller in the same style as **Match Point** is about two brothers who are prepared to do anything to improve their lives. Ewan McGregor and Colin Farrell perform brilliantly in the main roles. Audiences of 59,356 saw the film in Germany.

The teen comedy **Freche Mädchen** attracted audiences of 1,015,608 to theatres after it was released on July 17, 2008. The story about the 14-year-old Mila is a co-production with Uli Limmer's collina Film. Anke Engelke, Celina Shirin Müller and Wilson Gonzalez Ochsenknecht are some of the actors who produce impressive performances in the leading parts under the direction of Ute Wieland.

The Baader Meinhof Complex was, finally, released on September 25, 2008 – a film about the controversial subject of the RAF that produced an incredible media response, fascinated audiences and at the same time provided (and is still providing) plenty of material for passionate discussion. Together with the director Uli Edel, the successful producer Bernd Eichinger created a gripping event drama about the story of the Rote Armee Fraktion in Germany in the 70s. The film has a high-quality cast, with Moritz Bleibtreu as Andreas Baader, Johanna Wokalek as Gudrun Ensslin and Martina Gedeck as Ulrike Meinhof. **The Baader Meinhof Complex** reached 2,405,966 theatrical admissions by the end of 2008 and was the German film released in 2008 that generated the highest box office receipts (€17,402,896 by December 31, 2008). At the Bambi Awards in Offenburg on November 27, Johanna Wokalek was presented the prize for the best national actress for her performance as the terrorist Gudrun Ensslin. At the end of September 2008, **The Baader Meinhof Complex** received the Box Office Germany Award (Bogey) for reaching 1 million admissions only 10 days after the film was released. In December, **The Baader Meinhof Complex** was nominated for a Golden Globe in the "Best Foreign Language Film" category. The prizes awarded by the Hollywood Foreign Press Association for the 66th time are considered to be an indication that there are chances of winning an Oscar®, so **The Baader Meinhof Complex** was nominated for an Oscar® in the "Best Foreign Language Film" category on January 22, 2009. The film was also nominated for the prestigious BAFTA (British Academy Film Awards), which were presented in London on February 8. Screenplay author and producer Bernd Eichinger was presented the award in the "Best Film of the Year" category at the Bavarian Film Prize 2009 gala in Munich on January 16.

Constantin Film released the drama **A Woman in Berlin** to theatres on October 23, 2008. In this film, director Max Färberböck (**Aimée & Jaguar**) tells the shocking story of a young woman in Berlin when it was occupied by the Red Army in 1945. Nina Hoss (**The White Maasai**) performs convincingly in this difficult role. The film was produced by Professor Dr Günter Rohrbach. It unfortunately fell short of the expectations with 158,477 box office admissions up to December 31, 2008.

◀ Scene from:
THE WOMEN
(theatrical release:
December 11, 2008)
with Meg Ryan,
Annette Bening,
Eva Mendes,
Jada Pinkett Smith,
Debra Messing,
Candice Bergen and
Bette Midler

The new film by the director and Oscar® prizewinner Caroline Link **A Year Ago in Winter** was released on November 13, 2008 as a co-production with Bavaria Film. Johannes Bierbichler, Karoline Herfurth and Corinna Harfouch play in the impressive drama about belated mourning within a family. The film attracted enthusiastic audiences of 185,736 by the end of the year. The director Caroline Link received the Bavarian Film Prize 2009 as best director and the Diva (German Entertainment Prize) in the same category for **A Year Ago in Winter**.

A delightful French drama about Paris in the years before the war premiered on November 27, 2008: the European co-production **Paris 36**. Director Christophe Barratier (**The Chorus**) has staged a tribute to the power of the theatre in this film. The cast includes "Monsieur Mathieu" (Gérard Jugnot). The film reached audiences of 43,557 by December 31, 2008.

Shortly before Christmas, **The Women** took theatres by storm on December 11, 2008. Such Hollywood stars as Meg Ryan, Annette Bening and Eva Mendes appear in this remake of George Cukor's sharp-tongued satirical women's comedy from 1939. The comedy reached 243,329 admissions by December 31, 2008.

In April last year, Constantin Film received the 2007 FFA award in the distribution category for the fourth time in a row. Constantin Film Verleih GmbH received €754,367 in grants for new theatrical projects from the Filmförderungsanstalt FFA in accordance with the reference principle. Approval of funding depends on the number of tickets sold as well as the film prizes and festival awards won.

Home entertainment

Overall market

Whereas the home entertainment industry was able to report that business was developing in a thoroughly positive way up to the end of the 3rd quarter of last year, it recorded a small decrease in sales in the 4th quarter of 2008 due to the deterioration in the economic

outlook and consumers' reluctance to spend. This means that the home entertainment industry failed to reach the previous year's sales level (€ 1.603 billion) with sales of € 1.557 billion in 2008. The conventional data storage medium DVD (Digital Versatile Disc) was primarily affected by the decline in sales, since it was hit by the fierce price war between retail outlets. The Blu-ray optical storage medium that was launched in Germany in 2007 as an alternative to the DVD for film storage purposes succeeded in strengthening its market position and continued to increase market penetration. Even though Blu-ray is still a new storage medium, it already obtained a considerable proportion of sales (4.0 per cent of the video sell-through market). The retail sales generated with the high-def data storage medium on the video sell-through market amounted to €51.0 million by the end of the year (previous year: € 16.0 million) (source: media control, GfK).

Video sell-through market

A breakdown into the individual market segments showed that the industry achieved retail sales of € 1.293 billion on the video sell-through market by the end of the year. This total consists of retail sales of €1.242 billion obtained with conventional DVDs and retail sales of € 51.0 million obtained with the Blu-ray storage medium (source: media control). The retail sales generated with DVDs were 5.4 per cent lower than in the previous year (€ 1.313 billion). In contrast to this, the home entertainment industry succeeded in increasing the sales obtained with the new Blu-ray data storage medium by 218 per cent over the previous year (€ 16.0 million).

The sales of 103.56 million film discs in the whole of 2008 were 0.3 per cent lower than the sales by the home entertainment industry in the previous year (103.88 million). The video programme supplier Warner Home Video released the most successful production in 2008 by selling more than 750,000 DVDs of Til Schweiger's **Keinohrhasen** in German-speaking countries. The other bestsellers last year included the lively film of the ABBA musical **Mamma Mia!** and the spectacular Walt Disney animation film **Ratatouille**.

The average price of €12.26 paid for a film DVD by end consumers was 4.0 per cent lower than in the previous year (€12.72). General buying intensity remained unchanged from the previous year, with consumers buying 5.5 DVDs each. 18.4 million people bought a DVD (previous year: 18.7 million). The budget invested by consumers in buying film DVDs was, however, 4.0 per cent lower than in the previous year (€70) at €68. (Source: GfK)

Video rental market

In contrast to the video sell-through market, the video stores that specialise in the film DVD rental business reported consistent business in the rental field during the summer months, in spite of the European Football Championship that was played in the early summer. Thanks to a large number of high-quality releases in the 4th quarter, video rental stores generated sales of €264 million by the end of the year. Although this means that the rental industry again experienced a minimum reduction in sales of 4.0 per cent compared with the previous year (€274 million), the industry nevertheless managed to slow the downtrend that has been going on for years considerably in 2008. The film industry and the video stores liaised to launch a successful campaign in 2008 to stop the decrease in consumers. There were 8.2 million active rental customers at the end of the year. This is still 10.0 per cent fewer than in 2007 (9.10 million customers). The marketing campaign did, however, have a positive impact on rental intensity and the media budget that consumers spend on video rentals. Rental intensity per consumer amounted to 13.2 transactions in 2008. This was 10.0 per cent higher than in 2007 (12 transactions). The average media budget spent on DVD rentals of €32 per consumer was also 7.0 per cent higher than in the previous year (€30). (Source: GfK)

Constantin Film

In spite of the fact that the market situation was difficult in some areas, Constantin Film AG succeeded in continuing to strengthen the in-house marketing of the home entertainment programmes that is carried out in German-speaking countries by the parent company Highlight Communications AG in co-operation with Paramount Home

Entertainment, Germany. On the basis of what they market together, which consists in the German-speaking countries of the products from Paramount Pictures, Dreamworks SKG and Constantin Film, the share of the DVD sell-through market obtained together with Paramount Home Entertainment amounted in 2008 to 10.0 per cent, while the market share on the DVD rental market was 14.0 per cent. Due to the high commercial quality of the Constantin in-house product, which included the successful productions **The Wave** by the Constantin Film subsidiary Rat Pack Filmproduktion GmbH and the CGI animation film hit **Lissi und der wilde Kaiser** produced by Michael Bully Herbig's HerbX Film, Constantin Film AG managed to reach the targets set for the home entertainment operations in every respect.

Lissi und der wilde Kaiser developed into the bestselling CGI film in German by the end of 2008 with sales of more than 500,000 copies (GSA).

Further highlights in 2008 were the Constantin Film in-house productions **Resident Evil – Extinction** and **Warum Männer nicht zuhören und Frauen schlecht einparken**, which had already performed extremely successfully in international theatrical exploitation.

The Constantin Film AG European co-production **Asterix at the Olympic Games**, which attracted enthusiastic theatrical audiences of just under 1.6 million, confirmed its theatrical success in the home entertainment market as well by achieving sales of almost 145,000 units. **Step Up to the Streets**, the second part of the dance film franchise **Step Up**, of which Constantin Film AG already managed to sell 180,000 DVDs in the initial marketing phase, continued the success achieved by its predecessor. The legal thriller **Michael Clayton** with George Clooney and the Oscar® prizewinner Tilda Swinton in the leading parts, and the revenge thriller **War** with Jet Li and Jason Statham, which went straight to the video market, also performed excellently.

The last release in the home entertainment operations shortly before the end of 2008 was the surprise hit **Freche Mädchen**, a co-production with Ulrich Limmer's collina Film. More than 90,000 DVDs of the theatrical hit were supplied when the film was released.

Thanks to the high-quality film range and its steadily growing library, Constantin Film AG increased its share of the DVD sell-through market to 3.0 per cent in 2008. In the DVD rental field, Constantin Film AG reached a market share of 6.0 per cent in 2008. This is attributable in particular to the successful range of films released in 2008 as well as to the extraordinary success of the video premiere **War**, which established itself as the most successful straight-to-video release of the year.

TV

The television world is going through a process of great change at the present time. New Trends like stop functions, which nevertheless continue to record the current television programme, are not just making viewers independent of fixed broadcasting times; they are also questioning to an increasing extent whether there need to be specific television viewing times. Conventional television – particularly where it is financed by advertising – is coming under increasing pressure due to Internet options. Although Germans still watched television 207 minutes a day in 2008 (2007: 208 minutes), young media users between 14 and 19 years old in particular are spending more and more time in the Internet. They, on the other hand, only watched television 100 minutes a day (2007: 133 minutes). According to the ARD/ZDF 2008 online survey, young people download videos and watch television programmes in the Internet – either live or later on – or they play video and online games. The older generations can be found in the Internet increasingly frequently too. Last year, TV use in Germany decreased compared with use of the new media – for the first time. Use of mobile phone TV, which permits the transmission of larger and larger data volumes, is continuing to increase. To a greater and greater extent, telephones like the iPhone are becoming multimedia centres with television facilities. The offers made by telecommunications and cable companies, with which consumers can put together

their own range of programmes, are another danger to the established television stations. Television brands with their fixed programmes and an audience defined by broadcasting slots are in danger of losing their positions gradually.

In response to this trend, the major channels like RTL with "RTL now" and ProSiebenSat.1 with "Maxdome" are increasing their Internet presence. The public stations ARD and ZDF are upgrading their media ranges in the Internet more and more too. If the classic television concept that is financed by advertising loses the contest with the Internet, this will lead to financial losses. Net advertising income in the TV business still amounted to an impressive €4.16 billion in 2008, but the growth rates have slowed down – due in part to the financial crisis. The forecasts for the advertising market in 2009 are on the low side.

The stations will find it increasingly difficult to finance their Internet expansion and channels like ProSiebenSat.1 already face strong economic challenges. Stations like RTL are forced to rely on export sales of their series and formats in this context, while the public channels still have a considerably easier time of it thanks to income from legally stipulated fees. The market might become more difficult here too, however: in November 2008, Youtube announced that it would be showing TV programmes and films from the Hollywood studio MGM online and the Microsoft Group has also started an Internet videotheque that is financed by advertising.

Last year, RTL was the most popular channel with young people between 14 and 49 with a market share of 15.7 per cent and a considerable lead over its rivals. It was followed by ProSieben (11.8 per cent), Sat.1 (10.8 per cent), VOX (7.5 per cent), ARD (7.5 per cent) and ZDF (7.0 per cent). As far as total audiences are concerned, RTL is behind ARD (13.4 per cent) and ZDF (13.1 per cent), which broadcast not only the European Football Championship but also the Olympic Games, with a market share of 11.7 per cent.

In 2008, Constantin Film generated high-margin sales essentially by selling licences for the German free and pay TV rights to such films as

The White Maasai, Atomised, Siegfried, Bridge to Terabithia, Ask the Dust, Basic Instinct 2, Handbuch der Liebe, Der Räuber Hotzenplotz, Herr Bello, Die Wilden Hühner und die Liebe or Wrong Turn 2.

The general licensing agreements about exploitation of the pay TV rights to the Constantin in-house and co-productions that were concluded between Constantin Film Verleih GmbH and Premiere Fernsehen GmbH & Co. KG and Disney Channel, Germany, apply to all productions where principal photography started by December 31, 2008. The general output agreement about the in-house and co-productions with ProSiebenSat.1 Media AG was extended for another year at the end of 2008 – for all the productions where principal photography starts by December 31, 2009.

The management of Constantin Film AG is expecting a substantial expansion of the company's own film library to have an effectively plannable and positive impact on the development of the Group's business in the medium to long term. Extensive film rights are returning to Constantin Film from former licence partners gradually over the next few years. The home entertainment, pay TV and free TV rights are of primary interest here.

A.3 OTHER IMPORTANT EVENTS AND DEVELOPMENTS IN THE FISCAL YEAR

Thomas Peter Friedl, the member of the Management Board responsible for sales, marketing and central services, left Constantin Film AG at his own request when his contract ended on January 31, 2008. The Chief Executive Officer, Fred Kogel, took over responsibility for Constantin Film Verleih from February 2008 to December 31, 2008. Torsten Koch was appointed Marketing/Distribution Managing Director with effect from October 1, 2008, when Oliver Kopper took over the position of Sales Managing Director. Both of them reported to the Chief Executive Officer Fred Kogel in their function as managing directors and have been reporting to the Executive Director Film and Television, Martin Moszkowicz, and Franz Woodtli since January 1, 2009.

On March 31, 2008, the general production contract with film producer Bernd Eichinger was extended in advance until March 31, 2014.

On May 8, 2008, Fred Kogel extended his contract, which was set to expire on June 13, 2008, until December 31, 2008 and resigned from his position as Chief Executive Officer of Constantin Film AG at his own request with effect from the end of December 31, 2008. In his capacity as director of Fred Kogel GmbH, Fred Kogel will be associated with Constantin Film AG as a consultant in such areas as TV production and licence trading for an initial period of 2 years from 2009 onwards.

On May 8, 2008, the Chairman of the Supervisory Board of Constantin Film AG, Bernhard Burgener, resigned from this position with effect from the end of December 31, 2008. Following this, the Supervisory Board appointed Mr Bernhard Burgener to be the new Chief Executive Officer of Constantin Film AG for a period of three years with effect from January 1, 2009.

On May 26, 2008, Constantin Entertainment GmbH (99.97 per cent) and Constantin Film Produktion GmbH (0.03 per cent) established Constantin Entertainment Turkey TV Produksiyon Limited Sirketi. The purpose in setting up this subsidiary is to promote the expansion strategy of Constantin Entertainment GmbH.

On June 30, 2008, Constantin Film AG acquired further shares in Olga Film GmbH with effect from January 1, 2008, so that its interest in the subsidiary increased from 51 per cent to 95.5 per cent.

The German government commissioner for culture and the media (BKM film promotion) reported at the beginning of July 2008 that the Deutscher Filmförderfonds (DFFF) is to be continued with an amount of € 60 million per year from 2010 to 2012. According to BKM calculations, about €540 million have been invested in Germany so far since the introduction of the DFFF in 2007. This has led to a substantial strengthening of Germany as a film production location, as a result of which existing jobs have been secured and new ones have been created.

On November 19, 2008, Constantin Film AG and Martin Moszkowicz extended the Management Board employment contract, which was due to expire at the end of 2009, in advance up to December 31, 2013.

On December 2, 2008, Highlight Communications AG submitted the request to Constantin Film AG for a squeeze-out in the form of a resolution that can be passed at the next shareholders' meeting in 2009. The next shareholders' meeting that Constantin Film AG is planning to hold is the 2009 Annual Shareholders' Meeting. It will be putting the motion requested by Highlight Communications AG to a vote at this shareholders' meeting.

Management Board responsibilities at Constantin Film AG were reassigned under the new Chief Executive Officer Bernhard Burgener following the resignation of Fred Kogel with effect from December 31, 2008. The breakdown is as follows: Bernhard Burgener, Chief Executive Officer and Executive Director Licence and Rights Trading, is responsible for corporate strategy, corporate communications, legal affairs, investor relations, national licence and rights trading and TV entertainment production. As Executive Director Film and Television, Martin Moszkowicz is responsible for production, film and television, theatrical distribution/marketing and press relations, international licence trading, international distribution and sales, including marketing and press relations and the buying of film productions in German for theatrical release in Germany. As Executive Director Finance, Hanns Beese is responsible for finance, accounting, risk management, human resources, investor relations, information technology, administration and organisation. As Executive Director Theatrical and Home Entertainment Sales, Franz Woodtli is responsible for home entertainment, distribution/sales and the exploitation of ancillary rights.

B. SITUATION OF THE GROUP

B.1 PROFITABILITY

B.1.1 SALES

Sales in 2008 were not depressed by the financial crisis. None of the factors affecting the theatrical and home entertainment exploitation operations were attributable directly to the financial crisis. In the TV exploitation operations, pressure on service productions increased, but the situation here was stable too all the same. TV sales from theatrical feature films were not influenced by the financial crisis, because the contracts on which they are based are generally concluded more than 2 years before the licence period begins and the sales associated with them are generated. It can, however, be expected that sales will decrease in 2009, since the slump that is anticipated on the advertising market due to the financial crisis will in particular mean that the TV stations will raise the margin pressure on producers.

Theatrical exploitation

The sales generated in the theatrical distribution operations in the year under review amounted to €31.146 million (previous year: €33.427 million) and accounted for 13 per cent of the total sales volume. Theatrical sales were therefore €2.281 million lower than in the previous year. Sales of €25.397 million were achieved in the in-house production segment in the year under review, compared with €21.223 million in the previous year. The sales are attributable essentially to the very good performance of **The Wave**, **Asterix at the Olympic Games**, **Freche Mädchen** and **The Baader Meinhof Complex**. Theatrical exploitation of **A Woman in Berlin**, **A Year Ago in Winter** and **Paris 36** fell short of expectations. In the third-party production segment, very good box office receipts were obtained with the licensed film **Step Up to the Streets**, while another licensed film **Michael Clayton** satisfied the expectations. Total sales in this segment fell from €12.204 million in the previous year to €5.749 million, however, because the total number of third-party productions released to theatres was lower.

Home entertainment exploitation

Home entertainment generated sales of €40.875 million (previous year: €44.675 million). Sales therefore decreased by 9 per cent over the previous year. The sales in the in-house production segment amounted to €24.616 million, 15 per cent lower than in the previous year (€28.847 million). This decrease is attributable essentially to the strong home entertainment performance last year on the basis of the 2006 distribution programme with **Perfume – The Story of a Murderer** and **Hui Buh – Das Schlossgespenst**, which were not matched by the good performance of **Resident Evil: Extinction** and **Warum Männer nicht zuhören und Frauen schlecht einparken**. Sales in the third-party production segment increased from €15.828 million in the previous year to €16.259 million. This success is due to a strong performance by individual films from the theatrical programme in 2007, e.g. **Lissi und der wilde Kaiser** and **La Vie en Rose**, and 2008, e.g. **Step Up to the Streets** and **Michael Clayton**, to very good results produced by films that went straight to video, including **War**, **Fearless** and **Lucky Number Slevin**, and to good sales with films from the theatrical programmes before 2006, such as **Step Up**, **Apocalypto** and **Alexander**.

TV exploitation

The TV exploitation sales include sales from the licensing of TV rights to theatrical films, sales from TV in-house and co-productions and sales from service productions.

Sales from the licensing of the TV rights to theatrical films are not realised under legally or contractually agreed holdback periods have expired (with pay TV 15 to 18 months after theatrical release, with free TV after 24 to 32 months). The TV sales in 2008 were therefore attributable to films that were released to theatres in 2006 and 2007 as well as to revenue from licences for purely TV productions.

Sales of €140.785 million (previous year: €122.645 million) were generated in the in-house production segment.

The TV sales from theatrical productions that are included in the in-house production segment amounted in 2008 to a total of €39.967 million (previous year: €16.663 million). The increase is due essentially to higher TV sales in global distribution. The sales relate to theatrical films like **Perfume – The Story of a Murderer**, **Dead or Alive**, **The White Maasai** and **Siegfried**. They also include sales from the licensing of TV in-house and co-productions, which are attributable essentially to films from the **Hausmeister Krause** series.

The sales from service productions in the in-house production segment amounted to €100.818 million in the year under review (previous year: €105.982 million) and represented 41 per cent of the total sales. The shortfall compared with the previous year is due, on the one hand, to the increasing margin pressure exerted by the TV stations and, on the other hand, to the fact that fewer TV movies were made.

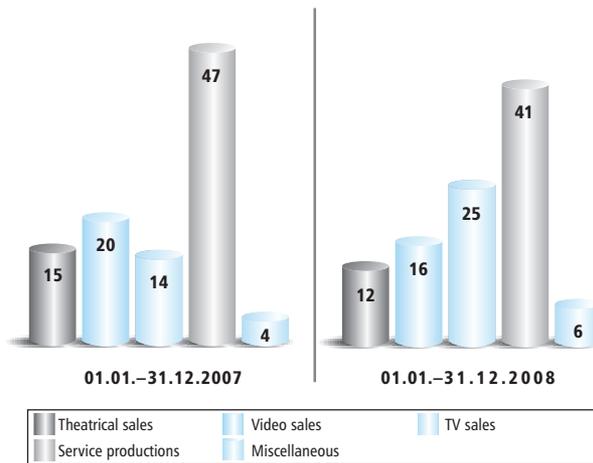
Films like **Fantastic Four**, **Domino** and **Assault on Precinct 13** contributed sales of €21.533 million (previous year: €15.549 million) in the third-party production segment.



Miscellaneous sales

The miscellaneous sales amounted to €14.129 million (previous year: € 8.719 million) and were generated essentially in the in-house production segment. The increase is due mainly to higher revenue from the co-financing of in-house productions that was attributable to the production volume in the previous year.

SALES SEGMENTATION / in % = proportion of total sales



B.1.2 COSTS OF GOODS SOLD

The costs of goods sold for theatrical films mainly include pro rata depreciation of the respective stage in exploitation. The costs of goods sold are capitalised and recognised in expenses in accordance with a units of production depreciation method that takes account of the reduction in the value of the film rights as they are used on the basis of the sales that can be generated. Film release expenditure in theatrical exploitation, expenses relating to licensor shares, video release costs and the costs of service productions are also included here.

This sector was hardly affected at all by the financial crisis, because the films to which the depreciation charges relate, were completed before the crisis began. The sales that can be generated did not need to be revised, as they are to a large extent fixed contractually; the pro rata depreciation did not therefore change either. The costs of goods sold might decrease in 2009, if the sales obtained with television channels went down.

Total costs of goods sold of € 212.976 million (previous year: €193.003 million) were incurred. The in-house production segment accounted for €179.223 million of them (previous year: €154.916 million). The costs of goods sold in the third-party production segment amounted to €33.753 million (previous year: €38.087 million). The depreciation of film rights includes expenses of € 5.122 million (previous year: € 3.821 million), which were attributable to adjustments made to the residual carrying amounts due to updated sales estimates of €4.268 million (previous year: €3.563 million) as well as to the risk provision made for films that were not being exploited yet of €1.065 million (previous year: €258,000). The in-house production segment accounted for € 3.311 million of this amount (previous year: € 2.584 million), while € 1.811 million (previous year: € 1.237 million) were due to the third-party production segment.

◀ Scene from:
THE BAADER MEINHOF
COMPLEX
(theatrical release:
September 25, 2008)
Producer and
screenplay author:
Bernd Eichinger,
book: Stefan Aust
With: Moritz Bleibtreu,
Johanna Wokalek,
Martina Gedeck in the
leading parts

B.1.3 GROSS PROFIT MARGIN

The gross profit margin of both segments together remained unchanged at 14 per cent in the year under review.

The performance in the in-house production segment was down slightly in the year under review, whereas there was a positive development in the third-party production segment. The gross profit margin achieved in the in-house production segment was 12 per cent (previous year: 13 per cent), while the third-party production segment contributed 25 per cent (previous year: 17 per cent).

The gross profit margin with the in-house productions was driven primarily by the service productions as well as by the home entertainment and TV exploitation operations and decreased slightly by comparison with the previous year. This development is attributable essentially to the small reduction in the margin achieved with the service productions. Income from the release of provisions had a positive impact on the gross profit. Extraordinary depreciation of film rights should be mentioned as a factor that had the opposite effect.

The positive development in the gross profit margin over the previous year that continued with the third-party productions is due essentially to high-margin licensing of the TV rights to theatrical films in the fiscal year. Further positive effects of the strengthening of the licence trading operations were felt here.

B.1.4 OPERATING RESULT AND NET INCOME

The gross profit on sales amounted to €35.493 million (previous year: €32.012 million).

The selling expenses, particularly those that can be allocated to the in-house production segment, increased by €768,000 over the previous year. This development is due, on the one hand, to the release of provisions in the previous year that were lower in the year under review and, on the other hand, to higher personnel costs.

The general administration expenses were €431,000 higher. This increase is attributable essentially to the rise in personnel costs.

Earnings before interest and tax (operating result) amounted to €15.136 million (previous year: €12.444 million). The in-house production segment accounted for €10.418 million (previous year: €10.259 million), while €8.279 million came from the third-party production segment (previous year: €5.534 million). The operating result developed in line with the gross profit margin. The operating result adjusted to eliminate the risk provision for films that are being exploited in subsequent years amounted to €16.201 million (previous year: €12.702 million). This positive performance is based on the very good results generated in the theatrical operations, video/DVD marketing and the licensing of TV rights to theatrical films. Profitability remains good in the TV entertainment operations too, in spite of declining figures. There has been a sound overall performance and consistent growth over the past 4 years. The operating result margin remained almost unchanged.

CONSOLIDATED INCOME STATEMENT	01.01. – 31.12.2007	01.01. – 31.12.2008
	€ thousand	€ thousand
Sales	225,015	248,469
Costs of goods sold, without risk provision for films exploited in subsequent years	–192,745	–211,911
Risk provision for films exploited in subsequent years	–258	–1,065
Gross profit on sales	32,012	35,493
Selling expenses	–1,369	–2,137
General administration expenses	–19,852	–20,283
Other operating income	2,021	2,548
Other operating expenses	–368	–485
Operating result	12,444	15,136
Interest income/interest expenditure	–750	–262
Exchange rate profits/losses	–708	307
Profits/losses from associated companies and joint ventures accounted for using the equity method	–8	190
Result for the year before tax	10,978	15,371
Taxes on income	–4,106	–4,489
Other taxes	–146	–5
Result for the year	6,726	10,877
– of which attributable to the shareholders of the parent company	6,187	10,520
– of which attributable to the minority shareholders	539	357

The interest expenditure relates fundamentally to general funding that cannot be allocated to individual projects. The interest balance amounted to €- 262,000 (previous year: €- 750,000) because use of the credit lines decreased during the year. The financial crisis is not having any impact on the interest balance at the present time, because Constantin Film AG had sufficient liquidity available in 2008 via its lines, which were already extended before the financial crisis began.

Valuation of the foreign currency portfolio led to an exchange rate balance of €307,000 (previous year: €- 708,000). After allowing for these effects in the financial result, the result for the year before tax amounted to €15.371 million (previous year: €10.978 million).

The main effects in the deferred taxes are the result of capitalisation of the film production costs (deferred tax liabilities) and of the differences

in the realisation of the sales according to HGB and IFRS (deferred tax assets). The total deferred tax liabilities amounted to €3.259 million (previous year: €2.710 million).

After deduction of taxes on income of €4.489 million (previous year: €4.106 million), the earnings attributable to the shareholders of the parent company amounted to €10.520 million (previous year: €6.187 million).

The key financial indicators presented are used for internal Group control purposes too. The financial performance indicators are summarised in a table below:

FINANCIAL PERFORMANCE INDICATORS / in € thousand

	31.12.2007	31.12.2008
Sales	225,015	248,469
Costs of goods sold	193,003	212,976
Gross profit	32,012	35,493
Operating result	12,444	15,136
Result for the year before tax	10,978	15,371
Result for the year	6,726	10,877

B.2 FINANCIAL POSITION OF THE CONSTANTIN FILM AG GROUP

The balance sheet total was €339.453 million on December 31, 2008, which is an increase of €6.133 million over the previous year (€333.320 million). On the assets side, this is due essentially to the increase in bank balances, other receivables and higher non-current trade receivables. The investments in film assets also had an effect, but this was more than compensated for by the depreciation of films that were being exploited.

The current trade receivables and other receivables increased by €13.960 million. This development is attributable to the lower receivables from affiliated companies in connection with the video business on the balance sheet date, the reduction in receivables from

the theatrical business and the increase in receivables from television stations and funding organisations.

The film assets amounted to €166.327 million on December 31, 2008, which is a decrease of 8 per cent over the previous year (€181.671 million). The reduction is attributable to the depreciation of films that were being exploited, which exceeded the additions in the year under review – primarily in the third-party production segment. The depreciation of the film assets is calculated as outlined in B.1.2 on the basis of a units of production method and an assumption about the sales that can be generated in future. The assumption about the sales that can be generated in future with the film assets did not need to be adjusted materially because of the financial crisis, because there are contractual commitments about most of the future sales. This means that the financial crisis did not any major impact on film asset accounting.

Investments in film assets attributable to in-house productions amounted to €62.076 million on December 31, 2008 (previous year: €68.903 million). This means that the investment volume was 10 per cent lower than in the previous year. The investments made in the year under review include such theatrical films as **Pope Joan**, **Pandorum**, **Wickie und die starken Männer**, **Vorstadtkrokodile** and **Männersache**. Depreciation of in-house productions amounted to €67.053 million. The film assets relating to in-house productions therefore decreased by €4.977 million (4 per cent) over the previous year to €132.570 million.

€11.494 million (previous year: €10.236 million) were invested in the acquisition of exploitation rights for distribution and licence trading in the 2008 fiscal year. These investments were offset by depreciation of €21.861 million. The film assets attributable to third-party productions therefore amounted to €33.757 million on December 31, 2008 (previous year: €44.124 million).

The other intangible assets decreased by €248,000 because of depreciation. The tangible assets increased by €194,000 due to additions that were offset to some extent by depreciation. The

financial assets were €51,000 higher as a result of the additions at the associated companies and joint ventures, which were reduced by disposals of securities and other loans.

The advance payments received were €18.887 million lower than in the previous year. This development is attributable primarily to the pro rata realisation of income from global distribution of the films **Resident Evil: Extinction**, **Perfume – The Story of a Murderer** and **Dead or Alive**.

The increase of €14.484 million in liabilities to banks is due to liabilities entered into to fund the films **Pope Joan**, **Pandorum**, **Wickie und die starken Männer**, **Vorstadtkrokodile** and **Männersache**.

Equity increased by €10.106 million to €84.694 million. This is attributable essentially to the positive result for the year.

B.3 FUNDING SITUATION OF THE CONSTANTIN FILM AG GROUP

The objectives of the financial management activities are to optimise capital costs, to make sure sufficient liquidity is available and to limit financial risks.

The Constantin Film Group had funds of €101.114 million on December 31, 2008 (previous year: €91.790 million), while bank liabilities totalled €126.574 million (previous year: €112.090 million). Net debt was €5.160 million higher than on December 31, 2007. This change corresponds essentially to the investments in new film projects minus the inflows from the investments made in previous years, primarily in global distribution and from TV exploitation.

Thanks to the funds and credit lines that were available, the Constantin Group was in a position to meet its payment commitments throughout the fiscal year.

In the previous years, the investments in the film assets were shown in the cash flow from operating activities with reference to the Constantin Film AG production process. From the year under review

onwards, the investments in the film assets are being shown in the cash flow from investing activities. This reclassification is attributable to the harmonisation and standardisation of the cash flow statements of the higher-level companies Highlight Communications AG and EM.Sport Media AG. The adjustment has been made for the previous period too.

The cash flow from operating activities amounted to €70.534 million (previous year: €103.330 million), which was attributable essentially to the income from the exploitation of TV rights and from global distribution. The cash flow from financing activities totalled €14.104 million (previous year: €- 8.476 million). The main influencing factors here were the obtainment of loans from banks to fund the investments in the film assets and payment of the remaining instalments in connection with the acquisition of shares. The cash flow from investing activities amounted to €- 75.238 million (previous year: €- 82.759 million) and was due essentially to the investments in the film assets.

Equity increased by €10.106 million by comparison with the previous year and amounted to €84.694 million on December 31, 2008. See the statement of changes in equity on pages 68 and 69 for a detailed explanation. The theoretical equity ratio (the quotient of equity and the balance sheet total) is 25 per cent (previous year: 22 per cent). If the funds and bank liabilities and the film assets and the advance payments received are balanced, the equity ratio adjusted by this amounted to 46 per cent on December 31, 2008 (previous year: 44 per cent).

The Constantin Group has arranged credit lines as external sources of funding, some of which were used. The credit lines have variable interest rates. The interest rates in the Eurozone in 2008 ranged between 3.6 per cent and 8.3 per cent. In accordance with the local interest rate level, the interest rates in foreign currencies – particularly USD and CAD – were between 1.7 per cent and 4.6 per cent. What are involved here are loans with a remaining term of less than one month in most cases. The only internal sources of funding that are available are basically any inflows from the business operations.

Group liquidity is currently guaranteed, taking the crisis on the financial markets into consideration (see the risk report on page 57 for further information about this).

B.4 OVERALL ASSESSMENT OF THE SITUATION

Thanks to the TV production business, which continued to develop in a generally positive and stable way, the very successful theatrical exploitation operations in the fiscal year and the realisation of TV sales from theatrical films, the Constantin Group managed to generate an operating result of €15.136 million. This means that the operating result was €2.692 million higher than in the previous year. The development of the operating result over the past 4 years confirms that the business model enables the Constantin Group to perform soundly and to achieve growth in a difficult market.

C. SITUATION OF CONSTANTIN FILM AG (HGB)

C.1 FINANCIAL RATIOS OF CONSTANTIN FILM AG

The financial statements of Constantin Film AG were prepared in accordance with the provisions of German commercial law and the supplementary provisions of the German Companies Act (AktG).

C.2 RESULTS GENERATED BY CONSTANTIN FILM AG

The general administration expenses amounted to €11.656 million (previous year: €10.839 million). The other operating income amounted to €5.102 million (previous year: €5.552 million); the decrease was attributable partly to lower income from administration charges to affiliated companies and third parties. Due to the profit and loss transfer agreements between Constantin Film AG and its subsidiaries, there was expenditure from loss transfers amounting to €16.107 million (previous year: €36.055 million), which was contributed mainly by Constantin Film Produktion GmbH in the year under review, and income from profit transfers of €28.696 million (previous year: €48.601 million), which came mainly from the profit transfers made by Constantin Entertainment GmbH and Constantin Film Verleih GmbH in the year under review. The interest balance

amounted to €-67,000 (previous year: €-147,000). The income from continuing operations amounted to €5.883 million (previous year: €7.315 million). The tax expenses were €788,000 higher than in the previous year (€154,000) at €942,000. The increase is due essentially to higher taxable income (trade and corporation tax). All in all, Constantin Film AG reported a net income for the year of €4.937 million in the past fiscal year (previous year: 7.157 million). The net income for the year was attributable essentially to the performance of the subsidiaries and primarily to the national theatrical exploitation of in-house productions and the service productions. We refer here to pages 38 ff. of the management report.

C.3 FINANCIAL POSITION OF CONSTANTIN FILM AG

The balance sheet total amounted to €83.807 million on December 31, 2008, which was €17.233 million lower than in the previous year (€101.040 million).

Fixed assets were €372,000 higher than in the previous year. The change from the previous year was due essentially to the addition to the financial assets because of the acquisition of shares in Olga Film GmbH. The scheduled depreciation of intangible assets and tangible assets had the opposite effect.

The current assets amounted to €57.631 million (previous year: €75.180 million). They consist mainly of receivables from affiliated companies of €56.816 million (previous year: €73.432 million) relating to the accounting transactions in business operations, which were attributable essentially to the profit transfers from Constantin Film Verleih GmbH and Constantin Entertainment GmbH as well as to administration cost charges made to the subsidiaries.

The liabilities to affiliated companies (€7.609 million) consisted primarily of liabilities to Constantin Film Produktion GmbH.

Personnel costs were the main reason for the increase of €511,000 in other provisions. The other liabilities decreased by €854,000 to €1.346 million, primarily because of the payment of further instal-

ments from the acquisition of the shares in Constantin Entertainment GmbH.

C.4 FUNDING SITUATION OF CONSTANTIN FILM AG

Funding of the film productions is carried out by the operating companies. The funding situation of Constantin Film AG did not change materially by comparison with the previous year.

D. NON-FINANCIAL PERFORMANCE INDICATORS

An objective agreement and employee appraisal system was implemented at Constantin Film AG in August 2007, the goal of which is to guarantee a style of personnel management in line with modern-day requirements. In addition to the introduction of discussions with employees, the aim is to facilitate even more concerted co-operation between managers and their staff and at the same time to promote ongoing training and development of all employees. In this context, the primary purpose of the system is to act as an instrument for improving communication between managers and staff. This enables all resources to be focussed more effectively on the corporate goals.

The Management Board of Constantin Film AG also decided last year to establish a company pension scheme, the aims of which are to increase staff loyalty to the company even more and to promote the development of strong bonds at the executive level. A pension scheme of this kind emphasises the responsibility employers have towards their employees particularly clearly at a time when Germans are increasingly uncertain about their old-age pensions.

E. PERSONNEL DEVELOPMENT IN 2008

Markus Schmidt-Märkl was appointed to be a director of PolyScreen Produktionsgesellschaft für Film und Fernsehen GmbH, a joint venture between Constantin Film AG and Polyphon Film und Fernsehgesellschaft, alongside the existing directors Fred Kogel and Hubertus Meyer-Burckhardt with effect from August 1, 2008. Since 2007, Schmidt-Märkl has been the Executive Producer responsible for the successful daily programme **Dahoam is Dahoam**, which is produced

by PolyScreen on behalf of Bayerischer Rundfunk. Schmidt-Märkl continues to be the Executive Producer of the daily show in his new function.

On June 12, 2008, the contracts with the directors of Constantin Entertainment GmbH, Ulrich Brock, Onno Müller and Otto Steiner, were extended until December 31, 2012 with the approval of the Supervisory Board of Constantin Film AG.

Friedrich Wildfeuer was appointed to be a director of Constantin Film Television GmbH alongside Robin von der Leyen and Kerstin Schmidbauer with effect from September 15, 2008.

On October 1, 2008, Sasha Bühler joined Constantin Film Verleih to strengthen the acquisitions and licensing team headed by the director Matthias Peipp. She is therefore the successor to Yoko Higutchi-Zitzmann, who left the company at her own request on December 31, 2008.

Gottfried Reisecker, Post-Production Manager, retired on December 31, 2008 after 6 years of service with Constantin Film AG. Josef Reidinger is his successor in this position.

Astrid Kühberger succeeded Patrick Zorer as Production Manager on January 12, 2009.

Constantin Film AG and its subsidiaries had an average of 500 permanent employees and 898 project staff last year. This means that the average number of staff was 1,398. Constantin Film AG had a total of 511 permanent staff on December 31, 2008.

Further personnel information can be found in the section **Other important events and developments in the fiscal year** on page 37 and in the section **Events of particular importance after the end of the fiscal year** on page 51.



F. COMPENSATION REPORT FOR THE 2008 FISCAL YEAR

Compensation paid to the members of the Management Board

The Supervisory Board is responsible for handling contracts with the Management Board and therefore in particular for determining the compensation paid to the members of the Management Board. The Supervisory Board specifies the structure of the compensation system for the Management Board and reviews this structure at regular intervals. Criteria for specification of appropriate compensation are in particular the assignments of the Management Board member in question, his personal performance, the performance of the Management Board as a whole and the economic situation of the company, taking its relevant environment into consideration.

Compensation structure and elements

The compensation paid to the members of the Management Board consists of benefits paid as a salary and in kind that are not related to performance and elements that are performance-based. In most cases, the performance-based, variable compensation elements consist of two parts: a bonus linked to earnings targets and a variable bonus that is at the discretion of the Supervisory Board.

Compensation paid to the members of the Management Board in 2008

The total compensation paid to the members of the Management Board for their activities in the 2008 fiscal year amounted to € 2.4 million (see point 12 in the notes to the consolidated financial statements.). In accordance with the resolution passed by the Annual Shareholders' Meeting on June 8, 2006, the company does not disclose individualised information about Management Board compensation.

Compensation paid to the members of the Supervisory Board

The structure and size of the compensation paid to the Supervisory Board are determined by the shareholders' meeting and are specified in § 12 of the articles of association (date: June 13, 2008). They are based on the assignments and responsibility of the members of the Supervisory Board as well as on the economic success of the company.

The annual compensation consists of the following elements:

A basic amount (fixed compensation) of €10,000 p.a. for the members of the Supervisory Board, € 20,000 p.a. for the Chairman of the Supervisory Board and € 15,000 p.a. for the Deputy Chairman of the Supervisory Board.

The members of the Supervisory Board also receive variable compensation (bonus) amounting to € 1,000 for each half a percentage point that the retained earnings exceed 4 per cent of the share capital, up to a maximum amount of half the fixed compensation.

Additional compensation is paid for membership of Supervisory Board committees (€ 1,000 per meeting). The Chairman of each committee receives € 1,500 per meeting.

The expenses incurred by the members of the Supervisory Board (travel, hotel and any entertainment costs) are also reimbursed.

Compensation paid to the members of the Supervisory Board in 2008

The total compensation that had to be paid to the Supervisory Board for 2008 amounted to € 126,000. An individualised list of the compensation paid to the members of the Supervisory Board who belonged to the Supervisory Board in the 2008 fiscal year can be found in point 12 of the notes to the consolidated financial statements, to which reference is made.

Miscellaneous information

In addition to this, 2 members of the Supervisory Board received compensation for services they provided personally as producers of films for the Group. Reference is made to point 12 of the notes to the consolidated financial statements in this context too.

G. FINAL STATEMENT ABOUT THE REPORT ON THE RELATIONSHIPS TO AFFILIATED COMPANIES

The Management Board of Constantin Film AG, Munich, states herewith that Constantin Film AG, Munich, received an appropriate consideration for every legal transaction and for every measure that

◀ Scene from:
IMPY'S WONDERLAND
(theatrical release:
May 1, 2008)

was taken or not taken and is covered by this report about the relationships to affiliated companies and was not disadvantaged by the fact that a measure was taken or not taken. This assessment is based on the circumstances known when the transactions about which notification was required were carried out.

H. INFORMATION IN ACCORDANCE WITH §§ 289 PARAGRAPH 4, 315 PARAGRAPH 4 OF THE HGB

The share capital of Constantin Film AG amounts to €12,742,600 and is divided up into 12,742,600 bearer shares with no par value. The company does not hold any of its own shares. Each share grants the right to one vote.

There are no restrictions on voting rights or the transfer of shares; the Management Board is not aware of any arrangements between shareholders involving restrictions on voting rights or the transfer of shares.

On December 31, 2008, two shareholders held a direct or indirect interest in the share capital of Constantin Film AG that exceeded 10% of the voting rights. One of these shareholders is Highlight Communications AG, which held 12,466,062 Constantin Film AG shares directly on December 31, 2008, which corresponds to 97.83% of the Constantin Film AG share capital and voting rights. The other shareholder is EM.Sport Media AG, which held about 47.3% of Highlight Communications AG on December 31, 2008 and therefore owned an indirect interest in Constantin Film AG corresponding to a theoretical holding of about 46.27%.

Constantin Film AG has not given any special rights to the holders of shares and has not issued any shares that grant special rights or control powers either. Employees do not hold any interests in the capital where the control rights are not exercised directly either.

In accordance with § 5 of the articles of association of Constantin Film AG, the Management Board consists of one or more persons. The Supervisory Board specifies the number of Management Board

members unless a certain number is stipulated by law. The Supervisory Board appoints the members of the Management Board for a maximum of 5 years by passing resolutions that require a majority of the votes cast. Reappointment or extension of the period of office for a maximum of 5 years in each case is possible. A new resolution has to be passed by the Supervisory Board to do this, which is possible one year before the end of the current period of office at the earliest. If there is a lack of a necessary member of the Management Board, a court appointment of the member is made in urgent cases at the request of one of the parties. The period of office of the member of the Management Board appointed by the court ends as soon as the gap has been filled. The Supervisory Board appoints the Chairman of the Management Board too. The Supervisory Board can appoint deputy members of the Management Board. The Supervisory Board is responsible for cancelling the appointment to the membership or chairmanship of the Management Board as well, with a majority of the votes cast. An important reason is required for dismissal. Such a reason is gross violation of duties, incapability of conducting the business properly or a vote of no confidence by the Annual Shareholders' Meeting, unless the vote of confidence is based on obviously irrelevant reasons. Dismissal remains effective until its ineffectiveness has been determined finally and absolutely. If only one Management Board member has been appointed, this member is entitled to represent the company alone. If several Management Board members have been appointed, the company is represented either by 2 members of the Management Board or by one member of the Management Board together with another authorised signatory. The Supervisory Board is entitled to grant individual or all members of the Management Board powers of sole representation. It can also exempt members of the Management Board from the restrictions of § 181 of the German Civil Code (BGB) within the limits of § 112 of the German Companies Act (AktG).

In accordance with § 16 Paragraph 2 of the articles of association of Constantin Film AG, changes to the articles of association are made by a simple majority of the votes cast and by a simple majority of the share capital represented when a vote is taken on the resolution, unless mandatory legal regulations conflict with this. In accordance

with § 11 Paragraph 2 of the articles of association of Constantin Film AG, the Supervisory Board is entitled to make changes to the articles of association that only affect the wording.

The Management Board is authorised to acquire company shares amounting to up to 10% of the share capital up to December 11, 2009. No company shares were acquired or sold in the 2008 fiscal year.

The Management Board is also authorised to increase the share capital of the company on one or more occasions by up to a total of €4,800,000.00 by April 30, 2010 with the approval of the Supervisory Board by issuing new bearer shares in return for the injection of cash and/or physical assets ("authorised capital I"). The number of shares must be increased in the same ratio as the share capital. In this context, the Management Board is authorised to suspend the shareholders' legal subscription right with the approval of the Supervisory Board. The subscription right may only be suspended, however, for fractional shares and/or for capital increases in return for the injection of physical assets.

The Management Board is also authorised to increase the share capital of the company on one or more occasions by up to a total of €1,200,000.00 by April 30, 2010 with the approval of the Supervisory Board by issuing new bearer shares in return for the injection of cash ("authorised capital II"). The number of shares must be increased in the same ratio as the share capital. In this context, the Management Board is authorised to take decisions about suspension of the shareholders' subscription right, with the approval of the Supervisory Board in each case. Suspension of the subscription right is only permissible if the issue price is not substantially lower than the stock market price.

The share capital of the company was increased conditionally by €600,000.00, divided up into 600,000 shares, by issuing new shares in order to carry out the stock option plan that was adopted via a resolution passed at the shareholders' meeting on August 29, 2003. The conditional capital increase is only made to the extent that subscription rights to shares are issued and the holders of these

subscription rights make use of their right to exercise them in accordance with the stock option plan (SOP 2003) on the basis of the resolution passed by the shareholder' meeting on August 29, 2003.

Options for a maximum of 600,000 shares could be issued up to November 31, 2008 in accordance with the SOP 2003. No advantage was taken of this possibility before the deadline was reached. No options can therefore be issued any more in accordance with the SOP 2003.

How new shares participate in profits can be specified differently from § 60 of the German Companies Act (AktG) when a capital increase is made.

The directors of Constantin Entertainment GmbH, Ulrich Brock, Otto Steiner and Onno Müller, each has the right to terminate his employment contract as director of Constantin Entertainment GmbH prematurely with notice of 6 months to the end of a month and to resign from his office as director of Constantin Entertainment GmbH when his employment contract as director ends if Constantin Entertainment GmbH is no longer a dependent company of Constantin Film AG or Highlight Communications AG. No other major arrangements have been made by the company that are based on the condition of a change in control as a result of a takeover bid.

No arrangements have been made by Constantin Film AG with members of the Management Board or employees about compensation in case a takeover bid is made.

I. EVENTS OF PARTICULAR IMPORTANCE AFTER THE END OF THE FISCAL YEAR

Oliver Berben was appointed director of Constantin Film Produktion GmbH with effect from January 1, 2009.

Robin von der Leyen has been a new director of PolyScreen Produktionsgesellschaft für Film und Fernsehen GmbH alongside Markus Schmidt-Märkl and Hubertus Meyer-Burckhardt since January 1.

Fred Kogel took over the position of Chairman of the Supervisory Board of Constantin Film AG on January 26. Kogel was appointed a member of the Supervisory Board of Constantin Film AG by Munich local court on January 15, 2009 and was elected to be the new Chairman by the members of the Supervisory Board on January 26. Fred Kogel is the successor to Bernhard Burgener, who has been Chairman of the Management Board of Constantin Film AG since January 1, 2009, in this position.

A resolution was passed at the extraordinary shareholders' meeting of EM.Sport Media AG on January 28 to change the name of the company to Constantin Medien AG. 99.9 per cent of the share capital represented at the meeting voted in favour of this point on the agenda. The new company Constantin Medien AG has four business divisions: Sport (DSF, Sport1.de, Plazamedia and Creation Club), Film (Constantin Film, Constantin Entertainment, Rainbow), Sport and Event Marketing (Team) and Miscellaneous (holding operations).

J. RISK REPORT

RISKS AND OPPORTUNITIES: PROBABLE DEVELOPMENT

Development of the risk management system that has been built up in recent years is being continued steadily, in order to be able to identify potentially dangerous developments at an early stage and take countermeasures in good time with the help of a standardised monitoring system. Individual risks are identified, evaluated and presented as aggregated, company-wide risks by the risk manager in the risk management system in co-operation with departmental managers via standardised risk reports. The current development on the international finance markets does, however, demonstrate that even well-structured risk management systems are only viable within defined limits. It is evident from the past few months that some uncertainties cannot be identified a priori, even if they have potentially catastrophic effects. Corporate activities will always involve uncertainty.

Constantin Film AG is a holding company that depends on the development of the operating companies in which it holds equity interests. The company is influenced in its ongoing development by opportunities and risks to varying extents. Constant controlling, the

aim of which is to enable any risks representing a threat to the survival of the company to be identified and appropriate countermeasures to be initiated, takes account of this.

The information presented below applies to both the Constantin Group and Constantin Film AG.

1. Industry-specific opportunities and risks in the buying and exploitation of feature films

The success that Constantin Film achieves in its distribution of in-house and third-party productions depends on a number of industry-specific risks, the probability of occurrence and impact of which on the financial position and profitability of the company are difficult to estimate. Risks can develop because of changes in the market situation affecting the companies exploiting rights in the theatre, video/DVD and TV fields. Changes in media legislation, the advertising market and the form of TV broadcasting (pay TV, TV on demand) can, for example, influence what films are selected by rights exploiters as well as the choice of programmes by TV stations and their buying policy. Changes in consumer behaviour patterns and preferences can lead to market changes by rights exploiters as well. The strong trend towards concentration among television channels could, finally, cause changes to be made in sales markets. This trend towards concentration may be strengthened by initial moves towards digital distribution via the Internet. Online shops have been in operation for quite a long time now, although their sales have been marginal. This distribution channel will become more attractive as sufficient bandwidth for downloading and streaming becomes available to an increasing extent. First major players are starting to enter this market. Competition for pay TV in particular may develop here in the medium to long term.

The company monitors the structural changes on the theatrical market on an ongoing basis and will respond to decreasing audience figures by changing the theatrical distribution strategy, should this prove necessary.

On the marketing side, the Constantin Group has been supplying TV stations as direct customers since 2004 and the home entertainment

market is being covered directly by a new Management Board assignment too. This extension of the added-value chain not only increases the risks Constantin faces, on the one hand; it also improves considerably the opportunities the company has to make profits, on the other hand. Constantin is profiting in this area from its excellent contacts to the television stations as well as from the synergy benefits generated with Highlight Communications AG.

It remains to be seen what effects the financial crisis will have on the theatrical and home entertainment sales markets, although it has to be assumed that these markets may shrink too. The effects on Constantin Film AG are unclear, as these operations are driven to a very large extent by the success of individual films. With respect to the TV sales market, it can be assumed that this market will be hit by the reduction in the advertising market, which is likely to have an impact on Constantin Film AG's sales volume.

Strong concentration processes are influencing the buying markets. While all that the "independent" companies do is produce, so that they are dependent on sales partners to market the films, the majors have global sales channels of their own in addition to large film studios. The entry of new players and an increase in competitive pressure as a result could have an adverse effect on market conditions too. It should also be mentioned in this connection that the majors are buying German product to a larger extent and are therefore positioning themselves as competitors for Constantin Film on the procurement market for local product. Further competition – not only from UFA Cinema GmbH, a new production subsidiary for theatrical productions by UFA and at the same time a subsidiary of the Bertelsmann Group, but also and above all from foreign studios and production companies – can be expected on the German market in the theatrical and TV production fields too. The Hollywood studio Universal Pictures has, for example, announced that it intends to concentrate to a larger extent on German theatrical productions, while Warner Bros. Entertainment, Twentieth Century Fox and The Walt Disney Company are operating aggressively on the market as well. Constantin Film AG has, however, succeeded in continuing to strengthen its sound position on the market and in developing an impressively high profile, even in a difficult market environment. It will be able to adapt flexibly to changes in the competitive situation in the future too. There is, on the other hand, no

guarantee that changes in competitive conditions or possible wage disputes will not have a negative impact on the company's business, financial position and profitability.

The ever-increasing amount of piracy may lead to significant sales shortfalls. The growth in illegal copying could have the effect that the number of box office admissions decreases and that revenues in home entertainment and TV exploitation of films go down in future. Making viewers more aware of the situation, expanding legal Internet opportunities and supporting various associations that represent our interests are measures that Constantin Film has already taken. These measures combined with the aggressive prosecution of offenders made an important contribution to combatting piracy in 2008.

2. Operating opportunities and risks with in-house productions

The in-house and co-production of theatrical and television films and the marketing of them are expensive and involve financial risks. The production costs of an average German theatrical film amount to between €3 million and €7 million, while the amount can be many times higher in the case of international productions. The company has to finance some of these costs in advance, as the budget concerned cannot be covered completely by co-production contributions and film subsidies. In view of the large amount of money that is required for a production, the complete or partial failure of individual film projects could already have substantial negative consequences for the Group's business, financial position and profitability. The production of a film can in addition lead to budget overruns that the company has to pay. Thanks to its experience in film production, the Constantin Group has, however, in the past generally succeeded in covering all the production costs by the income from film exploitation. The company has also succeeded in completing film productions within the planned time and budget as well as in avoiding unplanned costs to a very large extent and/or in hedging the risk by obtaining appropriate insurance cover. A guarantee that the company will manage to limit itself to successful film projects in the future as well cannot, however, be given. Similar formats are used all over the world for TV productions. This means that there is the risk in the industry of format right disputes, which the company is also affected by and for which it has made appropriate provision.



The “Deutscher Filmförderfonds” (DFFF) initiated by the State Minister of Culture Bernd Neumann was approved at the end of 2006. A total of € 180 million are available as a result up to the end of 2009 in production cost reimbursements for productions that fulfil certain criteria. This will continue to have a positive impact on the film production environment in Germany. (See pages 25 ff. ‘Theatrical production’ in this context). The State Minister of Culture Neumann has in the meantime announced that the DFFF is being extended beyond 2010.

There are legal disputes with an external distributor about 2 in-house productions. In line with the assessment of its legal advisor, the company is working on the assumption that there is no threat of any charges in connection with these disputes.

◀ Scene from:
A WOMAN IN BERLIN
(theatrical release:
October 22, 2008)
with Nina Hoss in the
leading part.
Producer:
Günter Rohrbach,
director:
Max Färberböck

In the non-fiction service production operations, there are risks associated with dependence on a single station and its alignment in future. The TV industry will have to cope with a difficult market environment next year because of the massive reduction in advertising budgets caused by the financial crisis. This may mean that Constantin Film AG’s income from service productions will decrease next year. As a countermeasure to reduce the risks connected with this dependence, the company concentrated more intensively on the development of its business outside Germany as well as on selling to further stations.

3. Financial risks

The main financial instruments used by the Group - with the exception of derivative financial instruments - are current account overdrafts, bank loans, trade payables and other financial liabilities. The aim of these financial instruments is to fund the Group’s business operations. The Group has financial assets such as trade receivables, cash and cash equivalents and other financial assets that result directly from its business operations.

The Group makes concerted use of derivative financial instruments, fundamentally to hedge exchange rate risks that result from the Group’s business operations and its sources of funding.

No trading of derivatives was carried out in the 2008 and 2007 fiscal years and there will be no such trading in future either.

The Group is exposed to various financial risks that result from the Group’s business operations and financial transactions. The most important financial risks to which the Group is exposed result from changes in foreign currency exchange rates, in interest rates and in liquidity risks as well as in the creditworthiness and solvency of the Group’s partners.

Foreign currency exchange rate risk:

Most of the licences that Constantin Film buys on the international film markets and a large proportion of the production costs of international films are in USD. The sales generated in exploiting the licences obtained are, on the other hand, received mainly in €. The revenues from the exploitation of our international film productions are received essentially in USD. Fluctuations in the €/USD exchange rate in both directions can have an effect on the company’s business operations, financial position and profitability - particularly operating margins - and lead to both exchange rate profits and losses. As in the past, the Constantin Group is trying to minimise the risk of exchange rate losses by taking advantage of suitable derivative financial instruments. These derivative financial instruments are arranged with banks. The financial instruments relate to future foreign currency payment flows for film projects. The Group does not hold or issue any derivative financial instruments for trading purposes. It is a fundamental rule for the Group to make sure that the amount of the hedging transaction does not exceed the transaction on which it is based. No guarantee can, however, be given that the hedging transactions carried out by the company will be successful in every case. Constantin Film also tries to specify upper limits for exchange rates in licence purchasing contracts that are transacted on the basis of USD.

Constantin Film AG has made a sensitivity analysis of USD exchange rate risks. No other foreign currencies represent a major risk for the company.

The outcome of the sensitivity analysis of financial instruments in accordance with IFRS 7 was as follows: if the exchange rate on December 31, 2008 had been 10% higher than it actually was and other exchange rates were unchanged, earnings would have been €77,000 higher (previous year: reduction of €628,000). If it had been 10% lower, there would have been a reduction of the same size in earnings.

Interest rate change risk:

The interest rate change risk to which the Group is exposed relates primarily to the liabilities and loans on which interest is paid. The Constantin Group could be exposed to interest rate change risks in the context of the advance financing of film productions and the in-house marketing of TV rights, if there is a lengthy period of time between acquisition of the rights and payment by the TV stations. Liabilities on which interest is paid generally have a shorter term than the receivables financed by them. This difference in terms leads to an interest rate change risk that is controlled by the Group actively. The focus here is on analysis of the yield structure curve. Current financial debt is carried at amortised cost and the effective interest method is applied. Since short terms are involved, there are no major deviations between the fair value and the carrying amounts.

At the present time, the Group does not use any financial instruments to hedge the interest rate risk; there is an interest rate pooling arrangement for the current account bank overdrafts.

Since the Group only has short-term financial instruments with variable interest rates, the outcome of the interest rate sensitivity analysis in accordance with IFRS 7 is 0 (previous year: 0).

The turbulence on the international credit markets has not had any negative consequences for Constantin Film AG so far. Although the risk

premiums demanded on the market have increased for companies like Constantin Film with a good credit standing too, this has not affected Constantin so far and can in addition be compensated for to some extent by decreasing money market interest rates. Constantin Film's risk premiums in the potentially capital-intensive film production operations are fixed until the end of 2009. Due to the fact that Constantin Film's total debt is low at the moment, even sizable increases in interest rates would only have a comparatively small impact on company earnings.

Liquidity risk:

To minimise the liquidity risk, the Constantin Group has credit lines that exceed the funding requirements.

The following table shows the credit lines available to the Group on the balance sheet date.

Bayerische Landesbank, Dresdner Bank AG, DZ Bank AG Syndicate loan, production funding (USD thousand)	100,000
Bayerische Landesbank, Dresdner Bank AG, DZ Bank AG, Fortis Bank AG Licence trading and working capital (€ thousand)	65,000
HypoVereinsbank Line for working capital and service productions (€ thousand)	2,500
Bankhaus Reuschel Line for working capital and service productions (€ thousand)	5,000
Berliner Bank Line for service productions (€ thousand)	9,600

The use made of the credit lines is outlined in the notes to the consolidated financial statements on page 127.

The credit lines (production funding and licence trading line) are secured by the film rights included in the film assets amounting to €166.327 million and the exploitation revenues resulting from them as well as by receivables amounting to €19.830 million. The amounts used are all due on request in 2009.

The Constantin Group is expecting a positive net inflow of cash and cash equivalents from the business operations in the 2009 fiscal year and the following years. Together with the agreed credit lines, sufficient funds should be available to carry out the company's activities properly.

Not only the production funding but also some of the licence trading line have to be renegotiated in 2009. In view of the current situation on the capital market due to the financial crisis, it is not clear at the present time whether the company will succeed in obtaining lines of comparable size with comparable conditions. A reduction in the volume of the lines is not considered to be a major risk at the moment, because the lines have never had to be used completely up to now and the Group has always had sufficient liquidity available. The business operations of the Constantin Film Group in the next twelve months are only dependent on external sources of funds where the investments in new projects are concerned. In the hypothetical case that all the external sources of funds dried up, the Constantin Film Group would not make these investments.

Credit risk:

There can be credit risks with cash and cash equivalents, business relations with financial institutions, bank balances, derivative financial instruments and receivables from customers. Any risks involved with cash and cash equivalents are also minimised even more by making use of different financial service providers rather than just one bank. The ratings of the banks with which the Constantin Film Group maintains business relations are in the investment grade range.

Risks can arise in connection with the financial standing of contractual partners in the context of the marketing and/or licensing of film rights in the various exploitation phases (theatre, video/DVD, TV). These risks are minimised by restricting business transactions to partners with an excellent credit standing, by transferring rights to the contractual partner only when payment has been made or by obtaining appropriate securities (e.g. letters of credit) for business transactions. There is a concentration of default risks from business relationships

with individual debtors and debtor groups with respect to TV stations. In view of the massive reduction in the advertising market due to the financial crisis, it remains to be seen how Constantin Film AG's exposure in the private television field (general and individual contracts with ProSiebenSat.1 and Premiere) will develop.

The credit risks relate to the possibility that the partner in a transaction is incapable or unwilling to meet its commitments and that the Group suffers financial loss as a result. Trade receivables are subject to active risk management with the focus on the evaluation of risks in individual countries, the specification of the credits available, regular reviews of credit risks and monitoring of the receivables.

K. PROSPECTS

Theatrical exploitation

At the present time, Constantin Film is planning about 15 theatrical releases of national and international in-house and co-productions as well as licensed films in the 2009 distribution year. A conservative estimate of the admission figures and sales has been made per theatrical release on the basis of past experience and taking the genre into account.

The 2009 distribution year started on January 8 with the co-production **Die Perlmutterfarbe** and was followed by the third part of the successful Wilde Hühner series **Die Wilden Hühner und das Leben** on January 29, 2009. The in-house production **Effi Briest** was then released to theatres on February 12, 2009.

A drama about the visionary leader of the American civil rights movement (Harvey Milk) – the licensed film **Milk** – was released on February 19, in good time for the Oscar ceremony on February 22. The film won 2 Oscars® at the ceremony: Sean Penn was presented the award in the "Best Actor in a Leading Role" category. Dustin Lance Black won the Oscar® for the "Best Original Screenplay". The masterpiece by director Gus Van Sant has generated box office receipts of about USD 25.3 million in the USA so far.

The film **Mord ist mein Geschäft, Liebling**, a production by our subsidiary Rat Pack Filmproduktion GmbH, was released to German theatres on February 26. The film is being distributed by Warner Bros.

Mario Barth's first theatrical film **Männersache** – an in-house production by Oliver Berben – is being shown at theatres from March 19 onwards.

The in-house production **Die Vorstadtkrokodile** about the famous children's gang is being released to theatres on March 26, 2009. This film has been produced by Christian Becker and Rat Pack Filmproduktion GmbH, with Christian Ditter (**Französisch für Anfänger**) as director.

The drama **Defiance**, the true story of a resistance group in the Second World War, is being released to theatres as a licensed film on April 23. The film has a star-studded cast, featuring James Bond actor Daniel Craig in one of the main roles.

The animation adventure **Ponyo** is being released to German theatres as a licensed film in the summer of 2009. The film by Hayao Miyazaki (**Spirited Away**), the Japanese grand master of animation films, tells the story of the love of the mermaid Ponyo for the human boy Sosuke.

The culture clash comedy **Maria, ihm schmeckt's nicht!** based on the bestseller by Jan Weiler is being released to theatres on August 6.

The focal point in the autumn will be on Michael Bully Herbig's major new production **Wickie und die starken Männer**, which will be celebrating its long-awaited theatrical premiere on September 9, 2009. Our co-production **Pope Joan** – a historical film based on Donna W. Cross' world-famous bestseller that has been directed by successful director Sönke Wortmann – is being released to theatres on October 29, 2009.

The drama **Tannöd** – produced with Wüste Film West and Hugofilm Productions GmbH (Switzerland) – is scheduled for release to German theatres on November 19, while the international co-production by the

proven Resident Evil team – the sci fi thriller **Pandorum** – will be rounding 2009 off.

The horror film **Wrong Turn 3** will probably be appearing on DVD in January 2009.

The theatrical release date for the licensed film **Red Cliff** by star director John Woo has not been chosen yet. The action-packed historical drama has already generated box office receipts of more than USD 45 million in China. The release date for the licensed film **Blood – The Last Vampire** has not been scheduled yet either.

In the in-house production segment, national exploitation of **Männersache**, **Vorstadtkrokodile**, **Wickie und die starken Männer** and **Pope Joan** will be having a strong impact.

Home entertainment exploitation

A steady year overall and growth with the high-definition Blu-ray format can be assumed for the video exploitation market in general. Constantin Film AG anticipates slight growth in the home entertainment operations on the basis of the excellent 2009 range and the expansion of the total catalogue. The strong 2008 and 2009 distribution programmes with the in-house productions **The Baader Meinhof Complex**, **A Woman in Berlin**, **A Year Ago in Winter**, **Die Perlmutterfarbe** and **Effi Briest** and the third-party productions **Bangkok Dangerous**, **Disaster Movie**, **Paris 36**, **The Women**, **Milk**, **Defiance**, **Red Cliff** and **Ponyo** will make substantial contributions to sales here.

TV exploitation

TV exploitation sales can generally be forecast with greater accuracy, because they result from contracts that have already been concluded.

Free TV exploitation in the in-house production segment will be driven essentially by the sales generated with the films **Hui Buh – Das Schlossgespenst**, **Neues vom Wixxer**, **A Woman in Berlin** and **The Baader Meinhof Complex**. In the third-party production segment, the Constantin Group will be obtaining sales with the

licensing of the TV rights to films like **Apocalypto**, **Step Up to the Streets**, **The Grudge 2** or **Bridge to Terabithia**.

In the licensing of pay TV rights in the in-house production segment, sales will be driven especially by the films **Asterix at the Olympic Games**, **The Wave**, **Warum Männer nicht zuhören und Frauen schlecht einparken**, **Fantastic Four – Rise of the Silver Surfer** and **Impy's Wonderland**. The main films in the licensing of pay TV rights in the third-party production segment include **Cassandra's Dream** and **Michael Clayton** in particular.

Theatrical production

Constantin Film AG and its equity interests regularly have 50 to 70 German and English film projects in the course of development. Constantin Film Produktion is planning to make about 14 German and 2 international in-house and co-productions in 2009.

The schedule for 2009 includes the following productions and co-productions: **The Dawn** (director: Dennis Gansel), **Old Bones** (director: Leander Haussmann), **Jerry Cotton** (directors: Cyrill Boss, Philipp Stennert), **Tiger Team** (director: Peter Gersina), **Freche Mädchen 2**, **Bushido** (based on the successful biography of the rap star), **Vorstadtkrokodile 2**, **Ich bin dann mal weg** based on the bestseller by Hape Kerkeling, **Resident Evil Part 4**, the Bernd Eichinger productions **Schweigeminute** (director: Uli Edel) and **Superbullen** (by and with Tom Gerhardt), a Doris Dörrie project and **Werner 5**.

Service production

The following projects are planned for 2009:

The plans made by our wholly-owned subsidiary Constantin Television GmbH for 2009 include continuation of the production of the daily programme **Dahoam is Dahoam** for Bayerischer Rundfunk. The following TV projects are currently in pre-production too: the two-part ZDF event **Eisfieber** based on the world bestseller by Ken Follett (director: Peter Keglevich), **Stromausfall** (director: Sebastian Vigg) and **Flaschengeist** (director: Andreas Senn).

MOOVIE – the art of entertainment GmbH productions for ZDF in 2009 include the six-part mini-series **Klimawechsel** by Doris Dörrie as well as two more films of the famous novels by Johannes Mario Simmel (**Niemand ist eine Insel** and **Liebe ist nur ein Wort**). Principal photography for the TV film **Vergiss nie, dass ich Dich liebe ...** is to begin in the second quarter of 2009.

Rat Pack Filmproduktion's plans for 2009 include the production of six films for the new **ProSieben Märchenstunde 1001 Nacht** series, new films for the ProSieben series "**Funny Movie**" and 3 RTL comedian movies.

Projects planned by Constantin Entertainment for 2009 include: the reality documentary **Extrem schön! Letzte Hoffnung OP**, the impro show **Blockbuster-Falle** (ProSieben), **Deutschlands Schrecklichste** (German version of **Britain's Worst**) and the travel sitcom **Hannes und Max**. We are also expecting the Constantin Entertainment subsidiaries abroad to develop increasingly positively.

A similar sales development as in the 2008 fiscal year is expected in the service production operations in 2009.

Summary

Constantin Film AG owes the good development of its business in recent years to its performance and commitment in the core production and content distribution operations – in spite of the tougher general conditions in recent years.

Further competition – not only from UFA Cinema GmbH, a new production subsidiary for UFA theatrical productions and at the same time a subsidiary of the Bertelsmann Group, but also and above all from foreign studios and production companies – can be expected in 2009 and the subsequent years on the German market in the theatrical and TV production fields. Paramount will, for example, be operating as an independent group from 2009 onwards too, joining the US studios Universal, Twentieth Century Fox, Warner Bros., Sony and Disney that are already on the market.



It also remains to be seen what impact StudioCanal's involvement in the Kinowelt Group will have on the licence trading, distribution, home entertainment and production operations in the coming years.

Although the additional activities are welcome moves from the point of view of market professionalisation, they will also lead to increased costs in production.

In the distribution operations, Constantin Film will be continuing to implement the proven strategy of combining national and international in-house and co-productions with high-quality third-party films in 2009 and the coming years. Constantin Film Produktion is concentrating in addition on steady optimisation of the sustained high quality of its national and international in-house productions. The extension of the added-value chain by the addition of TV entertainment, licence trading and home entertainment is still proving to be strategically correct. Constantin Entertainment in particular is one of the leading entertainment production companies on the German market. The successful establishment of Constantin Television GmbH and the foundation of the new company PolyScreen GmbH, a joint venture with the successful Polyphon Film und Fernsehgesellschaft GmbH from Hamburg have proved to be sensible moves. Our focus on the core business and its sustained expansion in Germany does not, however, mean that we are neglecting the new distribution and exploitation channels in the digital media age. The Management Board has been working intensively on video-on-demand and its new forms (download-to-own and electronic sell-through) for years now. In this field, we have at an early stage sought to co-operate with suitable partners, with whom we liaise to develop new strategies that open up these distribution channels for Constantin Film AG at economically viable conditions. As a content company, we are also watching the market for the distribution of mobile content and mobile TV very closely. Our general starting point here is the economically viable generation and provision of content and not the operation of platforms or stations of our own. In addition to this, further expansion of our operations abroad has particularly high priority in the TV production operations.

◀ Scene from:
PARIS 36
(theatrical release:
November 27, 2008)
with Gérard Jugnot and
Clovis Cornillac in the
leading parts

Attention is drawn to the fact that the actual results may differ considerably from the expectations about probable developments, if the assumptions on which the forward-looking statements are based prove to be wrong. Major assumptions made by Constantin Film AG relate to the theatrical and video success of individual films.

The company will be continuing to optimise administration cost development by applying systematic cost management.

With the outstandingly talented creative staff who are committed to Constantin Film and with our highly motivated, excellent-quality team of employees, we are certain that we will tackle the tremendous challenges posed by the market effectively and are therefore planning sales of between € 220 million and € 240 million and a positive operating result of between € 10 million and € 12 million in the 2009 fiscal year. We are planning business development in 2010 that matches the success achieved in the previous years.

Constantin Film AG is planning to continue the expansion of the existing business - particularly the TV production operations in the entertainment field - in European countries outside Germany in 2009 and the subsequent years. Constant efforts are also being made to add further operations to the business that are closely associated with the core activities.

Munich, March 2, 2009

The Management Board

► CONSOLIDATED BALANCE SHEET / IFRS

ASSETS ON 31.12.2008 / in € thousand

	Notes	31.12.2007	31.12.2008
Non-current assets			
Film assets	5.1	181,671	166,327
Other intangible assets	5.2	582	334
Goodwill	5.3	4,858	4,858
Tangible assets	5.4	1,296	1,490
Shares in associated companies and joint ventures	5.5/5.6	99	289
Non-current receivables	5.7	941	2,664
Other financial assets	5.8	365	226
Deferred tax assets	5.9	3,602	397
		193,414	176,585
Current assets			
Inventories	5.10	439	904
Trade and miscellaneous receivables	5.11	46,497	60,457
Receivables from associated companies and joint ventures	5.12	241	41
Receivables from taxes on income	5.13	939	352
Cash and cash equivalents	5.14	91,790	101,114
		139,906	162,868
Total assets		333,320	339,453

EQUITY AND LIABILITIES ON 31.12.2008 / in € thousand

	Notes	31.12.2007	31.12.2008
Equity	5.15		
Subscribed capital		12,743	12,743
Capital reserves		55,546	55,546
Other reserves		0	-74
Retained earnings		-905	4,726
Earnings attributable to the shareholders		6,187	10,520
Equity attributable to the shareholders		73,571	83,461
Minority shareholders		1,017	1,233
		74,588	84,694
Non-current liabilities			
Financial liabilities	5.17	5,620	4,812
Provisions	5.20	0	287
Deferred tax liabilities	5.18	4,033	4,087
		9,653	9,186
Current liabilities			
Financial liabilities	5.19	112,090	126,574
Advance payments received	5.16	72,191	53,304
Trade and miscellaneous payables	5.17	60,778	63,599
Provisions	5.20	2,627	1,707
Payables from taxes on income	5.21	1,393	389
		249,079	245,573
Total equity and liabilities		333,320	339,453

► CONSOLIDATED INCOME STATEMENT / IFRS

INCOME STATEMENT FOR THE PERIOD FROM 01.01. TO 31.12.2008 / in € thousand

	Notes	01.01. – 31.12.2007	01.01. – 31.12.2008
Sales	6.1	225,015	248,469
Costs of goods sold	6.2	–193,003	–212,976
Gross profit on sales		32,012	35,493
Selling expenses		–1,369	–2,137
General administration expenses	6.3	–19,852	–20,283
Other operating income	6.6	2,021	2,548
Other operating expenses	6.7	–368	–485
Operating result		12,444	15,136
Interest income/interest expenditure	6.9/6.10	–750	–262
Exchange rate profits/losses		–708	307
Profits/losses from associated companies and joint ventures. accounted for using the equity method	6.8	–8	190
Result for the year before tax		10,978	15,371
Taxes on income	6.11	–4,106	–4,489
Other taxes		–146	–5
Result for the year		6,726	10,877
– Profits attributable to the shareholders of the parent company		6,187	10,520
– Profits attributable to the minority shareholders		539	357
Earnings per share in € (undiluted)	6.12	0.49	0.83
Earnings per share in € (diluted)	6.12	0.49	0.83
Average number of shares in circulation		12,742,600	12,742,600

Scene from: ►
 FRECHE MÄDCHEN
 (theatrical release:
 July 17, 2008)
 with Anke Engelke,
 Armin Rohde,
 Piet Klocke,
 David Rott etc.



► CONSOLIDATED CASH FLOW STATEMENT / IFRS

	01.01. – 31.12.2007	01.01. – 31.12.2008
	€ thousand	€ thousand
Earnings attributable to the shareholders		
Consolidated result for the year	6,726	10,877
Deferred taxes	2,710	3,259
Current taxes	1,541	1,235
Interest income/interest expenditure	744	262
Earnings from investments in associated companies and joint ventures	8	–190
Depreciation of film assets / in-house productions	42,806	67,053
Depreciation of film assets / third-party productions	25,425	21,861
Depreciation of fixed assets	1,006	877
Other items not affecting payment	–1,162	–634
Increase (–) / decrease (+) in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	–2,929	–12,000
Increase (–) / decrease (+) in trade payables and other assets that cannot be allocated to investing or financing activities	29,879	–20,226
Interest paid	–1,259	–1,116
Interest received	577	445
Taxes on income paid	–3,940	–1,778
Taxes on income received	1,198	609
Cash flow from operating activities	103,330	70,534
Outflow of funds for the acquisition of companies / company shares	–3,062	–1,567
Outflow of funds for intangible assets	0	–82
Outflow of funds for film assets / in-house productions	–68,903	–61,805
Outflow of funds for film assets / third-party productions	–9,933	–11,185
Outflow of funds for tangible assets	–462	–705
Outflow of funds for financial assets	30	–12
Inflow of funds from disposals of tangible assets	–249	0
Inflow of funds from disposals of financial assets	0	118
Cash flow from investing activities	–82,579	–75,238

► CONSOLIDATED CASH FLOW STATEMENT / IFRS

	01.01. – 31.12.2007 ¹⁾	01.01. – 31.12.2008
	€ thousand	€ thousand
Outflow of funds for the repayment of long-term debt	–8,443	0
Inflow of funds from the obtainment of short-term debt	0	14,484
Profit distributions	–33	–380
Cash flow from financing activities	–8,476	14,104
Cash flow during the period under review	12,275	9,400
Net funds at the beginning of the fiscal year	79,451	91,790
Effect of exchange rate differences	64	–76
Net funds at the end of the fiscal year	91,790	101,114
Change in net funds	12,275	9,400

► CONSOLIDATED STATEMENT OF CHANGES IN EQUITY / IFRS

DEVELOPMENT OF CONSOLIDATED EQUITY / in € thousand

	Subscribed capital
On 01.01.2007	12,743
Profit distribution to minority shareholders	
Change in minority shareholders	
Profits/losses from cash flow hedges	
Tax impact of profits/losses from cash flow hedges	
Consolidated result for the period	
On 31.12.2007	12,743
On 01.01.2008	12,743
Profit distribution to minority shareholders	
Change in minority shareholders	
Foreign currency differences	
Consolidated result for the period	
On 31.12.2008	12,743

► CONSOLIDATED STATEMENT OF CHANGES IN EQUITY / IFRS

Capital reserves	Other reserves	Retained earnings	Earnings attributable to the shareholders	Equity attributable to the shareholders	Minority shareholders	Total
55,546	678	-905		68,062	757	68,819
				0	-283	-283
				0	4	4
	-1,147			-1,147		-1,147
	469			469		469
			6,187	6,187	539	6,726
55,546	0	-905	6,187	73,571	1,017	74,588
55,546	0	5,282		73,571	1,017	74,588
				0	-130	-130
		-556		-556	-11	-567
	-74			-74		-74
			10,520	10,520	357	10,877
55,546	-74	4,726	10,520	83,461	1,233	84,694

► CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS / IFRS

01.01. TO 31.12.2008 / in € thousand

ACQUISITION AND PRODUCTION COSTS

	01.01.2008	Currency translation differences	Other additions	Disposals	31.12.2008
Intangible assets					
Other intangible assets	1,681		82		1,763
Film assets	777,509		73,570	391	850,688
Goodwill	6,814				6,814
Total intangible assets	786,004	0	73,652	391	859,265
Tangible assets					
Land and buildings, rights equivalent to land and buildings	386		54		440
Other equipment, operating and office equipment	4,678	9	651	114	5,224
Total tangible assets	5,064	9	705	114	5,664
Financial assets					
Shares in associated companies and joint ventures	107		190		297
Other equity investments	294				294
Long-term investments	314			91	223
Other loans	60		12	60	12
Total financial assets	775	0	202	151	826
Total fixed assets	791,843	9	74,559	656	865,755

► CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS / IFRS

					ACCUMULATED DEPRECIATION/AMORTISATION	RESIDUAL CARRYING AMOUNTS		
01.01.2008	Currency translation differences	Depreciation in the fiscal year	Unscheduled depreciation	Disposals	31.12.2008	31.12.2008	31.12.2007	
1,099		330			1,429	334	582	
595,838		83,792	5,122	391	684,361	166,327	181,671	
1,956					1,956	4,858	4,858	
598,893	0	84,122	5,122	391	687,746	171,519	187,111	
97		48			145	295	289	
3,671	7	465		114	4,029	1,195	1,007	
3,768	7	513	0	114	4,174	1,490	1,296	
8					8	289	99	
294					294	0	0	
9					9	214	305	
		35		35	0	12	60	
311	0	35	0	35	311	515	464	
602,972	7	84,670	5,122	540	692,231	173,524	188,871	

► CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS / IFRS

01.01. TO 31.12.2007 / in € thousand

ACQUISITION AND PRODUCTION COSTS

	01.01.2007	Currency translation differences	Other additions	Disposals	31.12.2007
Intangible assets					
Other intangible assets	1,432		249		1,681
Film assets	700,482		79,139	2,112	777,509
Goodwill	6,361		453		6,814
Total intangible assets	708,275	0	79,841	2,112	786,004
Tangible assets					
Land and buildings, rights equivalent to land and buildings	308		78		386
Other equipment, operating and office equipment	4,499	-36	384	169	4,678
Total tangible assets	4,807	-36	462	169	5,064
Financial assets					
Shares in associated companies and joint ventures	500		107	500	107
Other equity investments	294				294
Long-term investments	302		12		314
Other loans	100		4	44	60
Total financial assets	1,196	0	123	544	775
Total fixed assets	714,278	-36	80,426	2,825	791,843

► CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS / IFRS

					ACCUMULATED DEPRECIATION/AMORTISATION	RESIDUAL CARRYING AMOUNTS		
01.01.2007	Currency translation differences	Depreciation in the fiscal year	Unscheduled depreciation	Disposals	31.12.2007	31.12.2007	31.12.2006	
796		303			1,099	582	636	
529,719		64,411	3,820	2,112	595,838	181,671	170,763	
1,818		138			1,956	4,858	4,543	
532,333	0	64,852	3,820	2,112	598,893	187,111	175,942	
53		44			97	289	255	
3,291	28	521		169	3,671	1,007	1,208	
3,344	28	565	0	169	3,768	1,296	1,463	
500		8		500	8	99	0	
294					294	0	0	
9					9	305	293	
					0	60	100	
803	0	8	0	500	311	464	393	
536,480	28	65,425	3,820	2,781	602,972	188,871	177,798	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR FROM JANUARY 1 TO DECEMBER 31, 2008

The Management Board approved the financial statements for submission to the Supervisory Board on March 2, 2009.

1. GENERAL INFORMATION ABOUT THE GROUP

Constantin Film AG (hereinafter referred to as the Constantin Group or Group) has its registered office in Feilitzschstrasse 6, Munich, Germany.

The company is listed on the regulated market (Prime Standard) at Frankfurt Stock Exchange.

Together with its subsidiaries and affiliated companies, Constantin Film AG is a major German producer and distributor of theatrical, video/DVD and television films. The Group's operations include the production of films and the exploitation of acquired film rights. The rights to these films are exploited at all the different stages, from theatres to video/DVD and television. The films produced in-house are often exploited all over the world. Third-party productions are distributed essentially in German-speaking countries. The subsidiaries abroad are used in the implementation of international in-house productions. The Constantin Group also produces fiction and non-fiction programmes for TV stations. The music operations resulting from the film business are combined and exploited at 4 subsidiaries too.

Amounts are indicated in thousand euros unless information is provided to the contrary.

Constantin Film AG is included in the consolidated financial statements of Highlight Communications AG and, for the first time, of EM.Sport Media AG.

2. ACCOUNTING POLICIES

2.1 Application of the International Financial Reporting Standards

The consolidated financial statements of Constantin Film AG have been prepared pursuant to § 315 a Paragraph 1 of the German Commercial Code (HGB) in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the additional commercial regulations that have to be applied. All the IFRS/IAS and SIC/IFRIC effective on December 31, 2008 have been observed. An overview of the subsidiaries and joint ventures included in the consolidated financial statements is provided in these notes. The effects of the initial consolidation of subsidiaries and associated companies are outlined in the "Information about the companies consolidated" section (see Note 3). The income statement has been prepared by the cost of sales method. The annual financial statements of the companies included in the consolidated financial statements are based on consistent accounting and valuation policies appropriate to the business operations concerned. Preparation of the consolidated financial statements requires estimates and assumptions to be made that affect the figures reported for the assets, liabilities and financial commitments on the balance sheet date as well as the income and expenditure in the year under review. More detailed explanations of the principles on which the estimates are based can be found in the information provided separately about the individual balance sheet items.

2.2 Changes in presentation Change in the presentation of provisions and liabilities

Presentation of the provisions and liabilities has been standardised in view of the fact that Constantin Film AG and its parent company Highlight Communications AG have been consolidated in EM.Sport Media AG for the first time. Some of the provision items are now included in the liabilities. An explanation of the details is given in the information provided about the individual items.

Change in the presentation of the investments in film assets in the consolidated cash flow statement

In the previous year, the investments in film assets were shown in the cash flow from operating activities with reference to the Constantin

Film AG production process. From the year under review onwards, the investments in film assets are being shown in the cash flow from investing activities. This reclassification is attributable to the harmonisation and standardisation of the cash flow statements of the higher-level companies Highlight Communications AG and EM.Sport Media AG. The adjustment has been made for the previous period too.

2.3 Standards and interpretations applied for the first time

The Group applied the following new and revised IFRS and interpretations for the first time in the fiscal year. Application of these standards and interpretations did not have any effect on the asset situation, financial position and profitability of the Group. They did, however, lead to additional disclosures.

IAS 39, *Financial Instruments: Recognition and Measurement*, and IFRS 7, *Financial Instruments: Disclosures (amendment)*
 IFRIC 11, *IFRS 2 – Group and Treasury Share Transactions*
 IFRIC 12, *Service Concession Arrangements*
 IFRIC 14, *IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

IAS 39, Financial Instruments: Recognition and Measurement, and IFRS 7, Financial Instruments: Disclosures (amendment)

On October 13, 2008, the IASB issued amendments to IAS 39, *Financial Instruments: Recognition and Measurement*, and IFRS 7, *Financial Instruments: Disclosures* in response to the current financial crisis. The amendments take account of the present developments on the financial markets and are meant to eliminate existing differences between US GAAP and IFRS with respect to the reclassification of certain financial instruments to such an extent that further distortion of competition is avoided as a result. The amendments were published in the Official Journal of the European Union on October 16 and came into force of the day following its publication. The amendments have to be applied with retroactive effect from July 1, 2008 onwards.

IFRIC 11, IFRS 2 – Group and Treasury Share Transactions

According to this interpretation, agreements by which employees are granted rights to equity instruments of a company are included in the accounts as share-based compensation transactions settled by equity instruments even when the company obtains the instruments from a third party or when the shareholders provide the equity instruments required. The interpretation has to be applied to reporting periods that begin on or after March 1, 2007.

IFRIC 12, Service Concession Arrangements

IFRIC 12 deals with the accounting and valuation by the holder of the concession of commitments and rights arising from service concession arrangements. The interpretation has to be applied to reporting periods that begin on or after January 1, 2008.

IFRIC 14, IAS 19 – Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

IFRIC 14 deals with the issue that arises in connection with the so-called “asset ceiling” whether and to what extent refunds from the plan or reductions in future contributions will be available to the company. The interpretation has to be applied to fiscal years that begin on or after January 1, 2008.

2.4 Standards that have been published but not applied yet, revised standards and interpretations

In addition to the above, the Group has not applied the following standards, revised standards and interpretations in advance:

IFRS 3, *Business Combinations (revised)*
 IAS 27, *Consolidated and Separate Financial Statements (revised)*
 IFRS 8, *Operating Segments*
 IAS 1, *Presentation of Financial Statements (revised)*
 IAS 23, *Borrowing Costs (revised)*
 IFRIC 13, *Customer Loyalty Programmes*
 IFRIC 16, *Hedges of a Net Investment in a Foreign Operation*
 IFRIC 17, *Distributions of Non-Cash Assets to Owners*

The following amendments or additions to standards have not been applied in advance either. Most of these amendments are the outcome of the annual IASB improvement process.

IFRS 2, *Share-Based Payment (amendment)*

IFRS 5, *Non-Current Assets Held for Sale and Discontinued Operations (amendment)*

IAS 1, *Presentation of Financial Statements (amendment)*

IAS 16, *Property, Plant and Equipment (amendment)*

IAS 19, *Employee Benefits (amendment)*

IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance (amendment)*

IAS 23, *Borrowing Costs (amendment)*

IAS 28, *Investments in Associates (amendment)*

IAS 31, *Interests in Joint Ventures (amendment)*

IAS 32, *Financial Instruments: Presentation (amendment)*

IAS 36, *Impairment of Assets (amendment)*

IAS 38, *Intangible Assets (amendment)*

IAS 39, *Financial Instruments: Recognition and Measurement – Eligible Hedged Items (amendment)*

IFRS 3, Business Combinations (revised) and IAS 27, Consolidated and Separate Financial Statements (revised)

The new IFRS 3 leads in particular to changes in the accounting of the residual value of goodwill (option to use the “full goodwill model” or the existing “partial goodwill model”), of the presentation of gradual business combinations (revaluation of past acquisitions to profit or loss), of the determination of acquisition costs (directly attributable incidental costs are normally expensed immediately) and to changes in individual aspects of the recognition and measurement of identifiable assets and liabilities. The revised standard has to be applied on a prospective basis for business combinations with acquisition dates in fiscal years that begin on or after July 1, 2009. The new IAS 27 leads in particular to changes to transactions with minority interests and losses attributable to minority interests in the consolidated financial

statements. In addition, future retained interests under transitional consolidations generally have to be recognised at fair value to profit or loss. The revised standard has to be applied to fiscal years that begin on or after July 1, 2009.

IFRS 8, Operating Segments (revised)

This standard requires information to be provided about Group operating segments by the “management approach”. This means that operating segments are part of a company, the operating results of which are monitored regularly by a central decision-maker and which represents the decision-making basis for resource allocation and performance control. The standard has to be applied to reporting periods that begin on or after January 1, 2009. The Constantin Film Group is currently evaluating the impact of the standard on presentation of the asset situation, financial position and profitability of the Group.

IAS 1, Presentation of Financial Statements (revised)

The revised version of IAS 1, Presentation of Financial Statements, has to be applied for the first time to reporting periods that begin on or after January 1, 2009. Earlier application is allowed. The new version of the standard changes titles of the elements of the financial statements. One of the main material amendments compared with the earlier version of the standard is that all income and expenses, including income and expenses recognised directly in equity now have to be disclosed in a statement of comprehensive income.

IAS 23, Borrowing Costs (revised)

The revised IAS 23, Borrowing Costs, removes the option of immediately recognising as an expense borrowing costs that can be directly allocated to a qualifying asset. When the revised IAS 23 is applied, these borrowing costs have to be capitalised as acquisition or production costs. The revised standard has to be applied to borrowing costs relating to qualifying assets for which capitalisation begins on or after January 1, 2009.

IFRIC 13, Customer Loyalty Programmes

IFRIC 13 specifies that loyalty award credits that are granted to customers in the context of sales transactions and can be used in future to obtain goods and services at reduced prices or free of charge (e.g. bonus points or flight miles) are accounted for in the form of what are known as multi-component agreements as defined in IAS 18.13. IFRIC 13 has to be applied to reporting periods that begin on or after July 1, 2008.

IFRIC 16, Hedges of a Net Investment in a Foreign Operation

IFRIC 16 makes it clear that only the risk of exchange rate fluctuations between the functional currency of the foreign operation and the functional currency of a higher-level company (and not the presentation currency in the consolidated financial statements) can be hedged. The interpretation has to be applied to fiscal years that begin on or after October 1, 2008. The interpretation has to be applied prospectively.

IFRIC 17, Distributions of Non-Cash Assets to Owners

The interpretation specifies the accounting rules for a non-cash asset distribution liability, which has to be recognised when distribution of the dividend is no longer at the discretion of the company. The interpretation has to be applied for the first time in the reporting period of a fiscal year that begins on or after July 1, 2009.

IFRS 2, Share-Based Payment (amendment)

The amendments to the standard relate to the definition and treatment of vesting conditions and non-vesting conditions. They also deal with changes to the treatment of cancellations of a promise by a different party than the company itself. The amendments to the standard have to be applied for the first time to fiscal years that begin on or after January 1, 2009.

IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations (amendment)

With reference to the classification of all the assets and liabilities of a subsidiary as held for sale, when there is a plan to sell shares in this subsidiary to the extent that control is lost, it is made clear that this plan also has to satisfy the criteria of IFRS 5.6 to 5.8.

In addition, relevant information about discontinued operations is to be disclosed if the subsidiary that is to be sold represents a discontinued operation as defined by IFRS 5.

The amendments to the standard have to be applied for the first time to fiscal years that begin on or after July 1, 2009.

IAS 1, Presentation of Financial Statements (amendment)

The amendment is part of the annual IASB improvement process and is meant to make it clear that financial instruments classified as “held for trading” – derivatives in particular – do not necessarily have to be shown in the balance sheet as current assets or current liabilities. The amendment has to be applied to fiscal years that begin on or after January 1, 2009.

IAS 16, Property, Plant and Equipment (amendment)

The addition to the standard specifies that property, plant and equipment initially held for rental purposes in the context of ordinary business activities that are subsequently intended for sale in the course of routine activities after rental are not subject to the provisions of IFRS 5. Such property, plant and equipment must be reclassified as inventories with their carrying value. The amendment has to be applied to fiscal years that begin on or after January 1, 2009.

IAS 19, Employee Benefits (amendment)

The IASB has decided that a change to the extent to which promised benefits depend on future salary increases counts as a curtailment. The aim of another amendment to IAS 19 is to make clear that negative past service cost is incurred when the present value of the defined-benefit obligation is reduced. There are further amendments relating to the calculation of income from plan assets. The new provisions have to be applied to changes in promised benefits that are made on or after January 1, 2009.

IAS 20, Accounting for Government Grants and Disclosure of Government Assistance (amendment)

The new amendment (which has to be applied from January 1, 2009 onwards) relates to benefits from government loans with interest rates that are lower than market rates. Such interest benefits have to be recognised as a grant too.

IAS 23, Borrowing Costs (amendment)

The definition of borrowing costs has been amended. It has been made clear that the effective interest rate method specified in IAS 39 has to be applied to calculation of interest expenditure as specified in IAS 23 too. The new provision has to be applied to fiscal years that begin on or after January 1, 2009.

IAS 28, Investments in Associates (amendment)

The IASB has decided that any (additional) impairment that is recognised by an investor with reference to his investment in the associate after application of the equity method shall not be allocated to the assets (including goodwill) that make up the carrying value of the investment. An appropriate write-up has to be made to the extent that the recoverable amount increases in periods after recognition of the impairment. The new provisions have to be applied to fiscal years that begin on or after January 1, 2009.

IAS 31, Interests in Joint Ventures (amendment)

To avoid additional disclosures alongside those specified by IAS 32 and IFRS 7, the disclosures required in principle by IAS 31 are being cancelled with respect to interests accounted for at fair value through profit and loss in accordance with IAS 39, Financial Instruments: Recognition and Measurement. The special disclosures stipulated in IAS 31 for interests in jointly controlled companies continue to be required, however. The amendment has to be applied from January 1, 2009 onwards.

IAS 32, Financial Instruments: Presentation (amendment)

On February 14, 2008, the IASB published the amendment to IAS 32, Financial Instruments: Presentation, and IAS 1, Presentation of Financial Statements: Financial Instruments with Return Rights and Obligations arising only on Liquidation. The amendment includes new provisions about the accounting of financial instruments giving the holder the right to put the instrument back to the issuer and of instruments that impose an obligation in the course of liquidation. The amendments have to be applied from January 1, 2009 onwards.

IAS 36, Impairment of Assets (amendment)

When the impairment test is made on the basis of the fair value less costs to sell concept using a discounted cash flow method, the same disclosures are required as when the value in use concept is used. The amendments have to be applied from January 1, 2009 onwards.

IAS 38, Intangible assets (amendment)

This amendment to IAS 38 requires the recognition of expenses for advertising and sales promotion materials at the time when the company has access to these materials and/or services.

Another amendment to IAS 38 states that the unit of production method of amortisation can under certain circumstances be used even

if it results in lower cumulative amortisation than the straight-line method. This has only been allowed in very rare exceptional cases in the past. The amendments have to be applied from January 1, 2009 onwards.

IAS 39, Financial Instruments: Recognition and Measurement – Eligible Hedged Items (amendment)

The amendments to IAS 39, Financial Instruments: Recognition and Measurement – Eligible Hedged Items, were published on July 31, 2008. In them, the IASB explains the conditions under which inflation risks can be hedged as the basic business transaction in the context of hedging transactions and the possibility of using options as a hedging instrument to hedge one-sided risks. The changes have to be applied retrospectively to fiscal years that begin on or after July 1, 2009.

The EU had not yet endorsed the following publications by December 31, 2008:

IFRS 3, *Business Combinations (revised)*

IAS 27, *Consolidated and Separate Financial Statements under IFRS (revised)*

Amendment to IAS 32 and IAS 1, *Financial Instruments with Rights of Return and Obligations only in Liquidation (amendment)*

Amendments to IFRS 1 and IAS 27, *Costs of Interests in Subsidiaries, Jointly Controlled Entities or Associated Companies (amendment)*

Amendments to IAS 39, *Financial Instruments: Recognition and Measurement – Eligible Hedged Items (amendment)*

IFRIC 12, *Service Concession Arrangements*

IFRIC 16, *Hedges of a Net Investment in a Foreign Operation*

IFRIC 17, *Distributions of Non-Cash Assets to Owners*

The Constantin Film Group is currently evaluating the impact of the standards and interpretations on the presentation of the asset situation, financial position and profitability of the Group, but is not at the present time working on the assumption that there will be any major impact.

3. INFORMATION ABOUT THE COMPANIES CONSOLIDATED

3.1 List of the companies that are consolidated

In addition to Constantin Film AG as the parent company, the following companies in which Constantin Film AG directly or indirectly holds an equity interest are consolidated:

	Share of the capital	Period included in the consolidated financial statements
Constantin Script & Development GmbH , Munich	100.0	01.01. to 31.12.2008
Constantin Media GmbH audiovisuelle Produktionen , Munich	100.0	01.01. to 31.12.2008
Constantin Film Development Inc. , Los Angeles/USA ^{1/2)}	100.0	01.01. to 31.12.2008
Constantin Film Produktion GmbH , Munich	100.0	01.01. to 31.12.2008
Constantin Film Services GmbH , Munich ²⁾	100.0	01.01. to 31.12.2008
Constantin Film International GmbH , Munich	100.0	01.01. to 31.12.2008
Constantin Pictures GmbH , Munich ²⁾	100.0	01.01. to 31.12.2008
Constantin Production Services Inc. , Los Angeles/USA ^{1/2)}	100.0	01.01. to 31.12.2008
DoA Production Ltd. , London/Great Britain ^{1/2)}	100.0	01.01. to 31.12.2008
Constantin Entertainment GmbH , Ismaning	100.0	01.01. to 31.12.2008
Olga Film GmbH , Munich ¹⁾	95.5	01.01. to 31.12.2008
bob Film GmbH , Munich ^{1/2)}	95.5	01.01. to 31.12.2008
MOOVIE – The art of entertainment GmbH , Berlin ¹⁾	51.0	01.01. to 31.12.2008
Rat Pack Filmproduktion GmbH , Munich ¹⁾	51.0	01.01. to 31.12.2008
Westside Filmproduktion GmbH , Krefeld ¹⁾	51.0	01.01. to 31.12.2008
Constantin Film Verleih GmbH , Munich	100.0	01.01. to 31.12.2008
Classic Media Werbeagentur GmbH , Munich	100.0	01.01. to 31.12.2008
Constantin International B.V. , Amsterdam/NL ¹⁾	100.0	01.01. to 31.12.2008
Constantin Music Verlags- GmbH , Munich	100.0	01.01. to 31.12.2008
Constantin Propaganda GmbH , Munich	100.0	01.01. to 31.12.2008
Constantin Television GmbH , Munich ^{1/2)}	100.0	01.01. to 31.12.2008
Königskinder Music GmbH , Hamburg ¹⁾	50.0	01.01. to 31.12.2008
Resident Evil Mexico S. DE R.L. DE C.V. , Mexicali/Mexico ^{1/2)}	100.0	01.01. to 31.12.2008
Constantin Entertainment UK Ltd. , London ^{1/2)}	100.0	01.01. to 31.12.2008
Constantin Entertainment Polska Sp. z o.o. , Warsaw ^{1/2)}	80.0	01.01. to 31.12.2008
Constantin Entertainment Croatia d.o.o. , Zagreb ^{1/2)}	100.0	01.01. to 31.12.2008
Constantin Entertainment Turkey TV Produksiyon Ltd. , Istanbul ^{1/2)}	100.0	26.05. to 31.12.2008
Constantin Music GmbH , Munich ¹⁾	90.0	01.01. to 31.12.2008
PolyScreen Produktionsgesellschaft für Film u. Fernsehen mbH , Munich ^{1/3)}	50.0	01.01. to 31.12.2008
BECO Musikverlag GmbH , Hamburg ^{1/3)}	50.0	01.01. to 31.12.2008

1) No profit/loss transfer agreement 2) Indirect equity interest 3) Consolidated at equity

The company Resident Evil Productions LLC (Delaware), in which no indirect or direct interest is held, was also consolidated in accordance with SIC 12 in the year under review.

Even though they are companies limited by shares, the following subsidiaries were not required to compile a management report in accordance with the regulations for companies limited by shares and to apply the disclosure regulations, on the basis of the provisions of § 264 III of the HGB:

- ▶ Constantin Script & Development GmbH
- ▶ Constantin Media GmbH audiovisuelle Produktionen
- ▶ Constantin Film Produktion GmbH
- ▶ Constantin Film International GmbH
- ▶ Constantin Pictures GmbH
- ▶ Constantin Film Verleih GmbH
- ▶ Classic Media Werbeagentur GmbH
- ▶ Constantin Music Verlags- GmbH
- ▶ Constantin Propaganda GmbH
- ▶ Constantin Film Services GmbH
- ▶ Constantin Television GmbH
- ▶ Constantin Entertainment GmbH

3.2 Change to the companies consolidated

The following change was made to the companies consolidated in the 2008 fiscal year:

Constantin Entertainment Turkey TV Produksiyon Limited Sirketi

On May 26, 2008, Constantin Entertainment GmbH (99.97 per cent) and Constantin Film Produktion GmbH (0.03 per cent) established Constantin Entertainment Turkey TV Produksiyon Limited Sirketi. The company was included in the consolidated financial statements of Constantin Film AG for the first time on this date. The paid-up capital amounts to €219,000. The earnings of Constantin Entertainment Turkey TV Produksiyon Limited Sirketi included in the earnings for the period amounted to €-140,000.

3.3 Change in the shareholding when control is already exercised

Constantin Film AG increased its interest in Olga Film GmbH from 51 per cent to 95.5 per cent with effect from January 1, 2008. The purchase price of the shares amounted to €572,000. The transaction accounting was based on what is known as the single-entity theory. This theory assumes that the additional shares acquired only affect the distribution of the residual claims between the majority and minority shareholders. The balance sheet figures for the assets and liabilities remain unchanged. There is a shift between the shareholders in equity.

3.4 List of the companies that are not consolidated

Both alone and together, the following ten subsidiaries (previous year: ten) are of minor importance with respect to the presentation of a true and fair picture of the asset situation, financial position and profitability of the Group. These companies are not therefore included in the companies consolidated by Constantin Film AG:

COMPANIES THAT ARE NOT CONSOLIDATED / in per cent

Company	Country	Share capital	Percentage of the capital
Constantin Music Publishing US Inc., Los Angeles	USA	US\$ 1,000	100%
Société Nouvelle Torii S.A.R.L., Paris	France	€ 247,577	100%
Greenland Film Production A.B., Stockholm	Sweden	SKR 100,000	100%
Smilla Film A.S., Copenhagen	Denmark	DKR 500,000	100%
She's French LLC, Los Angeles	USA	US\$ 1,000	100%
Impact Pictures LLC, Delaware	USA	US\$ 1,000	51%
Impact Pictures Ltd., London	Great Britain	£ 1,000	51%
The Dark Film Ltd., London	Great Britain	£ 100	51%
Sheep Ltd., Isle of Man	Great Britain	£ 2,000	51%
Constantin Entertainment Adria d.o.o., Zagreb	Croatia	HRK 20,000	100%

The equity interests that are not consolidated are shown with a carrying amount of €0. The companies are not active at the present time and do not have any business operations. The approximate market value corresponds to the carrying amount.

3.5 List of the joint ventures

The only joint venture in which the Constantin Film AG Group is involved is PolyScreen Produktionsgesellschaft für Film und Fernsehen mbH. This company is included in the consolidated financial statements at equity:

JOINT VENTURES

	Percentage of the capital	Period included in the consolidated financial statements	Currency	Equity on 31.12.2008	Earnings in the last-fiscal year
PolyScreen Produktionsgesellschaft für Film und Fernsehen mbH	50%	01.01.–31.12.2008	€	457	373

A detailed description of the assets, liabilities, sales and period earnings of the joint venture can be found in Note 5.6.

3.6 List of the associated companies

The only associated company in which the Constantin Group is involved is BECO Musikverlag GmbH. This company is included in the consolidated financial statements at equity:

ASSOCIATED COMPANIES	Percentage of the capital	Period included in the consolidated financial statements	Currency	Equity	Earnings in the last fiscal year
BECO Musikverlag GmbH *	50%	01.01.–31.12.2008	€	70	6

* The data included relate to 31.12.2007, because the financial statements for 2008 are not available yet.

A detailed description of the assets, liabilities, sales and period earnings of the associated company can be found in Note 5.5.

4. DESCRIPTION OF THE ACCOUNTING AND VALUATION PRINCIPLES APPLIED

4.1 Consolidation principles

All the main subsidiaries are included in the consolidated financial statements in full. Subsidiaries are companies that Constantin Film AG controls either directly or indirectly. Control means the ability to control the financial and business operations with the aim of obtaining appropriate benefits. This is normally the case when Constantin Film AG owns more than 50 per cent of the voting rights or potential voting rights of a company either directly or indirectly. Companies, in which Constantin Film AG holds 50 per cent or less than 50 per cent of the voting rights either directly or indirectly but exercises de facto control are also included in the Constantin Film AG consolidated financial statements in full. In the case of de facto control, the control is attributable neither to potential voting rights nor to contractual or other arrangements. Constantin Film AG has de facto control when it can be assumed on the basis of the voting rights to which it is entitled that control can be exercised at any time at general / annual

shareholders' meetings, without other shareholders being able to join forces and obtain a majority of the votes present. "Special purpose entities" are included in the consolidated financial statements provided that the Group controls the special purpose entity due to the nature of the relationship.

In accordance with IFRS 3, initial capital consolidation is carried out by offsetting the carrying values of the investment against the revalued pro rata equity of the subsidiaries at the time they were acquired. For this purpose, assets and liabilities are stated at their fair values. Any remaining positive differences are capitalised as goodwill, which has to be subjected to an annual impairment test. Any reduction in value determined in this test is expensed. Any negative difference resulting from capital consolidation is reported in full as income in the year incurred. Consolidation of joint ventures, i.e. companies that the company manages together with partners, is carried out by the equity method in accordance with IAS 31.38.

The investments in companies in which Constantin Film AG holds between 20 and 50 per cent of the voting rights or exerts major influence in some other way (associated company or "at equity"

investments) are accounted for using the equity method. The investments are recognised at their acquisition costs on the acquisition date. Any goodwill that is identified is included in the carrying value of the investment and is not recognised separately. The earnings of the associated companies are recognised in the Group accounts on a pro rata basis and are allocated to the carrying value of the investment. Profit distributions by the associated company reduce the carrying value of the investment. If there are objective indications of impairment, determination of this impairment is based on the provisions of IAS 36. Companies are deconsolidated in accordance with IAS 27 when control is no longer possible. Deconsolidation takes the form of the disposal of all the assets accounted for by the subsidiary, including goodwill and liabilities as well as currency translation differences. Income and expenses incurred up to this time continue to be included in the consolidated financial statements.

The effects of intercompany business transactions are eliminated. Receivables and payables between the fully consolidated companies are offset against each other and any differences are eliminated to profit or loss. Any material interim profits are eliminated. Intercompany income is offset against the corresponding expenses. Minority interests represent the proportion of profit or loss and net assets that is not attributable to the Group. Minority interests are reported separately in the consolidated income statement and the consolidated balance sheet. Inclusion in the consolidated balance sheet is in equity, separate from the equity attributable to the shareholders of the parent company. Shares in subsidiaries that are already consolidated in full are acquired by the "economic entity" method, i.e. the difference between the purchase price and the pro rata net assets is recognised in equity.

4.2 Foreign currency translation

Functional currency

The local currency is the functional currency for most of the Group companies. Group companies with a local currency that is not the currency of the economic environment in which the company mainly operates use a functional currency that is different from the local currency.

Recognition of transactions in foreign currencies

The companies recognise transactions in different currencies than the functional currency of the Group company concerned using the exchange rate on the transaction date. The items are translated at the exchange rate on the balance sheet date. Profits/losses from the settlement of these transactions and profits/losses from the translation of monetary assets and liabilities are recognised in the income statement. Profits/losses from qualifying cash flow hedges and from monetary items that are part of the net investment in a foreign entity of the Group from the business management point of view are exceptions here. These profits/losses are recognised in equity.

Foreign currency translation in the Group

The balance sheets in currencies other than the euro of the foreign Group companies that are independent entities are translated by the functional currency concept using the average rates on the balance sheet date, while the income statement is translated at average annual rates and the equity is translated at historical rates. Translation differences and differences arising from the currency translation of amounts carried forward from the previous year are recognised in equity. When a foreign Group company is sold, accumulated currency translation differences of the company are recognised in the income statement as part of the profit or loss from sale of the company.

The functional currency of the foreign business units that are not independent entities is the currency of the parent company. In this context, monetary items are recognised at the rates on the qualifying

date, whereas historical rates are used in recognition of non-monetary items. The currency translation differences resulting from this are shown in the income statement.

Exchange rates

The rates on qualifying dates are based on the official average rate on the final day of trading in the fiscal year.

EXCHANGE RATES FOR € 1

	Rate on the qualifying date		Average rate	
	31.12.2007	31.12.2008	2007	2008
USD	0.67940	0.70937	0.72970	0.67965
GBP	1.36150	1.02669	1.46070	1.25573
CAD	0.69290	0.58011	0.68210	0.64050
PLN	0.27880	0.24080	0.26460	0.28388
HRK	0.13636	0.13623	0.13628	0.13815
TRY	0.57646	0.46572	0.55975	0.52366
CHF	0.60383	0.67170	0.60872	0.63000
MXN	0.06267	0.05148	0.06676	0.06127

4.3 Segment reporting

The criteria used by the Group for structuring information by segments are primarily the business segments and secondarily the geographical segments. The income and risk exposure of the Group depend mainly on the products made by the Group and the services provided by the Group and to a lesser extent on geographical location.

The Constantin Group distinguishes in its reporting between two segments that are exposed to different risks and are therefore subject to regular review by the Management Board. These two segments are known as “in-house production (or co-production)” and “third-party production”.

4.4 Film assets

The “film assets” item includes not only rights acquired to third-party productions (i.e. films not produced within the Group) but also production costs of films made within the Group (in-house and co-productions) as well as costs of the development of new projects. The acquisition of rights to third-party productions generally involves theatrical, video/DVD and TV rights. Non-genuine service productions that are exploited by the Group are also included in the in-house productions.

Film asset accounting is based on the US GAAP rules. The acquisition costs of third-party productions include the minimum guarantees. The individual instalments of the minimum guarantee are included in the film assets as an advance payment and are capitalised in film assets when the material is supplied and accepted.

In-house productions are shown with their production costs. Film release costs (known as "P&A costs") are not capitalised; instead of this, they are immediately charged as expenses when they are incurred. The P&A costs include the costs that are incurred in film exploitation, such as press and marketing costs. The costs of producing copies of films are capitalised and are charged as expenses when the relevant theatrical sales are received. Financing costs that can be allocated to specific productions are capitalised. A units of production depreciation method that takes account of the reduction in the value of film rights as they are used in the course of time on the basis of the sales that can be generated is applied with respect to film rights (both third-party and in-house productions). This method is known as the "individual film forecast method." In this method, the depreciation charge for a film in a period is determined on the basis of the following formula (revenues generated by the film in the period / estimated total remaining revenues generated by the film x residual carrying value of the film). The sales on which calculation of the depreciation charge is based include all the revenues generated with a film. When the depreciation in connection with the video sales is determined, the latter are adjusted to eliminate the video costs. The maximum period for the revenue estimate amounts to 10 years for the kind of films that are accounted for in the film assets of Constantin Film.

The estimate of total revenues is checked at the end of every quarter and is adjusted if necessary. The quotient for the depreciation charge in the period is determined on the basis of the total revenues after they have been adjusted if necessary. What is known as an impairment test is carried out with every film. If the acquisition costs and/or the carrying value of a film plus any P&A costs that may still be incurred are not covered by the estimated total revenues, depreciation to the value in use is made on the basis of the impairment test. To determine the impairment, the estimated long-term sales are discounted with a weighted average rate of 3.6 per cent. The estimated sales can change significantly due to a number of factors, such as market acceptance and the probable advertising income generated by the film. The

Constantin Group reviews and revises the sales expectations and the depreciation charges as soon as there are any changes from the assumptions made to date.

Capitalised costs of the development of new projects (particularly screenplay rights) are checked regularly to see if they are still to be used as the basis for the production of a film. If the start of principal photography of the film or sale of the rights cannot be specified definitely 3 years after initial capitalisation of costs of a project, the costs are written off completely. If there are signs of impairment earlier than this, appropriate recognition of this is arranged.

4.5 Other intangible assets

This item essentially includes EDP programs, which are recognised at acquisition cost minus scheduled straight-line depreciation and impairment loss. Attention is drawn in this context to the information provided in the section "Impairment of non-financial assets". Depreciation is based on the term of the contract or on the normal useful life of three years (EDP programs).

4.6 Goodwill

Goodwill is recognised at acquisition cost. Goodwill arises from the difference between the acquisition costs and the pro rata fair values of the identifiable assets, liabilities and contingent liabilities that have been acquired at the time of acquisition. Goodwill is allocated to the cash-generating units.

Goodwill is subjected to an impairment test in accordance with IAS 36 once a year as well as during the year if there are any indications that impairment has occurred. Scheduled depreciation according to IFRS 3 is not carried out.

4.7 Tangible assets

Due to their importance, the tangible assets are summarised in the balance sheet. They can include land and buildings, rights equivalent

to land and buildings, technical equipment and machinery, other equipment, operating and office equipment, advance payments made and assets under construction.

Land and buildings and rights equivalent to land and buildings are recognised at acquisition cost less scheduled depreciation based on a useful life for buildings of 25 to 27.5 years. Technical equipment and machinery as well as operating and office equipment are recognised at acquisition cost less scheduled depreciation and any impairment losses. Scheduled depreciation is on a straight-line basis over the standard useful life of between three and thirteen years. Repair and maintenance costs are charged as expenses at the time when they are incurred. Extensive renovations or leasehold improvements are capitalised. Renovations are also depreciated over the above-mentioned estimated useful life. When disposals are made, the acquisition costs and the relevant accumulated depreciation are eliminated; the profits or losses generated in this context are recognised in the income statement in the fiscal year.

4.8 Impairment of non-financial assets

Goodwill at the level of the cash-generating unit and intangible assets with an indefinite useful life are tested for impairment once a year in accordance with IAS 36 and such tests are made during the year as well if there is any indication that impairment has occurred. Other intangible assets and tangible assets are tested for impairment in accordance with IAS 36 if there are indications that impairment has occurred.

Indications of impairment are, for example, a considerable reduction in the fair value of the asset, significant changes in the corporate environment, substantial signs of obsolescence or changes in income expectations. The basis for the impairment test is determination of the recoverable amount, which is the higher of the fair value less costs to sell and the value of an asset in use. If the recoverable amount is calculated in the form of the value in use, appropriate cash flows are

used as the basis. If the recoverable amount is below the carrying value, an impairment loss is recognised.

Calculation of the recoverable amount involves estimates by the management and assumptions. These estimates and assumptions are based on conclusions that are in turn based on what is known at the time in question. Developments that do not correspond with these assumptions and cannot be influenced by the company may mean that the actual results differ from the original expectations, leading to adjustments to the carrying values.

In the case of intangible assets – with the exception of goodwill – and tangible assets, impairment losses made in previous periods have to be reversed when the reasons for the impairment no longer exist. Such write-ups are made in the income statement up to a maximum equivalent to the theoretical amortised cost.

4.9 Inventories

Service productions that are in the process of development are shown in the inventories item (cf. 4.19 Long-term service productions).

4.10 Financial instruments

Available-for-sale financial assets

This item is used primarily to report financial assets that cannot be allocated to any other IAS 39 category.

Initial recognition is at fair value. Subsequent recognition is at the market value, which corresponds to the stock market price on the balance sheet date. If there is no market value, the fair value is determined on the basis of comparable market transactions. Any profits or losses arising from valuation on the balance sheet date are recognised directly in equity. Recognition in the income statement only occurs when such financial assets are eliminated via deletion of the equity item. Impairments, on the other hand, are recognised in the income statement.

The management classifies financial assets at the time of acquisition and makes quarterly reviews to check whether the criteria for the classification still apply. All acquisitions and disposals of financial assets are recognised on the trading date. The acquisition costs include the transaction costs.

Held-to-maturity financial investments

Held-to-maturity financial investments are non-derivative financial assets with fixed or at least determinable payment amounts and fixed maturity dates, which the Group intends and is in a position to hold to maturity. As in the previous year, there were no held-to-maturity financial investments on December 31, 2008.

Loans and receivables

The financial instruments classified in this category are carried at amortised cost using the effective interest method. The item also includes investments in shell companies that have not developed any business operations.

Current trade receivables and miscellaneous current receivables are stated at cost. Non-current monetary receivables that do not bear interest are discounted at the interest rate for government bonds with the relevant term plus 160 basis points. In accordance with IAS 18, the net value of the transaction is shown in sales in the consolidated financial statements.

If there are doubts whether receivables can be collected, receivables from customers are stated at their lower realisable amount. The carrying amounts of the current receivables correspond approximately to the fair values.

General allowances for doubtful accounts are also made for receivables in different risk categories. Historical default rates are

determined for these categories in this context. The relevant receivables are then adjusted to take account of the average default rate.

Financial assets at fair value through profit or loss

The category of financial assets at fair value through profit or loss includes the financial assets held for trading and financial assets which are classified as financial assets that require recognition at the fair value when stated for the first time. Financial assets are classified as held for trading when they are acquired with the aim of being sold again in the near future. Derivatives are also classified as held for trading, except for derivatives that have been designated as hedging instruments and are acting as such.

Financial assets are designated as financial assets at fair value through profit or loss on recognition for the first time when mismatching is as a result eliminated or reduced considerably that has arisen from the recognition of assets or profits/losses by different valuation methods that are required to be used otherwise.

Initial recognition is at fair value. The profits and losses realised from changes in the fair value of the financial instruments are posted in the income statement at the time when they are generated.

Subsequent recognition is at the fair value, which corresponds to the stock exchange price on the balance sheet date. If there is no market value, a fair value is determined using valuation methods. The valuation methods include use of the most recent business transactions between knowledgeable, willing parties on an arm's length basis, comparison with the current fair value of another, essentially identical financial instrument, analysis of discounted cash flows and the use of other valuation models.

4.11 Hedge accounting

The Group generally uses derivative financial instruments to hedge exchange rate fluctuations when buying film rights in foreign currencies. What are essentially involved are film rights bought in USD. The exchange rate risk is created by the fact that all the income generated by the exploitation of these rights is in euros.

When the hedging transaction is initiated, not only the hedging relationship but also the Group's risk management objectives and strategies with respect to the hedging transaction are formally specified and documented. The documentation includes specification of the hedging instrument and the basic transaction, the nature of the risk hedged and a description of how the company determines the effectiveness of the hedging instrument in offsetting risk exposure to changes in the fair value of the basic transaction that is being hedged. Plain vanilla hedging instruments are used (only forward contracts at the present time). Such hedging relationships are considered to be very effective ways to offset risk exposure to changes in fair value. They are reviewed regularly to determine whether they really were highly effective during the entire period under review that was defined for the hedging relationship. The dollar offset method is used to determine effectiveness.

With respect to the inclusion of hedging relationships in the financial statements, hedging instruments are classified as fair value hedges when the risk of a change in the fair value of an asset or a liability in the financial statements or of a firm commitment that is not included in the financial statements is being hedged. What are involved in this case are firm commitments for film rights purchases that are not included in the financial statements. Exchange rate fluctuations automatically lead to fluctuations in film rights prices. Since the income from the exploitation of these rights is exclusively in euros, these fluctuations will have a direct impact on the gross profit of a film.

Derivative financial instruments are recognised as assets when their fair value is positive and as liabilities when their fair value is negative. The fair value of forward exchange contracts is linked to bank valuations. The valuations are determined by the same banks with which the business transactions have been carried out. Since plain vanilla instruments are involved, no valuations are obtained from other banks.

The ongoing basic business transactions are recognised as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are recognised at their fair value on the date when the contract is concluded. Subsequent valuation is also at fair value. The ongoing basic business transactions are recognised at fair value, with subsequent valuations at fair value. Profits or losses arising from revaluation of the derivatives and/or the basic business transaction are recognised in the costs of goods sold item of the income statement. Ineffectiveness is taken into account in the form of the basis adjustment.

Differences between the results achieved with hedging instruments and the results achieved with the hedged basic business transactions are attributable to ineffectiveness in the context of fair value hedge accounting.

Effectiveness is the extent to which the fair value changes of the hedging instrument compensate for the fair value changes of the hedged basic business transaction which are attributable to the risk that has been hedged. Effectiveness is determined by comparing changes so far in the fair value of the basic business transaction that are attributable to the risk that has been hedged with changes so far in the fair value of the hedging instrument. The current results of the hedging relationships are within a range of 80 – 125 per cent.

4.12 Cash and cash equivalents

Cash and cash equivalents are cash in hand and at banks, sight deposits at banks and other financial institutes. They are only included in cash and cash equivalents if they can be converted at any time to amounts of cash and cash equivalents that can be determined in advance, are exposed to only minor risks of fluctuations in value and have a maximum term of three months from the acquisition date onwards.

4.13. Liabilities

Liabilities consist of non-current and current financial liabilities (liabilities to banks), trade payables, advance payments received and other liabilities. They are recognised at amortised cost. If the interest effect is material, non-current liabilities bearing low or no interest are included with their present value on acquisition and accrue interest in the appropriate period until they mature.

Liabilities relating to outstanding invoices are shown in trade payables.

4.14 Provisions

In accordance with IAS 37, provisions take account of all identifiable commitments to third parties from a past event where it is probable that meeting the commitment will lead to an outflow of funds. A further precondition for recognition is a reliable estimate of the amount of the commitment.

The expected outflow of funds that is most likely to occur determines the size of the provisions. If the interest effect is material, non-current provisions are recognised with the present value of the anticipated outflow of funds as calculated using the current market interest rate.

Provisions are formed for imminent losses from ongoing business transactions when the unavoidable costs of carrying out a business transaction are higher than the expected economic benefits. Before provisions are formed, impairment losses are recognised for assets associated with the business transaction in question.

4.15. Borrowing costs

The costs of capital borrowed to produce qualifying assets are capitalised within the Group in the film production item, making use of the alternative treatment provided in IAS 23. The borrowing costs of non-qualifying assets are expensed in the period in which they are incurred.

4.16 Deferred taxes

Deferred taxes are recognised in the consolidated financial statements for temporary differences between the carrying values and tax values of assets and liabilities as well as for tax losses carried forward. Deferred tax assets relating to deductible temporary differences and tax losses carried forward are only recognised to the extent that it can be assumed with sufficient probability that the company in question is in a position to generate sufficient taxable income to make use of the losses carried forward for tax purposes in future.

The deferred taxes for temporary differences in the financial statements of individual companies are determined in accordance with IAS 12.47 on the basis of the tax rates that apply in the individual countries at the time of realisation and/or have to be applied in future. New taxation principles for companies limited by shares were introduced in Germany with effect from January 1, 2008. The corporation tax rate has, on the one hand, been reduced from 25 per cent to 15 per cent and the trade tax index, on the other hand, has been reduced from 5 per cent to 3.5 per cent, which is linked to elimination of the deductibility of business expenses in calculation of trade tax payments.

The effects of the 2008 corporation tax reform have been taken into account in the calculation of the deferred taxes in the 2008 consolidated financial statements. An adjusted average tax rate of 29.83 per cent has been used to value the temporary differences, to the extent that they will have an impact on the tax calculation basis in Germany in future.

Deferred tax assets and liabilities are offset against each other where they relate to the same taxpayer and the same tax and balance each other out again in the same fiscal year.

Tax item accounting frequently requires estimates and assumptions to be made that may prove to be different from the actual taxes charged later on. Deferred taxes on items recognised directly in equity are also included in equity and not in the income statement. The deferred tax assets and liabilities of the Group companies are offset against each other in accordance with IAS 12.

4.17 Equity

Ordinary shares are classified as equity. As soon as the Group acquires shares of its own, the price paid for them, including the relevant transaction costs of the shares concerned, are deducted from equity. When company shares are sold or issued, the price paid for them is added to equity. Constantin Film AG neither acquired nor sold nor issued shares of its own in 2008.

Transactions with minority interests are treated in the same way as transactions with company shares. This means that all payments for the acquisition/disposal of minority interests are posted via equity. Any differences from the minority interests shown appropriately in the balance sheet are eliminated via the reserves (economic entity model).

4.18 Revenue recognition

Group sales are generated by the services provided and the sales invoiced to third parties, excluding VAT and returns.

Theatrical film sales start to be recognised when the film is released to theatres. The size of the sales depends directly on the number of people who go to the theatre to watch it. The film rent paid to the distributor by the theatre operators is posted as the distributor's share of the total theatre revenues in accordance with standard industry practice. The film rent is calculated on the basis of a percentage of the box office receipts.

Revenue from service productions is calculated by the percentage of completion method, in order to determine the proportion of total sales for the period under review. See Note 4.19 Long-term service productions in this context too.

Sales generated by TV rights (pay and free TV) are recognised from when the licence begins – generally 18 to 32 months after theatrical exploitation starts. In these forms of exploitation of the film rights, sales are recognised when the relevant contractually agreed holdback period for exploitation has ended. This means that sales do not start to be recognised until licence availability begins in each case.

The Group generally receives minimum guarantees for the exploitation rights sold (theatrical, video/DVD and TV rights) in global distribution. This guarantee is allocated to the different sales sources. Allocation to the theatrical, video/DVD and TV rights is made at the following flat rates on the basis of past experience in accordance with corporate planning: 25% for the theatrical right, 15% for the video/DVD right and 60% for the TV right. The fundamental rule for recognition of the relevant sales is as follows: theatrical sales on theatrical release in Germany, video/DVD sales 6 months after theatrical release, TV sales 24 months after theatrical release. Revenue recognition is based on the licence account settlements by the licensees in the case of global distribution sales without a minimum guarantee.

Revenue received for services that are provided over a certain period of time and are invoiced to the customer periodically are recognised over the period in which the service is provided.

Dividend income is recognised in the fiscal year in which the right to receipt of the payment is created.

In the case of in-house video/DVD exploitation, the sales – which depend on the number of video cassettes and DVDs sold – are recognised from release onwards. When video/DVD rights are licensed to video operators, sales are recognised at the time when the licensing period begins.

4.19 Long-term service productions

IAS 11 specifies that service productions are valued by the percentage of completion (POC) principle when the necessary conditions for this are met. Provided that the results of a service production can be determined reliably, all the revenues generated by the service production and the costs associated with it are posted in earnings according to the percentage of completion.

Determination of the percentage of completion is based on the physical completion method in the case of daily and weekly programmes and on the cost-to-cost method in the case of TV films and event shows. Reasonable assurance about the results of a service production within the framework of determination of the percentage of completion by the cost-to-cost method is generally reached at the time when the rough cut is accepted by the station.

If the results of the construction contract cannot be estimated reliably, income is only realised in the form of an amount that corresponds to costs that have already been incurred and are probably covered by associated income (zero profit method). The costs of the commission are included without any profits. If and when the uncertainty is eliminated at a later date, so that the results of the construction contract can be estimated reliably, profits are realised on a pro rata basis in accordance with the percentage of completion.

Service productions that are in the course of production are reported in the balance sheet as assets or liabilities with an amount that corresponds to the difference between revenues realised and revenues billed. Screenplays for service productions that have not begun yet are included in inventories.

4.20 Leasing

In connection with leasing agreements in which the Group acts as lessee, the asset leased is capitalised and the same amount is included as a leasing liability, provided that economic ownership of the asset leased is attributable to the lessee (finance lease). In accordance with IAS 17, this is the case when the lessee has assumed essentially all the opportunities and risks of the asset leased that are associated with ownership. In these cases, capitalisation is at the fair value of the asset leased at the beginning of the leasing agreement or at the present value of the minimum leasing payments, if this is lower. The corresponding leasing liabilities are shown in the balance sheet as non-current liabilities on which interest is charged. The interest portion of the leasing liability is recognised in the financial result item of the income statement over the term of the leasing agreement.

When economic ownership of the asset leased is attributable to the lessor (operating lease), the asset leased is included in the lessor's accounts. Leasing payments in connection with operating lease agreements are recognised as other operating expenses in the income statement over the term of the leasing agreement.

4.21 Public funding

Project funding

A distinction is made in funding between project funding in the form of conditionally repayable loans and subsidies / film project funding according to the stipulations of the German government commissioner for culture and the media (BKM / DFFF) in the form of grants that do not have to be repaid.

Project funding in the form of conditionally repayable loans

Film project funding takes the form of a conditionally repayable loan on which no interest is paid in accordance with the stipulations of German film funding legislation and/or the relevant state funding regulations (e.g. Bavarian film/television fund / "FFF Bavaria" rules). This loan has to be repaid as soon as and to the extent that the income received by the producer as a result of the exploitation of the film exceeds a certain amount.

What is involved here is public funding for assets. The amount which it is certain enough will not have to be paid back is deducted from the carrying value of the film assets in the balance sheet.

It is generally possible to determine the amount which it is certain enough will not have to be paid back at the time of the theatrical release. If it is determined at a later date that more of a loan has to be repaid, the carrying value of the film asset is increased by this amount, while a commitment is included as a liability at the same time.

The funds are recognised as income over the exploitation cycle of a film via a reduced depreciation charge of the capitalised costs of goods sold.

Project subsidies

Project subsidies are grants that do not have to be repaid, to which a producer is entitled in order to finance the costs of a subsequent film project depending on the number of box office admissions achieved in theatrical exploitation of a film (reference film). What are involved here

are public grants for assets. The subsidies granted are deducted from the carrying value of the reference film in the balance sheet at the time when principal photography of the subsequent film begins.

The funds are recognised as income over the exploitation cycle of a film via a reduced depreciation charge of the capitalised costs of goods sold.

Film project funding according to the stipulations of the BKM (DFFF)

Film project funding according to the stipulations of the BKM (DFFF) represent grants that do not have to be repaid, which are made to reimburse the production costs of a theatrical film when clearly defined conditions are met.

What are involved are public grants for assets. The film project funding that is granted is deducted from the carrying value of the film in the balance sheet at the latest when the film is released to theatres. It is capitalised as miscellaneous receivables before the theatrical release date. An accrued expenditure item is at the same time included in the miscellaneous liabilities.

The funds are recognised as income over the exploitation cycle of a film via a reduced depreciation charge of the capitalised costs of goods sold.

Distribution funding

A distinction is made in funding between distribution funding in the form of conditionally repayable loans and sales subsidies in the form of grants that do not have to be repaid.

Distribution funding in the form of conditionally repayable loans

Distribution funding takes the form of a conditionally repayable loan on which no interest is paid in accordance with the stipulations of German film funding legislation and/or the relevant state funding regulations (e.g. Bavarian film/television fund / "FFF Bavaria" rules). This loan has to be repaid as soon as and to the extent that the income

received by the distributor as a result of the exploitation of the film exceeds a certain amount.

What are involved here are public grants for expenses that have already been incurred. They are recognised as a reduction of the film release costs by the amount which it is certain enough will not have to be paid back.

It is generally possible to determine the amount which it is certain enough will not have to be paid back at the time of the theatrical release. If it is determined at a later date that more of a loan has to be repaid, the amount in question is posted as expenditure and the relevant amount is included in the liabilities.

The funds are included in the course of the periods that are necessary in order to offset them against the relevant film release costs they are supposed to compensate for.

Sales subsidies

Sales subsidies are grants that do not have to be repaid, to which the distributor is entitled in order to finance the release costs of a subsequent film depending on the number of box office admissions achieved in theatrical exploitation of a reference film.

What are involved here are public grants for expenses that have already been incurred. The sales subsidies made are recognised as a reduction of the film release costs at the time of the theatrical release of the subsequent film. The funds are included in the course of the periods that are necessary in order to offset them against the relevant film release costs they are supposed to compensate for.

5. EXPLANATORY NOTES ABOUT INDIVIDUAL ITEMS IN THE BALANCE SHEET

5.1 Film assets

The film assets can be broken down as follows:

	31.12.2007	31.12.2008
	€ thousand	€ thousand
In-house productions and co-productions		
Films being exploited and produced	133,914	129,247
Films being developed	3,633	3,323
Total in-house productions	137,547	132,570
Third-party productions		
Films being exploited	42,464	29,674
Advance payments made	1,660	4,083
Total third-party productions	44,124	33,757
Film assets	181,671	166,327

The Constantin Film Group received €17.192 million (previous year: €14.644 million) in project subsidies and project funding loans in the fiscal year, which were deducted from the capitalised costs of goods sold. Project funding repayments of €2.912 million (previous year: €498,000) had the opposite effect.

The film assets developed as follows by comparison with the previous year:

FILM ASSETS / in € thousand

	Third-party productions	In-house productions	Total film assets
Acquisition and production costs in 2008			
January 1, 2008	262,466	515,043	777,509
Miscellaneous additions	11,494	62,076	73,570
Disposals		391	391
Total on December 31, 2008	273,960	576,728	850,688
Accumulated depreciation in 2008			
January 1, 2008	218,342	377,496	595,838
Scheduled depreciation in the fiscal year	20,050	63,742	83,792
Unscheduled depreciation	1,811	3,311	5,122
Disposals		391	391
Total on December 31, 2008	240,203	444,158	684,361
Acquisition and production costs in 2007			
January 1, 2007	252,230	448,252	700,482
Miscellaneous additions	10,236	68,903	79,139
Disposals		2,112	2,112
Total on December 31, 2007	262,466	515,043	777,509
Accumulated depreciation in 2007			
January 1, 2007	192,917	336,802	529,719
Scheduled depreciation in the fiscal year	24,189	40,222	64,411
Unscheduled depreciation	1,236	2,584	3,820
Disposals		2,112	2,112
Total on December 31, 2007	218,342	377,496	595,838
Residual carrying amounts on December 31, 2008	33,757	132,570	166,327
Residual carrying amounts on December 31, 2007	44,124	137,547	181,671

Disposal is also assumed in the case of a complete write-off of screenplay rights.

Financing costs of €309,000 (previous year: €2.098 million) that could be allocated directly were capitalised in the 2008 fiscal year. The interest rate varies between 3.6 and 8.3 per cent

5.2. Other intangible assets

The breakdown of the other intangible assets is as follows:

OTHER INTANGIBLE ASSETS / in € thousand

	Intangible assets
Acquisition and production costs in 2008	
January 1, 2008	1,681
Miscellaneous additions	82
Disposals	0
Total on December 31, 2008	1,763
Accumulated depreciation in 2008	
January 1, 2008	1,099
Depreciation in the fiscal year	330
Disposals	0
Total on December 31, 2008	1,429
Acquisition and production costs in 2007	
January 1, 2007	1,432
Miscellaneous additions	249
Disposals	0
Total on December 31, 2007	1,681
Accumulated depreciation in 2007	
January 1, 2007	796
Depreciation in the fiscal year	303
Disposals	0
Total on December 31, 2007	1,099
Residual carrying amounts on December 31, 2008	334
Residual carrying amounts on December 31, 2007	582

5.3. Goodwill

An amount of €4.858 million was included in the intangible assets for goodwill on January 1, 2008; this amount was divided up between several cash-generating units. These goodwill items were reviewed in the context of an impairment test. The review was made on the basis of forecast cash flows of the individual cash-generating units derived from the 5-year plan submitted by the management in each case. Over the 5-year period, the figures planned were calculated on the basis of detailed individual projects, These plans already take account of probable negative effects of the financial crisis. Perpetual annuity

growth of 1 per cent was assumed after the first 5 years. The value of the cash-generating units was then determined from the cash flows by applying a discounting interest rate of between 9.0 per cent and 9.5 per cent. The discounting rate is based on free-market interest rates and a risk surcharge for individual cash-generating units that reflects the potential risks of the individual cash-generating units appropriately. Following the review explained above, no goodwill was written down. This means that the value of the goodwill shown on December 31, 2008 was € 4.858 million. The carrying amounts of the goodwill allocated to a cash-generating unit / the segments are as follows:

GOODWILL / in € thousand

Segment allocation	31.12.2007	31.12.2008
In-house production segment	4,858	4,858
Third-party production segment	0	0
Total	4,858	4,858

Allocation to the cash-generating units	31.12.2007	31.12.2008
Constantin Entertainment GmbH, Ismaning	3,476	3,476
Olga Film GmbH, Munich	1,022	1,022
Rat Pack Filmproduktion GmbH, Munich	40	40
Constantin Television GmbH, Munich	3	3
Constantin Film Services GmbH, Munich	2	2
Constantin Entertainment Croatia d.o.o., Zagreb	315	315
Total	4,858	4,858

5.4 Tangible assets

The breakdown of the tangible assets is as follows:

TANGIBLE ASSETS / in € thousand	Land and buildings, rights equivalent to land and buildings	Equipment, operating and office equipment	Total tangible assets
Acquisition and production costs in 2008			
January 1, 2008	386	4,678	5,064
Miscellaneous additions	54	651	705
Disposals		114	114
Currency translation differences		9	9
Total on December 31, 2008	440	5,224	5,664
Accumulated depreciation in 2008			
January 1, 2008	97	3,671	3,768
Depreciation in the fiscal year	48	465	513
Disposals		114	114
Currency translation differences		7	7
Total on December 31, 2008	145	4,029	4,174
Acquisition and production costs in 2007			
January 1, 2007	308	4,499	4,807
Miscellaneous additions	78	384	462
Disposals	0	169	169
Currency translation differences		-36	-36
Total on December 31, 2007	386	4,678	5,064
Accumulated depreciation in 2007			
January 1, 2007	53	3,291	3,344
Depreciation in the fiscal year	44	521	565
Disposals	0	169	169
Currency translation differences	0	28	28
Total on December 31, 2007	97	3,671	3,768
Residual carrying amounts on December 31, 2008	295	1,195	1,490
Residual carrying amounts on December 31, 2007	289	1,007	1,296

5.5 Shares in associated companies

BECO Musikverlag GmbH is the only associated company in the Constantin Group.

INFORMATION ABOUT ASSOCIATED COMPANIES / in € thousand

	Sales	Earnings after tax	Total assets	Total liabilities
Associated companies				
BECO Musikverlag GmbH *	19	6	98	28

* The data included relate to 31.12.2007, because the financial statements for 2008 are not available yet.

The fair value of the interest in BECO Musikverlag GmbH amounted to € 58,000 on the balance sheet date. There was a pro rata share in earnings of €3,000 (previous year: €0).

The amounts in the income statement that are accounted for by the joint venture can be broken down as follows:

5.6 Shares in joint ventures

PolyScreen Produktionsgesellschaft für Film und Fernsehen mbH is the only joint venture in the Constantin Group. The financial statements as per December 31, 2008 were used in "at equity" consolidation.

The amounts of the balance sheet items that are accounted for by the joint venture can be broken down as follows:

INCOME STATEMENT ITEMS, JOINT VENTURES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Sales	2,636	9,332
Costs of goods sold	-2,550	-8,688
Selling expenses	0	0
General administration expenses	0	0
Other operating expenses	-107	-109
Other operating income	5	0
Financial result	0	0
Tax expenses/income	0	-162
Result for the year	-16	373

ASSETS, JOINT VENTURES / in T€

	31.12.2007	31.12.2008
Non-current assets	0	0
Current assets	3,096	2,319

LIABILITIES, JOINT VENTURES / in T€

	31.12.2007	31.12.2008
Non-current liabilities	0	0
Current liabilities	2,962	1,861

There was a pro rata share in earnings of €187,000.

5.7 Non-current receivables

Non-current receivables are all the receivables due within more than one year. The non-current trade receivables relate to the VAT which has to be paid for sales that are not yet to be realised according to IFRS.

NON-CURRENT RECEIVABLES / in € thousand

	31.12.2007	31.12.2008
Non-current receivables	1,002	2,772
of which third parties	1,002	2,772
Discounted amounts	-61	-108
of which third parties	-61	-108
Total	941	2,664
of which third parties	941	2,664

ALLOWANCES FOR BAD DEBTS / in € thousand

	31.12.2007	31.12.2008
Individual allowances	0	0
of which third parties	0	0
General allowances	0	0
of which third parties	0	0
Total	0	0
of which third parties	0	0

5.8 Other financial assets

Financial assets at fair value through profit and loss

This item consists essentially of securities.

5.9 Deferred tax assets

All the tax issues are explained in Note 6.10.

5.10 Inventories

The inventories (€904,000 / previous year: €439,000) relate to the service productions that are in the process of development.

5.11 Trade and miscellaneous receivables

Trade receivables

The breakdown of the trade receivables is as follows:

TRADE RECEIVABLES / € thousand

	31.12.2007	31.12.2008
Non-current receivables	31,646	35,711
of which third parties	24,267	29,335
of which affiliated companies	7,054	6,067
of which related companies	325	309
Discounted amounts	0	0
of which third parties	0	0
of which affiliated companies	0	0
of which related companies	0	0
Total	31,646	35,711
of which third parties	24,267	29,335
of which affiliated companies	7,054	6,067
of which related companies	325	309

The trade receivables are shown after deduction of allowances for bad debts. The allowances for bad debts relate essentially to receivables from theatre operators. Allowances for bad debts of €1.275 million (previous year: €1.715 million) were made with respect to trade receivables.

ALLOWANCES FOR BAD DEBTS / in € thousand

	31.12.2007	31.12.2008
Individual allowances	1,010	1,008
of which third parties	1,010	1,008
of which affiliated companies	0	0
of which related companies	0	0
General allowances	705	267
of which third parties	705	267
of which affiliated companies	0	0
of which related companies	0	0
Total	1,715	1,275
of which third parties	1,715	1,275
of which affiliated companies	0	0
of which related companies	0	0

The construction contracts with a positive balance towards customers amounted to €15.881 million (previous year: €9.834 million). The construction contracts with a negative balance towards customers amounted to €75,000 (previous year: €3.769 million). They are included in the trade receivables and trade payables.

The service revenues recognised in the period in accordance with IAS 11.39 amounted to €97.052 million (previous year: €105.982 million).

The costs incurred for orders that had not been completed yet (in accordance with IAS 11.40) and the profits reported (minus any losses reported) totalled €36.022 million (previous year: €36.953 million). The advance payments received amounted to €2.590 million (previous year: €0), while the amounts withheld were €11.621 million (previous year: €0).

Trade receivables can be broken down into receivables that are overdue and not overdue, taking the conditions arranged with each individual customer into consideration. The age structure is as follows:

Allowances for bad debts are made with respect to trade receivables following an individual assessment as well as on the basis of historical default rates. The expenses attributable to allowances for bad debts include not only additions to the allowances but also income from use of allowances and expenditure incurred when receivables are written off.

The actual bad debt losses amounted to €331,000 in the 2008 fiscal year (previous year: €490,000). An allowance was released because risks involved in receivables from theatre operators were eliminated.

TRADE RECEIVABLES / in € thousand

Maturity summary 31.12.2007

Days	Carrying amount	of which: neither impaired nor overdue on qualifying date	Business operations continued and not continued in 2007				
			Fewer than 90	Between 91 and 180	Between 181 and 270	Between 271 and 365	More than 365
Trade receivables	31,646	25,355	4,680	899			1,417

Maturity summary 31.12.2008

Days	Carrying amount	of which: neither impaired nor overdue on qualifying date	Business operations continued and not continued in 2008				
			Fewer than 90	Between 91 and 180	Between 181 and 270	Between 271 and 365	More than 365
Trade receivables	35,711	26,680	7,411	611	40	13	956

ALLOWANCES FOR BAD DEBTS / in € thousand

Allowances for bad debts on 01.01.2007

01.01.	3,615
Added	490
Receivables written off	-754
Released	-1,636
Allowances for bad debts on 31.12.2007	1,715

Allowances for bad debts on 01.01.2008

01.01.	1,715
Added	331
Receivables written off	-766
Released	-5
Allowances for bad debts on 31.12.2008	1,275

Miscellaneous receivables

The breakdown of the miscellaneous receivables is as follows:

MISCELLANEOUS RECEIVABLES / in € thousand

	31.12.2007	31.12.2008
Input tax	2,962	2,490
Receivables from funding and subsidies	8,077	16,890
Other receivables	3,861	5,443
Total	14,900	24,823

The carrying amount of all the current miscellaneous receivables corresponds to the fair value.

5.12 Receivables from joint ventures

The receivables from joint ventures of € 41,000 (previous year: € 241,000) relate to trade receivables in connection with the service production **Dahoam is Dahoam**.

The carrying amount of the receivables from joint ventures corresponds approximately to the fair value.

5.13 Receivables from taxes on income

The breakdown of the receivables from taxes on income is as follows:

RECEIVABLES FROM TAXES ON INCOME / in € thousand

	01.01.2008	Change in the companies consolidated	Used	Released	Reclassified	Added	31.12.2008
Domestic taxes	939	0	609	97		119	352
Trade tax	218		158	0		119	179
Corporation tax	721		451	97			173
Total	939	0	609	97	0	119	352

5.14 Cash and cash equivalents

This item includes cash in hand and at banks. There are no restrictions on use.

Interest is paid on overnight money and short-term sight deposits. The effective interest rates on the balance sheet date by currency were:

	31.12.2007	31.12.2008
	%	%
€	5.1–7.8	1.9–5.0
USD	7.3	3.7
Others	6.8	1.0

5.15 Equity

Information about equity movements can be found on pages 68 – 69.

Subscribed capital

The subscribed capital continues to amount to € 12,742,600 and consists of 12,742,600 bearer ordinary shares with no par value, each of which accounts for €1.00 of the subscribed capital. The company's subscribed capital was fully paid up in the current and previous fiscal year.

Capital reserves

The capital reserves were generated essentially by the inflow of the premium from the proceeds of the public offering in 1999 minus the directly allocated IPO costs and the goodwill charge for the equity interests acquired in 1999. The capital reserves amounted to €55.546 million on the balance sheet date (previous year: €55.546 million).

The difference between the reserves under commercial law and in accordance with IFRS is as follows:

RESTATEMENT OF THE CAPITAL RESERVES / in € thousand

Capital reserves according to HGB	40,157
Direct allocation of the IPO costs	-6,553
Goodwill charge on the basis of fair market value calculation	2,242
Capital increase at Constantin Film AG	1,640
Release of the capital reserves acc. to § 150 Paragraphs 3 and 4 AktG	32,697
Acquisition of shares in companies already controlled	-14,637
Capital reserves according to IFRS	55,546

Retained earnings/other reserves

The retained earnings include the accumulated operating results attributable to the shareholders of the parent company.

Exchange rate translation differences arising from consolidation of foreign subsidiaries that do not prepare their accounts in € are shown in the other reserves.

Authorised capital

In accordance with a resolution passed at the Annual Shareholders' Meeting on May 12, 2005, the Management Board has been authorised to increase the share capital on one or more occasions by up to a total of €4,800,000.00 by April 30, 2010 with the approval of the Supervisory Board in return for the injection of cash and/or physical assets. The subscription right of the shareholders can be suspended to some extent in this context (authorised capital 2005/I).

In accordance with a resolution passed at the Annual Shareholders' Meeting on May 12, 2005, the Management Board has been authorised to increase the share capital on one or more occasions by

up to a total of €1,200,000.00 by April 30, 2010 with the approval of the Supervisory Board in return for the injection of cash. The subscription right of the shareholders can be suspended to some extent in this context (authorised capital 2005/II).

Conditional capital

In accordance with a resolution passed at the Shareholders' Meeting on August 29, 2003, the share capital of the company was increased conditionally by up to €600,000.00 to implement a stock option plan (SOP 2003) (conditional capital 2003/I). Options for a maximum of 600,000 shares could be issued up to November 30, 2008 in accordance with the SOP 2003. No advantage was taken of this possibility up to November 30, 2008.

Equity attributable to the minority shareholders

This item includes the accumulated results that are attributable to the minority shareholders.

Information about capital management

It is Constantin Film AG's aim to increase the capital made available to the company by the capital market and to generate an attractive annual return on the capital. To achieve this aim, the parent company uses the equity to acquire investments and to finance its own business operations.

In Group financing, borrowed capital is combined with the company's own funds in order to increase the return on equity. To make sure this aim is achieved, it is a fundamental rule that a profitability calculation is made whenever a major investment is planned. The procedure used in this context is based as a rule on a DCF analysis in which the WACC method is applied in most cases. The purpose of this is to help to make sure the value of the capital employed is increased as much as possible.

In selected cases, company acquisitions are based not only on a DCF analysis but also on an evaluation of the impact on the earnings per share in view of the effects on the income statement. The focus here is on a long-term increase in earnings per share.

In order to check and assess Group profitability levels, profitability indicators are determined several times a year, including the return on equity and the return on total capital. These indicators are compared with the same indicators at other companies. Further indicators are determined in connection with overall Group controlling (the return on sales in particular).

In its equity management, Constantin Film AG monitors all the equity items in the balance sheet following deduction of the treasury shares held by the company. This means that capital amounting to € 85 million is managed (previous year: €75 million).

5.16 List of provisions and liabilities

The following table provides a maturity analysis of the provisions and liabilities:

MATURITY ANALYSIS OF PROVISIONS AND LIABILITIES / in € thousand

2007		Due in up to 1 year	Due in 1 to 5 years	Due in more than 5 years	Total
Non-current liabilities					
Provisions			0		0
Financial liabilities	*)		5,620		5,620
Deferred tax liabilities			4,033		4,033
Total		0	9,653	0	9,653
Current liabilities					
Financial liabilities	*)	112,090			112,090
Advance payments received		72,191			72,191
Trade and miscellaneous payables	*)	60,778			60,778
Liabilities to joint ventures	*)	0			0
Provisions		2,627			2,627
Payables from taxes on income		1,393			1,393
Total		249,079	0	0	249,079

*) Figures in accordance with IFRS 7

MATURITY ANALYSIS OF PROVISIONS AND LIABILITIES / in € thousand

2008		Due in up to 1 year	Due in 1 to 5 years	Due in more than 5 years	Total
Non-current liabilities					
Provisions			287		287
Financial liabilities	*)		4,812		4,812
Deferred tax liabilities			4,087		4,087
Total			9,186		9,186
Current liabilities					
Financial liabilities	*)	126,574			126,574
Advance payments received		53,304			53,304
Trade and miscellaneous payables	*)	63,599			63,599
Liabilities to joint ventures	*)	0			0
Provisions		1,707			1,707
Payables from taxes on income		389			389
Total		245,573	0	0	245,573

*) Figures in accordance with IFRS 7

5.17 Trade and miscellaneous payables

Trade payables

The liabilities shown are not secured apart from the reservations of title that are standard in the industry. The liabilities shown of €9.654 million (previous year: €17.233 million) relate essentially to licensing operations or services.

The trade payables are carried at their redemption value. The trade payables are not subject to interest and generally have maturities of between 30 and 60 days.

Miscellaneous (current) liabilities

The items have been included in the financial statements with their redemption amounts and can be broken down as follows:

The miscellaneous liabilities are due in 1 to 6 months.

The figures posted for the miscellaneous liabilities were corrected in the year under review and for the previous period shown. This correction is outlined in detail in 5.20.

The personnel liabilities relate essentially to salaries, income tax, social security contributions and commitments arising from bonuses, overtime and holiday entitlements.

MISCELLANEOUS LIABILITIES / in € thousand

	31.12.2007	31.12.2008
Personnel liabilities	5,887	8,071
VAT	187	0
Other financial liabilities from film funding	5,447	5,802
Financial commitment from share acquisition	1,000	1,000
Liabilities from unpaid invoices and film expenses	5,252	4,852
Liabilities from net-profit participations and licensor shares	10,427	9,165
Liabilities from conditional loan repayment (public funding)	10,961	16,661
DFFF funding	0	3,848
Others	5,266	4,546
Total	44,427	53,945

(Non-current) financial liabilities

The items have been included in the financial statements with their redemption amounts and can be broken down as follows:

	31.12.2007	31.12.2008
	€ thousand	€ thousand
Liabilities from share acquisition	1,000	0
Other liabilities and medium- + long-term loans	4,620	4,812

The effective interest rates are between 4% and 5.25%.

5.18 Deferred tax liabilities

All the tax issues are explained in Note 6.10.

5.19 (Current) financial liabilities

The carrying amounts of the liabilities on which interest is paid correspond to the fair values.

Constantin Film AG has made interest pooling arrangements for the short-term bank current account liabilities.

The currency breakdown of the effective interest rates on the balance sheet date is as follows:

	31.12.2007	31.12.2008
	%	%
€	5.1–7.8	3.58–8.25
USD	7.3	1.7
Others	6.8	4.6

The following table shows the credit lines available to the Group on the balance sheet date. These credit lines at the different banks had been used to some extent:

DZ Bank AG, Bayerische Landesbank, Dresdner Bank AG Syndicate loan, production funding	(USD thousand)	100,000
Bayerische Landesbank, Dresdner Bank AK, DZ Bank AG, Fortis Bank AG Licence trading and working capital	(€ thousand)	65,000
HypoVereinsbank Line for working capital and service productions	(€ thousand)	2,500
Bankhaus Reuschel Line for working capital and service productions	(€ thousand)	5,000
Berliner Bank Line for service productions	(€ thousand)	9,600

The credit lines (production funding and licence trading line) are secured by the film rights included in the film assets amounting to € 166.327 million (previous year: € 181.671 million) and the exploitation revenues resulting from them as well as by receivables amounting to € 19.830 million (previous year: € 21.812 million).

5.20 Provisions

(Current) provisions

The provisions developed as follows:

In € thousand	01.01.2008	Used	Released	Added	31.12.2008
Provisions	2,627	0	1,098	178	1,707
Total	2,627	0	1,098	178	1,707

The provisions relate mainly to impending legal disputes about possible format right violations by Constantin Entertainment GmbH in show and entertainment productions. In the year under review, provisions of € 178,000 were added for impending legal disputes in connection with rental contracts and productions.

In accordance with the definition of provisions in IAS 37.10 and 37.11b, the following items were reclassified from **Provisions** to **Other (current) liabilities** as per December 31, 2008:

- Liabilities for unpaid invoices and film expenses
- Liabilities for net-profit participations and licensor shares

- Liabilities for conditional loan repayment (public funding)
- Liabilities for personnel expenses
- Miscellaneous (pro rata)

The **Tax provisions** item has in addition been reclassified to the **Payables from taxes on income** item.

What is in general involved in these reclassifications is a change for which a retroactive adjustment of the comparable amounts for past reporting periods is necessary.

The impact of this is as follows:

€ thousand	31.12.2007 before adjustment	Reclassifi- cation	31.12.2007 after adjustment
Other (current) liabilities	11,112	32,432	43,544
Provisions	35,059	-32,432	2,627
Payables from taxes on income	515	878	1,393
Tax provisions	878	-878	0

Scene from: ►
 ASTERIX AT THE
 OLYMPIC GAMES
 (theatrical release:
 January 31, 2008)
 with Gérard Depardieu,
 Michael Bully Herbig,
 Alain Delon and others
 in the leading parts



(Non-current) provisions

The provisions developed as follows:

In € thousand	01.01.2008	Used	Released	Added	31.12.2008
Provisions	0	0	0	287	287
Total	0	0	0	287	287

The item includes the provisions for special long-service payments to employees.

5.21 Payables from taxes on income

The breakdown of payables from taxes on income is as follows:

PAYABLES FROM TAXES ON INCOME / in € thousand

	01.01.2008	Used	Released	Added	31.12.2008
Domestic taxes	1,393	1,323	1	319	388
of which trade tax	330	302	1	189	216
of which corporation tax	580	538	0	130	172
of which other taxes	483	483	0	0	0
Total	1,393	1,323	1	319	388

5.22 Hedging instruments

Currency futures hedging contracts were in force on December 31, 2008. The strict conditions for hedge accounting in accordance with IAS 39 in a cash flow hedge relationship and a fair value hedge relationship are met. The hedging transactions that were still in force on the qualifying date relate to rights purchases in USD and will probably continue until March 2009.

The nominal amount of all the futures contracts in force is €3.563 million (previous year: €8.575 million). Total market price valuation of these business transactions leads to €-175,000 (previous year: €-164,000). Valuation of the futures contracts is calculated as the difference between the forward price when the transaction was concluded and the market value of the futures contract on the balance sheet date. Valuation of the loans is determined as the difference between the value on the date when the 1st tranche of the loan was taken and the market value on the qualifying date (taking the income already paid into account).

In accordance with IAS 39, the changes in market value after deduction of taxes are shown in the income statement in the case of fair value hedges (€-175,000; previous year: €-164,000). The change in the valuation of the pending basic transaction is in turn included in the income statement in the case of the fair value hedges.

The market value of the hedging instruments can be broken down as follows:

HEDGING INSTRUMENTS / in € thousand

	31.12.2007		31.12.2008	
	Assets	Liabilities	Assets	Liabilities
Foreign currency – fair value hedges	0	164	0	175
Total	0	164	0	175

6. EXPLANATORY NOTES ABOUT INDIVIDUAL ITEMS IN THE INCOME STATEMENT

6.1 Sales

The sales can be broken down as follows:

	2007	2008
	€ thousand	€ thousand
Sales:		
Theatrical sales	33,427	31,146
Video sales	44,675	40,875
TV sales	32,212	61,500
Service productions	105,982	100,818
Others	8,719	14,129
Total	225,015	248,469

6.2 Costs of goods sold

The costs of goods sold shown consist of depreciation of film rights and capitalised development costs, of film release expenditure, of the costs of goods sold incurred in connection with video exploitation as well as of the costs of goods sold of service productions and – if applicable – of expenses relating to the repayment of licensor shares. The depreciation of film rights includes expenses of €5.122 million (previous year: €3.821 million) that are due to adjustments of the residual carrying amounts on the basis of current sales estimates of €4.268 million (previous year: €3.563 million) as well as to the risk provision made for films that are not being exploited yet with an amount of €1.065 million (previous year: €258,000). €3.311 million (previous year: €2.584 million) of this amount are accounted for by the in-house production segment, while the third-party production segment accounts for €1.811 million (previous year: €1.237 million). The costs of goods sold were reduced in the financial year by public grants received in accordance with IAS 20 of €2.382 million (previous year: €7.699 million) for sales subsidies and distribution funding.

6.3 General administration expenses

The general administration expenses of €20.238 million (previous year: €19.852 million) essentially include personnel and rental expenses.

6.4 Personnel expenses

Wages and salaries in the year under review amounted to €49.453 million (previous year: €42.588 million). Social security expenditure amounted to €4.567 million (previous year: €4.447 million). Personnel expenses of €87,000 were incurred at the PolyScreen joint venture (previous year: €0). The personnel expenses at the associated company BECO amounted to €0 (previous year: €0).

6.5 Depreciation and impairment of tangible assets and other intangible assets

The depreciation and impairment charge of €878,000 (previous year: €868,000) includes depreciation and impairment of intangible assets of €330,000 (previous year: €303,000), depreciation and impairment of tangible assets of €513,000 (previous year: €565,000) and depreciation of financial assets of €35,000 (previous year: €0).

6.6 Other operating income

The breakdown of the other operating income was as follows:

OTHER OPERATING INCOME / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Income from the release of provisions	443	1,098
Income from other periods	288	203
Costs charged to stations	259	290
Licensing of rights to the name Constantin Medien	0	250
Miscellaneous	1,031	706
Total	2,021	2,547

The income from the release of provisions is attributable primarily to the release of the provisions for impending legal disputes.

The rental income is due to the subletting of office space.

The other operating income also includes numerous items that cannot be allocated to any of the individually specified categories, such as insurance payments, marketing payments, compensation payments, supplier refunds and other reimbursements.

6.7 Other operating expenses

The breakdown of the other operating expenses was as follows:

OTHER OPERATING EXPENSES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Other expenses	368	485
Total	368	485

6.8 Earnings from investments in associated companies and joint ventures

The breakdown of the earnings from investments in associated companies and joint ventures was as follows:

EARNINGS FROM INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Polyscreen	-8	187
BECO	0	3
Total	-8	190

6.9 Other interest and similar income

The other interest and similar income of € 545,000 (previous year: € 577,000) is attributable essentially to interest income from bank deposits (€ 429,000 / previous year: € 469,000) and to income from interest charged on receivables (€ 100,000 / previous year: € 0). The overall breakdown of the item was as follows:

OTHER INTEREST AND SIMILAR INCOME/ in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Interest on bank deposits	469	429
Income from other financial assets	108	16
Interest charged on receivables		100
Total	577	545

6.10 Interest and similar expenses

Total interest expenses in the year under review amounted to € 807,000 (previous year: € 1.321 million) and can be broken down as follows:

INTEREST EXPENSES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Other interest and similar expenses charged for bank loans	1,136	803
Other interest and similar expenses charged for other loans	185	4
Total	1,321	807

6.11 Taxes

The taxes on income relate to Constantin Film AG and the subsidiaries included in the Group. On the basis of the profit/loss transfer agreements that have been concluded, Constantin Film AG is parent of the following subsidiaries for corporation tax and trade tax purposes:

- ▶ Constantin Script & Development GmbH
- ▶ Constantin Media GmbH audiovisuelle Produktionen
- ▶ Constantin Film Produktion GmbH
- ▶ Constantin Film International GmbH
- ▶ Constantin Pictures GmbH
- ▶ Constantin Film Verleih GmbH
- ▶ Classic Media Werbeagentur GmbH
- ▶ Constantin Music Verlag GmbH
- ▶ Constantin Propaganda GmbH
- ▶ Constantin Entertainment GmbH
- ▶ Constantin Film Services GmbH
- ▶ Constantin Television GmbH

Within the framework of this integrated group structure, the income that is subject to corporation tax and the income for trade tax purposes for all the relevant subsidiaries in the Group as well as for the parent company are pooled at the level of the parent company. Taxes are incurred at the level of the parent company alone. The following consolidated companies remain independent taxpayers for the purposes of corporation tax and trade tax:

- ▶ Olga Film GmbH
- ▶ bob Film GmbH
- ▶ MOOVIE – the art of entertainment GmbH
- ▶ Rat Pack Filmproduktion GmbH
- ▶ Westside Filmproduktion GmbH
- ▶ Constantin Film Development Inc.
- ▶ Constantin Production Services Inc.
- ▶ DoA Production Ltd.
- ▶ Constantin International B.V.
- ▶ Königskinder Music GmbH
- ▶ Resident Evil Mexico S. DE R.L. DE C.V.
- ▶ Resident Evil Productions, LLC
- ▶ Constantin Entertainment UK Ltd.
- ▶ Constantin Entertainment Polska Sp. z o.o.
- ▶ Constantin Entertainment Turkey TV Prodüksiyon Limited Sirketi
- ▶ Constantin Music GmbH
- ▶ PolyScreen Produktionsgesellschaft für Film und Fernsehen mbH
- ▶ Constantin Entertainment Croatia d.o.o.
- ▶ BECO Musikverlag GmbH

The taxes on income for the German Group companies consist of corporation tax, reunification tax and trade tax. The rate assumed for the taxes on income is based on a corporation tax rate of 15 per cent and reunification tax of 5.5 per cent for the 2008 fiscal year. The trade

tax rate depends on the location of the registered office of the company in each individual case. The actual trade tax rate for the German companies included in the consolidated financial statements is between 13 and 17 per cent. The local rates for taxes on income applied for foreign Group companies vary between 20 and 40 per cent.

In accordance with IAS 12, the deferred taxes were formed by the liability method for temporary differences between the tax values and the carrying amounts of the assets and liabilities according to IFRS as well as for accumulated tax losses, provided that the profit forecast is positive. The calculation was made on the basis of the tax rates applicable to the individual companies depending on their location.

Tax expenses for the 2007 and 2008 fiscal years were as follows:

BREAKDOWN OF TAX EXPENSES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Current taxes	1,396	1,230
Deferred taxes	2,710	3,259
Total taxes	4,106	4,489

The deferred tax expenses of €3.259 million (previous year: €2.710 million) shown can be broken down into deferred tax assets and liabilities relating to temporary differences amounting to €–4.271 million (previous year: €–1.392 million) and deferred tax assets relating to accumulated tax losses amounting to €1.012 million (previous year: €4.102 million).

The actual tax expenses arising from the result for the year before tax generated by the Constantin Group can be reconciled from the calculated (theoretical) tax expenses as follows:

TAX RECONCILIATION STATEMENT / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Earnings	10,978	15,371
Expected taxes with a tax rate of 29.83% (previous year: 40.86%)	4,486	4,585
Different tax rates	–220	69
Loss carried forward from the previous years	0	–63
Tax-free income	–228	29
Tax additions and deductions	–144	–19
Goodwill	31	0
Off balance sheet accumulated tax losses	65	0
Revaluation of losses carried forward	1,683	0
Effects of early repayment of warrant bonds	0	0
Permanent differences	0	0
Changes in tax rates	–359	0
Aperiodic taxes on income	–1,465	–96
Other effects	257	–16
Actual taxes	4,106	4,489
Effective tax rate in per cent	37.4	29.2

The deferred taxes relate to the following items:

BREAKDOWN OF DEFERRED TAX ASSETS / in € thousand

	31.12.2007	31.12.2008
Losses carried forward	6,229	7,241
Film assets	1,655	6,489
Trade receivables	302	10,579
Other financial assets	127	107
Inventories	3,124	8,266
Trade payables	63	22
Other liabilities	1,344	137
Advance payments received	45,013	13,040
Total	57,857	45,881
Minus deferred tax liabilities	-54,255	-45,484
Deferred tax asset balance	3,602	397

BREAKDOWN OF DEFERRED TAX LIABILITIES / in € thousand

	31.12.2007	31.12.2008
Trade receivables	469	4,488
Other financial assets	0	563
Film assets	54,634	39,952
Advance payments received	2,970	2,915
Other liabilities	215	1,643
Trade payables	0	10
Total	58,288	49,571
Minus deferred tax assets	-54,255	-45,484
Deferred tax liability balance	4,033	4,087

DEFERRED TAX ASSETS BY MATURITY / in € thousand

	31.12.2007	31.12.2008
Current deferred tax assets	0	0
Non-current deferred tax assets	3,602	397
Total	3,602	397

DEFERRED TAX LIABILITIES BY MATURITY / in € thousand

	31.12.2007	31.12.2008
Current deferred tax assets	0	0
Non-current deferred tax assets	4,033	4,087
Total	4,033	4,087

LOSSES CARRIED FORWARD / in € thousand

	31.12.2007 Accumulated	31.12.2008 Accumulated
Total	21,683	25,065
Deferred tax assets relating to losses carried forward not stated due to lack of value	-966	-878
Losses carried forward for which deferred taxes were formed	20,717	24,187

In view of the adequate taxable temporary differences and the sustained profitability of the company, it is assumed that the value of the deferred tax assets is accurate.

There is no maximum time limit up to which use can be made of the tax losses carried forward.

6.12 Earnings per share

The undiluted earnings per share are calculated by dividing the proportion of earnings attributable to the shareholders of Constantin Film AG by the weighted average number of shares in circulation during the fiscal year. The earnings per share are diluted by what are known as "potential shares". These include option rights, although they only dilute earnings when they have the consequence that shares are issued at a value lower than the stock exchange price for the share.

Since no options were issued in accordance with the stock option plan SOP 2003 that existed up to November 30, 2008, the earnings per share were not diluted by them. The earnings per share amounted to €0.83 (previous year: €0.49).

The earnings per share were calculated as follows:

EARNINGS PER SHARE

	01.01. – 31.12.2007	01.01. – 31.12.2008
Earnings attributable to shareholders / in € thousand	6,187	10,520
Average number of shares issued	12,742,600	12,742,600
Undiluted earnings per share attributable to shareholders / in € thousand	0.49	0.83
Diluted earnings per share attributable to shareholders / in € thousand	0.49	0.83

7. EXPLANATORY NOTES ABOUT INDIVIDUAL ITEMS IN THE ~~€€€€€€€€€€€€€€€€€€~~

The cash flow from operating activities includes the following inflows and outflows in accordance with IAS 7.31 and IAS 7.35:

CASH INFLOWS/OUTFLOWS FROM OPERATING ACTIVITIES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Cash inflows / other interest and similar income	577	445
Cash outflows / interest and similar expenses	1,259	1,116

CASH INFLOWS/OUTFLOWS FROM TAXES / in € thousand

	01.01. – 31.12.2007	01.01. – 31.12.2008
Outflow of taxes on income	3,940	1,779
Inflow of tax refunds	1,198	609

The Constantin Film Group had cash and cash equivalents of €101.114 million on December 31, 2008 (previous year: €91.790 million), while bank liabilities totalled €126.574 million (previous year: €112.090 million). Net debt was €5.160 million higher than on December 31, 2007. This change includes the inflows from the investments made in previous years, primarily in global distribution and from TV exploitation, and the investments in new film projects.

In the previous year, the investments in film assets were shown in the cash flow from operating activities with reference to the Constantin Film AG production process. From the year under review onwards, the investments in the film assets are being shown in the cash flow from investing activities. This reclassification is attributable to the

harmonisation and standardisation of the cash flow statements of the higher-level companies Highlight Communications AG and EM.Sport Media AG. The adjustment has been made for the previous period too.

The cash flow from operating activities amounted to €70.534 million (previous year: €103.330 million) and was attributable essentially to the income from the exploitation of TV rights and from global distribution. The cash flow from financing activities totalled €14.104 million (previous year: €-8.476 million). The main influencing factors here were the obtainment of loans from banks to finance the investments in film assets and payment of the remaining instalments in connection with the acquisition of shares. The cash flow from investing activities is determined essentially by the investments in film assets and amounted to €-75.238 million (previous year: €-82.579 million).

8. INFORMATION ABOUT FINANCIAL RISK MANAGEMENT

Information in accordance with IFRS 7

Valuation of the financial instruments by classes and categories can be broken down as follows:

INFORMATION ACCORDING TO IFRS 7 / in € thousand

2008

	Valuation category acc. to IAS 39	Carrying amount 31.12.2008
Assets		
Cash and cash equivalents	LaR	101,114
Non-current receivables	LaR	2,664
Non-current miscellaneous assets	LaR	12
Trade receivables	LaR	19,789
Receivables from associated companies	LaR	0
Receivables from joint ventures	LaR	41
POC receivables	LaR	15,881
Financial assets at fair value through profit or loss	FVPL	214
Miscellaneous assets	LaR	24,536
Miscellaneous assets	No category	177
Miscellaneous original financial assets		0
Available-for-sale financial assets	AfS	0
Liabilities		
Non-current liabilities	FLAC	4,812
Financial liabilities (current and non-current)	FLAC	126,574
Trade and miscellaneous payables	FLAC	63,081
Liabilities to associated companies	FLAC	0
Liabilities to joint ventures	FLAC	0
Miscellaneous liabilities	No category	518
Totals by categories		
Loans and receivables	LaR	164,037
Available-for-sale financial assets	AfS	0
Financial assets at fair value through profit or loss	FVPL	214
Miscellaneous assets with no category	No category	177
Financial liabilities at amortised cost	FLAC	194,467
Miscellaneous liabilities with no category	No category	518

Valuation in the balance sheet in accordance with IAS 39

	Of which irrelevant to IFRS 7	Amortised cost	Acquisition cost	Fair value / not through profit or loss	Fair value / through profit or loss	Fair Value 31.12.2008
	0	0	101,114	0	0	101,114
	0	0	2,664	0	0	2,664
	0	0	12	0	0	12
	0	0	19,789	0	0	19,789
	0	0	0	0	0	0
	0	0	41	0	0	0
	0	0	15,881	0	0	15,881
	0	0	0	0	214	214
	0	0	24,536	0	0	24,536
	0	0	0	0	177	177
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	4,812	0	0	4,812
	0	0	126,574	0	0	126,574
	8,071	0	55,010	0	0	55,010
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	518	518
	0	0	164,037	0	0	164,037
	0	0	0	0	0	0
	0	0	0	0	214	214
	0	0	0	0	177	177
	8,071	0	186,396	0	0	186,396
	0	0	0	0	518	518

INFORMATION ACCORDING TO IFRS 7 / in € thousand

2007

	Valuation category acc. to IAS 39	Carrying amount 31.12.2007
Assets		
Cash and cash equivalents	LaR	91,790
Non-current receivables	LaR	941
Non-current miscellaneous financial assets	LaR	60
Trade receivables	LaR	21,571
Receivables from associated companies	LaR	0
Receivables from joint ventures	LaR	241
Financial assets at fair value through profit or loss	FVPL	305
Miscellaneous assets	LaR	15,092
Liabilities		
Financial liabilities (current and non-current)	FLAC	112,090
Trade and miscellaneous payables	FLAC	60,614
Liabilities to associated companies	FLAC	0
Liabilities to joint ventures	FLAC	0
Miscellaneous liabilities	No category	164
Totals by categories		
Loans and receivables	LaR	129,695
Miscellaneous original financial assets	AfS	0
Financial assets at fair value through profit or loss	FVPL	305
Financial liabilities at amortised cost	FLAC	172,704
Miscellaneous liabilities with no category	No category	164

Valuation in the balance sheet in accordance with IAS 39

	Of which irrelevant to IFRS 7	Amortised cost	Acquisition cost	Fair value / not through profit or loss	Fair value / through profit or loss	Fair Value 31.12.2007
	0	0	91,790	0	0	91,790
	0	0	941	0	0	941
	0	0	60	0	0	60
	0	0	21,571	0	0	21,571
	0	0	0	0	0	0
	0	0	241	0	0	241
	0	0	0	0	305	305
	0	0	15,092	0	0	15,092
	0	0	112,090	0	0	112,090
	5,887	0	54,727	0	0	54,727
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	164	164
	0	0	129,695	0	0	129,695
	0	0	0	0	0	0
	0	0	0	0	305	305
	5,887	0	166,817	0	0	166,817
	0	0	164	0	164	164

The net results of the relevant classes are shown in the two following tables:

NET RESULTS OF THE CLASSES ISD. IFRS 7 / in € thousand

	From interest	Change in fair value	Currency translation	Impairment	From disposal	Miscellaneous ¹⁾	31.12.2008	31.12.2007
Loans and receivables (LaR)	445	100	-150	-35			361	1,001
Available-for-sale financial assets (Afs)							0	0
Financial assets at fair value through profit or loss (FAPL)					1		1	0
Financial liabilities (FLAC)	-807		457				-350	-1,321
Financial liabilities at fair value through profit or loss (FLPL)								

Financial risk management

The Group is exposed to various financial risks that result from the Group's business operations and financial transactions.

The financial risks can be broken down into three categories: liquidity risk, default risk and price change risk. These risks are reviewed centrally within the Constantin Film Group. The risk situation is determined by the risk manager via standardised risk reports on the basis of risk management guidelines that apply to the entire Group and is reported to the Constantin Film AG Management Board. With respect to this issue, we also refer to the outline of risk exposure given in the management report (starting on page 52).

The Group is exposed to various financial risks that result from the Group's business operations and financial transactions. The most important financial risks to which the Group is exposed result from

changes in foreign currency exchange rates, in interest rates and in liquidity risks as well as in the creditworthiness and solvency of the Group's partners.

Foreign currency exchange rate risk:

Most of the licences that Constantin Film buys on the international film markets and a large proportion of the production costs of international films are in USD. The sales generated in exploiting the licences obtained are, on the other hand, received mainly in €. The revenues from the exploitation of our international film productions are received essentially in USD. Fluctuations in the €/USD exchange rate in both directions can have an effect on the company's business operations, financial position and profitability – particularly operating margins – and lead to both exchange rate profits and losses. As in the past, the Constantin Group is trying to minimise the risk of exchange rate losses by taking advantage of suitable derivative financial instruments. These

derivative financial instruments are arranged with banks. The financial instruments relate to future foreign currency payment flows for film projects. The Group does not hold or issue any derivative financial instruments for trading purposes. It is a fundamental rule for the Group to make sure that the amount of the hedging transaction does not exceed the transaction on which it is based. No guarantee can, however, be given that the hedging transactions carried out by the company will be successful in every case. Constantin Film also tries to specify upper limits for exchange rates in licence purchasing contracts that are transacted on the basis of USD.

Constantin Film AG made a sensitivity analysis of USD exchange rate risks. No other foreign currencies represent a major risk for the company.

The outcome of the sensitivity analysis of financial instruments in accordance with IFRS 7 was as follows: if the USD exchange rate on December 31, 2008 had been 10% higher than it actually was and other exchange rates were unchanged, earnings would have been €77,000 higher (previous year: reduction of €628,000), if it had been 10% lower, there would have been a reduction of the same size in earnings.

Interest rate change risk:

The interest rate change risk to which the Group is exposed relates primarily to the liabilities and loans on which interest is paid. The Constantin Group could be exposed to interest rate change risks in the context of the advance financing of film productions and the in-house marketing of TV rights, if there is a lengthy period of time between acquisition of the rights and payment by the TV stations. Liabilities on which interest is paid generally have a shorter term than the receivables financed by them. This difference in terms leads to an interest rate change risk that is controlled by the Group actively. The focus here is on analysis of the yield structure curve. Current financial debt is carried at amortised cost and the effective interest method is applied. Since short terms are involved, there are no major deviations between the fair value and the carrying amounts.

At the present time, the Group does not use any financial instruments to hedge the interest rate risk; there is an interest rate pooling arrangement for the current account bank overdrafts.

Since the Group only has short-term financial instruments with variable interest rates, the outcome of the interest rate sensitivity analysis in accordance with IFRS 7 is 0 (previous year: 0).

The results of the sensitivity analysis are shown in the following table:

SENSITIVITY ANALYSIS / in € thousand

2008	Carrying amount	Interest rate risk		USD exchange rate risk	
		-1%	+1%	-10%	+10%
Financial assets					
Cash and cash equivalents	101,114	0	0	-1,294	1,294
Trade receivables and other assets	60,457			-63	63
Financial liabilities					
Trade and miscellaneous payables	63,599	0	0	345	-345
Financial liabilities (current and non-current)	126,574			935	-935
Total increase/decrease				-77	77

2007	Carrying amount	Interest rate risk		USD exchange rate risk	
		-1%	+1%	-10%	+10%
Financial assets					
Cash and cash equivalents	91,790	0	0	-1,730	1,730
Trade receivables and other assets	46,497			-255	255
Financial liabilities					
Trade and miscellaneous payables	60,788			166	-166
Financial liabilities (current and non-current)	112,090	0	0	1,190	-1,190
Total increase/decrease				-629	629

The turbulence on the international credit markets has not had any negative consequences for Constantin Film AG so far. Although the risk premiums demanded on the market have increased for companies like Constantin Film with a good credit standing too, this has not affected Constantin so far and can in addition be compensated for by decreasing money market interest rates. Constantin Film's risk premiums in the potentially capital-intensive film production operations are fixed until the end of 2009. Due to the fact that Constantin Film's total debt is low at the moment, even sizable increases in interest rates would only have a comparatively small impact on company earnings.

Liquidity risk:

To minimise the liquidity risk, the Constantin Group has credit lines that exceed the funding requirements.

The following table shows the credit lines available to the Group on the balance sheet date. The use made of them at the different banks up to December 31, 2008 was as follows:

		Amount used in € thousand
Bayerische Landesbank, Dresdner Bank AG, DZ Bank AG Syndicate loan, production funding (USD thousand)	100,000	18,032
Bayerische Landesbank, Dresdner Bank AG, DZ Bank AG, Fortis Bank AG Licence trading and working capital (€ thousand)	65,000	17,950
HypoVereinsbank Line for working capital and service productions (€ thousand)	2,500	0
Bankhaus Reuschel Guarantee line, line for working capital and service productions (€ thousand)	5,000	0
Berliner Bank Line for service productions (€ thousand)	9,600	6,963

The credit lines (production funding and licence trading line) are secured by the film rights included in the film assets amounting to € 166.327 million (previous year: € 181.671 million) and the exploitation revenues resulting from them as well as by receivables amounting to € 19.830 million (previous year: € 21.812 million). The amounts used are all due on request in 2009.

The Constantin Group is expecting a positive net inflow of cash and cash equivalents from the business operations in the 2009 fiscal year and the following years. Together with the agreed credit lines, sufficient funds should be available to carry out the company's activities properly.

Not only the production funding but also the licence trading line have to be renegotiated in 2009. In view of the current situation on the capital market due to the financial crisis, it is not clear at the present time whether the company will succeed in obtaining lines of comparable size with comparable conditions. A reduction in the volume of the lines is not considered to be a major risk at the moment, because the lines have never had to be used completely up to now and the Group has always had sufficient liquidity available.

▶ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS / IFRS

The liquidity risk of the financial instruments is summarised in the following table:

LIQUIDITY RISK / in € thousand

2008

	Carrying amount 31.12.2008	Cash flows 2009			Fixed interest
		Fixed interest	Variable interest	Repayment	
Original financial liabilities:					
Bonds, other vested liabilities, liabilities to banks and loans against borrowers' notes and similar liabilities	126,574			126,574	
Other liabilities on which interest is paid	1,000		33	1,000	
Other liabilities on which no interest is paid	57,757			52,945	

Derivative financial liabilities and assets:

Derivative financial liabilities					
Foreign currency derivatives without a hedge relationship					
Foreign currency derivatives with a hedge relationship				3,563	

2007

	Carrying amount 31.12.2007	Cash flows 2008			Fixed interest
		Fixed interest	Variable interest	Repayment	
Original financial liabilities:					
Bonds, other vested liabilities, liabilities to banks and loans against borrowers' notes and similar liabilities	112,090			112,090	
Other financial liabilities on which no interest is paid	2,000		91	1,000	
Other liabilities on which no interest is paid	47,164			42,544	

Derivative financial liabilities and assets:

Derivative financial liabilities					
Foreign currency derivatives without a hedge relationship					
Foreign currency derivatives with a hedge relationship				8,575	

Cash flows 2010–2012		Cash flows 2013–2017		
Variable interest	Repayment	Fixed interest	Variable interest	Repayment
	5,166			
Cash flows 2009–2011		Cash flows 2012–2016		
Variable interest	Repayment	Fixed interest	Variable interest	Repayment
33	1,000			
	5,166			

Credit risk:

There can be credit risks with cash and cash equivalents, business relations with financial institutions, bank balances, derivative financial instruments and receivables from customers. Any risks involved with cash and cash equivalents are also minimised even more by making use of different financial service providers rather than just one bank. The ratings of the banks with which the Constantin Film Group maintains business relations are in the investment grade range.

Risks can arise in connection with the financial standing of contractual partners in the context of the marketing and/or licensing of film rights in the various exploitation phases (theatre, video/DVD, TV). These risks are minimised by restricting business transactions to partners with an excellent credit standing, by transferring rights to the contractual partner only when payment has been made or by obtaining appropriate advance payments for business transactions. There is a concentration of default risks from business relationships with individual debtors and debtor groups with respect to TV stations. In view of the massive reduction in the advertising market due to the financial crisis, it remains to be seen how Constantin Film AG's exposure in the private television field (general and individual contracts with ProSiebenSat.1 and Premiere) will develop. It is not assumed at the present time that this risk will have an impact on the balance sheet.

The credit risks relate to the possibility that the partner in a transaction is incapable or unwilling to meet its commitments and that the Group suffers financial loss as a result. Trade receivables are subject to active risk management with the focus on the evaluation of risks in individual countries, the specification of the credits available, regular reviews of credit risks and monitoring of the receivables.

The carrying amounts of the trade receivables and other assets represent the Constantin Film Group's maximum credit risk exposure, which therefore amounts to €63.599 million.

9. SEGMENT REPORTING

Segment reporting is in accordance with IAS 14.44 as well as the accounting and valuation principles applied in preparation and presentation of the consolidated financial statements. The areas of operation represent the primary segment. The sales and the assets are allocated to the regions on the basis of where the Group companies provide the services. It is a fundamental rule that sales and services between the areas of operation are carried out at arm's length prices.

The Constantin Group distinguishes in its reporting between two segments that are exposed to different risks and are therefore subject to regular review by the Management Board. These two segments are known as "in-house production (or co-production)" and "third-party production":

In the case of in-house production (or co-production), the Group contributes services of its own to the production of a film. In the initial phase, these services include monitoring trends, finding the right material and developing the screenplay. Two possible approaches are adopted here: not only the development of internal ideas but also the acquisition of film rights. When a decision has been taken about further implementation of the film project, the next stage involves choosing the organisational and artistic personnel. This is followed by

the principal photography for the film. Technical post-production of the film starts when principal photography has been completed. Where co-productions are concerned, the Group participates by contributing resources to a film project. The Constantin Group and the co-production partner each receive a share of the proceeds of film exploitation in accordance with a key that is specified in advance. The in-house production segment also covers genuine service productions. A customer commissions the Constantin Group to produce a film in genuine service production. The right to the film production is held and remains directly with the customer after the production has been completed.

The exploitation of acquired rights (third-party productions) – American productions in particular – is another segment of the Constantin Group's operations alongside in-house production (or co-production). The purchasing strategy is based fundamentally on the acquisition of individual licences (known as pick-ups) from our numerous longstanding production partners in Germany and other countries.

The allocation of the items in the income statement to the two segments is as follows:

SEGMENT BREAKDOWN / in € thousand

	2007	2008	2007	2008	2007	2008	2007	2008
	In-house and co-productions		Third-party productions		Reconciliation to consolidated financial statements		Total	
Sales:								
Theatrical sales	21,223	25,397	12,204	5,749	0	0	33,427	31,146
Video sales	28,847	24,616	15,828	16,259	0	0	44,675	40,875
TV sales	16,663	39,967	15,549	21,533	0	0	32,212	61,500
Service productions	105,982	100,818	0	0	0	0	105,982	100,818
Others	6,183	12,930	2,536	1,199	0	0	8,719	14,129
Total	178,898	203,728	46,117	44,740	0	0	225,015	248,469
Costs of goods sold:								
Depreciation	42,806	67,053	25,426	21,861	0	0	68,232	88,914
Other costs of goods sold	112,110	112,170	12,661	11,892	0	0	124,771	124,062
Total	154,916	179,223	38,087	33,753	0	0	193,003	212,976
Gross profit on sales	23,982	24,505	8,030	10,987	0	0	32,012	35,493
In % of sales	13	12	17	25	0	0	14	14
Selling expenses	1,096	1,752	273	385	0	0	1,369	2,137
General administration expenses	13,646	13,940	2,327	2,378	3,879	3,964	19,852	20,283
Other operating income	1,204	2,041	104	54	713	453	2,021	2,548
Other operating expenses	185	436	0	0	183	49	368	485
Operating result	10,259	10,418	5,534	8,279	-3,349	-3,560	12,444	15,136

€ 187,000 (previous year: € - 8,000) of the shares in the profit/loss of associated companies and joint ventures of € 190,000 (previous year: € -8,000) were accounted for by the in-house and co-production segment, while it was not possible to allocate € 3,000 (previous year: € 0).

► NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS / IFRS

The allocation of the items in the balance sheet to the 2 segments is as follows:

CONSOLIDATED BALANCE SHEET by SEGMENTS / in € thousand

ASSETS	31.12.2007	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.12.2008
	In-house and co-productions		Third-party productions		Reconciliation to consolidated financial statements		Total	
Non-current assets								
Film assets	137,547	132,570	44,124	33,757	0	0	181,671	166,327
Other intangible assets	441	266	141	68	0	0	582	334
Goodwill	4,858	4,858	0	0	0	0	4,858	4,858
Tangible assets	981	1,188	315	302	0	0	1,296	1,490
Shares in associated companies and joint ventures	44	231	0	0	55	58	99	289
Non-current receivables	712	2,123	229	541	0	0	941	2,664
Other financial assets	305	226	0	0	60	0	365	226
Deferred tax assets	0	0	0	0	3,602	397	3,602	397
	144,888	141,462	44,809	34,668	3,717	455	193,414	176,585
Current assets								
Inventories	439	904	0	0	0	0	439	904
Trade and miscellaneous receivables	36,395	49,003	10,102	11,454	0	0	46,497	60,457
Receivables from associated companies and joint ventures	241	41	0	0	0	0	241	41
Receivables from taxes on income	0	0	0	0	939	352	939	352
Cash and cash equivalents	0	0	0	0	91,790	101,114	91,790	101,114
	37,075	49,948	10,102	11,454	92,729	101,466	139,906	162,868
Assets	181,963	191,411	54,911	46,121	96,446	101,921	333,320	339,453

▶ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS / IFRS

EQUITY AND LIABILITIES	31.12.2007	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.12.2008
	In-house and co-productions		Third-party productions		Reconciliation to consolidated financial statements		Total	
Equity								
Subscribed capital	0	0	0	0	12,743	12,743	12,743	12,743
Capital reserves	0	0	0	0	55,546	55,546	55,546	55,546
Other reserves	0	0	0	0	0	-74	0	-74
Retained earnings	0	0	0	0	-905	4,726	-905	4,726
Earnings attributable to the shareholders	0	0	0	0	6,187	10,520	6,187	10,520
Equity attributable to the shareholders	0	0	0	0	73,571	83,461	73,571	83,461
Minority shareholders	0	0	0	0	1,017	1,233	1,017	1,233
	0	0	0	0	74,588	84,694	74,588	84,694
Non-current liabilities								
Miscellaneous liabilities	5,620	4,812	0	0	0	0	5,620	4,812
Provisions	0	229	0	58	0	0	0	287
Deferred tax liabilities	0	0	0	0	4,033	4,087	4,033	4,087
	5,620	5,041	0	58	4,033	4,087	9,653	9,186
Current liabilities								
Financial liabilities	0	0	0	0	112,090	126,574	112,090	126,574
Advance payments received	54,657	42,486	17,534	10,818	0	0	72,191	53,304
Trade and miscellaneous payables	46,016	50,691	14,762	12,908	0	0	60,778	63,599
Liabilities to associated companies and joint ventures	0	0	0	0	0	0	0	0
Provisions	1,989	1,361	638	346	0	0	2,627	1,707
Payables from taxes on income	0	0	0	0	1,393	389	1,393	389
	102,663	94,537	32,933	24,073	113,483	126,963	249,079	245,573
Equity and liabilities	108,283	99,578	32,933	24,131	192,104	215,744	333,320	339,453

The breakdown of segment additions was as follows: in film assets, € 62.076 million were accounted for by in-house productions, while € 11.494 million were contributed by third-party productions; in other intangible assets, € 75,000 were accounted for by in-house productions, while € 19,000 were contributed by third-party productions; in tangible assets, € 562,000 were accounted for by in-house productions, while € 143,000 were contributed by third-party productions; and in the shares in associated companies, € 187,000 were accounted for by in-house productions, while € 0 were contributed by third-party productions.

There are no business relationships between the in-house production (or co-production) segment and the third-party production segment. The management of the Constantin Group uses "sales", "depreciation" and "gross profit on sales" as indicators to assess the success achieved by the two segments.

Constantin Film does not have any significant assets outside the Federal Republic of Germany and did not make any investments abroad.

More detailed explanations about the individual segments can be found in the management report about the company and the Group.

The total segment sales can be broken down into the different territories as follows:

SEGMENT SALES BY REGIONS FROM 01.01. TO 31.12.2008 / in € thousand

	German-speaking countries	Rest of Europe	USA and Canada	Rest of the world	Total
External sales	212,471	19,609	7,097	11,837	251,017

SEGMENT SALES BY REGIONS FROM 01.01. TO 31.12.2007 / in € thousand

	German-speaking countries	Rest of Europe	USA and Canada	Rest of the world	Total
External sales	199,575	11,871	15,002	518	227,036

10. MANAGEMENT DISCRETION AND UNCERTAIN ESTIMATES

Preparation of the consolidated financial statements in accordance with IFRS requires the management to make estimates and assumptions that affect the figures reported for the income, expenses, assets, liabilities and contingent liabilities on the balance sheet date. These estimates and assumptions are based on the best possible evaluation by the management of past experience and other factors, including assessments of future events. The estimates and assumptions are reviewed regularly. The estimates made need to be changed if the circumstances on which the estimates are based have changed or new and additional information is obtained. Such changes are made in the reporting period in which the estimate was corrected. The most important assumptions about future developments and the most important sources of uncertainty in the estimates, which might make significant adjustments necessary to the assets, liabilities, income, expenses and contingent liabilities in the financial statements over the next twelve months, are outlined below.

Impairment of non-financial assets

Goodwill and other intangible assets with an indefinite useful life are tested for impairment at least once a year and such tests are also made more frequently if there is any indication that impairment has occurred. The film assets and other non-financial assets are tested for impairment when there is any indication that the carrying amount exceeds the recoverable amount. To determine whether impairment has occurred, assessments are made of the anticipated future cash flows per cash-generating unit from the use and possible sale of these assets. The actual cash flows can differ considerably from the discounted future cash flows based on these estimates. Changes in the sales and cash flow forecasts can lead to impairment.

Financial assets

The fair value of financial assets that are traded on organised markets is determined by the market price quoted on the balance sheet date. The fair value of financial assets for which there is no active market is determined by applying valuation methods. The valuation methods include use of the most recent business transactions between expert, interested and independent business partners, comparison with the fair value of another essentially identical financial instrument, analysis of discounted cash flows and use of other valuation models that are based on assumptions by the management. On every balance sheet date, the Group determines whether the value of a financial asset or a group of financial assets has been impaired.

Construction contracts

The cost-to-cost method (production costs incurred up to the qualifying date in relation to the anticipated total production costs) and/or the physical completion method are used in determination of the extent to which productions have been completed when the percentage-of-completion method is being applied. The calculation of the probable total production costs / physical completion is based on estimates. Changes in the estimates have a direct impact on the actual results.

Provisions for legal cases

The Group companies are involved in various legal disputes. At the present time, the Group is working on the assumption that the provisions will cover the risks. Further legal action could, however, be taken, the costs of which are not covered by the existing provisions or insurance. It is not out of the question either that the extent of the legal disputes will increase and that the future legal cases, law suits and investigations will be insignificant. Any such changes may have an impact on the provisions included in the financial statements for legal cases in future reporting periods.

Deferred taxes on income

Extensive estimates have to be made in order to determine the assets and liabilities from deferred taxes on income. Some of these estimates are based on the interpretation of existing tax legislation and regulations. The management is of the opinion that the estimates are reasonable and that the uncertainties about the taxes on income have been taken into account sufficiently in the assets and liabilities included in the financial statements. The deferred tax assets relating to tax-deductible losses carried forward depend particularly on whether appropriate profits are generated in future. The deferred tax assets relating to valuation adjustments depend on future profit

developments as well. Tax-deductible losses expire in the course of the years in some countries too. The actual profits may differ from the anticipated profits. Any such changes may have an impact on the deferred income tax assets and liabilities included in the financial statements for future reporting periods.

11. CONTINGENT LIABILITIES AND OTHER FINANCIAL COMMITMENTS

Summary

A summary of the contingent liabilities and other financial commitments is given in the following table:

CONTINGENT LIABILITIES AND OTHER FINANCIAL COMMITMENTS / in € thousand

	Leasing commit- ments	Other financial commit- ments	Contingent liabilities	Total
31.12.2007				
Remaining term up to one year	2,502	0	8,652	11,154
Remaining term one to five years	5,776	20,362	0	26,138
Remaining term more than five years	1,947	0	0	1,947
Total	10,225	20,362	8,652	39,239

	Leasing commit- ments	Other financial commit- ments	Contingent liabilities	Total
31.12.2008				
Remaining term up to one year	2,695	0	9,000	11,695
Remaining term one to five years	7,820	33,990	0	41,810
Remaining term more than five years	948	0	0	948
Total	11,463	33,990	9,000	54,453

Rental and leasing commitments

The company rents and leases offices, storage rooms and vehicles.

The rental and leasing contracts belong to the "operating lease" category in accordance with IAS 17.

There were the following minimum leasing commitments on December 31, 2008:

COMMITMENTS FROM OPERATING LEASE CONTRACTS / in € thousand

	Rent for rooms and buildings	Vehicle leasing	Others*	31.12.2008	31.12.2007
Up to one year	2,477	111	107	2,695	2,502
One to five years	7,443	91	286	7,820	5,776
More than five years	941	7	0	948	1,947
Total	10,861	209	393	11,463	10,225

The leasing / rental expenses in the year under review amounted to €2.453 million (previous year: €2.783 million).

Other financial commitments

The Group obtains access to future film rights by concluding licence contracts. Film purchasing and pre-production operations lead to financial commitments for the future that amount to about €33.990 million (previous year: €20.362 million). The impact on the asset situation, financial position and profitability from 2010 onwards cannot be estimated with sufficient certainty at the present time.

Contingent liabilities

There are also guarantees to various TV stations for service productions totalling €9.000 million (previous year: €8.652 million).

The credit lines (revolving production and licence trading line) are secured by the film rights shown in the film assets and the proceeds of the exploitation of them.

12. CONNECTIONS TO RELATED PARTIES

The Management Board and the Supervisory Board of Constantin Film AG and their relatives, the shareholders of the company that have a controlling and significant influence and the associated companies and joint ventures are the main related parties as defined by IAS 24. Since the main shareholder Highlight Communications AG (97.83%) and its main shareholder EM.Sport Media AG have this influence, they are related parties.

The members of the Management and Supervisory Boards held the following number of shares on December 31, 2008: Hanns Beese 2,500 shares and Dr Paul Graf 500 shares.

On June 29, 2005, Constantin Film AG acquired shares in Constantin Entertainment GmbH from Kogel Beteiligungs- und Verwaltungs-GmbH. €1 million (plus interest) of the purchase price of €9 million remained to be paid on December 31, 2008.

The information specified in § 314 Paragraph 1 No. 6 Letter a Sentences 5–9 of the HGB is not provided in accordance with the resolution passed by the Annual Shareholders' Meeting on June 8, 2006 on the basis of § 314 Paragraph 2 Sentence 2 in connection with § 286 Paragraph 5 of the HGB.

The members of the Management Board receive annual remuneration consisting of fixed and variable elements. The total remuneration paid to the Management Board (January 1 to December 31, 2008) amounted to €2.428 million (previous year: €2.555 million).

The remuneration paid to the members of the Supervisory Board for their Supervisory Board activities amounted in total to €126,000 (previous year: €127,000) in 2008. The remuneration paid to the individual members was as follows:

REMUNERATION PAID TO THE MEMBERS OF THE SUPERVISORY BOARD / in € thousand

Name	Function	Compensation	Other remuneration	Total
Bernhard Burgener (until December 31, 2008)	Chairman	36	0	36
Bernd Eichinger	Deputy Chairman	26	1,410	1,436
Marc Conrad		15	0	15
Dr Paul Graf		19	0	19
Professor Dr Günter Rohrbach		15	178	193
Martin Wagner		15	0	15

Bernd Eichinger received remuneration of €1.410 million from the production contract and screenplay fees in 2008 (previous year: €1.763 million). Professor Dr Günter Rohrbach received €178,000 as compensation for his assignments as a producer in 2008 (previous year: €173,000).

Bernd Eichinger holds the shares in Topeka GmbH, Cologne, (operator of the CINEDOM multiplex) directly and indirectly. The Constantin Group had theatrical sales of €797,000 with Topeka GmbH this year (previous year: €256,000). There was a receivable amounting to €17,000 on December 31, 2008 (previous year: €27,000).

Katja Eichinger (wife of Bernd Eichinger) received author's remuneration of €20,000 for the book "Der Baader Meinhof Komplex – Das Buch zum Film" in the 2nd quarter of 2008.

The income the Constantin Film Group generated with the Highlight Communications Group in 2008 can be broken down as follows by company: Rainbow Home Entertainment AG: €31.377 million (previous year: €32.522 million); Highlight Communications AG: €51,000 (previous year: €58,000); Highlight Deutschland GmbH: €18,000 (previous year: €18,000). The expenses can be broken down as follows: Rainbow Home Entertainment AG: €13.405 million (previous year: €15.890 million); Highlight Communications AG: €97,000 (previous year: €31,000) and Highlight Deutschland GmbH: €0 (previous year: €1,000). On December 31, 2008, the receivables amounted to €6.033 million from Rainbow Home Entertainment AG (previous year: €6.889 million), €28,000 from Highlight

Communications AG (previous year: €0) and €6,000 from Highlight Deutschland GmbH (previous year: €5,000). On December 31, 2008, the liabilities amounted to €83,000 to Highlight Communications AG (previous year: €31,000) and €0 to Highlight Deutschland GmbH (previous year: €9,000). The business relationship consists mainly of the joint implementation of the video business with Rainbow Home Entertainment AG.

The sales and other operating income of €731,000 (previous year: €247,000) and expenses of €0 (previous year: €5,000) recorded by the Constantin Film Group with PolyScreen Produktionsgesellschaft für Film und Fernsehen mbH in 2008 relate essentially to the service production **Dahoam is Dahoam**. There were receivables of €41,000 (previous year: €241,000) and advance payments received of €297,000 (previous year: €369,000) on December 31, 2008.

Other operating income of €250,000 was generated with EM.Sport Media AG in the year under review. This income was attributable to the licensing of the rights to use the Constantin name. There were trade receivables of €268,000 on December 31, 2008.

Expenses of €6,000 (previous year: €6,000) were incurred with DSF Deutsches Sportfernsehen GmbH in the year under review for renting server rooms. There were no liabilities at the end of the year.

13. 2003 STOCK OPTION PLAN (SOP)

An AOP was introduced in the 2003 fiscal year (SOP 2003). This AOP 2003 specifies that options for a maximum of 600,000 shares can be issued up to November 31, 2008. No advantage was taken of this possibility up to November 31, 2008 (final deadline). There are no other AOP any longer.

14. OTHER MANDATORY INFORMATION

14.1 Auditor's expenses

The general administration expenses include expenses of €300,000 paid to PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, the auditor of the consolidated financial statements, for auditing assignments and €2,000 for other consulting services.

14.2 German Corporate Governance Code

The Management Board and Supervisory Board of Constantin Film AG have arranged to apply the German Corporate Government Code for companies with a stock market listing. Only a few of the recommendations made in it have not been implemented. The statement is published on the website www.constantin-film.de.

14.3 Number of employees

The Constantin Film Group had an average of 500 permanent employees (previous year: 481) and 898 project staff (previous year: 1,088) last year. This means that the average number of staff was 1,398 (previous year: 1,569). The Constantin Film Group had 511 permanent staff at the end of the year (previous year: 486). 453 of them were full-time employees, 28 of them senior executives and directors and 30 of them part-time employees and apprentices. The joint venture PolyScreen had an average of 1 employee over the year (previous year: 0). The associated company BECO had 0 employees (previous year: 0).

14.4 Board members

Management Board of Constantin Film AG

The Management Board of Constantin Film AG had 5 members during the fiscal year:

FRED KOGEL / producer / Chairman of the Management Board (until December 31, 2008)

HANNS BEESE / economics graduate

THOMAS PETER FRIEDL / film businessman
(until January 31, 2008)

MARTIN MOSZKOWICZ / businessman and producer

FRANZ WOODTLI / businessman

Bernhard Burgener has been the Chairman of the Management Board of Constantin Film AG since January 1, 2009. The members of the Management Board have been appointed at least until the end of the 2009 fiscal year. Fred Kogel resigned with effect from December 31, 2008 and Thomas Peter Friedl resigned with effect from January 31, 2008.

Supervisory Board of Constantin Film AG in 2008

	Main profession	Membership of other Supervisory Boards
Bernhard Burgener Chairman of the Supervisory Board (member of the Supervisory Board from 5.5.2004 to 31.12.2008; Chairman of the Supervisory Board from 8.6.2006 to 31.12.2008)	Chairman of the Management Board of Ismaning, Germany	Member of the Board of Highlight Communications AG, Pratteln, Switzerland Chairman of the Board of Team Holding AG, Lucerne, Switzerland Chairman of the Board of Team Football Marketing AG, Lucerne, Switzerland Chairman of the Board of T.E.A.M. Television Event And Media Marketing AG, Lucerne, Switzerland Chairman of the Board of KJP Holding AG, Lucerne, Switzerland Chairman of the Board of Rainbow Home Entertainment AG, Pratteln, Switzerland Member of the Board of Escor Casinos & Entertainment SA, Düringen, Switzerland Member of the Board of Radio Basilisk Betriebs AG, Basel, Switzerland Member of the Board of CBE Marmor & Handels AG, Ibach, Switzerland Chairman of the Board of Lechner Marmor S.p.A., Lasa, Italy
Fred Kogel Chairman of the Supervisory Board (since 26.1.2009) (member of the Supervisory Board since 15.1.2009)	Producer	Chairman of the Advisory Board of Constantin Entertainment GmbH, Ismaning, Germany
Bernd Eichinger Deputy Chairman (since 8.6.2006) (member of the Supervisory Board since 3.1.2003)	Film producer	Artists for Kids, gemeinnützige GmbH
Martin Wagner (since 23.7.2003)	Lawyer	Deputy Chairman of the Board of Highlight Communications AG, Pratteln, Switzerland Member of the Supervisory Board of EM.Sport Media AG, Ismaning, Germany Member of the Board of Team Holding AG, Lucerne, Switzerland Member of the Board of Team Football Marketing AG, Lucerne, Switzerland Member of the Board of T.E.A.M Television Event And Media Marketing AG, Lucerne, Switzerland Deputy Chairman of the Board of Rainbow Home Entertainment AG, Pratteln, Switzerland Member of the Board of Escor Casinos & Entertainment SA, Düringen, Switzerland Member of the Board of KJP Holding AG, Lucerne, Switzerland Chairman of the Board of VCP Venture Capital Partners AG, Basel, Switzerland Chairman of the Board of Weltwoche Verlags AG, Zurich, Switzerland Member of the Board of Köppel Holding AG, Zurich, Switzerland Member of the Board of Handelszeitung und Finanzrundschau AG, Zurich, Switzerland Member of the Board of Handelszeitung Fachverlag AG, Zurich, Switzerland Member of the Board of Handelszeitung Medien AG, Zurich, Switzerland Chairman of the Board of Radio Basilisk Betriebs AG, Basel, Switzerland Member of the Board of Axel Springer Schweiz AG, Zurich, Switzerland Member of the Board of TR7 AG, Zurich, Switzerland Member of the Board of Jean Frey AG, Zurich, Switzerland Member of the Board of Amiado Group AG, Zurich, Switzerland Member of the Board of Avivum AG, Zurich, Switzerland Member of the Board of PartyGuide.ch AG, Zurich, Switzerland Member of the Board of Students.ch AG, Zurich, Switzerland Member of the Board of Lechner Marmor S.p.A., Laas, Italy Member of the Board of CBE Marmor & Handels AG, Ibach, Switzerland Member of the Board of IWF Institut für Wirtschaftsförderung AG, Liestal, Switzerland Member of the Board of IPWR Institut für Politik, Wirtschaft, Recht AG, Basel, Switzerland Member of the Board of livingroom.fm Betriebs AG, Basel, Switzerland Member of the Board of Bluenaut Matching Services AG, Rünenberg, Switzerland Member of the Board of Pima Canyon JDS AG, Rünenberg, Switzerland
Marc Conrad (since 12.05.2005)	Film producer	None
Dr Paul Graf (since 19.08.2004)	Businessman	Member of the Board of Lasamarmo S.p.A., Lass/BZ, Italy
Professor Dr Günter Rohrbach (since 13.07.2001)	Independent producer	None

Scene from: ▶▶

STEP UP TO THE

STREETS

(theatrical release:

March 6, 2008)



► RESPONSIBILITY STATEMENT

“Wir versichern nach bestem Wissen, dass gemäß den anzuwendenden Rechnungslegungsgrundsätzen der Konzernabschluss ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage des Konzerns vermittelt und im Konzernlagebericht der Geschäftsverlauf einschließlich des Geschäftsergebnisses und die Lage des Konzerns so dargestellt sind, dass ein den tatsächlichen Verhältnissen entsprechendes Bild vermittelt wird, sowie die wesentlichen Chancen und Risiken der voraussichtlichen Entwicklung des Konzerns beschrieben sind.”

Munich, March 2, 2009

The Management Board of Constantin Film AG



► BERNHARD BURGNER / Management Board Chairman



► HANNS BEESE / Management Board member



► MARTIN MØSZKOWICZ / Management Board member



► FRANZ WOODTLI / Management Board member

AUDITOR'S REPORT

We have audited the consolidated financial statements – consisting of the balance sheet, income statement, statement of changes in equity, cash flow statement and notes – prepared by Constantin Film AG and the consolidated management report compiled by Constantin Film AG, Munich, for the fiscal year that started on January 1, 2008 and ended on December 31, 2008, which is combined with the management report for the company. The Management Board of the company is responsible for preparing the consolidated financial statements and the combined management report in accordance with the IFRS as adopted by the EU and in accordance with the provisions of commercial law that also have to be observed as stipulated in § 315a Paragraph 1 of the German Commercial Code (HGB). Our assignment is to make a judgement about the consolidated financial statements and the combined management report on the basis of the audit we have completed.

We have made our audit of the consolidated financial statements in accordance with § 317 of the HGB and observing the principles governing the proper conduct of audits as issued by the German Institute of Auditors. According to these regulations and principles, the audit must be planned and implemented in such a way that inaccuracies and violations which have substantial impact on the picture of the asset situation, financial position and profitability presented by the consolidated financial statements (in compliance with the accounting regulations that have to be applied) and by the combined management report are identified with sufficient certainty. Information about the business operations and the economic and legal environment of the Group as well as expectations about possible mistakes are taken into account when specifying the audit procedures. The effectiveness of the internal accounting control system and supporting evidence confirming the information provided in the consolidated financial statements and the combined management report are checked mainly by taking random samples in the course of

the audit. The audit consists of an evaluation of the financial statements of the companies included in the consolidated financial statements, of the definition of the companies consolidated, of the accounting and consolidation principles applied and of the main elements of company management by the Management Board as well as an assessment of the overall presentation of the consolidated financial statements and the combined management report. We are of the opinion that our audit forms a reliable enough basis for making a sound judgement.

Our audit has not led to any objections being raised.

In our considered opinion, based on the findings of the audit, the consolidated financial statements comply with the IFRS as adopted by the EU and with the provisions of commercial law that also have to be observed as stipulated in § 315a Paragraph 1 of the HGB and present a true and fair picture of the asset situation, financial position and profitability of the Group, taking these regulations into account. The combined management report is consistent with the consolidated financial statements, gives an appropriate overall description of the situation of the Group and presents the future opportunities and risks in an accurate way.

Munich, March 2, 2009

► PRICEWATERHOUSECOOPERS

Aktiengesellschaft / Wirtschaftsprüfungsgesellschaft

Franz Wagner / Auditor

Petra Justenhoven / Auditor

▶ AG BALANCE SHEET / HGB

ASSETS / HGB	31.12.2007	31.12.2008
	€ thousand	€ thousand
A. Fixed assets		
I. Intangible assets	540	290
II. Tangible assets	688	739
III. Financial assets	24,543	25,115
Total fixed assets	25,771	26,144
B. Current assets		
I. Receivables and other current assets		
1. Receivables from affiliated companies	73,432	56,816
2. Other assets	1,737	803
II. Cash in hand and at banks, cheques	11	12
Total current assets	75,180	57,631
C. Prepaid expenses	89	32
Total assets	101,040	83,807

EQUITY AND LIABILITIES / HGB	31.12.2007	31.12.2008
	€ thousand	€ thousand
A. Equity		
I. Subscribed capital	12,743	12,743
Conditional capital €600,000 (previous year: €600,000)		
II. Capital reserves	40,157	40,157
III. Retained earnings	9,950	9,950
IV. Accumulated profits/losses	4,553	9,490
Total equity	67,403	72,340
B. Provisions		
I. Tax provisions	44	256
II. Other provisions	1,577	2,088
Total provisions	1,621	2,344
C. Liabilities		
1. Trade payables of which due within 1 year: €168,000 (previous year: €335,000)	335	168
2. Liabilities to affiliated companies of which due within 1 year €7,609,000 (previous year: €29,481,000)	29,481	7,609
3. Other liabilities of which due within 1 year: €1,346,000 (previous year: €1,200,000) of which from taxes: €302,000 (previous year: €187,000) of which in connection with social security: €0 (previous year: €2,000)	2,200	1,346
Total liabilities	32,016	9,123
Total equity and liabilities	101,040	83,807

▶ AG INCOME STATEMENT / HGB

	01.01. – 31.12.2007	01.01. – 31.12.2008
	€ thousand	€ thousand
General administration expenses	10,839	11,656
Other operating income	5,552	5,102
Other operating expenses	45	86
Income from equity interests	260	0
Income from profit transfer agreements	48,601	28,696
Other interest and similar income of which from affiliated companies: €38,000 (previous year: €19,000)	32	53
Depreciation of financial assets	12	0
Interest and similar expenses of which from affiliated companies: €0 (previous year: €0)	179	119
Costs of loss absorption	36,055	16,107
Income from continuing operations	7,315	5,883
Taxes on income	-154	-942
Other taxes	-4	-4
Net income for the year	7,157	4,937
Accumulated profits from previous years	974	4,553
Allocation to the retained earnings	3,579	0
Accumulated profits	4,552	9,490

- ▶ Theatrical productions
- ▶ TV productions
- ▶ Theatrical distribution
- ▶ Home entertainment/
new video releases

► Theatrical productions

Titel	Form	Co-Produktionspartner	Produzent	Regie	Hauptrollen	Genre
Effi Briest	Eigenproduktion		Günter Rohrbach; Exec. Prod.: Martin Moszkowicz	Hermine Huntgeburth	Julia Jentsch, Sebastian Koch, Mišel Matičević	Drama/Literaturadaption
Die Perlmutterfarbe	Co-Produktion	d.i.e. Film	Robert Marciniak; Co-Produzent: Martin Moszkowicz	Marcus H. Rosenmüller	Markus Krojer	Drama
Die Konferenz der Tiere	Co-Produktion	White Horse Pictures GmbH	Reinhard Klooss; Exec. Prod.: Martin Moszkowicz	Holger Tappe	Reinhard Klooss	CGI Family Entertainment
Die Päpstin	Co-Produktion	UFA Filmproduktion, Medusa Film, Ikiru Films, ARD (NDR, WDR, SWR, MDR)	Martin Moszkowicz, Oliver Berben	Sönke Wortmann	Johanna Wokalek, John Goodman, David Wenham	Bestsellerverfilmung
Die Vorstadtkrokodile	Eigenproduktion	Rat Pack Filmproduktion GmbH, Westside Filmproduktion	Christian Becker; Lena Olbrich (ausf. Produzentin); Martin Moszkowicz (Co-Produzent); Anita Schneider (kfm. Produzentin)	Christian Ditter	Nick Reimann, Fabian Halbig, Leonie Tepe, Manuel Steitz, Maria Schrader, Smudo, Nora Tschirner, Ralf Richter, Martin Semmelrogge	Kinder-/Jugendfilm
Die Wilden Hühner und das Leben	Co-Produktion	Bavaria Filmverleih und Produktions GmbH	Uschi Reich	Vivian Naefe	Michelle von Treuberg, Jette Hering, Veronica Ferres, Benno Fürmann	Komödie/Jugend
Männersache	Eigenproduktion		Oliver Berben; Exec. Prod.: Martin Moszkowicz	Gernot Roll, Mario Barth	Mario Barth, Dieter Tappert, Anja Kling	Komödie
Maria, ihm schmeckt's nicht!	Co-Produktion	Claussen + Wöbke + Putz Filmproduktion, Schubert International GmbH & Co. KG, Orisa Produzioni Srl (Italien)	Jakob Claussen, Uli Putz; Co-Produzent: Martin Moszkowicz	Neele Leana Vollmar	Lino Banfi, Christian Ulmen, Mina Tander, Sergio Rubini, Maren Kroymann	Komödie
Mord ist mein Geschäft, Liebling	Co-Produktion	Rat Pack Filmproduktion GmbH, Erfttal Filmproduktion, B.A. Produktion, Warner Bros., Babelsberg Film GmbH, Beta Film	Christian Becker; Anita Schneider (kfm. Produzentin)	Sebastian Niemann	Nora Tschirner, Rick Kavanian, Janek Rieke	Komödie
Summertime Blues	Co-Produktion	Bavaria Filmverleih und Produktions GmbH	Uschi Reich	Lisa-Marie Reich	François Goeske, Karoline Eichhorn, Christian Nickel	Komödie/Jugend
Pandorum	Co-Produktion	Impact Pictures LLC	J. Bolt, P. Anderson, R. Kulzer, Exec. Prod.: Martin Moszkowicz	Christian Alvar	Dennis Quaid, Ben Foster	Sci-Fi-Thriller
Tannöd	Co-Produktion	Wüste Film West, Hugofilm Productions GmbH (Schweiz)	Hejo Emons, Stefan Schubert, Ralph Schwingel, Martin Moszkowicz	Bettina Oberli	Julia Jentsch, Monica Bleibtreu und Volker Bruch	Thriller
Wickie und die starken Männer	Co-Produktion	Rat Pack Filmproduktion GmbH, herbX Film und Fernsehproduktions GmbH	Christian Becker, Exec. Prod.: Martin Moszkowicz, Michael Bully Herbig (Co- Produzent), Anita Schneider (kfm. Produzentin)	Michael Bully Herbig	Jonas Hämmerle, Waldemar Kobus, Nic Romm, Christian Koch, Olaf Krätke, Mike Maas, Patrick Reichel, Jörg Moukaddam, Günther Kaufmann, Christoph Maria Herbst, Ankie Beilke u.v.a.	Family Entertainment/ Abenteuer
Wrong Turn 3	Co-Produktion	Twentieth Century Fox		Declan O'Brien	Tom Frederic, Janet Montgomery, Tamer Hassan, Mike Straub, Chucky Venn, Tom McKay etc.	Horror

Inhalt	Status (Stand 31.12.08)	Kinostart
Die 17-jährige Effi Briest wird mit dem 20 Jahre älteren Baron Innstetten verheiratet, einem früheren Verehrer von Effis Mutter. Die Ehe ist unglücklich. Effi beginnt eine Affäre mit Major Crampas, die aber ein Ende findet, als Effi ihrem Mann nach Berlin folgt.	fertiggestellt	12.02.09
Alexander, 13, Schüler an einer Berchtesgadener Realschule, bringt durch ein kleines Malheur, das er nicht rechtzeitig beichtet, Unruhe ins soziale Gefüge seiner Klasse. Diese Unruhe nutzt der wenig beliebte Gruber, um endlich Anführer der Klasse zu werden.	fertiggestellt	08.01.09
Dem ungeschickten Erdmännchen Billy gelingt es zusammen mit seinen Freunden, die untereinander zerstrittenen Tierarten auf einer Konferenz zu vereinen. Mit gemeinsamer Stärke verhindern die Tiere in Afrika eine Dürre-katastrophe, indem sie einen Staudamm zum Einsturz bringen.	Produktion	t.b.a.
Romanverfilmung des Millionenbestsellers von Donna W. Cross. Im Frankenreich des 9. Jahrhunderts n. Chr. erkämpft sich das hochbegabte Mädchen Johanna gegen alle Widerstände eine Ausbildung. Um ihr Wissen in Gottes Sinne weiter einsetzen zu können, gibt sie sich als Mann aus. Ihr Weg führt sie bis nach Rom, wo sie zum Leibarzt und Berater des Papstes wird, ihre große Liebe wiedersieht und schließlich selbst auf den heiligen Thron gewählt wird.	Postproduktion	29.10.09
Die Kinderbande VORSTADTKROKODILE sind Einbrechern auf der Spur. Mit dem querschnittsgelähmten Kai können sie also gar nichts anfangen. Aber er ist ihr einziger Zeuge und redet nur, wenn er mitkommen darf. Die Krokos merken bald, dass Kai ihnen trotz seiner Behinderung in nichts nachsteht, sie gemeinsam noch stärker sind.	Postproduktion	02.04.09
Sprotte, die Anführerin der Mädchenbande Die Wilden Hühner, durchleidet auf der Klassenfahrt zum ersten Mal richtigen Liebeskummer, während sich die anderen Hühner ebenfalls mit Problemen herumschlagen, die bereits der Erwachsenenwelt angehören.	fertiggestellt	29.01.09
Tagsüber arbeitet Paul in einer Zoohandlung und abends an seiner Karriere als Komiker. Aber erst als er Witze über seinen besten Kumpel Hotte und dessen Freundin Susi reißt, begeistert er das Publikum zusehends. Doch Hotte und Susi sind sauer. Bald muss sich Paul entscheiden: Freundschaft oder Karriere?	Postproduktion	19.03.09
Der Deutsche Jan hat mit einigen Schwierigkeiten zu kämpfen, als er seine Freundin, die Halbtalienerin Sara, heiraten möchte. Jan hat nämlich die Rechnung ohne seinen zukünftigen Schwiegervater Antonio Marciplane gemacht. Dieser will, dass in der alten Heimat gehehlicht wird, und man reist ins süditalienische Campobello, um mit dem Rest der Verwandtschaft die Hochzeit vorzubereiten.	Postproduktion	06.08.09
Romantische Screwball-Komödie im Dean-Martin-Stil mit einem guten Schuss Action.	Postproduktion	26.02.09; nicht im Verleih der Constantin Film Verleih GmbH
Alex ist 15 und seine Welt steht Kopf: Seine Eltern lassen sich scheiden, die neue Freundin seines Vaters Steffen bekommt ein Kind und seine Mutter zieht mit ihm zusammen und ihrem neuen Freund von Bremen in die Einöde Südinglands. Alex sitzt fest und will nur noch eins: zurück nach Bremen. Dann aber macht er dort neue Bekanntschaften und erlebt einen Sommer, der sein Leben verändern wird ...	Postproduktion	t.b.a.; nicht im Verleih der Constantin Film Verleih GmbH
An Bord eines riesigen Raumschiffes erwachen die Astronauten Payton und Bower aus tiefem Schlaf – ohne Orientierung, ohne jegliche Erinnerungen. Wie lange haben sie geschlafen? Wo sind sie und was ist ihre Mission? Allein auf sich gestellt, bleibt den beiden nicht viel Zeit, Antworten auf ihre Fragen zu finden. Das Energiesystem des Raumschiffs steht kurz vor dem Zusammenbruch. Durch die engen düsteren Luftschächte macht Bower sich auf den Weg zur Brücke – ihre einzige Chance, dem Tod in der dunklen Unendlichkeit zu entgehen. Er kriecht ins pechschwarze Nichts, tiefer und tiefer. Nur über Funk hält Bower mit Payton Kontakt. Doch es dauert nicht lange, bis sie feststellen, dass sie nicht allein an Bord sind! Ein erbitterter Kampf ums Überleben und um die Zukunft beginnt – ihre und die der gesamten Menschheit ...	Postproduktion	voraussichtlich Ende 2009
Nach der Vorlage des mehrfach ausgezeichneten Bestseller-Romans von Andrea Maria Schenkel: Die Dorfbewohner nennen ihn nur den Mordhof, den einsam gelegenen Hof der Familie Danner in TANNÖD. Eine ganze Familie wurde in einer Nacht ausgelöscht, mit der Spitzhacke erschlagen. Selbst die Kinder wurden grausam ermordet und so geht im Dorf die Angst um, denn vom Mörder fehlt jede Spur. Gemocht hat die Familie Danner kaum jemand – mürrische, geizige Leute sollen sie gewesen sein und sogar Inzest wird ihnen nachgesagt.	Postproduktion	19.11.09
Die Abenteuer von "Wickie" als Realfilm.	Postproduktion	09.09.2009
Sequel zu Wrong Turn 1 und 2	fertiggestellt	Straight-to-Video Titel

► TV productions

Titel	Form	Produktionsfirma/ Produzent	Sender	Hauptrollen bzw. Moderator	Genre	Regie
Bully sucht die starken Männer	deutsche TV-Produktion	Constantin Entertainment GmbH	ProSieben	Michael Bully Herbig, Jürgen Vogel, Rita Serra-Roll	Casting-Show	Mark Achterberg
clever! – Die Show, die Wissen schafft	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Barbara Eligmann, Wigald Boning	Science-Show	Thomas Klees, Catharina Niens-Klees
clever! Spezial 2008	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Barbara Eligmann, Wigald Boning	Science-Show	Thomas Klees, Catharina Niens-Klees
Comedy Falle IV	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Kai Pflaume	Event-Show	
Comedians packen aus	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL		Comedy	
Die Dreisten Drei Staffel 6	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Janine Kunze, Markus Majowski, Mathias Schlung	Sketch-Show	
Die Dreisten Drei Staffel 7	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Janine Kunze, Markus Majowski, Manuel Cortez	Sketch-Show	
Extrem Schön! Letzte Hoffnung OP	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL II		Reality- Dokumentation	
Frauentausch 10. Staffel	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL II		Reality- Dokumentation	
Frauentausch 11. Staffel	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL II		Reality- Dokumentation	
Frauentausch – Das Aschenputtel Experiment 3. Staffel	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL II		Reality- Dokumentation	
Happy Otto – Wir haben Grund zum Feiern	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL	Nazan Eckes	Show	Volker Weicker
Heirate mich	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL2	Aleksandra Bechtel	Reality- Dokumentation	
Hello und Goodbye	deutsche TV-Produktion	Constantin Entertainment GmbH	VOX	Dirk Steffens	Dokumentation	
Hit Giganten Reloaded	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Hugo Egon Balder	Show	Utz Weber
Hit Giganten 2008 I	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Hugo Egon Balder	Show	Utz Weber
Hit Giganten 2008 II	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Hugo Egon Balder	Show	Utz Weber
Hochzeitscrasher	deutsche TV-Produktion	Constantin Entertainment GmbH	ProSieben			
K11 – Kommissare im Einsatz Staffel 6	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Michael Naseband, Alexandra Rietz	Docu-Crime	
K11 – Kommissare im Einsatz Staffel 7	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Michael Naseband, Alexandra Rietz	Docu-Crime	

Status (Stand 31.12.08)	Sonstiges	Ausstrahlung	Quote Erstausstrahlung*
Produktion von Januar bis Mai 2008	6 Folgen und 1 Best-of-Sendung (Ausstrahlung ist noch offen)	dienstags 20.15 Uhr ab 15.04.08. Die Finalsendung wurde am 20.05.08 LIVE ausgestrahlt.	15.04.08: 15,9 % MA, 22.04.08: 12,4 % MA, 29.04.08: 12,1 % MA, 06.05.08: 12,8 % MA, 13.05.08: 13,1 % MA, Finale LIVE am 20.05.08: 16,3 % MA
Produktion abgeschlossen. Die letzten 4 Folgen der Staffel 7 wurden im Februar 2008 im Studio aufgezeichnet.	13 Folgen	mittwochs, 20.15 Uhr	Durchschnittsquote 9,2 % MA
Produktion abgeschlossen	4 Folgen, Aufzeichnung im September 2008	Ausstrahlung ab 07.01.09	07.01.09: 11,4 % MA, 14.01.09: 9,0 % MA, 21.01.09: 7,1 % MA, 28.01.09: 8,7 % MA
In Produktion	2 Folgen im April 2008, 5 Folgen im Oktober 2008	1. Folge Samstag, 26.04.08, 20.15 Uhr. 2. Folge Freitag, 26.09.08, 20.15 Uhr. 3. Folge Freitag, 17.10.08 LIVE, 20.15 Uhr. 4. Folge Freitag, 31.10.08, 20.15 Uhr. 3 Folgen werden in 2009 ausgestrahlt.	26.04.08: 10,2 % MA, 26.09.08: 10,8 % MA, 17.10.08: 9,2 % MA, 31.10.08: 9,0 % MA
In Produktion	2 Folgen	2009	k.A.
6. Staffel (17 Folgen) in 2007 abgeschlossen	Ausstrahlungen Januar bis Ende April 2008	freitags, 22.15 Uhr	10,8 % MA
7. Staffel seit August 2008 in Produktion	Produktion von 15 Folgen + 2 Best-of-Ausstrahlungen 2009	15 Folgen, 2 Best-of-Folgen, 2009 Ausstrahlung ab 16.01.09.	16.01.09: 9,2 % MA, 23.01.09: 8,2 % MA, 30.01.09: 12,5 % MA
in Produktion	6 Folgen	voraussichtlich ab Mai 2009	k.A.
Produktion von 35 Folgen von Oktober 2007 bis Juni 2008	Ausstrahlung 10. Staffel seit 03.01.08	donnerstags, 21.10 Uhr	Durchschnittsquote: 8,48 % MA
11. Staffel (20 Folgen) seit September 2008 in Produktion	Ausstrahlung 11. Staffel seit 20.11.08; Ausstrahlung 2 Folgen in 2008, restl. Folgen werden 2009 ausgestrahlt	donnerstags, 21:10 Uhr	Monatsdurchschnitt Januar 2009: 9,4 % MA
3. Staffel (8 Folgen) seit Oktober 2008 in Produktion	Ausstrahlung noch offen	t.b.a.	k.A.
Produktion bis Juni 2008	Aufzeichnung am 27.05.08	Freitag, 06.06.08, 20.15 Uhr	20,7 % MA
Produktion abgeschlossen 8 Folgen	Ausstrahlung ab 20.05.08	dienstags, 20.15 Uhr	5,34 % MA
Produktion von 2 Folgen im April 2008 abgeschlossen	1. Folge wurde am 24.04.08, 2. Folge am 03.06.08 ausgestrahlt	1. Folge donnerstags, 23.15 Uhr, 2. Folge dienstags, 22.15 Uhr	1. Folge: 2,5 % MA, 2. Folge: 3,9 % MA
Produktion von 4 Folgen wurde 2007 abgeschlossen	Ausstrahlung der Folgen seit 23.05.08	freitags, 20.15 Uhr	Durchschnittsquote: 12,13 % MA
Produktion (4 Folgen) (Studioaufzeichnungen 01.04.–05.04.08)	4 Folgen, Ausstrahlung ab 15.08.08	freitags, 21.15 Uhr	12,13 % MA
Produktion von 6 Folgen abgeschlossen	(Studioaufzeichnungen 03.10.–09.10.08)	freitags, 20.15 Uhr, 2 Folgen am 10. und 24.10.08	10.10.08: 12,1% MA, 24.10.08: 10,5 % MA
Produktion von 8 Folgen wurde Juni 2008 abgeschlossen		t.b.a.	k.A.
Staffel 6 befand sich bis November 2008 in Produktion	175 Folgen	werktägl. 19.45 Uhr seit 17.03.08 neuer Sendeplatz 18.30 Uhr + samstags	Durchschnittsquote: 12,13 % MA
Staffel 7 befindet sich seit dem 30.11.08 in Produktion	175 Folgen	2009	k.A.

* MA in Zielgruppe 14–49-Jährige

► TV productions

Titel	Form	Produktionsfirma/ Produzent	Sender	Hauptrollen bzw. Moderator	Genre	Regie
K11 – Kommissare im Einsatz Prime Time	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Michael Naseband, Alexandra Rietz	Docu-Crime	
Kuschelrock	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Kai Pflaume	Show	Utz Weber
Lebe deinen Star! Die besten Doubles der Welt	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Hugo Egon Balder, Miriam Weichselbraun	Show	Utz Weber, Günter Mitgutsch
Lego Show	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Kai Pflaume	Game-Show	Kurt Pongratz
Lenßen & Partner Staffel 7	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Ingo Lenßen	Docu-Crime	
Lenßen & Partner Staffel 8	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Ingo Lenßen	Docu-Crime	
Mario Barth im Berliner Olympiastadion – Berichterstattung	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL	Nazan Eckes, Co-Moderator: Daniel Hartwich	Event-Show	Uwe Hahn
Meister der Comedy	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Hugo Egon Balder	Comedy	Günther Mitgutsch
Mitten im Leben Staffel 1	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL		Reality- Dokumentation	
Mitten im Leben Staffel 2	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL		Reality- Dokumentation	
Otto Live – Das Original	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL	Otto Waalkes	Show	Frank Hof
Richter Alexander Hold	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Alexander Hold	Court-Show	
Rich List	deutsche TV-Produktion	Constantin Entertainment	SAT.1	Kai Pflaume	Quiz-Show	Catharina Niens-Klees
Das Strafgericht	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL	Ulrich Wetzel	Court-Show	
Secret Life of Vincent Raven	deutsche TV-Produktion	Constantin Entertainment GmbH	ProSieben		Dokumentation	
United Screening Day 2008	deutsche TV-Produktion	Constantin Entertainment GmbH	Discovery Networks Deutschland	Geschäftsführer: Katja Hofem-Best und Magnus Kastner	LIVE-Event Off-Air-Veranstaltung	Uwe Hahn
The next Uri Geller Staffel 1	deutsche TV-Produktion	Constantin Entertainment GmbH	ProSieben	Stefan Gödde, Uri Geller	Show	Catharina Niens-Klees

Status (Stand 31.12.08)	Sonstiges	Ausstrahlung	Quote Erstausstrahlung*
Produktion (4 Folgen) im August 2008	4 Folgen Prime Time	mittwochs 22.15 Uhr, 20.08.08, 27.08.08, 03.09.08, 10.09.08	20.08.08: 11% MA, 27.08.08: 10,9 % MA, 03.09.08: 12,1 % MA, 10.09.08: 10,2 % MA
Produktion im November 2008 abgeschlossen	1 Folge	Samstag, 22.11.08, 20.15 Uhr	6,9 % MA
Produktion abgeschlossen	Produktion von 2 LIVE-Folgen am 05.09. und 12.09.08	freitags 21.15 Uhr	05.09.08: 11,5 % MA, 12.09.08: 9,4 % MA
Produktion im November 2008 abgeschlossen	1 Folge	Samstag, 29.11.08, 20.15 Uhr	8,3 % MA
Produktion im November 2008 abgeschlossen	Staffel 7: 175 Folgen	werktäglich + samstags, 18.00 Uhr	12,31 % MA
In Produktion	Staffel 8: 175 Folgen	werktäglich + samstags, 18.00 Uhr	k.A.
Produktion abgeschlossen. Aufzeichnung erfolgte am 12.07.08	Produktion der Vor- und Nachberichterstattung	am 03.10.08: Countdown zum Weltrekord 19.05 Uhr, die Große Party 23.05 Uhr	19.05 Uhr: 3,5 % MA, 23.05 Uhr: 15,3 % MA
in Produktion	Aufzeichnung am 27.11.08	t.b.a.	k.A.
Produktion abgeschlossen	2 Folgen	1. Folge am 28.08.08, 16.00 Uhr, 2. Folge am 13.10.08, 15.00 Uhr	28.08.08: 16,0 % MA, 13.10.08: 11,5 % MA
in Produktion	6 Folgen	1. Folge am 17.11.08, Rest in 2009	28.01.09: 18,6 % MA
Produktion im April 2008	Bühnenprogramm aus dem Tempodrom in Berlin	31.10.08, 21.15 Uhr	23,5 % MA
7. und 8. Staffel (175 Folgen) in Produktion im November 2008		werktäglich und samstags, 16.00 Uhr, Zweitausstrahlung werktäglich, 12.00 Uhr	18,53 % MA
Produktion 2. Staffel (13 Folgen) im August 2008. Absetzung des Programms nach der 9. Ausstrahlung aufgrund der Quote. Von einer Beauftragung einer 3.Staffel wurde Abstand genommen	Ausstrahlung der offenen 4 Folgen am 28.06.08, 05.07.08, 12.07.08 und 19.07.08	samstags 19.15 Uhr	2. Staffel 6 Folgen sonntags 19.15 Uhr: 12,2 % MA, 3 Folgen mittwochs 20.15 Uhr: 5,9 % MA, 4 Folgen samstags 19.15 Uhr: 7,73 % MA
8. Staffel (90 Folgen) in Produktion 26.11.07 bis Mai 2008	aktuell: Ausstrahlung 56 Folgen. Ausstrahlung der letzten 34 Folgen noch offen	werktäglich, 16.00 Uhr, ab 21.04.08 morgens um 04.35–05.45 Uhr	Durchschnittsquote bis 21.04.08: 9,64 % MA; Durchschnittsquote ab 21.04.08: 13,73 % MA
in Produktion	1 Folge	voraussichtlich 06.01.09, 22.15 Uhr	06.01.09: 7,0 % MA
Produktion abgeschlossen	4 Screeningtage gesamt in den Städten München, Frankfurt, Düsseldorf und Hamburg im September 2008		k.A.
Studioproduktion vom 08.01–04.03.08, Produktion Mitte März abgeschlossen	9 Sendungen – Live	dienstags, 20.15 Uhr live	16,88 % MA

* MA in Zielgruppe 14–49-Jährige

► TV productions

Titel	Form	Produktionsfirma/ Produzent	Sender	Hauptrollen bzw. Moderator	Genre	Regie
The next Uri Geller Staffel 2	deutsche TV-Produktion	Constantin Entertainment GmbH	ProSieben	Stefan Gödde, Uri Geller	Show	Catharina Niens-Klees
Uri Geller's World of Mystery – Ufos & Aliens	deutsche TV-Produktion	Constantin Entertainment GmbH	ProSieben	Uri Geller	Show	Catharina Niens-Klees
Wer zuletzt lacht	deutsche TV-Produktion	Constantin Entertainment GmbH	SAT.1	Hugo Egon Balder	Comedy	Günther Mitgutsch
Wunderbar	deutsche TV-Produktion	Constantin Entertainment GmbH	RTL	Susan Sideropoulos, Ben, Carolin Kebekus, Thomas Gimbel	Sketch-Comedy	Joris Hermans
Bittere Wahrheit	Constantin Entertainment Lizenz		Ukraine n.n.			
Föderaler Richter	Constantin Entertainment Lizenz		Russland, Channel 1		Court-Show	
Court Show The Judge	Constantin Entertainment Lizenz		Ukraine, Inter (Kiew)		Court-Show	
Justice for Moscow	Constantin Entertainment Lizenz		Russland, Channel 1		Docu-Crime	
Justice for Kiev	Constantin Entertainment Lizenz		Ukraine n.n.		Docu-Crime	
W11	Constantin Entertainment Lizenz	über BETA-Film	TVN Polen		Docu-Crime	
Clever – Widzisz i Wiesz	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Polska Sp. z o.o.	TVN Polen		Science-Show	
HRVATSKI – Top Model	ausländische Constantin Entertainment Co-Produktion	Constantin Ring Koproduktija d.o.o. Zagreb	RTL Televizija, Kroatien	Tatjana Juric, Jury: Boris Basic, Borut Mihalic, Damir Hoyka	Show	
Hrvatska Trazi Zvijezdu	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Croatia d.o.o.	RTL Televizija, Kroatien		Casting-Show	
Krim Tim 2 (bisheriger Titel: Odjel 5)	ausländische Constantin Entertainment Co-Produktion	Constantin Ring Koproduktija d.o.o. Zagreb	RTL Televizija, Kroatien		Docu-Crime	
Punom Parom Staffel 1	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Croatia d.o.o.	RTL Televizija, Kroatien		Koch-Show	
Punom Parom Staffel 2	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Croatia d.o.o.	RTL Televizija, Kroatien		Koch-Show	
Sedzia Anna Maria Wesolowska Staffel 3	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Polska Sp. z o.o.	TVN Polen	Anna Maria Wesolowska	Court-Show	

Status (Stand 31.12.08)	Sonstiges	Ausstrahlung	Quote Erstausstrahlung*
in Produktion, Drehbeginn Januar 2009	8 Sendungen – Live	ab 13.01.09 dienstags, 20.15 Uhr live	13.01.09: 12,1 % MA, 20.01.09: 9,5 % MA, 27.01.09: 10,4 % MA, 03.02.09: 8,2 % MA
Produktion abgeschlossen	1 Folge Live im November 2008	Samstag, 15.11.08: 20.15 Uhr	7,3 % MA
in Produktion	Studioaufzeichnung am 26.11.08	Samstag, 27.12.08, 20.15 Uhr	9,9 % MA
Produktion 2007 abgeschlossen	Ausstrahlung von 7 Folgen ab dem 05.04.08	samstags, zwischen 22.25 Uhr und 22.45 Uhr	Durchschnittsquote: 19,4 % MA
1. Staffel (45 Folgen) in Produktion im Dezember 2008		t.b.a.	k.A.
Produktion seit 2005. Das Programm ist sehr erfolgreich und befindet sich bereits in Produktion der 7. Staffel. (Insgesamt inkl. 7. Staffel 840 Folgen)	Ausstrahlung seit 02.08.2005	werktäglich 17.00 Uhr	k.A.
1. Staffel in Produktion im 4. Quartal 2008	100 Folgen	seit Oktober 2008	k.A.
Produktionsbeginn im Jahr 2005. Das Programm ist sehr erfolgreich und wurde für eine 6. Staffel verlängert. (Insgesamt inkl. 6. Staffel 720 Folgen)		seit 03.01.06	k.A.
in finaler Verhandlung	100 Folgen	t.b.a.	k.A.
Produktion seit 2004. Die Lizenzierung wurde fortgesetzt. Die Produktion befindet sich bereits in der 7. Staffel. (Insgesamt inkl. 7. Staffel 739 Folgen)		montags bis donnerstags, 20.15 Uhr	k.A.
Studioaufzeichnungen von 8 Folgen in 2007. 1. Folge im Dezember 2007 ausgestrahlt. 7 Folgen wurden 2008 ausgestrahlt.	7 Folgen in 2008	im Februar um 20.00 Uhr, im März um 16.45 Uhr	Durchschnittsquoten: 17,48 % MA Februar 20.00 Uhr (Zielgruppe 16–49), 18,8 % MA März 16.45 Uhr (Zielgruppe 16–49)
Produktion im Juni 2008 abgeschlossen, 13 Folgen	Ausstrahlung ab 08.03.08	samstags, 21.45 Uhr	32,8 % MA (Zielgruppe 18–49)
in Produktion	18 Folgen	voraussichtlich ab 20.02.09	k.A.
in Produktion. Die Produktion wird von CRK, einer Co-Produktion von Constantin Entertainment und Ring Multimedia produziert.	Staffel 1: 159 Folgen, Beendigung zum 31.03.08	montags bis donnerstags, 19.05 Uhr	20,8 % MA (Zielgruppe 18–49)
Produktion von 90 Folgen ab Juni 2008, Produktion abgeschlossen im November 2008	Drehbeginn Juni 2008	ab 01.09.09 montags bis freitags um 19.30 Uhr	23,3 % MA (Zielgruppe 18–49)
Produktion von 95 Folgen ab November 2008		ab Februar 2009	k.A.
Produktion der 3. Staffel (130 Folgen) abgeschlossen		werktäglich, 17.25 Uhr, seit März, Mo, Mi, Fr im Wechsel mit Sad Rodziny	16,81 % MA (Zielgruppe 16–49)

* MA in Zielgruppe 14–49-Jährige

► TV productions

Titel	Form	Produktionsfirma/ Produzent	Sender	Hauptrollen bzw. Moderator	Genre	Regie
Sedzia Anna Maria Wesolowska Staffel 4	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Polska Sp. z o.o.	TVN Polen	Anna Maria Wesolowska	Court-Show	
Sad Rodzinny	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Polska Sp. z o.o.	TVN Polen	Artur Lipinski	Court-Show	
Vecera za 5	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Croatia d.o.o.	RTL Televizija, Kroatien		Koch-Show	
Vecera za 5 Prime Time Special	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Croatia d.o.o.	RTL Televizija, Kroatien		Koch-Show	
Malanowsky & Partnerzy	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Polska Sp. z o.o.	Telewizja Polsat S.A.	Bronislaw Cieslak, Marek Krupski, Marta Leleniewska	Docu-Crime	
Ceza Mahkemesi	ausländische Constantin Entertainment Co-Produktion	Constantin Entertainment Turkey Ltd. Sti	Kanal D	Veysel Divanoglu, Pinar Gündüz, Tunc Demircan	Court-Show	Mariusz Woyaczek
Dahoam is Dahoam	deutsche Auftragsproduktion	Polyscreen GmbH Hubertus Meyer-Burkhardt, Fred Kogel, Markus Schmidt-Märkl Ausführende Produktionsfirma: Constantin Television GmbH, Kerstin Schmidbauer, Robin von der Leyen	BR	Senta Auth, Harry Blank, Doreen Dietel, Ursula Erber, Florian Fischer, Heidrun Gärtner, Michael A. Grimm, Joyce Ilg, Horst Kummeth, Wilhelm Manske, Daniela März, Anton Pointecker, Peter Rappenglück, Teresa Rizos, Werner Rom, Michael Schreiner, Tommy Schwimmer, Pippi Söllner, Bernhard Ulrich, Brigitte Walbrun, Martin Wenzl	Daily	Gerald Grabowski, Siegi Jonas, Carl Lang, Jochen Müller, Klaus Petsch, Tanja Roitzheim, Thomas Stammberger, Peter Zimmermann, Micaela Zschieschow
Ich steig' dir aufs Dach, Liebling	deutsche Auftragsproduktion	Constantin Television GmbH Kerstin Schmidbauer, Robin von der Leyen	SAT.1	Mira Bartuschek, Wolke Hegenbarth, Martin Glade, Steffen Groth, Sebastian Ströbel	TV-Film	Katinka Feistl
Franziska Luginsland: Franziskas Gespür für Männer/Wiederholung	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Christoph Waltz, Armin Rohde, Anica Dobra, Hannes Jaenicke	TV-Film	Stephan Wagner
Franziska Luginsland: Liebe und andere Gefahren	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Katja Flint, August Schmölder, Gundi Ellert, Günther-Maria Halmer, Christoph Waltz, Henning Baum	Krimireihe	Nina Grosse

Status (Stand 31.12.08)	Sonstiges	Ausstrahlung	Quote Erstausstrahlung*
in Produktion (110 Folgen)		ab Januar 2009	k.A.
in Produktion (116 Folgen) seit Januar 2008		Di, Do 17.25 Uhr, seit März Mo, Mi, Fr im Wechsel mit Sedzia Anna Maria Wesolowska	17,71 % MA (Zielgruppe 16–49)
in Produktion (195 Folgen) seit Juni 2008		ab 01.09.08, montags–freitags um 19.05 Uhr	31,64 % MA (Zielgruppe 18–49)
Produktion von September bis Oktober 2008		1. Folge 19.10.08 2. Folge 22.11.08	19.10.08: 24,4 % MA, 22.10.08: 15 % MA
Produktion (60 Folgen) von Juli bis November 2008		ab Januar 2009	k.A.
Produktion (40 Folgen) von Juli bis November 2008		ab 18.08.08, ca. 17.15 Uhr, ab 15.09.08, um 07.00 Uhr	Durchschnittsquote 17.15 Uhr: 6,21 % MA, Durchschnittsquote 07.00 Uhr: 6,7 % MA
Dreh der 2. Staffel (200 Folgen) seit August 2008		seit 08.10.07, montags–donnerstags, 19.45 Uhr	Durchschnittsquote Folge 1–237: 12,8 % MA (regional/Zuschauer gesamt)
ausgestrahlt		03.02.09	13,6 % MA
ausgestrahlt	Die 2. Folge der Reihe Franziska Luginsland/ Wiederholung	Montag, 11.08.08, 20.15 Uhr	13,4 % MA
Postproduktion	Die 4. Folge der Reihe Franziska Luginsland	16.03.09	k.A.

* MA in Zielgruppe 14–49-Jährige

► TV productions

Titel	Form	Produktionsfirma/ Produzent	Sender	Hauptrollen bzw. Moderator	Genre	Regie
Simmel 1 – Und Jimmy ging zum Regenbogen	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Dennesesch Zoudé, Heino Ferch	TV-Film	Carlo Rola
Simmel 2 – Gott schützt die Liebenden	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Peter Simonischek	TV-Film	Carlo Rola
Süden 1 – Süden und das Geheimnis der Königin	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Ulrich Noethen, Jeanette Hain, Martin Feifel, Johanna Bantzer, Jürgen Tonkel	Krimireihe	Martin Enlen
Süden 2 – Süden und der Luftgitarist	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Ulrich Noethen, Jeanette Hain, Martin Feifel, Johanna Bantzer, Jürgen Tonkel	Krimireihe	Dominik Graf
Rosa Roth – Der Fall des Jochen B.	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Ole Puppe, Carmen Maja Antoni, Peter Kurth	Krimireihe	Carlo Rola
Rosa Roth – Das Mädchen aus Sumy	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Thomas Thieme, Carmen Maja Antoni, Alina Levshin, Joel Basman	Krimireihe	Carlo Rola
Laughing Tears/ Tränen lachen (Arbeitstitel)		MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben und weitere Interviewpartner	Dokumentarfilm	Solo Avital
Krupp – Eine deutsche Familie	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Benjamin Sadler, Barbara Auer, Nikolai Kinski, Thomas Thieme, Ole Puppe u.a.	TV-Film	Carlo Rola
Der verlorene Sohn (Arbeitstitel)	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ARD	Katja Flint, Kostja Ullmann u.a.	TV-Film	Nina Grosse
Ladylike	deutsche TV-Produktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Monica Bleibtreu, Gisela Schneeberger, Günther Maria Halmer, Paul Faßnacht, u.a.	TV-Film	Vanessa Jopp
Kommissarin Lucas Vergeben und Vergessen	deutsche TV-Produktion	Olga Film GmbH Molly von Fürstenberg, Harald Kügler	ZDF	Ulrike Kriener, Michael Roll, Tilo Prückner, Anke Engelke, Florian Stetter, Maria Kwiatkowsky, Johanna Gastdorf, Florian Panzner	Krimireihe	Christiane Balthasar
Kommissarin Lucas Aus der Bahn (aka Happy Slapping)	deutsche TV-Produktion	Olga Film GmbH Molly von Fürstenberg, Harald Kügler	ZDF	Ulrike Kriener, Michael Roll, Tilo Prückner, Anke Engelke, Florian Stetter, Nadja Bobyleva, Francois Goeske	Krimireihe	Christiane Balthasar

Status (Stand 31.12.08)	Sonstiges	Ausstrahlung	Quote Erstausstrahlung*
ausgestrahlt	Nach den Romanen von Johannes Mario Simmel	24.09.08, 20.15 Uhr	18,1 % MA
ausgestrahlt	Nach den Romanen von Johannes Mario Simmel	03.12.08, 20.15 Uhr	16,7 % MA
Postproduktion	Nach den Romanen Tabor Süden von Friedrich Ani	04.04.09	k.A.
Postproduktion	Nach den Romanen Tabor Süden von Friedrich Ani	20.04.09	k.A.
ausgestrahlt		01.11.08, 20.15 Uhr	16,3 % MA
Postproduktion		07.02.09	16,3 % MA
Produktion	2 x 45 Minuten	t.b.a.	k.A.
Postproduktion	3 x 90 Minuten	22.03.09 23.03.09 25.03.09	k.A.
Postproduktion		t.b.a.	k.A.
Postproduktion		t.b.a.	k.A.
Postproduktion	10. Folge	t.b.a.	k.A.
Postproduktion	11. Folge	t.b.a.	k.A.

* MA in Zielgruppe 14–49-Jährige

► TV productions

Titel	Form	Produktionsfirma/ Produzent	Sender	Hauptrollen bzw. Moderator	Genre	Regie
Kommissarin Lucas Der schwarze Mann	deutsche TV-Produktion	Olga Film GmbH, Molly von Fürstenberg, Harald Kügler	ZDF	Ulrike Kriener, Michael Roll, Tilo Prückner, Anke Engelke, Alice Dwyer, Bernd Tauber	Krimi- reihe	Christiane Balthasar
Wir sind das Volk – Liebe kennt keine Grenzen (aka Der Tag an dem die Mauer fiel)	deutsche TV-Co-Produktion	Olga Film GmbH, Viola Jäger, Harald Kügler, Molly von Fürstenberg	SAT.1	Anja Kling, Hans Werner Meyer, Matthias Koeberlin, Ronald Zehrfeld, Anna Fischer, Oliver Bröcker, Jörg Schüttauf, Kirsten Block, Lucas Gregorowicz, Felicitas Woll, Heiner Lauterbach	Event- Zweiteiler	Thomas Berger
Kalkofes Mattscheibe	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	ProSieben	Oliver Kalkofe	Comedy	Marc Stöker
ProSieben Märchenstunde 1001 Nacht	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	ProSieben	Diverse	Comedy	Michael Karen, Nico Zingelmann
Das Wunder von Loch Ness	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	SAT.1	Lukas Schust, Lisa Martinek, Hans-Werner Meyer	TV-Film	Michael Rowitz
Funny Movie – Dörte's Dancing	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	ProSieben	Jeanette Biedermann, Sven Waasner, Tom Beck, Eva-Maria Grein	Comedy	Andi Niessner
Funny Movie – H3-Halloween Horror Hostel	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	ProSieben	Alfonso Losa, Jennifer Ulrich, Axel Stein, Hendrik v. Bültzingslöwen	Comedy	Michael Karen
Funny Movie – Eine wie keiner	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	ProSieben	Josefine Preuß, Manuel Cortez, Laura Oswald	Comedy	Marco Petry
Funny Movie – Spiel mir das Lied und Du bist tot!	deutsche Auftragsproduktion	Rat Pack Filmproduktion GmbH	ProSieben	Niels Bruno Schmidt, Siegfried Terpoorten, Katy Karrenbauer, Jürgen Tonkel	Comedy	Erik Haffner
Silberhochzeit	deutsche Auftragsproduktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ARD	Iris Berben, Matthias Habich, Ulrich Noethen, Gisela Schneeberger, u.a.	Drama	Matti Geschonnek
Die Patriarchin 1	deutsche Auftragsproduktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Ulrich Noethen, Christoph Waltz, Ina Weisse, Steffen Wink, Nadja Bobyleva, Jürgen Tarrach, Sophie Rois, Felix Eitner, Adrian Topol, Hans Diehl, Alexander Kerst, Miguel Herz-Kestranek, Tobias Schenke	Drama	Carlo Rola
Die Patriarchin 2	deutsche Auftragsproduktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Ulrich Noethen, Christoph Waltz, Ina Weisse, Steffen Wink, Nadja Bobyleva, Jürgen Tarrach, Sophie Rois, Felix Eitner, Adrian Topol, Hans Diehl, Alexander Kerst, Miguel Herz-Kestranek, Tobias Schenke	Drama	Carlo Rola
Die Patriarchin 3	deutsche Auftragsproduktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Ulrich Noethen, Christoph Waltz, Ina Weisse, Steffen Wink, Nadja Bobyleva, Jürgen Tarrach, Sophie Rois, Felix Eitner, Adrian Topol, Hans Diehl, Alexander Kerst, Miguel Herz-Kestranek, Tobias Schenke	Drama	Carlo Rola
Rosa Roth – Im Namen des Vaters	deutsche Auftragsproduktion	MOOVIE – the art of entertainment GmbH, Oliver Berben	ZDF	Iris Berben, Fritz Karl, Carmen Maja Antoni, Jockel Tschiersch, Zacharias Preen	Krimi	Carlo Rola

Status (Stand 31.12.08)	Sonstiges	Ausstrahlung	Quote Erstausstrahlung*
	Folge 9	29.11.08	16,2 % MA
		Teil 1: 06.10.08 Teil 2: 07.10.08	Teil 1: 12,8 % MA Teil 2: 14,6 % MA
ausgestrahlt	4. Staffel	t.b.a.	24.06.08: 8,8 % MA, 01.07.08: 10,8 % MA 08.07.08: 9,6 % MA, 15.07.08: 9,7 % MA 22.07.08: 11,2 % MA, 29.07.08: 9,3 % MA 05.08.08: 10,1 % MA, 12.08.08: 7,4 % MA 19.08.08: 12,4 % MA, 26.08.08: 12,2 % MA 02.09.08: 9,2 % MA, 09.09.08: 13,0 % MA
Produktion	Drehort Türkei	t.b.a.	k.A.
ausgestrahlt		Dienstag, 05.02.08, 20.15 Uhr	17,4 % MA
ausgestrahlt		Dienstag, 11.03.08, 20.15 Uhr	22,8 % MA
ausgestrahlt		Dienstag, 18.03.08, 20.15 Uhr	17,1 % MA
ausgestrahlt		Dienstag, 25.03.08	16,3 % MA
ausgestrahlt		Dienstag, 01.04.08, 20.15 Uhr	13,5 % MA
ausgestrahlt	Wiederholung	11.05.08	8,4 % MA (Wdh.)
ausgestrahlt	Wiederholung	19.05.08	9,4 % MA (Wdh.)
ausgestrahlt	Wiederholung	22.05.08	11,1 % MA (Wdh.)
ausgestrahlt	Wiederholung	25.05.08	10,8 % MA (Wdh.)
ausgestrahlt	Wiederholung	31.05.08	16,7 % MA (Wdh.)

* MA in Zielgruppe 14–49-Jährige

► Theatrical distribution

Titel	Form	Co-Produktionspartner	Produzent	Regie
Beste Gegend	Lizenztitel		Nils Dünker, Joke Kromschroder	Marcus H. Rosenmüller
Asterix bei den Olympischen Spielen	Europäische Co-Produktion	Pathé, TRI Pictures, Novo RPI	Thomas Langmann	Frédéric Forestier
Michael Clayton	Lizenztitel		Kerry Orent, Steven Samuels, Sydney Pollack, Jennifer Fox	Tony Gilroy
Step Up to the Streets	Lizenztitel		Erik Feig, Jennifer Gibgot, Adam Shankman, Patrick Wachsberger	Jon Chu
Die Welle	Co-Produktion	Rat Pack Filmproduktion GmbH, GFP II, B.A. Produktion	Christian Becker; Co-Produzent: Martin Moszkowicz	Dennis Gansel
Urmel voll in Fahrt	Co-Produktion	White Horse Pictures, Agir Film, Ambient Entertainment, Bavaria Pictures	Reinhard Klooss; Exec. Prod.: Martin Moszkowicz	Reinhard Klooss, Holger Trappe
Cassandras Traum	Lizenztitel		Letty Aronson, Stephen Tenenbaum, Gareth Wiley	Woody Allen
Freche Mädchen	Co-Produktion	Collina Film	Uli Limmer; Martin Moszkowicz	Ute Wieland
Der Baader Meinhof Komplex	Europäische Co-Produktion	Nouvelles Editions de Films, G.T. Productions	Bernd Eichinger; Exec. Prod.: Martin Moszkowicz	Uli Edel
Anonyma – Eine Frau in Berlin	Europäische Co-Produktion	Tempus Film (POL), ZDF	Günter Rohrbach; Exec. Prod.: Martin Moszkowicz	Max Färberböck
Im Winter ein Jahr	Co-Produktion	Bavaria Film	Uschi Reich, Martin Moszkowicz	Caroline Link
Paris, Paris – Monsieur Pigoil auf dem Weg zum Glück	Europäische Co-Produktion	Galatée Films, Pathé Renn, Blue Screen Productions s.r.o.	Jaques Perrin, Nicolas Mauvernay, Romain Le Grand; Co-Produ- zent: Martin Moszkowicz	Christophe Barratier
The Women – Von großen und kleinen Affären	Lizenztitel		Mick Jagger, Victoria Pearman, Diane English, Bill Johnson	Diane English

	Cast	Genre	Inhalt	Kinostart	Besucher (Stand 31.12.08) nach NielsenEDI
	Rosalie Thomass, Anna Maria Sturm	Komödie	2. Teil der Trilogie um zwei Freundinnen aus dem Dachauer Land.	03.01.08	119.620
	Michael Bully Herbig, G�rard Depardieu	Kom�die	Nur ein Sieg bei den Olympischen Spielen wird dem Gallier Weiterblix helfen, die griechische Prinzessin Irina zu erobern, die eigentlich C�sars Sohn Brutus versprochen ist. Asterix und Obelix begleiten Weiterblix nach Athen.	31.01.08	1.574.238
	George Clooney, Tilda Swinton	Drama/ Thriller	Justizthriller mit George Clooney, der in der Titelrolle die Drecksarbeit f�r eine renommierte New Yorker Anwaltskanzlei �bernimmt und auf einmal zwischen die Fronten ger�t.	28.02.08	360.727
	Briana Evigan, Robert Hoffman, Will Kemp	Drama/ Musical	2. Teil des Tanzfilm-Franchise, das erneut auf spektakul�re Tanzszenen und moderne Rhythmen setzt.	06.03.08	900.987
	J�rgen Vogel, Frederick Lau, Max Riemelt, Jennifer Ulrich	Drama	Ein Lehrer beweist seinen Sch�lern in einem aufsehenerregenden Experiment, dass faschistoides Denken und Handeln immer noch und �berall vorhanden ist. Ein Unterrichtsversuch, der zu weit geht.	13.03.08	2.584.449
		CGI/ Kinderfilm	Der kleine Dinosaurier Urmel wird von der paradiesischen Insel Titivu in einen Vergn�gungspark gelockt, wo er von dem b�sen Gesch�ftsmann Barnaby in Ketten gelegt wird und als Hauptattraktion des Parks dienen soll. Doch Urmels Freunde bestehen jedes Abenteuer, um ihn zu befreien.	01.05.08	409.596
	Colin Farrell, Ewan McGregor, Tom Wilkinson	Krimi	Erneut in Gro�britannien entstandener Krimi von Woody Allen, der im Stil von Match Point von zwei Br�dern erz�hlt, die zum �u�ersten bereit sind, um ihre verzweifelten Lebensumst�nde zu verbessern.	05.06.08	59.356
	Anke Engelke, Celina Shirin M�ller, W.G. Ochsenknecht	Kom�die/ Jugend	W�hrend ihre Freundinnen die Wirrungen der Ersten Liebe durchleben, interessiert sich die vierzehnj�hrige Mila aufgrund der kurzen Aff�ren ihrer Mutter nicht f�r Jungs. Das �ndert sich, als ihr Klassenkamerad Markus ihr auf poetische Weise den Hof macht.	17.07.08	1.015.608
	Moritz Bleibtreu, Johanna Wokalek, Martina Gedeck	Event- Drama	Die Journalistin Ulrike Meinhof schlie�t sich im Mai 1970 der Gruppe um Andreas Baader und Gudrun Ensslin an und befreit ihn aus der Untersuchungshaft. Das ist der Ausl�ser f�r mehr als ein Jahrzehnt eskalierende Gewalt, die den deutschen Rechtsstaat auf eine harte Probe stellt.	25.09.08	2.405.966
	Nina Hoss	Drama	Das Jahr 1945. Die Rote Armee besetzt Berlin. F�r die Frauen der Stadt geht der Kampf ums �berleben weiter.	23.10.08	158.477
	Johannes Bierbichler, Karoline Herfurth, Corinna Harfouch	Familien- drama	Eliane Richter beauftragt Max Hollander, ihre beiden Kinder zu malen. W�hrend die 21-j�hrige Lilli ihm Portrait stehen kann, muss sich Max bei ihrem j�ngeren Bruder Alexander auf Fotos und Videos st�tzen, hat dieser doch vor 9 Monaten seinem Leben ein Ende gesetzt. Das Motiv liegt nach wie vor im Dunkeln.	13.11.08	185.736
	Gerard Jugnot	Drama	Angesteckt vom politischen Zeitgeist besetzen drei Arbeitslose spontan das leer stehende Revuetheater Chansonnia am Place du Faubourg und ziehen dort ein eigenes Programm auf.	27.11.08	43.557
	Meg Ryan, Annette Bening, Eva Mendes	Kom�die	Modemagazin-Chefin Sylvie Fowler, Society-Ehefrau Mary Haines, die kinderliebe Edie und die lesbische Bestseller-Autorin Alex sind beste Freundinnen seit Schulzeiten. Aufregung gibt's im Damen-Quartett, als Sylvie erf�hrt, dass Marys Ehemann Steven eine Aff�re hat. Mary macht ihrer Tochter zuliebe erst gute Miene zum b�sen Spiel. Doch nachdem Steven seine Liebchaft nicht aufgeben will, reicht Mary die Scheidung ein. Gleichzeitig zerbricht ihre Freundschaft mit Sylvie.	11.12.08	243.329

► Home entertainment/new video releases

Titel	Form	Co-Produktionspartner	Produzent	Regie	Cast
Kein Bund fürs Leben	Co-Produktion	Wiedemann & Berg Filmproduktion, Seven Pictures, GFP	Quirin Berg, Max Wiedemann	Granz Henman	Franz Dinda, Axel Stein, Florian Lukas
Beste Zeit	Lizentitel	Monaco Film Hamburg	Nils Dünker, Joke Kromschroder	Marcus H. Rosenmüller	Rosalie Thomass, Anna Maria Sturm, Florian Brückner
Resident Evil: Extinction	Internationale Eigenproduktion	Davis Film	Bernd Eichinger, Robert Kulzer, Samuel Hadida, Jeremy Bolt, Paul Anderson, Martin Moszkowicz	Russell Mulcahy	Milla Jovovich
Lissi und der wilde Kaiser	Lizentitel		Michael Bully Herbig	Michael Bully Herbig	
Pornorama – oder die Bekenntnisse der mannstollen Rita Brauchts	Eigenproduktion	Sommer 69 GmbH & Co KG	Bernd Eichinger, Klaus Dohle	Marc Rothemund	Benno Fürmann, Karoline Herfurth, Tom Schilling
War	Lizentitel		Christopher Petzel, Steve Chasman	Philip G. Atwell	Jet Li, Jason Statham, John Lone
Warum Männer nicht zuhören und Frauen schlecht einparken	Eigenproduktion		Martin Moszkowicz, Herman Weigel, Oliver Berben	Leander Haußmann	Benno Fürmann, Jessica Schwarz
Michael Clayton	Lizentitel		Kerry Orent, Steven Samuels, Sydney Pollack, Jennifer Fox	Tony Gilroy	George Clooney, Tilda Swinton
Beste Gegend	Lizentitel		Nils Dünker, Joke Kromschroder	Marcus H. Rosenmüller	Rosalie Thomass, Anna Maria Sturm
Asterix bei den Olympischen Spielen	Europäische Co-Produktion	Pathé, TRI Pictures, Novo RPI	Thomas Langmann	Frédéric Forestier	Michael Bully Herbig, Gérard Depardieu
Step Up to the Streets	Lizentitel		Erik Feig, Jennifer Gibgot, Adam Shankman, Patrick Wachsberger	Jon Chu	Briana Evigan, Robert Hoffman, Will Kemp
Die Welle	Co-Produktion	Rat Pack Filmproduktion GmbH, GFPII, B.A. Produktion	Christian Becker; Co-Produzent: Martin Moszkowicz	Dennis Gansel	Jürgen Vogel, Frederick Lau, Max Riemelt, Jennifer Ulrich
Urmel voll in Fahrt	Co-Produktion	White Horse Pictures, Agir Film, Ambient Entertainment, Bavaria Pictures	Reinhard Klooss Exec. Prod.: Martin Moszkowicz		Reinhard Klooss, Holger Trappe
Cassandras Traum	Lizentitel		Letty Aronson, Stephen Tenenbaum, Gareth Wiley	Woody Allen	Colin Farrell, Ewan McGregor, Tom Wilkinson
Freche Mädchen	Co-Produktion	Collina Film	Uli Limmer Martin Moszkowicz	Ute Wieland	Anke Engelke, Celina Shirin Müller, W. G. Ochsenknecht

► Home entertainment/new video releases

Genre	Inhalt	Auslieferung	Einheiten (Stand 31.12.08)
Komödie	Respektlos-rigorose Militär-Komödie vom Autor der Erfolgskomödie Harte Jungs.	31.01.08	100.000
Komödie	Heimat und Freiheit sind erneut das zentrale Thema in dem Film über das Erwachsenwerden in der bayerischen Provinz.	31.01.08	30.000
Horror/Action	3. Teil der erfolgreichen Videospiele-Verfilmung.	14.02.08	295.000
CGI	In Bullys drittem Spielfilmprojekt steht das überglückliche Kaiserpaar Lissi und Franz im Mittelpunkt, deren heile Welt eines Tages völlig aus der Bahn gerät.	13.03.07	500.000
Komödie	Als die sexuelle Revolution in einem Sommer Ende der 60er Jahre selbst München-Ramersdorf erfasst, will auch der 20-jährige Polizeianwärter Bennie nicht zu kurz kommen.	24.04.08	20.000
Action	Der sagenumwobene Auftragskiller Rogue tötet FBI-Agent Lone samt Frau und Kind. Freund und Partner Crawford schwört Rache. Jahre später ist der Tag der Abrechnung gekommen. Doch nichts ist, wie es scheint.	22.05.08	155.000
Komödie	Verfilmung des Bestsellers von Allan Pease und Barbara Pease.	05.06.08	95.000
Drama/Thriller	Justizthriller mit George Clooney, der in der Titelrolle die Drecksarbeit für eine renommierte New Yorker Anwaltskanzlei übernimmt und auf einmal zwischen die Fronten gerät.	07.07.08	100.000
Komödie	2. Teil der Trilogie um zwei Freundinnen aus dem Dachauer Land.	17.07.08	18.000
Komödie	Nur ein Sieg bei den Olympischen Spielen wird dem Gallier Weiterblix helfen, die griechische Prinzessin Irina zu erobern, die eigentlich Cäsars Sohn Brutus versprochen ist. Asterix und Obelix begleiten Weiterblix nach Athen.	21.08.08	145.000
Drama/Musical	2. Teil des Tanzfilm-Franchise, das erneut auf spektakuläre Tanzszenen und moderne Rhythmen setzt.	04.09.08	180.000
Drama	Ein Lehrer beweist seinen Schülern in einem aufsehenerregenden Experiment, dass faschistoides Denken und Handeln immer noch überall vorhanden ist. Ein Unterrichtsversuch, der zu weit geht.	29.09.08	205.000
CGI-Kinderfilm	Der kleine Dinosaurier Urmel wird von der paradisischen Insel Titiwu in einen Vergnügungspark gelockt, wo er von dem bösen Geschäftsmann Barnaby in Ketten gelegt wird und als Hauptattraktion des Parks dienen soll. Doch Urmels Freunde bestehen jedes Abenteuer, um ihn zu befreien.	06.11.08	50.000
Krimi	Erneut in Großbritannien entstandener Krimi von Woody Allen, der im Stil von Match Point von zwei Brüdern erzählt, die zum Äußersten bereit sind, um ihre verzweiferten Lebensumstände zu verbessern.	21.11.08	20.000
Komödie/Jugend	Während ihre Freundinnen die Wirrungen der Ersten Liebe durchleben, interessiert sich die vierzehnjährige Mila aufgrund der kurzen Affären ihrer Mutter nicht für Jungs. Das ändert sich, als ihr Klassenkamerad Markus ihr auf poetische Weise den Hof macht.	18.12.08	90.000

ALLIANCE OF GERMAN PRODUCERS – FILM AND TELEVISION

Association representing the German producers of film, television and other audio-visual products, which promotes the interests of the producers with respect to the political community, exploitation companies, collective agreement partners and all the institutions in the media and culture industry.

AMPTP (ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS)

US association of film and television producers.

ART HOUSE

High-quality independent films for a sophisticated audience.

BAD DEBT LOSSES

Receivables that cannot be collected, e.g. because of financial difficulties suffered by customers.

BAVARIAN FILM/TELEVISION FUND (“FFF BAVARIA”)

FFF Bavaria has been responsible for film promotion in Bavaria since 1996. The partners include the Bavarian state, the central Bavarian institution for new media (BLM), Bayerischer Rundfunk radio and television station (BR), ZDF television station and the commercial television stations ProSiebenSat.1 and RTL. The production of theatrical and television films is promoted.

BEARER SHARE

A share that is issued to the bearer and is not registered by name in the company's books. Bearer shares can be transferred quickly and simply (by agreement and delivery) in accordance with § 929 of the German Civil Code (BGB).

BLOCKBUSTER

A very successful film (box office receipts of at least about USD 100 million in the USA; audiences of at least 3 million in Germany).

BLU-RAY

Digital optical storage medium that is considered to be the successor to the DVD.

BOX OFFICE

Receipts from the sale of theatre tickets.

CASH FLOW

Economic indicator that represents the net flow of liquid funds during a period attributable to sales and other ongoing activities.

CDOS (COLLATERIZED DEBT OBLIGATIONS)

Funds in which loans of varying quality are pooled. The purpose of this is to spread risk.

COMPLETION BOND INSURANCE

Guarantee about the completion of a film that is given by special insurance companies.

COMPUTER-GENERATED ANIMATION FILMS (CGI ANIMATION)

Computer-generated imagery is the English technical term for pictures created by 3D computer graphics for film production and visual effects. It is used in connection with computer animation in films.

CULTURE CLASH COMEDY

This is the term used to describe a comedy that focusses on the clash between two different cultures.

CURRENT ACCOUNT CREDIT

A revolving bank loan, i.e. a loan that can be repaid and used again during a specified period.

DAILY

TV format that is broadcast every day.

DEFERRED TAXES

In view of the differences between IFRS and the German Commercial Code (HGB) in the determination of results (realisation of sales, depreciation of film assets according to revenue generation, capitalisation of film production costs), there are deviations from the actual assessment basis under German tax legislation. This difference involves an underlying deferred increase or decrease in the tax burden, which is expressed in the deferred tax items included in assets/liabilities.

DERIVATIVE FINANCIAL INSTRUMENTS

Standardised financial instruments, valuation of which depends on the development in the prices of the underlying security; options and futures are the most important examples.

DEUTSCHER FILMFÖRDERFONDS (DFFF)

The German government will be promoting German theatrical films with grants of €60 million per year up to 2009. These funds are intended for German film productions and international co-productions with German partners. The new film promotion fund is supposed to continue improving the competitive position and quality of German films as well as to safeguard and strengthen Germany as a film location.

DIGITAL ROLL-OUT

Comprehensive digitisation of theatres.

EFFECTIVE ANNUAL INTEREST RATE

The interest rate on which loan costs are based, calculated in relation to the nominal loan amount and as if compounded annually.

EPS

(Earnings per share)

The net profit attributable to one share. This figure is used to determine the P/E ratio (price-to-earnings ratio).

EVENT MOVIE

High-quality TV feature film that provides a cinema-like experience.

FICTION PRODUCTIONS

Productions that are based essentially on imaginary plot elements (e.g. feature films and TV series).

FILMFÖRDERUNGSANSTALT (FFA)

The assignments for which the FFA is responsible include taking action to promote German films and to improve the structure of the German film industry, supporting the overall economic interests of the film industry in Germany, improving the bases not only for the distribution and exploitation of German films in the country in line with market requirements but also for their economic and cultural impact outside Germany and making sure film promotion by the federal and state governments is agreed and co-ordinated.

FILM PROMOTION

General term for government support provided for specific projects relating to the production and distribution of films, which normally takes the form of tax depreciation options or direct funding. If funding is granted as (conditional) loans, a right to new funding in the form of a subsequent loan is often created on repayment.

FILM STOCK (LIBRARY)

Stock of film rights a producer and/or supplier has available.

FIRST LOOK DEAL

Contract about the right of first refusal to films and/or rights.

FREE FLOAT

Term used for the shares of an issue that are circulating on a market and do not therefore have a specific individual owner.

FREE TV

Television that is financed by licence fees or advertising (see also Pay TV).

GERMAN CORPORATE GOVERNANCE CODE

This Code presents major legal regulations about the management and monitoring of German companies with a stock market listing and includes internationally recognised standards for responsible corporate management.

GERMAN GOVERNMENT COMMISSIONER FOR CULTURE AND THE MEDIA (BKM)

The State Minister of Culture Bernd Neumann has been the German government commissioner for culture and the media since November 2005. The State Minister of Culture's assignments include the promotion of cultural institutions and projects of national and state importance. He is also responsible for the ongoing optimisation and improvement of the general conditions for art and culture.

GROSS PROFIT

Gross profit is one of the key figures in business management and is an item in the income statement. It indicates the gross profit on sales after deduction of the costs of goods sold.

GROSS PROFIT MARGIN

The gross profit margin is one of the key figures in business management and indicates the ratio between the gross profit and sales.

HEDGING

Obtainment of protection against currency risks for unsettled items by undertaking an opposite risk in the form of a security instrument (hedge) that is intended and suitable for the provision of protection. The basic business transaction and the security instrument are considered to be a single valuation unit in hedge accounting.

IAS 11

Standard specifying the accounting treatment of construction contracts. It is applied to the accounting treatment of service productions.

IAS 20

Standard specifying the accounting for and disclosure of government grants. It is applied to the accounting of grants.

IFRS

(International Financial Reporting Standards)

International accounting standards that are issued by the International Accounting Standards Board (IASB).

IFRS 7

Standard specifying the disclosure of financial instruments in the notes to the consolidated financial statements, which has been applied since January 1, 2007.

IMPAIRMENT

Review of the value of a film right on the basis of a comparison between the film investment and the estimated total revenues.

INDEPENDENT

A producer who is not tied to a major studio.

INDIVIDUAL FILM FORECAST METHOD

Depreciation method for film rights based on the ratio of the periodic sales to the total expected sales.

INTEGRATED MEDIA GROUP

A corporate group with companies that cover the entire exploitation chain in addition to developing and producing films.

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

The ISIN was introduced as the primary identification code for securities on April 22, 2003.

LABORATORY ACCESS LETTER

Authorisation for copies to be made.

LIBRARY PRODUCT

Productions with an initial release date that is at least three years before the date on which they are acquired.

LICENCE PRODUCTION

An in-house production to which the producer holds all the rights and only licenses limited chronological and geographical exploitation rights (e.g. to TV stations) (see also Service production).

MAJOR STUDIO

US studio companies with global marketing operations (Paramount, Buena Vista, Fox, Universal, Warner, Sony Pictures).

MARKET CAPITALISATION

(Stock market capitalisation, stock exchange value)

Market price/value of a public limited company on the stock exchange. It is determined by multiplying the total number of shares by the stock exchange price per share.

MATCHING PRINCIPLE

Principle of the accurate allocation of expenditure to the corresponding income.

MERCHANDISING

Selling of products that tie in with films (e.g. T-shirts, toys).

MINIMUM GUARANTEE

The purchase price for rights to a film that has to be paid even if it is not a success. A share of the proceeds of exploitation has to be paid as well if it is a success.

MULTIPLEX THEATRE

A theatre with several (about 6 to 20) screening rooms of different sizes.

NET PROFIT PARTICIPATION

Share of the net profit of a film given e.g. to actors.

NON-FICTION TV PRODUCTIONS

Productions that reproduce events which really happen (e.g. documentaries, quiz and game shows, documentary soap operas).

OPERATING RESULT

The operating result is one of the key figures in business management and is an item in the income statement. It indicates the profit before the financial result, extraordinary earnings and taxes.

OPERATING RESULT MARGIN

The operating result margin is one of the key figures in business management and indicates the ratio between the operating result and sales.

OUTPUT DEAL

Licence agreement about all the films a producer and/or studio will be making within a specific period of time.

P&A COSTS

Costs incurred in connection with a theatrical release, particularly for copies of the film and advertising ("Prints & Advertising").

PACKAGE DEAL

Licence agreement about a film package consisting of several different productions.

PAY PER VIEW

Individual films or sports programmes that can only be received if the viewer pays a fee.

PAY TV

Television programmes that can be received on payment of a monthly fee (see also Free TV).

P/E RATIO

(Price-to-earnings ratio)

The price-to-earnings ratio is a measure of the price paid for a share relative to the annual profit generated per share (EPS / earnings per share).

PERCENTAGE OF COMPLETION METHOD

Method for realisation of a percentage of profits according to the progress made in completion.

POST-PRODUCTION

Completion of the film after shooting has finished.

PRIME MEDIA PERFORMANCE INDEX

The Prime Media Performance Index is one of the 18 industry indices in the Prime All-Share Index (includes all the companies in the Prime Standard). The industry indices are a breakdown of the Prime All-Share Index and distinguish the companies in the Prime Standard as a result. The Prime Media Performance Index includes all the media companies in the Prime Standard.

PRIME STANDARD

The Prime Standard is a quality segment with high information and transparency requirements. It was introduced on January 1, 2003 as part of the German stock market resegmentation exercise.

PRIME-TIME PROGRAMME

Programme that can be shown when audiences are potentially largest (about 20.00 to 22.00).

SECONDARY RIGHTS

Rights to audio and video recording media, secondary printing rights, merchandising rights.

SERVICE PRODUCTION

A film produced on the basis of a commission – e.g. by a TV station – to which the commissioning party receives all the rights (see also Licence production).

SHAREHOLDERS' MEETING

The shareholders' meeting is the supreme body of a public limited company. The shareholders of a public limited company are invited to a shareholders' meeting at least once a year. Mandatory points on the agenda are presentation of the annual financial statements, approval of the conduct of the business by the Management Board and the Supervisory Board, choice of the auditor of the annual financial statements and a motion about appropriation of the profits reported for the year. Votes are also taken on resolutions about measures to obtain and reduce capital, about changes to the articles of association and about other issues of fundamental importance.

SUBSIDIES

Right to financial support for a film project that is granted depending on the theatrical success of a German film.

SCREWBALL COMEDY

A subgenre of Hollywood comedy films. It enjoyed its heyday in the 1930s and 40s. The English expression "screwball" is used to describe a person with eccentric habits.

SPITZENORGANISATION DER FILMWIRTSCHAFT E.V. (SPIO)

The central organisation of the film industry representing the interests of the German film, television and video industry. SPIO's assignments include both promoting the interests of the film and media community at the political level and carrying out service functions for its members.

SQUEEZE-OUT

The possibility of excluding the other shareholders from a company in return for an appropriate cash payment when a shareholding of at least 95% has been reached.

VIDEO-ON-DEMAND

Films, for example, that are shown when specifically ordered.

WEEKLY

TV format that is broadcast every week.

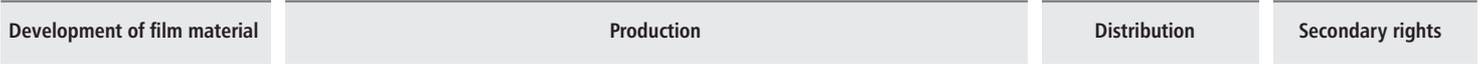
XETRA

Xetra is the abbreviation for Exchange Electronic Trading. It is an electronic stock exchange transaction system for shares and options. Thanks to its high speed and low costs, the Xetra trading system has replaced floor trading at the German stock exchanges to a large extent.

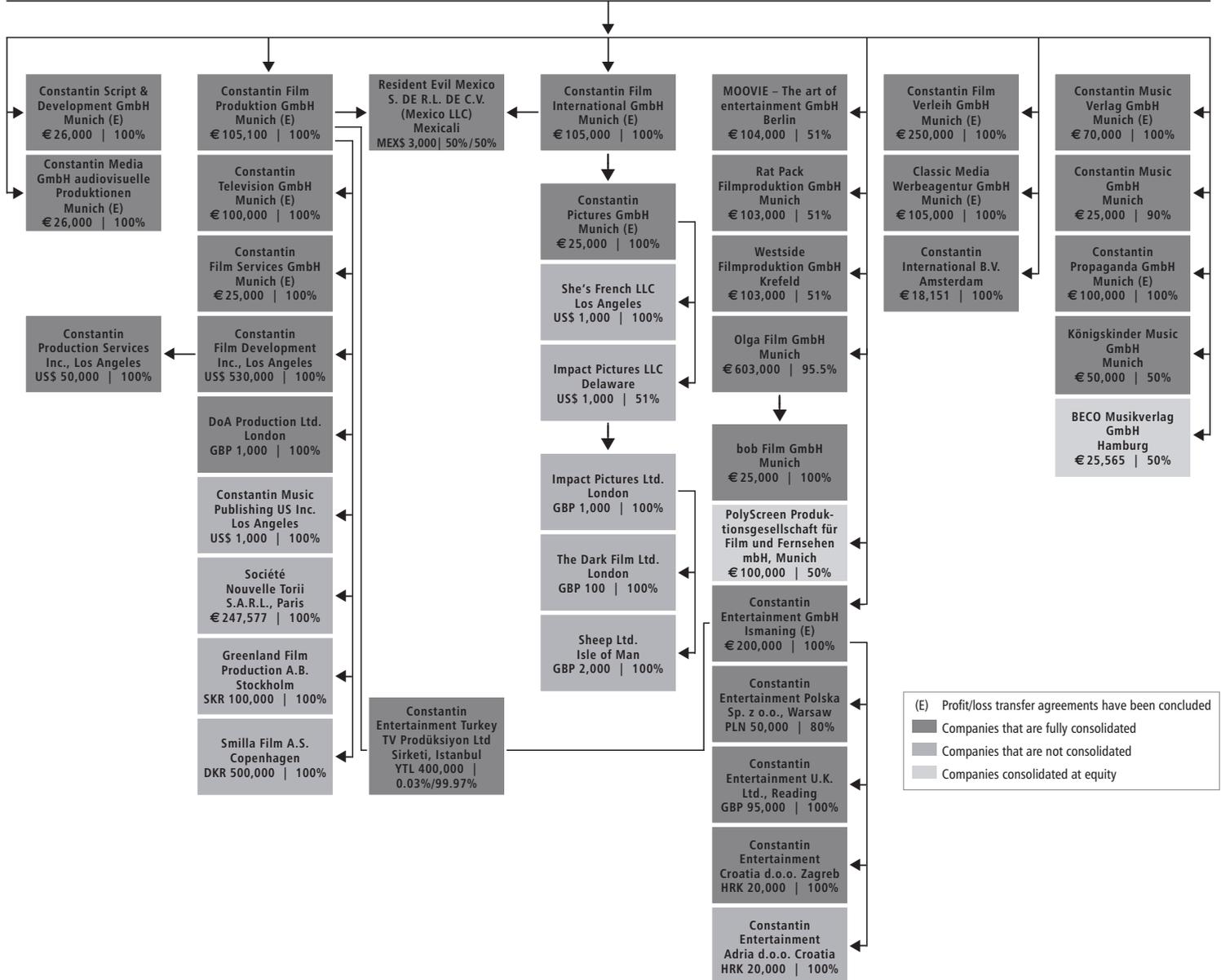
YIELD CURVE

The yield structure is plotted on a graph to show what is known as the yield curve (also: yield structure curve). Yield structure is the term used for the relation between the interest rate and the time to maturity of an investment.

► SUMMARY OF EQUITY INTERESTS as of February 4, 2009



Constantin Film AG Munich / €12,742,600



(E) Profit/loss transfer agreements have been concluded

- Companies that are fully consolidated
- Companies that are not consolidated
- Companies consolidated at equity

► **IMPORTANT DATES/** for 2009

Publication of the results for the first three months	May 2009
Annual Shareholders' Meeting	April 2009
Publication of the results for the first six months	August 2009
Publication of the results for the first nine months	November 2009
Analysts' conference	November 2009

► **INTERNATIONAL SECURITIES IDENTIFICATION NUMBER ISIN: DE0005800809**

► **SECURITIES IDENTIFICATION NUMBER 580 080**

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Constantin Film