



Deutsche  
Beteiligungs AG



# QUARTERLY STATEMENT

AT 31 DECEMBER 2015  
1ST QUARTER 2015/2016



## AT A GLANCE

Stock exchange-listed Deutsche Beteiligungs AG invests in well-positioned mid-sized companies with potential for growth. For many years, we have focused on industrial business models in selected sectors. With our experience, expertise and equity, we support our portfolio companies in implementing their sustainable value-creating

corporate strategies. Our entrepreneurial approach to investing has made us a sought-after investment partner in the German-speaking region. We have achieved superior performance over many years – for our portfolio companies as well as for our shareholders and investors.

## FINANCIAL HIGHLIGHTS

		1st quarter 2015/2016 <sup>1</sup>	1st quarter 2014/2015 <sup>1</sup>
New investment in the portfolio <sup>2</sup>	€mn	0	18.9
IFRS carrying amount of investments (at end of period) <sup>2</sup>	€mn	278.7	181.9
Number of investments (at end of period)		24	21
Assets under management or advice (at end of period)	€mn	1,018	1,197
<b>Segment Private Equity Investments</b>			
Net income before taxes	€mn	31.0	12.1
Net asset value (at end of period)	€mn	338.2	317.5
<b>Segment Fund Investment Services</b>			
Net income before taxes	€mn	(0.2)	1.2
Assets under management or advice (at end of period)	€mn	1,018.5	1,196.9
Earnings before taxes (EBT)	€mn	30.8	13.3
Net income	€mn	30.8	13.2
Retained profit	€mn	148.2	130.9
Equity (at end of period)	€mn	333.8	316.7
Cash flows from operating activities	€mn	(1.3)	0.3
Cash flows from financial assets	€mn	5.2	(35.1)
Cash flows from other investing activities	€mn	3.3	34.9
Cash flows from financing activities	€mn	0	0
Change in cash funds <sup>3</sup>	€mn	7.3	0.0
Earnings per share <sup>4</sup>	€	2.25	0.96
Net asset value (equity) per share (at end of period)	€	24.41	23.16
Change in net asset value per share <sup>5</sup>	%	10.6	5.0
Employees (at end of period, incl. apprentices)		60	57

1 1st Quarter 2015/2016: 1 Oct. – 31 Dec. 2015; 1st Quarter 2014/2015: 1 Nov. 2014 – 31 Jan. 2015

2 IFRS carrying amount of the portfolio within item "Financial assets"

3 Without changes in securities; these are recognised in cash flows from other investing activities

4 Relative to weighted number of shares outstanding in each period

5 Change in net asset value per share relative to opening net asset value per share at beginning of period (less the sum proposed for dividend payment)



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Investment  
decisions on

**21**

million euros:  
one new MBO,  
one new growth  
financing

**2**

realisations

Credit line  
secures  
financing flexibility

Net income at  
**30.8**  
million euros

Forecast  
concretised

## LETTER TO OUR SHAREHOLDERS

Frankfurt am Main, 10 February 2016

*Dear Shareholders,*

Deutsche Beteiligungs AG had a successful start to the new 2015/2016 financial year. You probably gathered that from our releases on the changes to the portfolio and on the preliminary results for the quarter. More information can be found on our website and in this document.

For the first time, we are reporting on our business performance and the financials for the quarter in the form of a quarterly statement. In doing so, we are making use of the new scope initially promulgated by the European and German legislature and, subsequently, by Deutsche Börse. Comprehensive interim reports are no longer required for the first and third quarters. Instead, quarterly statements are appropriate for presenting information about the way our business developed in the period.

We have created a new format for that purpose. Our quarterly statement has become shorter, more concise and offers a better and faster overview. Key elements of these statements will be echoed in the structure of our half yearly report and our combined management report for the full financial year. We believe that this presentation serves the interests of our shareholders and other stock market participants. Please let us know if this new format meets your expectations. What can we do better? What information do you expect from us? We would be very happy to receive your comments and suggestions (in writing by post or e-mail to [IR@dbag.de](mailto:IR@dbag.de)).

The Board of Management of  
Deutsche Beteiligungs AG



Torsten Grede



Dr Rolf Scheffels



Susanne Zeidler

## REVIEW OF SIGNIFICANT EVENTS AND TRANSACTIONS

In the first quarter of financial year 2015/2016<sup>1</sup>, Deutsche Beteiligungs AG agreed two new investments, complementing the portfolio by further attractive companies with potential for growth; in that context, DBAG for the first time entered into an investment in Switzerland. By obtaining a credit line, DBAG secured the flexibility to service liquidity requirements at any time. The agreement on the divestment of one of the largest investments in the portfolio to a strategic investor once again attests to the attractiveness of the companies in DBAG's portfolio.

### Investment decisions on 21 million euros

Two companies will soon be complementing DBAG's portfolio. As an advisor to DBAG Fund VI and manager of DBAG ECF, we initiated new investment of about 85 million euros in the first quarter, 21 million euros of which will come from DBAG's balance sheet.

**A NEW MANAGEMENT BUYOUT:** Alongside its advised DBAG Fund VI, DBAG will invest in the Telio Group ([www.tel.io](http://www.tel.io)), a telecommunication and software company that develops, installs and operates communications and media for correctional facilities. DBAG and DBAF Fund VI will acquire Telio in a management buyout (MBO). DBAG will initially invest 12.8 million euros for its interest (18.8 percent). The transaction has not yet been completed and is contingent on regulatory approval. Completion of the deal is expected in the coming weeks.

**A NEW EXPANSION CAPITAL INVESTMENT:** The investment in Switzerland-based mageba AG (mageba) is the seventh investment DBAG has entered into alongside the DBAG Expansion Capital Fund (ECF). Subsequent to the acquisition and a capital increase, DBAG and DBAG ECF will hold an interest of approximately 40 percent; the majority will remain in family ownership. DBAG will invest

up to 7.9 million euros for its interest (19.8 percent). The transaction was completed after the reporting date of 31 December 2015. Mageba ([www.mageba.ch](http://www.mageba.ch)) is a leading provider worldwide of structural bearings, expansion joints and other products and services for the infrastructure and building sectors.

More information on the new portfolio companies can be found at DBAG's website at [www.dbag.de/portfolio](http://www.dbag.de/portfolio).

### Two realisations

**SPHEROS GROUP:** DBAG will successfully end one of its currently largest investments. Spheros' new owner will be Valeo, a listed automotive supplier in France. This is yet another portfolio company to be sold to a strategic investor. DBAG acquired the Spheros Group, a manufacturer of climate systems for buses, in December 2011 in a secondary buyout. The sales price agreed equates to more than double the original investment. It also exceeds the investment's latest valuation in DBAG's IFRS-formatted consolidated financial statements at 30 September 2015 and has therefore contributed some four million euros to first-quarter income. Since the interest in Spheros is carried at its historical cost in DBAG's German GAAP accounts (HGB), we anticipate that, based on HGB, the divestment will generate a capital gain of between 15 and 18 million euros and, consequently, deliver a correspondingly positive contribution towards the annual profit of DBAG. At present, Spheros is still in the portfolio: the transaction is subject to approval by the cartel authorities and is slated to be completed in the coming months.

**DBG EASTERN EUROPE II:** This fund, one of the two international buyout funds in the portfolio, has agreed the divestment of one of its three remaining investments. The completion of this profitable transaction is expected by mid-2016. This realisation delivered a contribution to income of some six million euros for DBAG.

<sup>1</sup> Subsequent to the truncated 2014/2015 financial year (eleven months), DBAG's financial years now begin on 1 October of a year. This Quarterly Statement reports on the period from 1 October 2015 to 31 December 2015; the previous year's comparative data refers to the period from 1 November 2014 to 31 January 2015.

## Line of credit assures flexibility

In order to take advantage of investment opportunities at all times, we secured a line of credit: two banks have extended a credit facility of 50 million euros for a term of five years. The credit line supplements the financial resources on the balance sheet, which totalled 61.7 million euros at the reporting date. The liquidity now available of about 112 million euros corresponds to the outstanding commitments for co-investments to DBAG Fund VI and DBAG ECF.

The credit facility, which additionally provides for a significantly more efficient balance-sheet structure, ensures the ability to co-invest alongside the DBAG funds at all times. It does not entail a change in DBAG's financing strategy. Since by nature of the private equity business acquisitions are partially leveraged and therefore incur liabilities at the portfolio company level, bank liabilities should only burden DBAG's balance sheet for a short term at the most. As in the past ten years, DBAG will continue to finance its activities in the long term exclusively through the stock market.

## EARNINGS POSITION

First-quarter net income of 30.8 million euros significantly exceeds that of the equivalent quarter the previous year (13.2 million euros). This derives, on the one hand, from unforecastable divestments directly from DBAG's portfolio (Spheros Group) and from the portfolio of DBG Eastern Europe II, one of the two remaining international buyout funds in which DBAG has been invested since 2003; these unexpected realisations contributed approximately ten million euros towards the net result of investment activity, which totalled 32.5 million euros. In addition, the value contribution coming from the other portfolio companies was greater than expected, since individual portfolio companies, particularly ones that were recently acquired, reported surprisingly good financials at their financial year-end in December.

### ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

T€	1st quarter 2015/2016	1st quarter 2014/2015
Net result of investment activity	32,473	12,836
Fee income from fund management and advisory services	4,824	5,233
<b>Net result of fund services and investment activity</b>	<b>37,297</b>	<b>18,069</b>
Personnel costs	(3,783)	(3,243)
Other operating income	1,520	3,361
Other operating expenses	(4,204)	(4,992)
Net interest	(9)	75
<b>Other income/expenses</b>	<b>(6,475)</b>	<b>(4,799)</b>
<b>Net income before taxes</b>	<b>30,822</b>	<b>13,270</b>
Income taxes	(1)	(66)
<b>Net income after taxes</b>	<b>30,821</b>	<b>13,204</b>
Minority interest	(9)	(9)
<b>Net income</b>	<b>30,813</b>	<b>13,195</b>
<b>Other comprehensive income</b>	<b>(123)</b>	<b>490</b>
<b>Total comprehensive income</b>	<b>30,689</b>	<b>13,685</b>

The **NET RESULT OF INVESTMENT ACTIVITY** of 32.5 million euros (previous year: 12.8 million euros) is the largest constituent of the net result of fund services and investment activity, which reached 37.3 million euros, compared

to the previous year's 18.1 million euros. It largely reflects the value growth of the interests in the portfolio companies, which are chiefly held through co-investment vehicles.

**NET RESULT OF INVESTMENT ACTIVITY**

<i>T€</i>	<b>1st quarter 2015/2016</b>	<b>1st quarter 2014/2015</b>
Result of valuation and disposal portfolio, gross	34,038	13,637
Minority interest co-investment vehicles	(2,861)	(88)
<b>Result of valuation and disposal portfolio, net</b>	<b>31,177</b>	<b>13,549</b>
Current income portfolio	1,692	512
<b>Net result portfolio</b>	<b>32,869</b>	<b>14,061</b>
Net result other assets and liabilities of co-investment vehicles	(773)	(801)
Net result other financial assets	377	(424)
<b>Net result of investment activity</b>	<b>32,473</b>	<b>12,836</b>

The **GROSS RESULT OF VALUATION AND DISPOSAL** of the portfolio reached 34.0 million euros after three months, clearly exceeding that of the first quarter of 2014/2015. The divestments discussed above have increased the valuation result up front, since these were agreed, but have not yet been completed. In addition to most portfolio companies that have been in the portfolio for more than a year, one investment that was acquired within the last twelve months also contributed: this investee business reported such strong financials at year-end 2015 that its current value significantly exceeds its transaction value.

Nearly all portfolio companies have made good progress and budgeted higher earnings for their current new

financial years; also, the companies' debt has declined. Both of these aspects tend to increase their valuation. In our valuations, we took account of the fact that the achievement of budgets this early in the financial year is subject to a greater degree of uncertainty than in the second half of the year. The stock market impact was, in total, negative at 31 December, due to partially lower valuation multiples; the gross result of valuation and disposal contains negative valuation movements of more than ten million euros as a result of lower stock market multiples. Of the 24 portfolio companies, only three delivered a negative contribution towards the net result of valuation for the first quarter, which was also due in part to the stock market trend.



RESULT OF VALUATION AND DISPOSAL PORTFOLIO

<i>(€mn; by sources; gross)</i>	1st quarter 2015/2016	1st quarter 2014/2015
Valuation of unquoted investments (multiples method)		
Change in earnings	25,062	20,137
Change in debt	12,149	(200)
Change in multiples	(10,352)	(3,958)
Change in currency rates	232	2,094
	27,091	18,073
Net result of disposal	691	652
Other	6,256	(5,088)
	<b>34,038</b>	<b>13,637</b>

RESULT OF VALUATION AND DISPOSAL PORTFOLIO

<i>(€mn; by components; gross)</i>	1st quarter 2015/2016	1st quarter 2014/2015
Positive valuation movements	40,154	18,733
Negative valuation movements	(6,807)	(5,748)
Net result of disposal	691	652
Other	0	0
	<b>34,038</b>	<b>13,637</b>

**GAINS ATTRIBUTABLE TO MINORITY INTEREST IN THE CO-INVESTMENT VEHICLES** reduced the net result of investment activity by 2.9 million euros (first quarter previous year: 0.1 million euros). This relates to carried interest entitlements of selected current and former members of DBAG's investment team arising from private investments in the co-investment vehicles of DBAG Fund V. The carried interest reflects the aggregate performance of DBAG Fund V since the start of its investment period in February 2007; corresponding to the realisation of value gains on individual investments, carried interest payments will extend over a number of years; the carry can change with future valuation movements of the investments alongside DBAG Fund V.

**CURRENT INCOME** from the **PORTFOLIO** is largely composed of interest payments on shareholder loans.

As expected, **FEE INCOME FROM FUND MANAGEMENT AND ADVISORY SERVICES** was lower. In the preceding year, 0.2 million euros were still recorded from DBG Fonds I, the management agreement of which has meanwhile ended; fees from DBAG Fund V decreased by 0.3 million euros, after one of the fund's investee businesses was refinanced, which consequently reduced the computational base for management fees.

Total **OTHER INCOME/EXPENSES**, or the net amount of personnel costs, other operating income and expenses as well as net interest, moved negatively, since provisions for variable remuneration linked to the performance of DBAG were higher. Additionally, the preceding year saw unusually high income from the valuation of temporarily held interests in portfolio companies; apart from this effect, other operating income declined in parallel with other operating expenses, because first-quarter transaction-related costs, contained in both items, were lower than those of the same quarter in the prior year.

**OTHER COMPREHENSIVE INCOME** largely reflects one effect: the revaluation of securities resulted in a slight loss, since their prices had fallen compared with the preceding reporting date in the wake of a modest rise in interest rates. For the same quarter of the previous year, the effect from the revaluation of securities was positive, and was, moreover, based on a much larger securities portfolio.

## FINANCIAL POSITION

In the first quarter of 2015/2016, financial resources (consisting of long- and short-term securities and cash) increased to 61.7 million euros, or a gain of 3.4 million euros

on the amount recorded at the start of the financial year. As previously stated, neither the two new investments, nor the divestments agreed in the first quarter have been completed. Inflows from the portfolio (5.8 million euros) relate, among other things, to the repayment of a bridge-over loan stemming from a transaction last year.

### ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>T€</i>	<b>1st quarter 2015/2016</b>	<b>1st quarter 2014/2015</b>
Net income	30,813	13,195
Valuation (gains)/losses on financial assets and loans and receivables	(30,585)	(12,165)
Other non cash-relevant changes	(1,485)	(772)
<b>Cash flows from operating activities</b>	<b>(1,257)</b>	<b>258</b>
Proceeds from disposals of financial assets and loans and receivables	5,823	4,896
Purchase of investments in financial assets and loans and receivables	(649)	(40,005)
Proceeds from/(acquisition) of long- and short-term securities	3,714	35,016
Other inflows and outflows	(378)	(155)
<b>Cash flows from investing activities</b>	<b>8,511</b>	<b>(248)</b>
Payments to shareholders (dividends)	0	0
<b>Cash flows from financing activities</b>	<b>0</b>	<b>0</b>
<b>Change in cash funds from cash-relevant transaction</b>	<b>7,253</b>	<b>10</b>
Cash funds at start of period	28,234	28,408
<b>Cash funds at end of period</b>	<b>35,487</b>	<b>28,418</b>

In addition to cash funds of 35.5 million euros, the Company has securities in the amount of 26.2 million euros of German issuers with a credit rating based on Standard & Poor's of A or better. These are available for investment. The unconsolidated co-investment vehicles had another 13.7 million euros at their disposal at the reporting date; these liquid assets are not shown directly in the consolidated statement of financial position.

Outstanding commitments for co-investments alongside DBAG Fund VI and DBAG ECF amounted to approximately 97 million euros at 31 December 2015. Viewed over the remaining investment periods of the two investing funds DBAG Fund VI and DBAG ECF, the average funding requirement is about 50 million euros annually. To service this liquidity requirement independently of investment realisations, if needed, the Company has had a credit facility of 50 million euros at its disposal since December 2015.

## ASSET POSITION

Total assets grew by 43.9 million euros, primarily due to the increase in financial assets and equity. The asset structure, however, remained virtually unchanged in the first quarter. Non-current assets amounted to 86 percent of total assets (at 30 September 2015: 85 percent).

**EQUITY** rose by 30.7 million euros compared with the past reporting date at 30 September 2015 to 333.8 million euros, as a result of the net income achieved. **NET ASSET VALUE PER SHARE** increased from 22.16 euros to 24.41 euros. Relative to the opening net asset value at the onset of the financial year, less the proposed dividend payment, this represents a gain of 10.6 percent within three months.

### ABRIDGED STATEMENT OF FINANCIAL POSITION

T€	31 Dec. 2015	30 Sept. 2015
Financial assets incl. loans and receivables	290,139	250,189
Long-term securities	26,237	26,370
Other non-current assets	2,219	2,021
<b>Non-current assets</b>	<b>318,595</b>	<b>278,580</b>
Receivables and other assets	10,858	10,765
Short-term securities	0	3,741
Cash and cash equivalents	35,487	28,234
Other current assets	6,122	5,844
<b>Current assets</b>	<b>52,467</b>	<b>48,584</b>
<b>Total assets</b>	<b>371,062</b>	<b>327,164</b>
Equity	333,794	303,104
Non-current liabilities	8,827	8,939
Current liabilities	28,441	15,121
<b>Total liabilities</b>	<b>371,062</b>	<b>327,164</b>

**FINANCIAL ASSETS INCLUDING LOANS AND RECEIVABLES** are chiefly determined by the portfolio value, although its proportion declined by approximately six percentage points to 86.8 percent. This item increased due to the valuation gain on the companies contained therein. Based on the value appreciation of the investments alongside DBAG Fund V, the share attributable to minority interest in the co-investment vehicle for

DBAG Fund V increased. The rise in other assets/liabilities of the co-investment vehicles largely pertains to higher cash funds in the vehicle for DBAG Fund VI (liquidity not yet paid out to DBAG from the recapitalisation of Schülerhilfe) and DBAG' liabilities to the funds arising from the capital calls for the two new investments not yet serviced. This is also the reason for the rise in **CURRENT LIABILITIES**.

## FINANCIAL ASSETS INCL. LOANS AND RECEIVABLES

T€	31 Dec. 2015	30 Sept. 2015
Portfolio value (incl. loans and receivables)		
gross	278,733	255,683
Minority interest co-investment vehicles	(26,851)	(23,968)
net	251,882	231,715
Other assets/liabilities of co-Investment vehicles	36,219	16,198
Other financial assets	2,038	2,276
Financial assets incl. loans and receivables	290,139	250,189

At 31 December 2015, the **PORTFOLIO** of DBAG consisted of investments in 22 companies and two international private equity funds. The investments are held directly and indirectly through co-investment vehicles. The value of these investments, including loans to and receivables from the portfolio companies, was 272.7 million euros at 31 December 2015; additionally, there are entities with a value of 6.1 million euros through which representation and warranty retentions are (largely) settled ("Other investments") and which are no longer expected to deliver appreciable value contributions. The portfolio value therefore totalled 278.7 million euros. At 31 December 2015, the 15 largest investments accounted for about 80 percent of the portfolio value.

Compared with the value at the start of the financial year, the gross value of the investment portfolio increased by 23.0 million euros. Valuation movements of 33.3 million euros are set against disposals of 10.3 million euros, largely

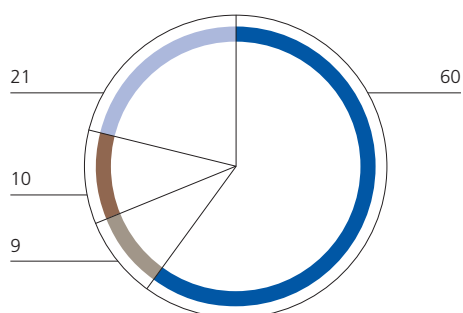
arising from the recapitalisation of Schülerhilfe. Cash and cash equivalents from this recapitalisation increased the item "Other assets" of the relevant co-investment vehicle at the reporting date. This item also contains liabilities to the co-investment vehicles stemming from the capital calls for the two new investments, which were received shortly before the end of the period, but were only paid in January (13.6 million euros); this corresponds to the respective rise in current liabilities.

The new investments and the agreed exit were not yet completed at the end of the period. At 31 December 2015 the 24 investments in the portfolio continued to consist of 15 management buyouts, seven investments targeted at financing growth and two investments in international buyout funds which are currently in the liquidation phase and which for their part only hold one and three remaining investments, respectively.

## PORTFOLIO PROFILE

PORTFOLIO VALUE BY VALUATION METHOD FOR INVESTMENTS

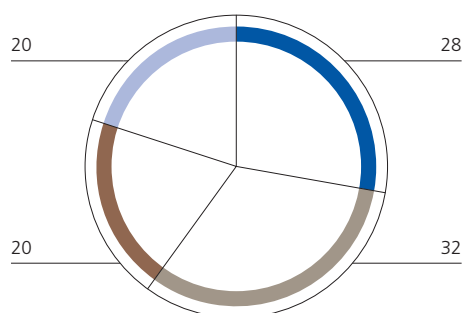
%



- Multiples method
- DCF
- Transaction price
- Other

PORTFOLIO VALUE BY NET DEBT/EBITDA OF PORTFOLIO COMPANIES

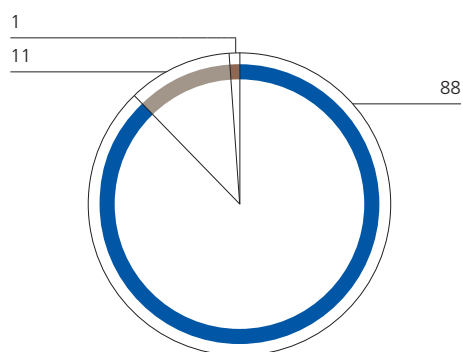
%



- < 1.0
- 2.0 to < 3.0
- 1.0 to < 2.0
- >= 3.0

PORTFOLIO VALUE BY GEOGRAPHICAL DISSEMINATION OF INVESTMENTS

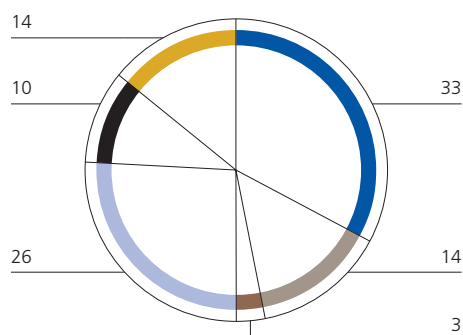
%



- Germany
- Rest of world
- Europe (without Germany)

PORTFOLIO VALUE BY SECTOR DISSEMINATION OF INVESTMENTS

%



- Mechanical and plant engineering
- Industrial components
- Automotive suppliers
- Consumer goods
- Industrial services
- Other

## BUSINESS PERFORMANCE BY SEGMENTS

### SEGMENT INCOME STATEMENT PRIVATE EQUITY INVESTMENTS

T€	1st quarter 2015/2016	1st quarter 2014/2015
Net result of investment activity	32,473	12,836
Other income/expenses	(1,476)	(741)
<b>Net income before taxes</b>	<b>30,997</b>	<b>12,095</b>

Pre-tax segment net income of **PRIVATE EQUITY INVESTMENTS** increased significantly in the first quarter of 2015/2016 to 31.0 million euros, following 12.1 million euros for the equivalent period the previous year. The rise mirrors both the profitable realisations as well as the good progress most portfolio companies have made, which led to a sizeable net result of investment activity. Total other income/expenses, which is the net amount of internal management

remuneration, personnel costs, other operating income and expenses as well as net interest, moved negatively by 0.7 million euros year-on-year. This largely stems from the fact that the previous year's first quarter saw clearly higher valuation results on temporarily held interests in portfolio companies; these valuation results are recorded in other operating income.

### SEGMENT PRIVATE EQUITY INVESTMENTS

T€	31 Dec. 2015	30 Sept. 2015
Financial assets incl. loans and receivables	290,139	250,189
Financial resources	61,724	58,345
Current liabilities to co-investment vehicles	(13,636)	0
Bank liabilities	0	0
<b>Net asset value</b>	<b>338,227</b>	<b>308,534</b>
Financial resources	61,724	58,345
Credit line	50,000	0
<b>Available liquidity</b>	<b>111,724</b>	<b>58,345</b>
<b>Co-investment commitments</b>	<b>102,355</b>	<b>110,708</b>

SEGMENT INCOME STATEMENT FUND INVESTMENT SERVICES

<i>T€</i>	<b>1st quarter 2015/2016</b>	<b>1st quarter 2014/2015</b>
Fee income from fund management and advisory services	5,153	5,570
Other income/expenses	(5,328)	(4,395)
<b>Net income before taxes</b>	<b>(175)</b>	<b>1,175</b>

The segment of **FUND INVESTMENT SERVICES** recorded pre-tax net income of -0.2 million euros, which compares with 1.2 million euros for the prior year. Fee income from fund management and advisory services decreased to 5.1 million euros, as expected: in the previous year, fees were received from DBG Fonds I, the management of which has meanwhile ended; management fees from DBAG Fund V declined largely due to the refinancing of an investment and repayment of the acquisition costs. Net expenses reflect higher personnel costs and lower

other operating income, primarily from transfer pricing of transaction-related costs, than in the comparative quarter the previous year.

Assets under management or advice declined by more than 56.9 million euros in the first quarter. The key reasons were repayments to investors from the recapitalisation of the investment in Schülerhilfe as well as a capital call for a new investment, which was completed after the period end.

SEGMENT FUND INVESTMENT SERVICES

<i>T€</i>	<b>31 Dec. 2015</b>	<b>30 Sept. 2015</b>
Portfolio companies at cost	674,559	715,849
Outstanding capital commitments to funds	282,173	301,162
Financial resources (of DBAG)	61,724	58,345
<b>Assets under management or advice</b>	<b>1,018,456</b>	<b>1,075,356</b>

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

At the beginning of February, the investment in Switzerland-based mageba AG was completed along with the registration of the capital increase in the relevant register.

## OPPORTUNITIES AND RISKS

With regard to opportunities and risks, we refer to the statements contained in the combined management report at 30 September 2015, which remain valid in principle.

In our view, the **RISK** related to **ECONOMIC CYCLES** has increased over the past weeks. This can have significant financial effects for DBAG. In recent weeks, forecasts for the global economy have been corrected, since, among other things, growth of the Chinese economy has slowed down and new geopolitical conflicts could impact trading. This could result in a risk for the value development of our portfolio companies, in our opinion, at least for those that manufacture and globally market capital goods. Based on our valuation procedure, the marked decline in valuation ratios on the stock markets, particularly subsequent to the end of the period on 31 December 2015, could negatively affect the value of nearly all of our portfolio companies, in the event that significantly lower valuation multiples would have to be applied at subsequent reporting dates. Such short-term changes could materially impact the results of individual periods, but they are not relevant for the overall performance in the private equity business. For that reason, the results of single quarters cannot be extrapolated to a full financial year.

## FORECAST

In view of the unexpectedly high quarterly net income, the forecast for financial year 2015/2016 can now be concretised: as previously projected, net income, on a comparable basis, is expected to significantly exceed that of the previous year (25.2 million euros), or reach at least 30 million euros. Added to that is the profit from the divestments of approximately ten million euros. Changes to the valuation ratios in the stock markets compared with the most recent reporting date cannot be taken into account in view of the considerable uncertainty concerning future developments.



## ANNEX TO THE QUARTERLY STATEMENT

### Consolidated statement of comprehensive income

for the period from 1 October 2015 to 31 December 2015

T€	1 Oct. 2015 to 31 Dec. 2015	1 Nov. 2014 to 31 Jan. 2015
Net result of investment activity	32,473	12,836
Fee income from fund management and advisory services	4,824	5,233
<b>Net result of fund services and investment activity</b>	<b>37,297</b>	<b>18,069</b>
Personnel costs	(3,783)	(3,243)
Other operating income	1,520	3,361
Other operating expenses	(4,204)	(4,992)
Interest income	73	117
Interest expenses	(82)	(42)
<b>Total other income/expenses</b>	<b>(6,475)</b>	<b>(4,799)</b>
<b>Net income before taxes</b>	<b>30,822</b>	<b>13,270</b>
Income taxes	(1)	(66)
<b>Net income after taxes</b>	<b>30,821</b>	<b>13,204</b>
Minority interest (gains)/losses	(9)	(9)
<b>Net income</b>	<b>30,813</b>	<b>13,195</b>
a) Items that will not be reclassified subsequently to profit or loss		
Gains/(losses) on remeasurements of the net defined benefit liability (asset)	(35)	(121)
b) Items that will be reclassified subsequently to profit or loss when specific conditions are met		
Unrealised gains/(losses) on available-for-sale securities	(88)	611
<b>Other comprehensive income</b>	<b>(123)</b>	<b>490</b>
<b>Total comprehensive income</b>	<b>30,689</b>	<b>13,685</b>

## Consolidated statement of cash flows

for the period from 1 October 2015 to 31 December 2015

T€	1 Oct. 2015 to 31 Dec. 2015	1 Nov. 2014 to 31 Jan. 2015
Net income	30,813	13,195
Valuation (gains)/losses on financial assets and loans and receivables, depreciation and amortisation on property, plant and equipment and intangible assets, (gains)/losses on long- and short-term securities	(30,268)	(12,434)
(Gains)/losses from disposals of non-current assets	(1,082)	(633)
(Increase)/decrease in income tax assets	(156)	(29)
(Increase)/decrease in other assets (netted)	(215)	1,124
Increase/(decrease) in pension provisions	(84)	11
Increase/(decrease) in tax provisions	0	(803)
Increase/(decrease) in other provisions	(3,250)	(2,119)
Increase/(decrease) in other liabilities (netted)	2,985	1,946
<b>Cash flows from operating activities</b>	<b>(1,257)</b>	<b>258</b>
Proceeds from disposals of property, plant and equipment and intangible assets	35	30
Purchase of property, plant and equipment and intangible assets	(413)	(185)
Proceeds from disposals of financial assets and loans and receivables	5,823	4,896
Acquisition of financial assets and loans and receivables	(649)	(40,005)
Proceeds from disposals of long- and short-term securities	3,714	35,016
Acquisition of long- and short-term securities	0	0
<b>Cash flows from investing activities</b>	<b>8,511</b>	<b>(248)</b>
Payments to shareholders (dividends)	0	0
<b>Cash flows from financing activities</b>	<b>0</b>	<b>0</b>
Change in cash funds from cash-relevant transactions	7,253	10
Cash funds at start of period	28,234	28,408
<b>Cash funds at end of period</b>	<b>35,487</b>	<b>28,418</b>

## Consolidated statement of financial position

at 31 December 2015

T€	31 Dec. 2015	30 Sept. 2015
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	726	616
Property, plant and equipment	1,279	1,191
Financial assets	287,626	247,695
Loans and receivables	2,513	2,494
Long-term securities	26,237	26,370
Other non-current assets	214	214
<b>Total non-current assets</b>	<b>318,595</b>	<b>278,580</b>
<b>Current assets</b>		
Receivables	3,206	3,077
Short-term securities	0	3,741
Other financial instruments	1,942	2,134
Income tax assets	5,710	5,554
Cash and cash equivalents	35,487	28,234
Other current assets	6,122	5,844
<b>Total current assets</b>	<b>52,467</b>	<b>48,584</b>
<b>Total assets</b>	<b>371,062</b>	<b>327,164</b>
<b>LIABILITIES</b>		
<b>Equity</b>		
Subscribed capital	48,533	48,533
Capital reserve	141,394	141,394
Retained earnings and other reserves	(4,327)	(4,204)
Consolidated retained profit	148,194	117,381
<b>Total shareholders' equity</b>	<b>333,794</b>	<b>303,104</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Minority interest	113	121
Provisions for pension obligations	8,614	8,697
Other provisions	100	121
<b>Total non-current liabilities</b>	<b>8,827</b>	<b>8,939</b>
<b>Current liabilities</b>		
Other current liabilities	17,631	1,082
Other provisions	10,810	14,039
<b>Total current liabilities</b>	<b>28,441</b>	<b>15,121</b>
<b>Total liabilities</b>	<b>37,268</b>	<b>24,060</b>
<b>Total shareholders' equity and liabilities</b>	<b>371,062</b>	<b>327,164</b>

## Consolidated statement of changes in equity

for the period from 1 October 2015 to 31 December 2015

T€	1 Oct. 2015 to 31 Dec. 2015	1 Nov. 2014 to 31 Jan. 2015
<b>Subscribed capital</b>		
At start and end of reporting period	48,533	48,533
<b>Capital reserve</b>		
At start and end of reporting period	141,394	141,394
<b>Retained earnings and other reserves</b>		
<b>Legal reserve</b>		
At start and end of reporting period	403	403
<b>First adoption IFRS</b>		
At start and end of reporting period	15,996	15,996
<b>Reserve for gains/(losses) on remeasurements     of the net defined benefit liability (asset)</b>		
At start of reporting period	(21,006)	(21,273)
Change in reporting period	(35)	(121)
At end of reporting period	(21,041)	(21,395)
<b>Change in unrealised gains/(losses) on     available-for-sale securities</b>		
At start of reporting period	403	258
Change in reporting period through other comprehensive income	(100)	621
Change in reporting period through profit or loss	12	(10)
At end of reporting period	315	869
<b>At end of reporting period</b>	<b>(4,327)</b>	<b>(4,127)</b>
<b>Retained profit</b>		
At start of reporting period	117,381	117,715
Dividends	0	0
Net income	30,813	13,195
<b>At end of reporting period</b>	<b>148,194</b>	<b>130,910</b>
	<b>333,794</b>	<b>316,710</b>

## Segmental analysis

for the period from 1 October 2015 to 31 December 2015

### SEGMENT INCOME STATEMENT 1ST QUARTER 2015/2016

T€	Private Equity Investments	Fund Investment Services	Reconciliation	Consolidated
Segment income	32,473	5,153	(329)	37,297
Segment expenses	(1,476)	(5,328)	329	(6,475)
<b>Segment net income before taxes</b>	<b>30,997</b>	<b>(175)</b>		<b>30,822</b>
plus taxes and minority interest				(10)
<b>Net income</b>				<b>30,813</b>

### SEGMENT INCOME STATEMENT 1ST QUARTER 2014/2015

T€	Private Equity Investments	Fund Investment Services	Reconciliation	Consolidated
Segment income	12,836	5,570	(337)	18,069
Segment expenses	(741)	(4,395)	337	(4,799)
<b>Segment net income before taxes</b>	<b>12,095</b>	<b>1,175</b>		<b>13,270</b>
plus taxes and minority interest				(75)
<b>Net income</b>				<b>13,195</b>

## COMPANIES IN THE PORTFOLIO

Company	Core business	Revenues 2015 €mn	Employees
Broetje-Automation GmbH	Developer and manufacturer of machines and plants for the automated assembly of aircraft	144 <sup>1</sup>	770
Cleanpart Group GmbH	Services for the semi-conductor industry, hospitals and other industries	46 <sup>1</sup>	330
Clyde Bergemann Group	Developer and manufacturer of components for power plants on three continents and worldwide service business	461 (US-\$) <sup>1</sup>	1,700
DNS:NET Internet Service GmbH	Telecommunications and IT services based on high-quality fibre-optic infrastructure in Berlin and Brandenburg	11 <sup>1</sup>	50
FDG-Gruppe	Services for supermarkets mainly in France and increasingly in neighbouring countries	124 <sup>1</sup>	750
Formel D GmbH	Services for car manufacturers and their suppliers	200 <sup>1</sup>	5,500
Gienanth GmbH	Machine-moulded and hand-moulded castings for the automotive supplier industry and for the production of engine blocks	131 <sup>1</sup>	900
Grohmann Engineering GmbH	Developer and manufacturer of plants for industrial automation worldwide	115 <sup>1</sup>	790
Heytex Bramsche GmbH	Producer of textile print media and technical textiles	100 <sup>1</sup>	330
Inexio KGaA	Telecommunications and IT services based on high-quality optic-fibre infrastructure in southwest Germany	44 <sup>1</sup>	170
Infiana Group GmbH	Developer, producer and finisher of plastic-based release liners and specialised films	206 <sup>2</sup>	900
JCK Holding GmbH Textil KG	Textile retail business, mainly for discounters in Germany	611 <sup>1</sup>	920
mageba AG	Provider of structural bearings, expansion joints and other engineering products and services for infrastructure and building sectors	95 (CHF) <sup>1</sup>	800
Novopress KG	Developer and manufacturer of tool systems for the sanitary, electronic and construction industries	n.a.	90
Oechsler AG	Developer and manufacturer of injection-moulded precision components with a focus on the automotive supplier industry	310 <sup>1</sup>	2,200
Pfautler Process Solutions Group	Manufacturer of glass-lined vessels and components for the chemical and pharmaceutical industries	208 (US-\$) <sup>3</sup>	1,500
Plant Systems & Services PSS GmbH	Industrial services for the energy and process industries in Germany and neighbouring countries	37 <sup>1</sup>	190
ProXES GmbH	Developer and manufacturer of machines and processing lines for the production of liquid and semi-liquid food products	104 <sup>1</sup>	420
Romaco GmbH	Developer and manufacturer of machines and plants for packaging tablets	123 <sup>2</sup>	500
Schülerhilfe GmbH	Provider of education and tutoring services in Germany	60 <sup>1</sup>	380
Silbitz Group GmbH	Provider of hand-moulded and automated machine-moulded processes for different materials on the basis of steel and iron	130 <sup>1</sup>	980
Spheros GmbH	Developer and manufacturer of air conditioning units, heating systems, water pumps and roof hatches for buses	248 <sup>1</sup>	1,050
Tello-Gruppe (Transaction not yet completed)	Communications and media systems for correctional facilities	30 <sup>1</sup>	100
Unser Heimatbäcker GmbH	Bakery chain in northeast Germany	137 <sup>1</sup>	2,750

## OTHER INFORMATION

### Note

This interim report is published in German and in English. The German version of this report is authoritative.

### Forward-looking statements

This interim report contains forward-looking statements related to the prospects and progress of Deutsche Beteiligungs AG. These statements reflect the current views of the management of Deutsche Beteiligungs AG and are based on projections, estimates and expectations. Our assumptions are subject to risks and uncertainties, and actual results may vary materially. Although we believe these forward-looking statements to be realistic, there can be no guarantee. As at 10 February 2016

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Registered office:  
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Handelsregister B 52 491

### Financial calendar

#### **11 FEBRUARY 2016**

Report on the 1st quarter 2015/2016,  
Analysts' conference call

#### **25 FEBRUARY 2016**

Annual Meeting 2016,  
Gesellschaftshaus Palmengarten  
Frankfurt am Main

#### **26 FEBRUARY 2016**

Dividend payment

#### **3/4 MARCH 2016**

Road show London/Edinburgh

#### **16/17 MARCH 2016**

Road show Zurich/London

#### **22 APRIL 2016**

Solventis Stock Forum,  
Frankfurt am Main

#### **12 MAY 2016**

Report on the 2nd quarter 2015/2016,  
Analysts' conference call

#### **15 JUNE 2016**

Dr Kalliwoda Capital Markets Conference,  
Warsaw

#### **11 AUGUST 2016**

Report on the 3rd quarter 2015/2016,  
Analysts' conference call

#### **21 TO 23 NOVEMBER 2016**

German Equity Forum 2016 (Deutsche Börse),  
Frankfurt am Main

## **Information for shareholders**

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DBAN (Bloomberg)