

P R E S S R E L A S E

Brisk investment activity in the DBAG portfolio

- **Financial year 2017/2018: current progress stands at six company acquisitions and two business combinations**
- **Value-adding potential through geographical expansion, additions to the product range and active sector consolidation**
- **Equity investments from DBAG totalling around 18 million euros**

Frankfurt am Main, Germany, 5 July 2018. The first nine months of the financial year 2017/2018 (1 October to 30 September) of Deutsche Beteiligungs AG (DBAG) were influenced by brisk investment activity in the existing portfolio. Five companies that DBAG currently invests in have carried out a total of six company acquisitions since October. With equity investments alongside DBAG funds amounting to around 18 million euros, DBAG provided financial backing for two of these acquisitions, as well as for the most recently completed combination of Polytech Health & Aesthetics GmbH (Polytech), a company from the DBAG Fund VI portfolio, with G&G Biotechnology Ltd. and the combination of duagon Holding AG (duagon) from the DBAG Fund VII portfolio with MEN Mikro Elektronik GmbH (MEN).

“Our portfolio companies should be well-positioned beyond the duration of our investment – we aim to create sustainable value,” commented Torsten Grede, spokesman of the DBAG Board of Management. “Strategic company acquisitions and business combinations offer various approaches to the successful development of portfolio companies: through geographical expansion, additions to the product range or an active sector consolidation. ‘Financial engineering’ is not at the forefront of our strategy.”

Through its combination with G&G, Polytech, a provider of high-quality silicone implants, is expanding its product portfolio, strengthening its innovative capacity and thus improving its competitiveness. G&G was the first company in the world to develop a breast implant with a reduced mass. The company’s products are used in over 30 countries in reconstructive and aesthetic plastic surgery. On this basis, Polytech should continue to build on its leading market position in Europe and focus on further international expansion. The two companies had already been linked to each other by way of a strategic alliance.

In May 2018, duagon merged with MEN, creating a leading provider of software and hardware solutions for data processing and communication, particularly for railway vehicles. duagon and MEN already have leading competitive positions in their respective markets. While MEN's computers ensure the fail-safe and reliable control of brakes, doors and other sub-systems of railway vehicles and railway networks, duagon components allow these systems to communicate with the central rail network. Both companies have been enriched by this combination, through the expansion of their product ranges and with regard to their technological expertise and their global sales structures. They will be able to join forces to develop new products and end-to-end solutions while exploiting the potential that is available to them, especially in the fast-growing market for railway vehicles.

Only a year after the start of DBAG's investment, vitronet, a provider of services pertaining to the construction of fibre-optic networks in the DBAG ECF portfolio, had already completed two company acquisitions. First, the simultaneous acquisition of Dankers Bohrtechnik GmbH and Dankers Projektierung GmbH in October 2017 expanded the value chain of the company to include civil engineering for fibre-optic networks. vitronet further improved on its market position in May 2018 with the acquisition of Enetty Holding GmbH (Enetty). Enetty bundles fibre-optic paths from various network providers to create a single direct connection that can be sublet to customers on the basis of long-term contracts.

The listed Deutsche Beteiligungs AG initiates closed-end private equity funds and invests alongside the DBAG funds in well-positioned mid-market companies with growth potential. DBAG focuses on those industry sectors where Germany's "Mittelstand" is particularly strong in international comparison. With its experience, expertise and equity, DBAG supports its portfolio companies in implementing a long-term and value-enhancing corporate strategy. Its entrepreneurial investment approach makes it a sought-after investment partner in the German-speaking world. The DBAG Group manages and advises capital amounting to around 1.8 billion euros.

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