

PRESS RELEASE

Deutsche Beteiligungs AG: Net income tops previous year's level

- **Gain of 32.0 million euros after six months**
- **Forecast for 2015/2016 financial year reconfirmed**
- **Changes in portfolio: Three exits, two new investments**

Frankfurt am Main, 12 May 2016. Deutsche Beteiligungs AG recorded net income of 32.0 million euros for the first half of its 2015/2016 financial year. Net income after six months exceeds that of the full preceding financial year (27.0 million euros) as well as the forecast that this listed private equity company originally made for 2015/2016. This satisfactory result is based on the ongoing positive performance of the companies in the DBAG portfolio: despite growing macroeconomic challenges, revenues and earnings budgeted by most of the portfolio companies exceed past-year performance. In addition, the divestments agreed in the first half-year have, in net terms, delivered positive income contributions. In the interim report at 31 March 2016 presented today, the Board of Management reconfirmed the concretised forecast issued after the first quarter: DBAG expects net income for the full financial year to reach some 40 million euros. That would equate to a return on net asset value of 14 percent, representing the long-term average.

By the nature of DBAG's business, the results of individual quarters can fluctuate strongly. For example, the largest part of the half-year result was generated in the first quarter of the financial year. Unforecastable sales proceeds and unexpectedly positive performance by individual portfolio companies, particularly ones recently acquired, contributed towards that first-quarter net income. In the second quarter, DBAG earned 1.2 million euros. The preceding 2014/2015 financial year saw net income for the six-month period of 21.4 million euros, of which 8.2 million euros were attributable to the second quarter.

The key constituent in DBAG's net income is the net result of valuation and disposal of the portfolio, which reached 39.0 million euros in the half-year period. Valuation gains are founded on higher earnings and lower debt budgeted by the portfolio companies. The impact from the stock market was very different in the two quarters of the first half-year and, in net terms, it only had a small positive effect on valuations.

Net income results in an increase in net asset value per share. At the period end on 31 March 2016, it was 23.51 euros, or a gain of 1.35 euros compared with the outset of the financial year. In relation to net asset value at the start of the financial year (less the sum proposed for dividend payment), this represents an increase of 11.1 percent. In the preceding 2014/2015 financial year, net asset value per share grew by 7.8 percent in the half-year period.

In the ongoing financial year to date, DBAG invested in two companies alongside its managed or advised funds. Both acquisitions were agreed in the first quarter and have meanwhile been completed. DBAG invested some 20 million euros for its stake in the management buyout of the Telio Group and in Switzerland-based mageba AG. Divestments relate to Spheros GmbH, in addition to the Clyde Bergemann Power Group.

The DBAG Board of Management is confident as regards the coming months up to the end of the financial year in September. That holds true for the Company's income as well as its investment activity. "As projected at the beginning of the financial year, we expect to achieve a significant increase on the previous year's comparable net income. Including the sales proceeds generated in the first quarter, which had not been planned, net income could probably reach 40 million euros," the interim report states. The half-yearly report was subject to an auditor's review for the first time. One risk for the achievement of this forecast is inherent in stock market valuation ratios.

"Our investment team is working intensively on attractive transaction opportunities," said Spokesman of the Board of Management Torsten Grede today. "Despite harsh competition, we are confident of supplementing our portfolio by select companies in the coming months."

Deutsche Beteiligungs AG, a listed private equity company, raises closed-end private equity funds and invests alongside the DBAG funds in well-positioned mid-sized companies with potential for development. DBAG focuses on industrial sectors in which Germany's 'Mittelstand' is particularly strong on an international comparison. With its experience, expertise and equity, DBAG supports its portfolio companies in implementing corporate strategies that sustainably create value. Its entrepreneurial approach to investing has made DBAG a sought-after investment partner in the German-speaking world. Total assets under management or advice by DBAG amount to approximately 1.0 billion euros.

*Public Relations and Investor Relations • Thomas Franke
Börsenstrasse 1, 60313 Frankfurt am Main
Tel. +49 69 95 787-307 • +49 172 611 54 83 (mobile)
E-mail: thomas.franke@dbag.de*