

▼  
LONG-TERM  
PLANNING.  
PATIENCE IN  
DEVELOPMENT.

**WRITING SUCCESS STORIES IN EVENTFUL TIMES**

ANALYSTS' CONFERENCE ON  
FINANCIAL YEAR 2017/2018

FRANKFURT AM MAIN, 30 NOVEMBER 2018

# SPEAKERS



**SUSANNE ZEIDLER**  
Chief Financial Officer



**THOMAS FRANKE**  
Head of Public Relations  
and Investor Relations

## RESTRICTED COMPARABILITY OF FIGURES

### **IDENTIFICATION OF AN ERROR IN CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015**

Net result of investment activity 2014/2015 understated by €14.6mn – overstated in previous years

Method of recognising carried interest (valuation of investment entity subsidiaries) criticised

### **CHANGE IN METHODOLOGY**

Previous assumption: fund to be continued as a going concern

New assumption: total liquidation of fund portfolio as at the reporting date

### **CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2018**

IAS 8: Retroactive application of new methodology

Adjustment of comparable information as at 30 September 2017: carried interest for DBAG Fund VI (€8.4mn)

# AN OVERVIEW OF THE FINANCIAL YEAR

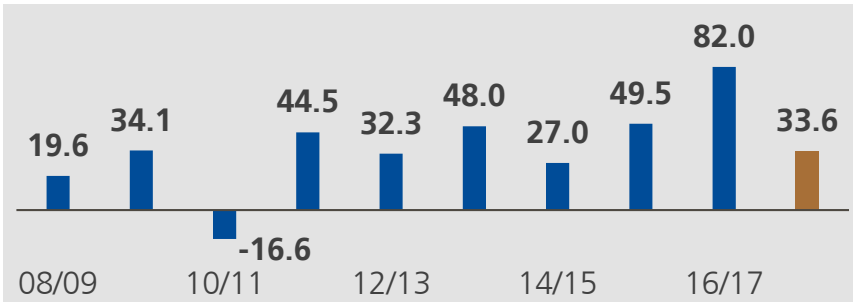
**Net income of 33.6 million euros  
– burdened by valuation conditions on the  
capital markets**

**Changes in portfolio companies  
require time**

**Seven MBOs agreed upon  
– investment volume on a  
high level once again**

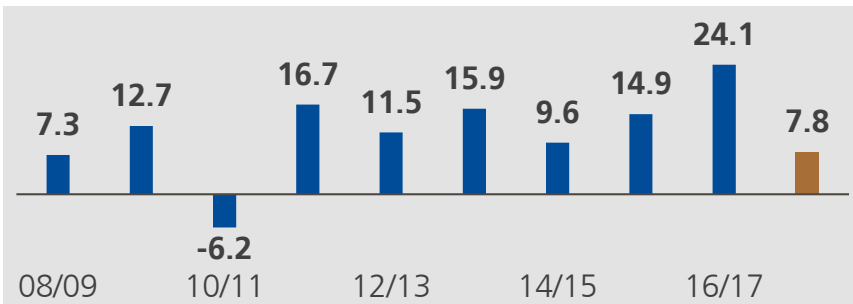
**Distribution policy  
pursued consistently:  
dividend increase to  
1.45 euros proposed**

# NET INCOME OF 33.6 MILLION EUROS...



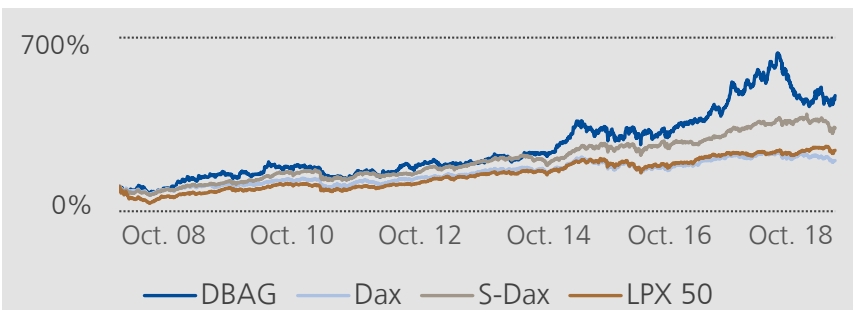
NET INCOME

**33.6**  
MILLION EUROS



RETURN ON EQUITY  
PER SHARE

**7.8**  
PERCENT



TOTAL SHAREHOLDER  
RETURN

**(19.8)**  
PERCENT

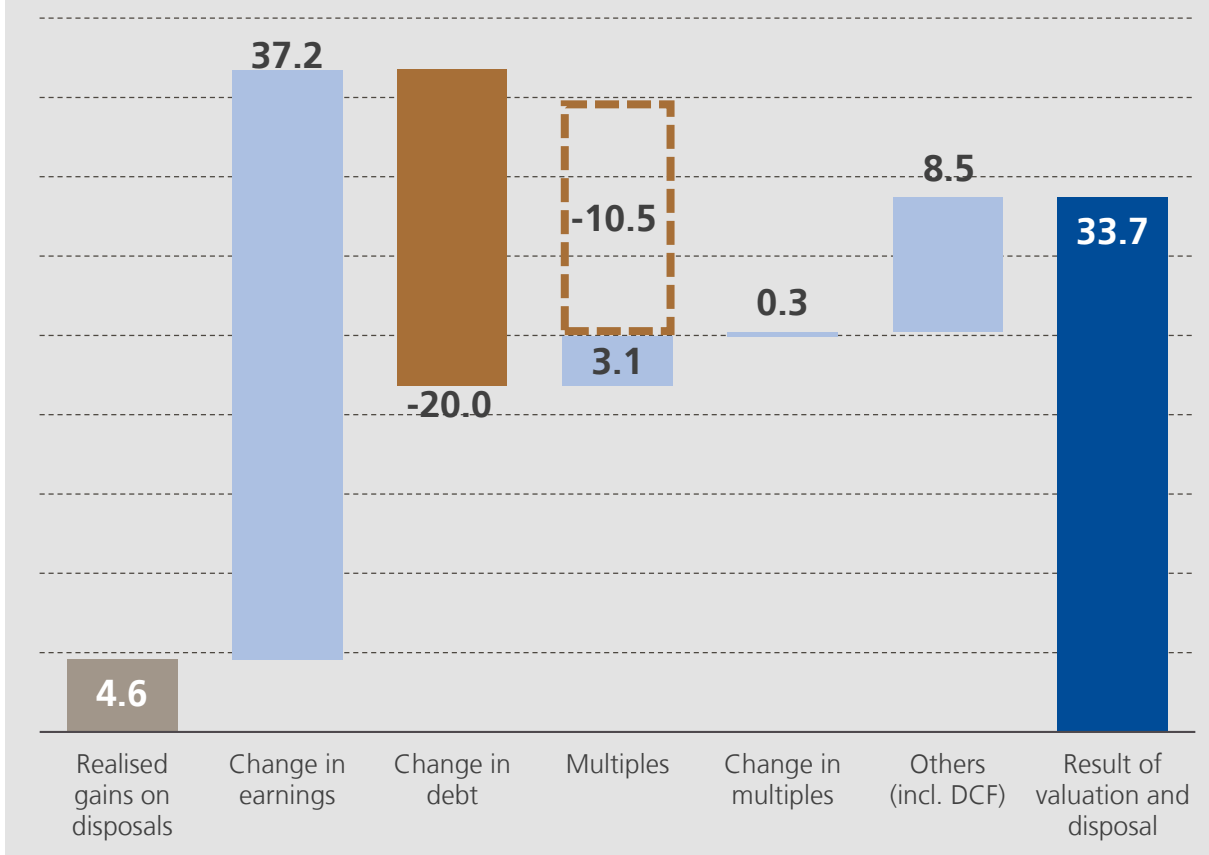
## Negative value contribution due to debt

- › External financing of acquisitions (e.g. duagon/MEN)
- › Refinancing (e.g. More than Meals)
- › Restructuring (e.g. Unser Heimatbäcker)

## Value contribution from multiples, with two contrasting effects

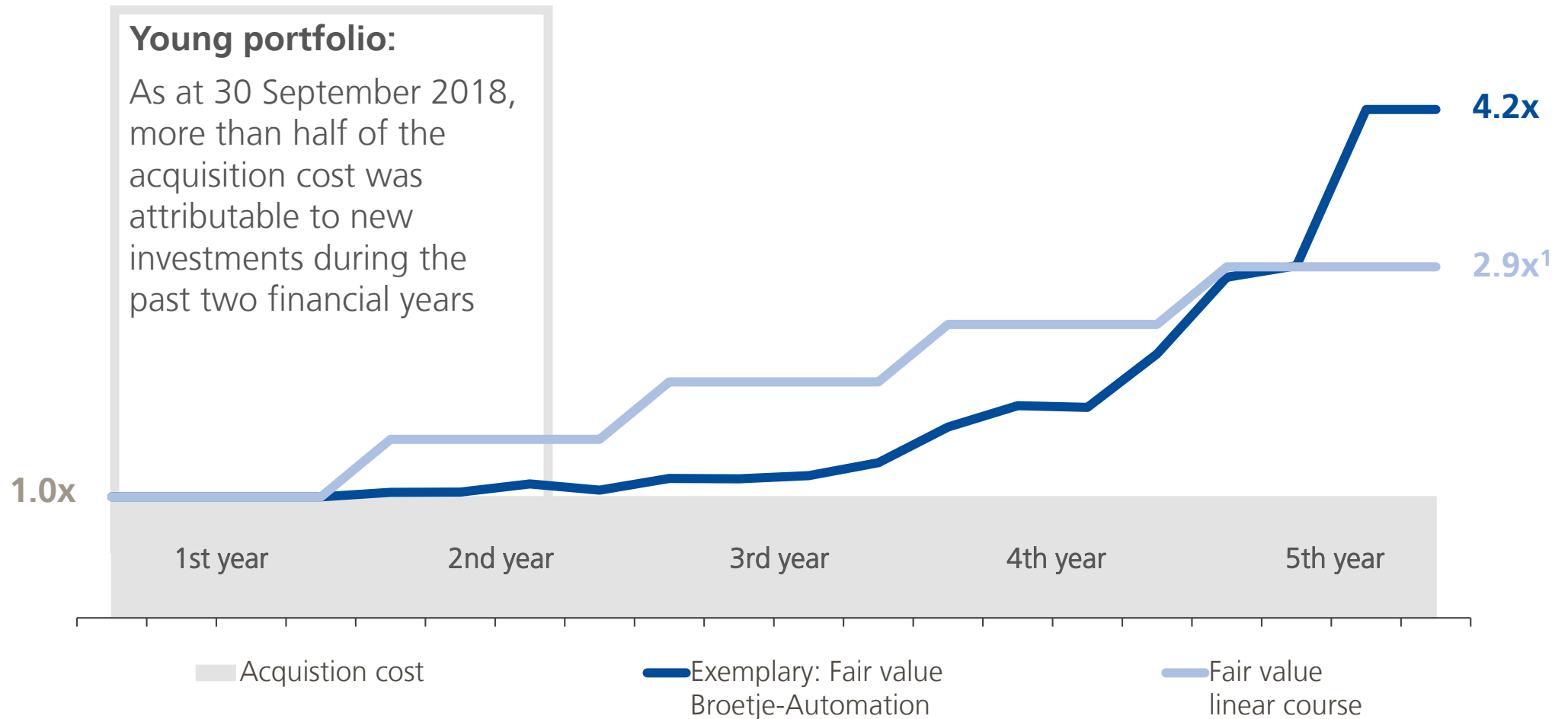
- › +€13.6mn from the disposal of Cleanpart and indications of interest
- › -€10.5mn as a result of a low valuation of peer group members

## RESULT FROM PORTFOLIO VALUATION AND DISPOSALS<sup>1</sup> (€mn)



<sup>1</sup> gross, i.e. before carried interest

# VALUATION GAINS OF PORTFOLIO COMPANIES REQUIRE TIME



<sup>1</sup> Average capital multiple achieved in DBAG MBOs

# DISTRIBUTION POLICY PURSUED CONSISTENTLY: DIVIDEND INCREASE TO €1.45 PROPOSED



## STABLE DIVIDEND

- ▶ Net retained profit (German Commercial Code [HGB]) allows for stable dividend, also for subsequent financial years

## INCREASING, WHENEVER POSSIBLE

- ▶ Dividend proposal translates into an increase of four percent year-on-year

## ATTRACTIVE DIVIDEND YIELD

- ▶ Compared with the market (S-Dax) and other PE companies

DIVIDEND  
2017/2018



**1.45**

EURO PER SHARE



**3.5**

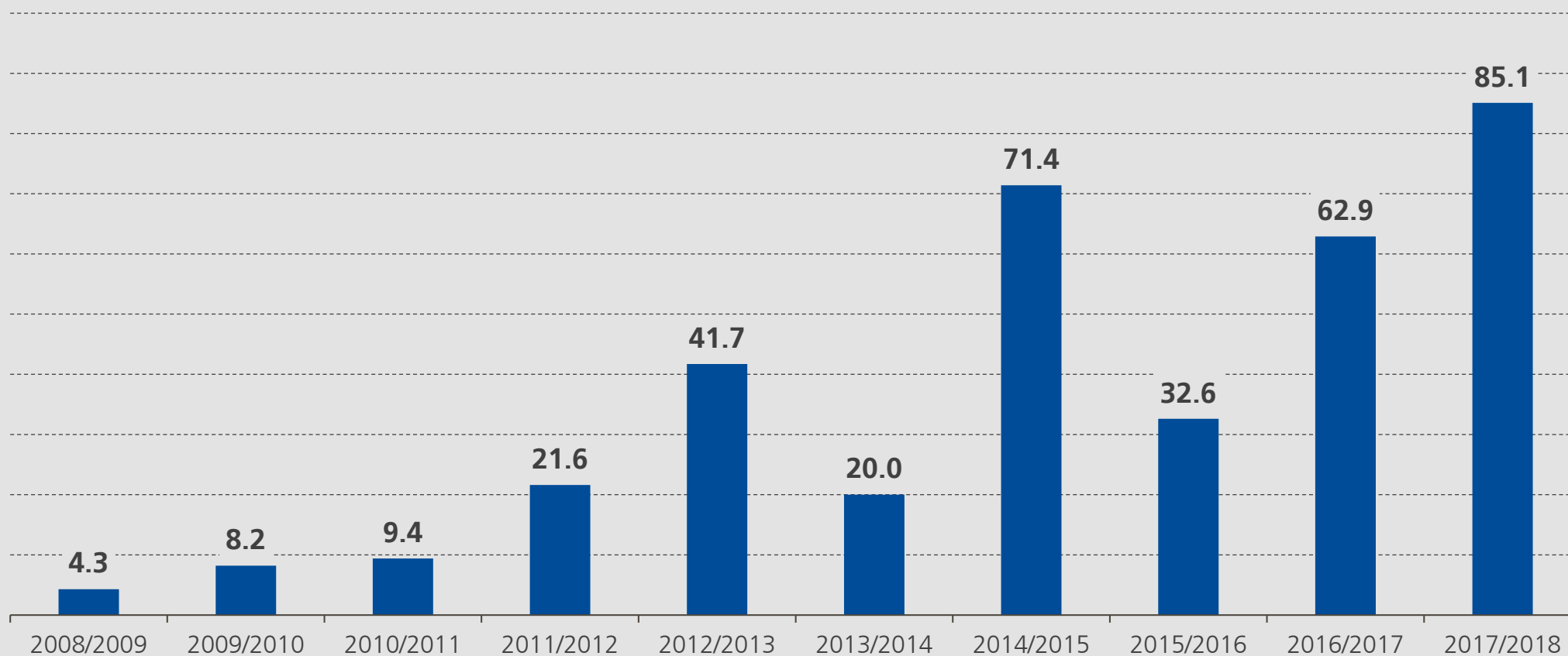
PERCENT DIVIDEND YIELD<sup>1</sup>

<sup>1</sup> The calculation is based on the average closing price of DBAG's shares in the financial year 2017/2018



# INVESTMENT VOLUME ONCE AGAIN SIGNIFICANTLY EXCEEDED PREVIOUS YEAR'S LEVEL

## PORTFOLIO INVESTMENTS (€mn)



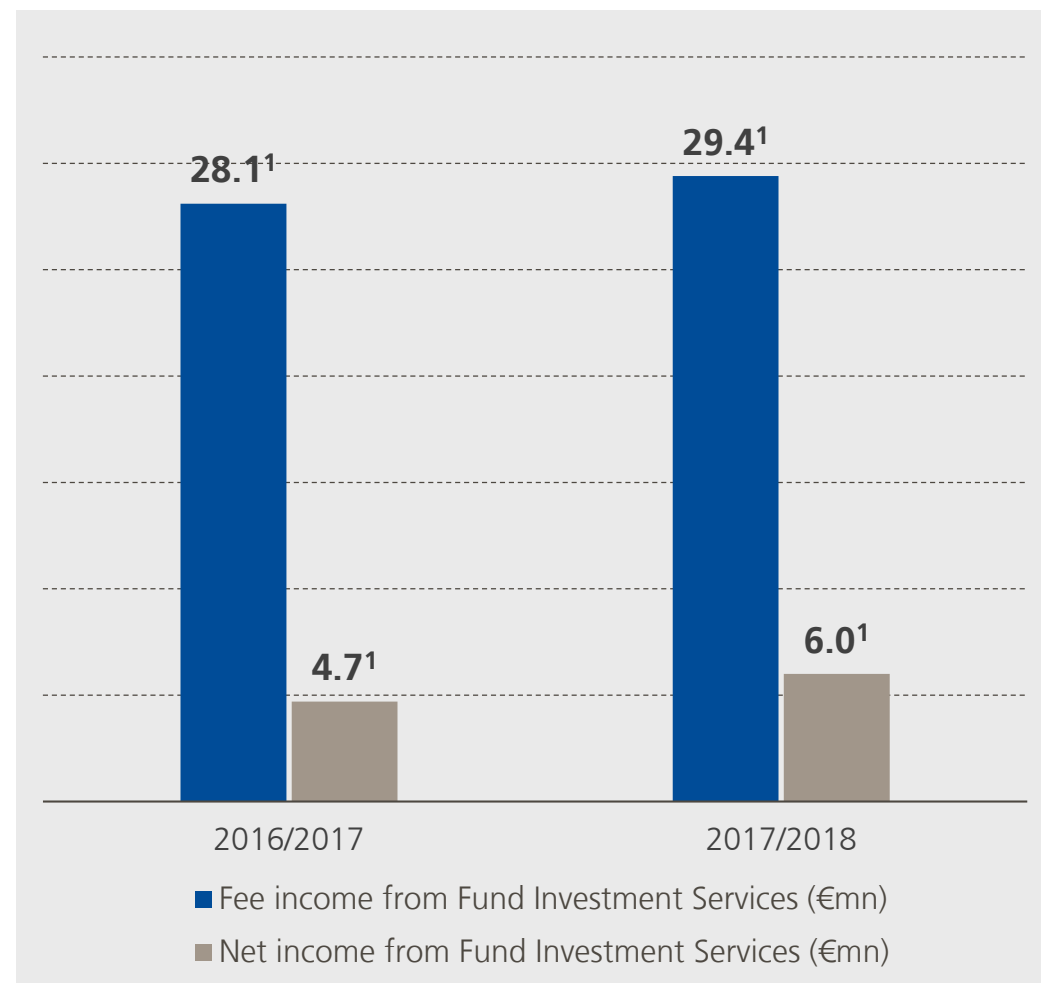
# FURTHER IMPROVEMENT IN EARNINGS IN THE FUND INVESTMENT SERVICES SEGMENT

## Higher income from DBAG Fund VII and DBAG ECF, partly compensated by lower income from DBAG Fund V and DBAG Fund VI after disposals in 2016/2017

- › Contribution of DBAG Fund VII for the full financial year
- › First transaction-based remuneration from DBAG ECF (€1.1mn)

## Total expenses: neutral

- › Relief through lower provisions for performance-based remuneration
- › Burdened by subsequent correction for advisory council remuneration



<sup>1</sup> Income and results of the Fund Investment Services segment include internal management fees from the Private Equity Investments segment, amounting to €0.9mn (2016/2017: €1.1mn).

# FURTHER INVESTOR CAPITAL COMMITMENTS FOR DBAG ECF II – ASSETS UNDER MANAGEMENT INCREASE



## Commitments of €97.0mn, of which €39.7mn (41 percent) come from DBAG

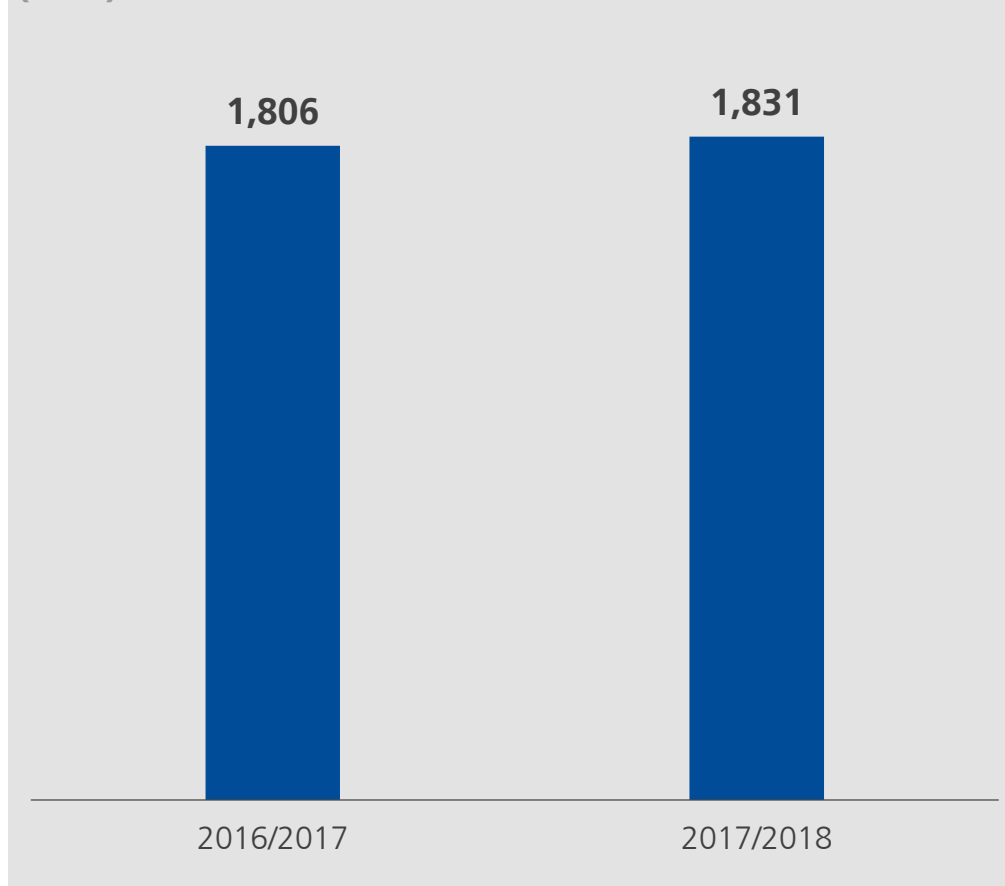
- › Two new investors
- › More than 90 percent of LP funds come from existing investors

## Investment period lasts at the most until 31 December 2020

## Remuneration scheme deviates from DBAG Fund VII:

- › 1.75 percent on capital invested (in line with DBAG ECF I; DBAG ECF: 0.875 percent)
- › Additionally, two percent of the respective capital invested as transaction remuneration, in the event of a capital call

## ASSETS UNDER MANAGEMENT (€mn)



# INVESTMENTS AND RESULTS INCREASE PORTFOLIO VALUE BY 97.6 MILLION EUROS

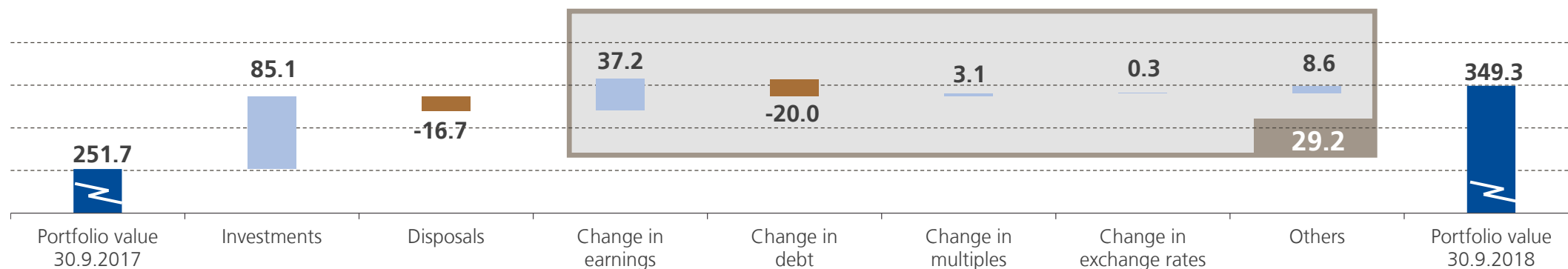
**Investments: new investments, conversion of short-term loans (More than Meals) and follow-on investments (i.a., duagon, vitronet, UHB)**

**Disposals: mainly refinancing of vitronet, disposal of a Cleanpart business unit, partial disposal of Silbitz and repayment of Coperion shareholder loan**

**Change in earnings: positive contribution of 10 (total: 27) portfolio companies, further five: neutral (less than one year in the portfolio)**

**Multiples: capital markets impact -€10.5mn, over-compensated by higher multiples after disposal/indication of interest**

## DEVELOPMENT IN PORTFOLIO VALUE (€mn)



# POSITIVE PORTFOLIO DEVELOPMENT OVERALL – HIGHER DEBT AND VALUATION

## Portfolio company revenues<sup>1</sup>:

2016/2017:

**+9.8**

PERCENT



2017/2018:

**+13.4**

PERCENT

## Portfolio company net result<sup>1</sup>:

2016/2017:

**+8.5**

PERCENT



2017/2018:

**+18.1**

PERCENT

## Debt levels remain moderate:

2016/2017:

**2.6x**

EBITDA



2017/2018:

**3.1x**

EBITDA

## Average valuation:

2016/2017:

**7.5x**

EBITDA



2017/2018:

**7.8x**

EBITDA

<sup>1</sup> Refers to portfolio companies which were already part of the portfolio at the beginning of the corresponding financial year (2016/2017: 16; 2017/2018: 22)

# VALUE DEVELOPMENT AND VINTAGE PROFILE OF THE PORTFOLIO IN THE 2017/2018 FINANCIAL YEAR



## More than 50 percent of acquisition costs are attributable to companies which have been in the portfolio for less than two years

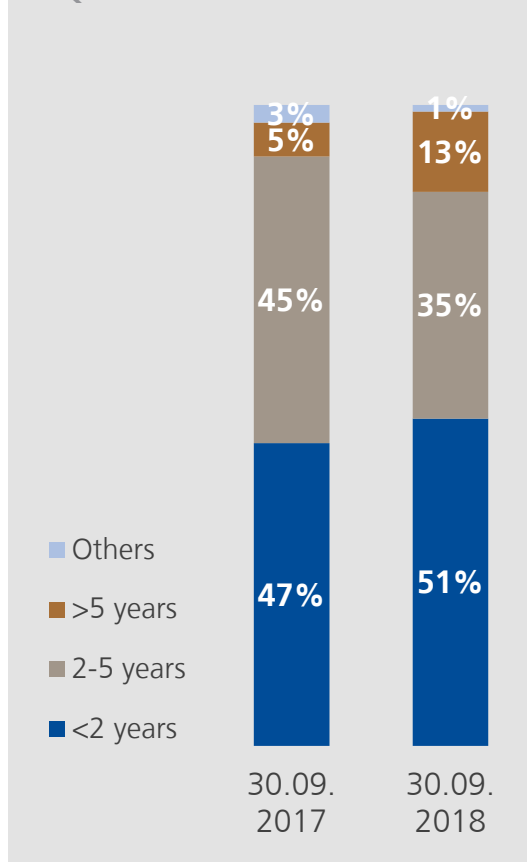
- › 30 Sep 2018: 11 out of 27 companies
- › 30 Sep 2017: 9 out of 22 companies

## Portfolio valued at 1.4x of acquisition cost

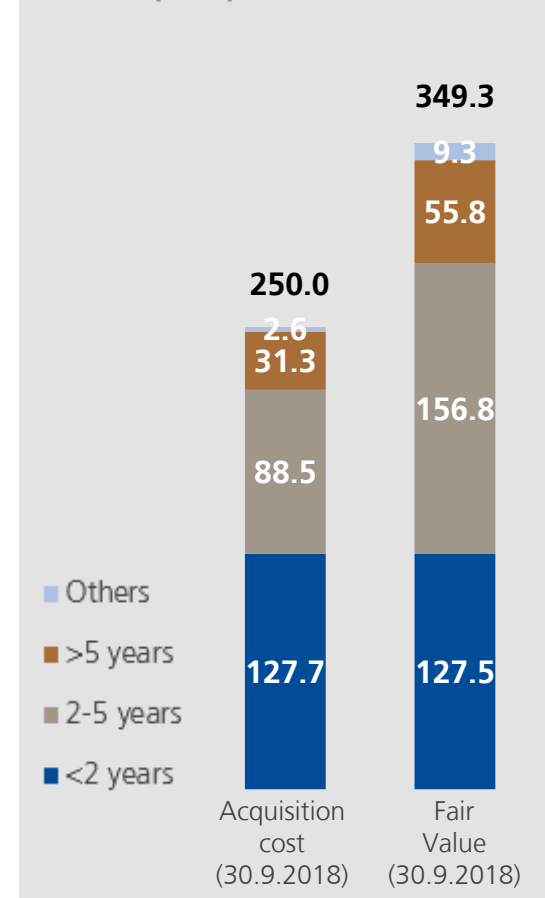
## Valuation gains do not occur in a linear manner

- › Measures aimed at valuation gains have to be implemented
- › Initial investments may be required, potentially burdening earnings

VINTAGE PROFILE OF PORTFOLIO BASED ON ACQUISITION COST

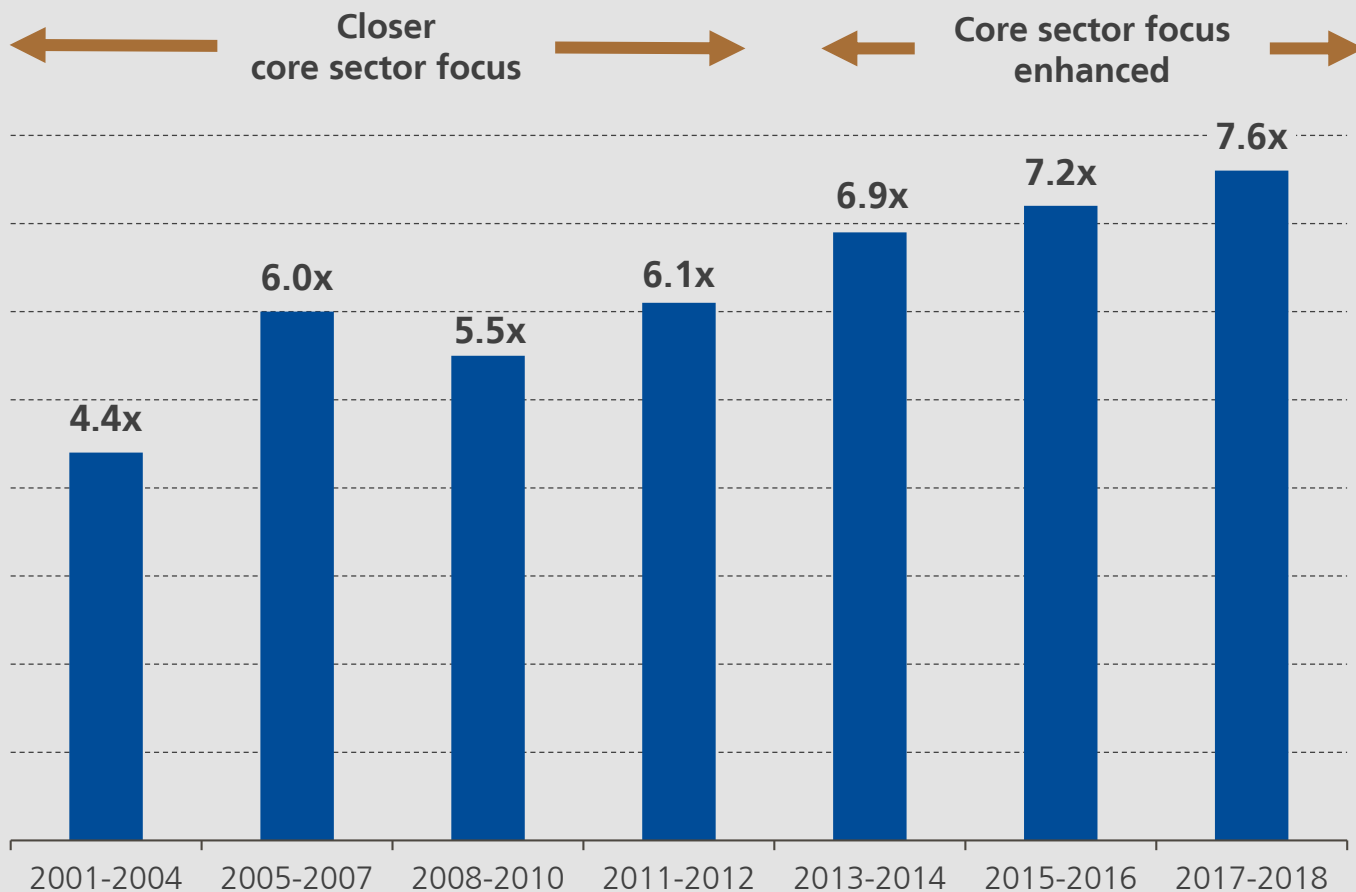


PORTFOLIO VALUE BY AGE (€mn)



# MODERATE INCREASE IN INITIAL VALUATIONS OF DBAG MBOS SINCE 2001

## AVERAGE EV/EBITDA



### Restricted comparability

- › Different business models
- › Different sectors
- › Different company sizes

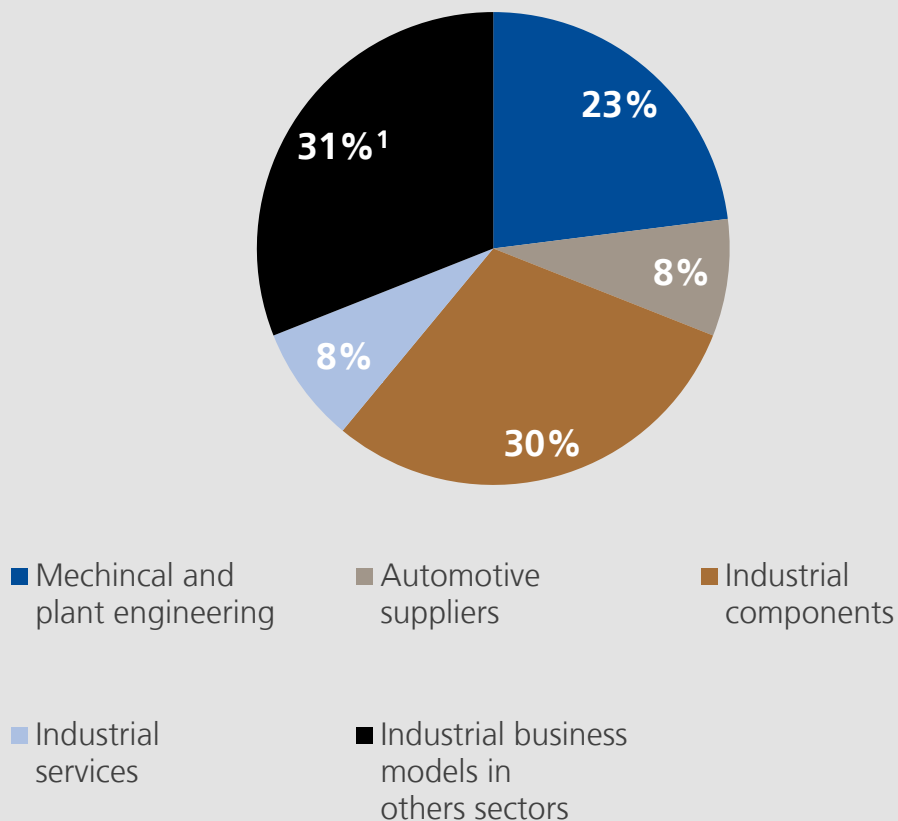
### Large range of initial valuations

- › 2017–2018 (12 MBOs): 4.0x to 13.6x
- › 2015–2016 (6 MBOs): 4.5x to 10.1x

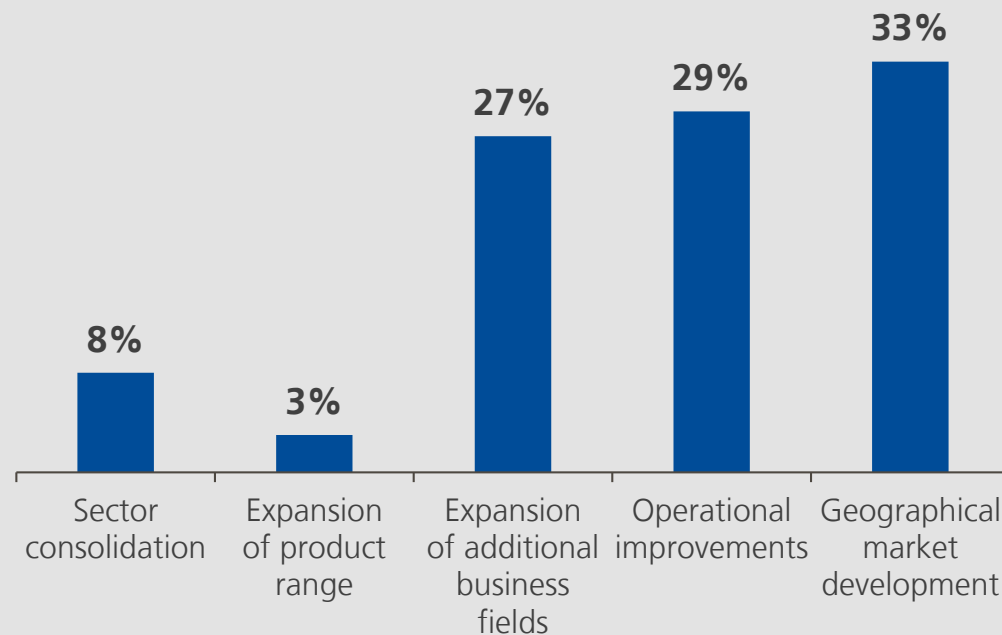
Database: 42 buy-outs between 2001 and 2018 (DBAG Fund IV, V, VI, VII and DBAG ECF)

# BROAD INDUSTRY SPECTRUM AND VARIED VALUE APPRECIATION APPROACHES

PORTFOLIO VALUE BY SECTOR  
(at 30.9.2018)



PORTFOLIO VALUE BY VALUE APPRECIATION METHOD  
(at 30.9.2018)



1 Thereof three percentage points other investments, including investments in externally managed international buyout funds



# CHANGES IN DBAG'S PORTFOLIO IN THE REPORTING YEAR

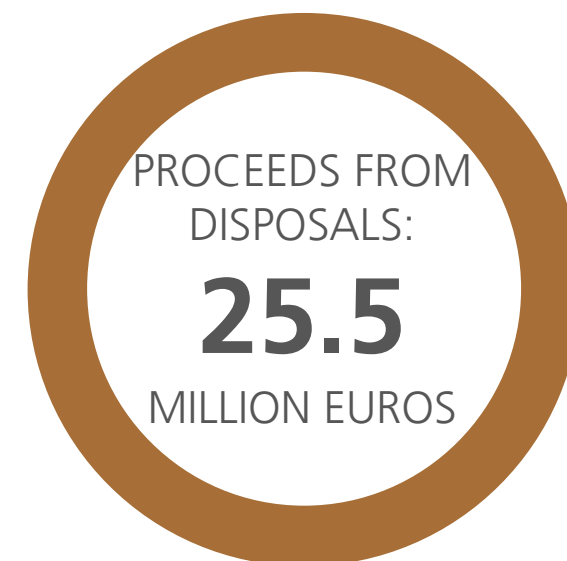
## INVESTMENT



## DEVELOPMENT



## REALISATION



# DEAL FLOW: TRANSACTION OPPORTUNITY QUALITY ENHANCED



## Improved selection process

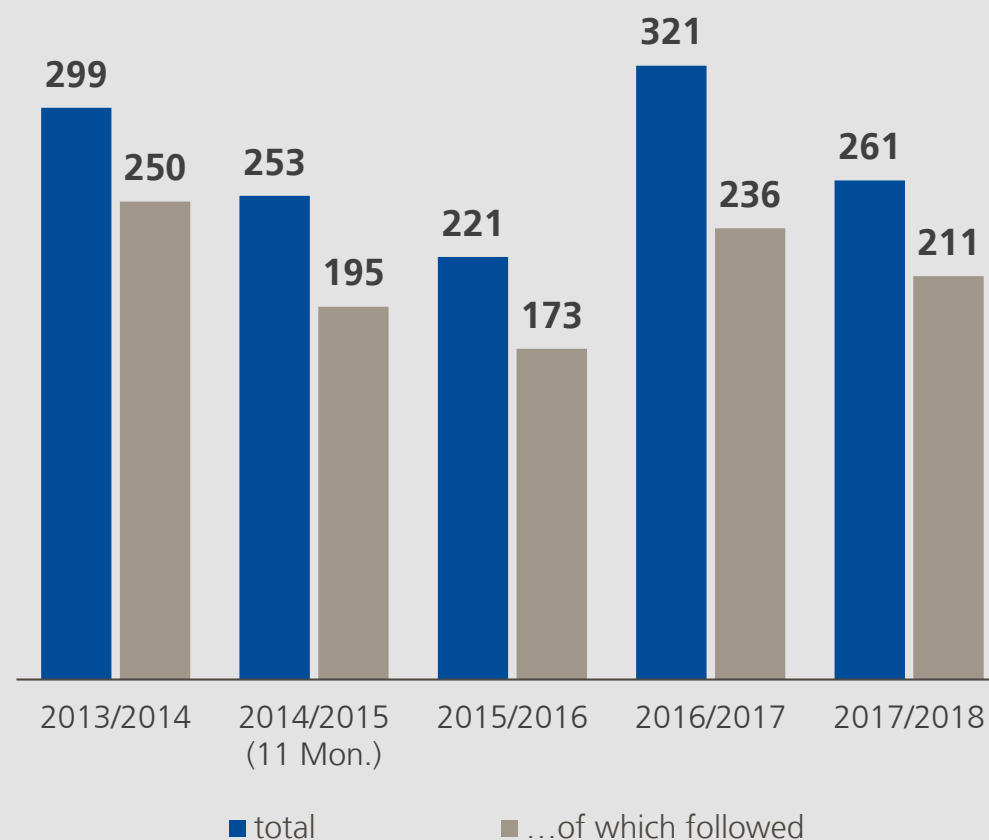
- › Less direct rejections
- › Higher share of core sector investments
- › Lower expenses per new investment

## Four out of 17 transactions since FY 2015/2016 from DBAG's network

- › 2017/2018: BTV Multimedia

## Transactions in further markets (e.g. broadband expansion) increase visibility and generate additional deal flow

## INVESTMENT OPPORTUNITIES

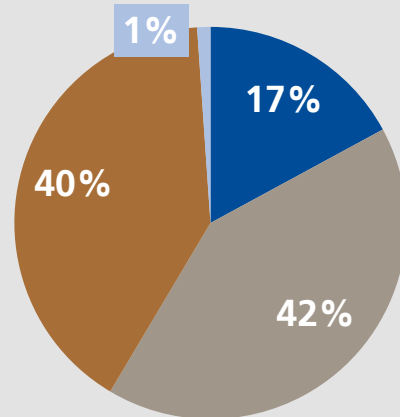


# HIGH PROPORTION OF TRANSACTIONS WITH FAMILIES AND FOUNDERS UNDERLINES DBAG'S REPUTATION



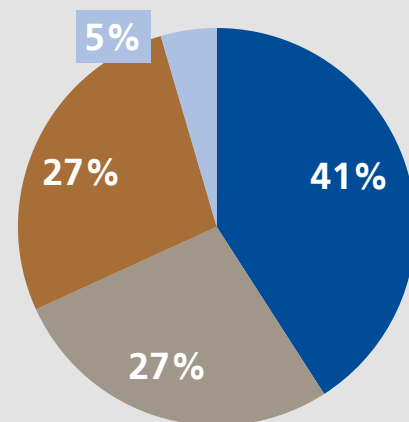
**MID-MARKET MBOs  
IN GERMANY  
2008-2017**

- Families and founders
- Corporate spin offs
- Financial investors
- Other



**DBAG MBOs  
2008-2017**

- Families and founders
- Corporate spin offs
- Financial investors
- Other



**2017/2018: five company founders sell to DBAG, one additional transaction out of family ownership**



## **Flexible investment models**

- › (Minority) re-investment
- › Remaining in the management team

**Insight into the respective business model**

**Transparency of listed Deutsche Beteiligungs AG**

## SEVEN NEW INVESTMENTS AGREED

COMPANY	INVESTMENT DBAG	EQUITY SHARE DBAG	BUSINESS
	€4.5mn	21.5%	Aluminium and steel components for the wind power and rail industry, the construction sector and the mechanical engineering industry
	€6.5mn	33.8%	Services relating to the planning and supervision of fibre-optic cable construction
	€22.7mn	16.5%	Development and production of cutting machinery for the tyre industry
	€11.7mn	36.9%	Leading estate agent specialising in premium residential property
BTVmultimedia GmbH	€4.8mn	41.0%	Equipment and service for broadband communications
	~€9.5mn	~30%	Development and sale of software for real-time scheduling and route optimisation in service and logistics
	~€15mn	~20%	Provider of fire protection systems for machine tools

<sup>1</sup> Investment not yet completed as of 30 September 2018

# INVESTMENTS IN ACQUISITIONS

## Inorganic growth: important component of many investment cases

- › Sector consolidation
- › Expansion of product range
- › Geographical market penetration

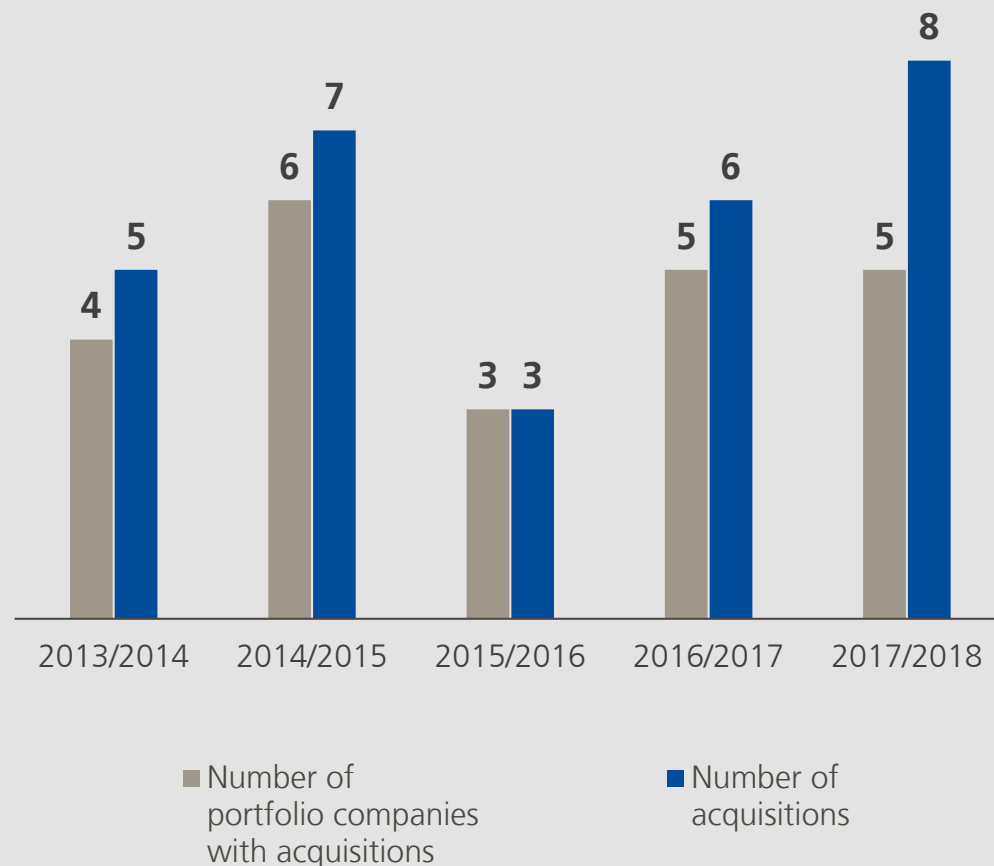
## 2017/2018: five portfolio companies execute eight acquisitions, two further acquisitions agreed upon

- › DBAG and DBAG funds provide additional equity in three cases

## Two companies merge with other companies

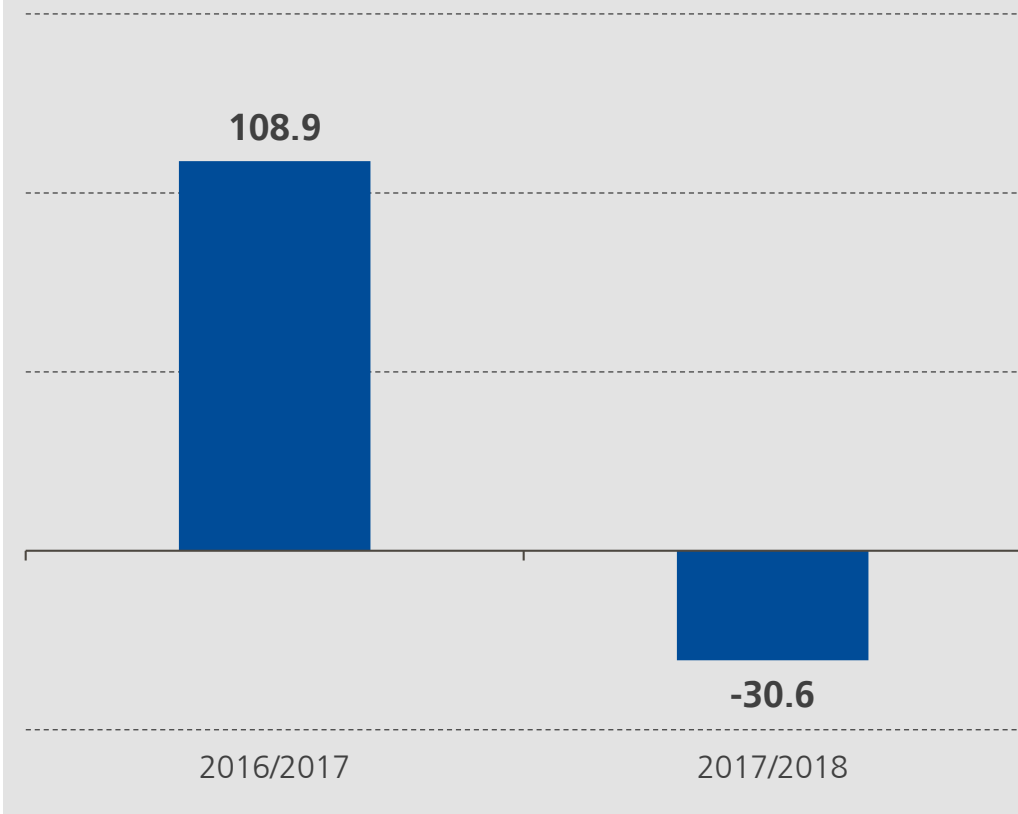
## Investments for improving the capital structure of existing participations (e.g. UHB)

### ADD-ON ACQUISITIONS IN THE PORTFOLIO



# HIGH LEVEL OF INVESTMENT ACTIVITIES IN THE FINANCIAL YEAR 2017/2018 IS REFLECTED IN CASH FLOW

CASHFLOW FROM INVESTMENT ACTIVITIES  
(€mn)



**As expected, significantly less inflows from disposals: €66.8mn**

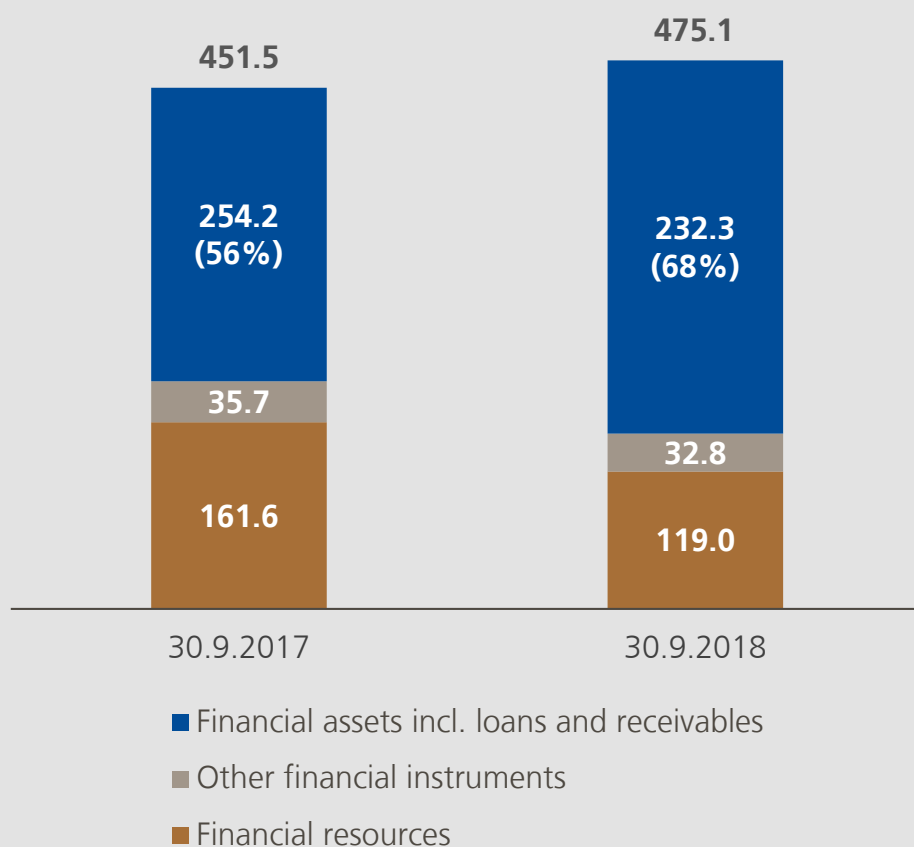
**Cash outflows for investments in new and existing participations: €97.4mn**

**High volatility: typical for DBAG's business model**

**A new investment in the financial year 2017/2018 and an older investment currently still (partly) bridge-financed by short-term loans from DBAG**

## FINANCIAL ASSETS/FINANCIAL RESOURCES RATIO IMPROVED

## NET ASSET VALUE (€MN)

**Net asset value equals gross asset value**

- › Strategy: DBAG financed via capital market
- › Credit facility of €50mn to compensate for irregular cash flows, not drawn down at the reporting date, extended in Q3 until 2023

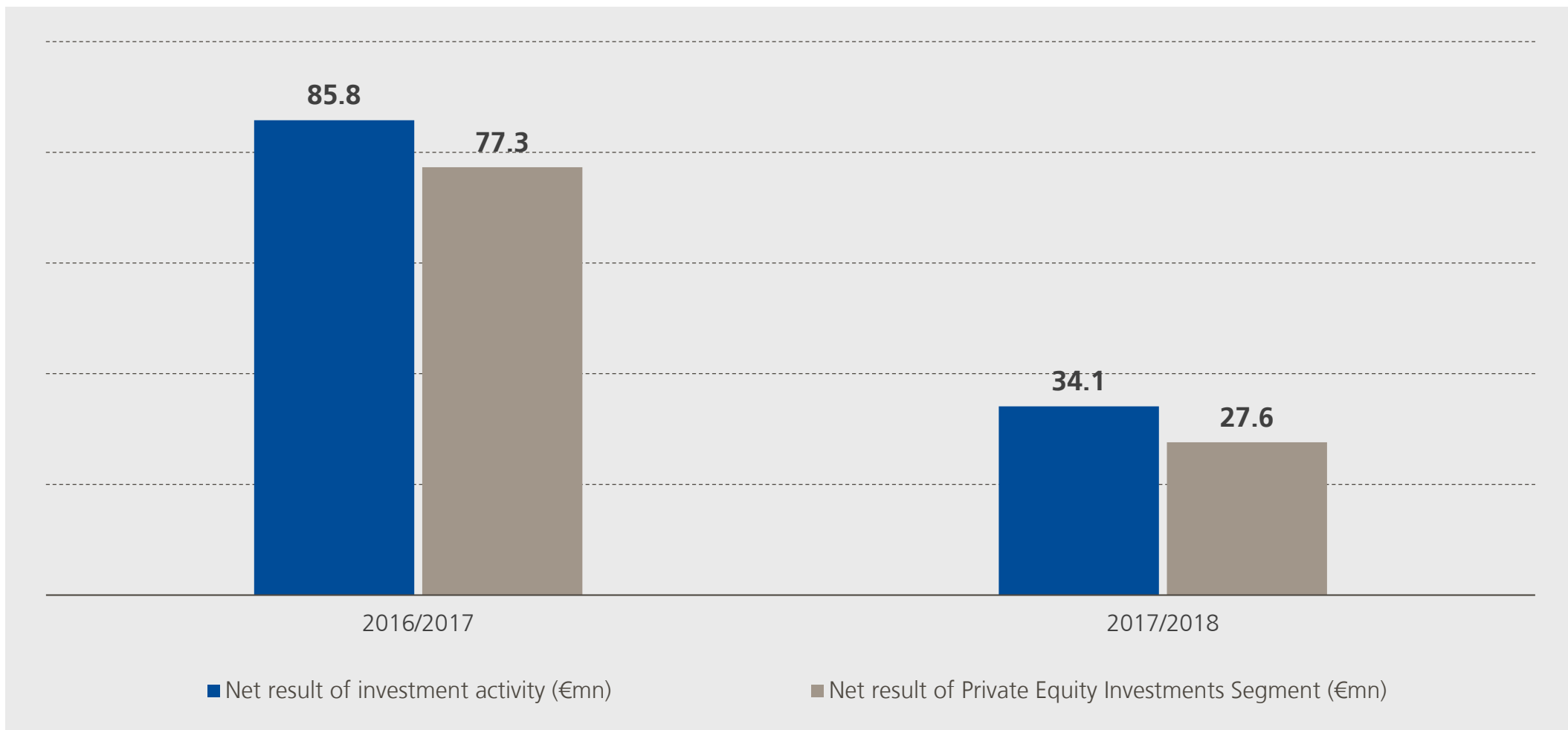
**Other financial instruments:**

- › Bridge financing of new investments (30 Sep 2018: KEF, duagon/MEN; 30 Sep 2017: More than Meals, duagon)

**Surplus of co-investment commitments over available funds reduced**

- › Surplus (€29.4mn) corresponds to 9 percent of financial assets (previous year: €42.1 mn / 17 percent)

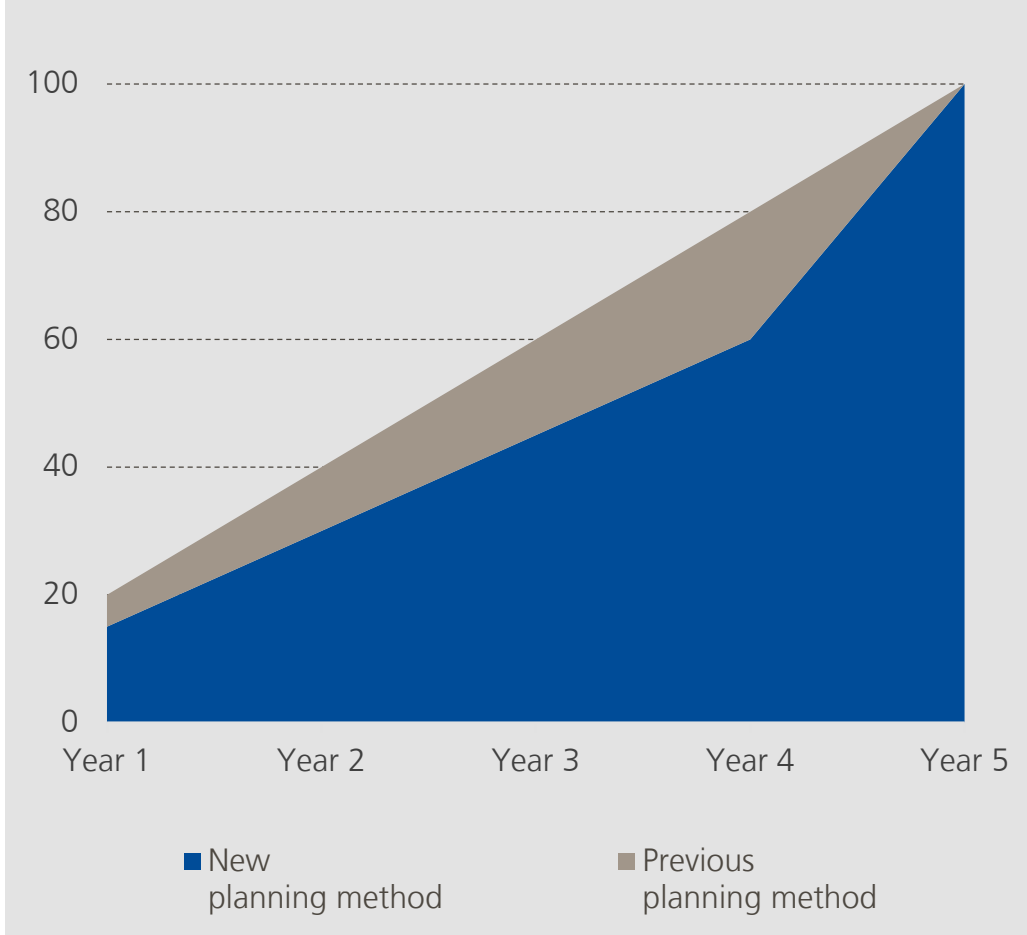
# EARNINGS VOLATILITY YEAR-ON-YEAR IS TYPICAL FOR PRIVATE EQUITY BUSINESS





# CHANGE IN PLANNING AND FORECASTING METHODOLOGY – ADJUSTMENT TO BUSINESS MODEL VOLATILITY

## PLANNING VALUATION GAINS



### Planning: higher value contribution at the end of the planned holding period

- › Until now, outstanding value contribution (according to Investment Memorandum) distributed linearly along holding period, e.g. 20-20-20-20 – now: 15-15-15-15-40

### Forecast: KPIs connected to investment result continue to refer to the average of the last five financial years – new: scheme for KPI assessment broadened

- › “slight”: change of 0 to 20%
- › “moderate”: 20 to 40%
- › “significant”: more than 40%

### Valuation conditions still deemed to be steady

# FORECAST: EXPECTATIONS FOR 2018/2019 AND AMBITION UNTIL 2020/2021



	<b>PRIVATE EQUITY INVESTMENTS SEGMENT</b>	<b>FUND INVESTMENT SERVICES SEGMENT</b>	<b>GROUP</b>
<b>Earnings expectations for 2018/2019</b>	MODERATELY BELOW 5-YEAR AVERAGE	SLIGHTLY LOWER	MODERATELY BELOW 5-YEAR AVERAGE, SLIGHTLY ABOVE 2017/2018
<b>Target up to 2020/2021</b>	SIGNIFICANTLY HIGHER THAN IN 2018/2019	SIGNIFICANTLY HIGHER THAN IN 2018/2019	SIGNIFICANTLY HIGHER THAN IN 2018/2019

Due to the high level of volatility our results are subject to, extrapolating the previous year's figures in order to forecast the result of the Private Equity Investments segment and Group net income is not useful. Thus, the respective average value of the last five years is used as reference for the forecast of those indicators mentioned.

Valuation scheme "PE Investments segment" and "Group": "slight": +/- 0 to 20%, "moderate": +/- 20 to 40%, "significant": +/- > 40%

Valuation scheme "Fund Investment Services segment": "slight": +/- 0 to 10%, "moderate": +/- 10 to 20%, "significant": +/- > 20%

CAPITAL MARKETS DAY 2019:

WE LOOK FORWARD TO SEEING YOU!



**KEY  
FINANCIALS**

# ACCOUNTING CHANGES: RESTRICTED COMPARABILITY OF FIGURES

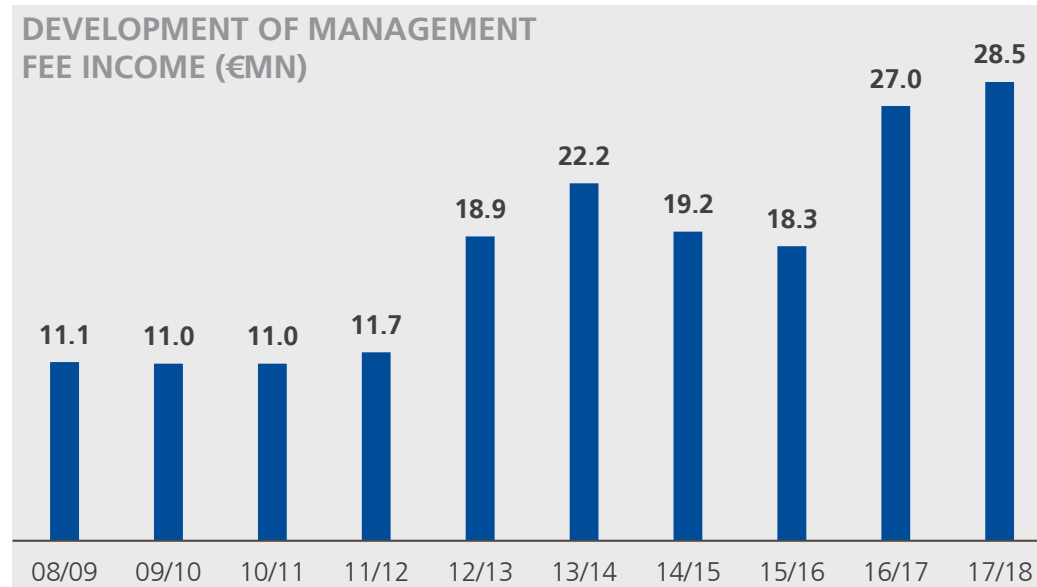
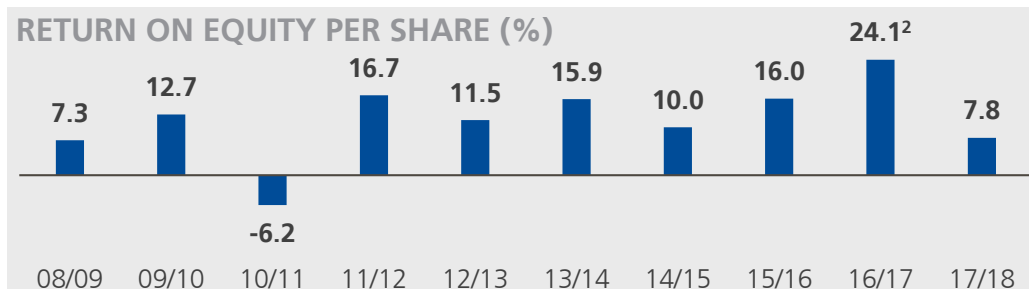
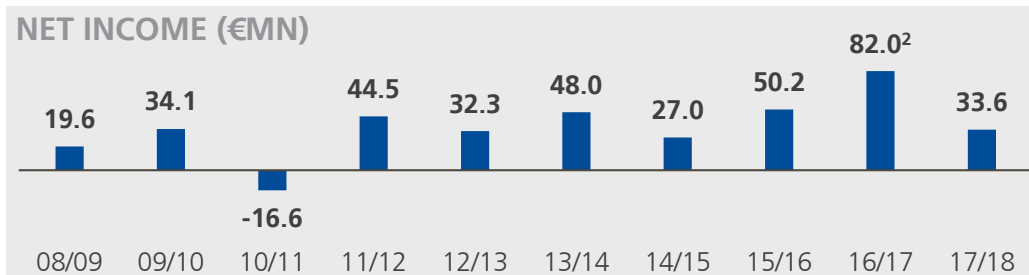
	2017/18	2016/17 or 30 Sep 2017 adjusted	2016/17 or 30 Sep 2017 previously
Net result of investment activity (€mn)	34.1	85.8	94.3
Net income (€mn)	33.6	82.0	90.4
Earnings per share (€mn)	2.23	5.45	6.01
Financial assets (€mn)	323.3	254.2	262.6
Equity (€mn)	447.8	436.4	444.9
Return on equity per share (%)	7.8	24.1	26.5

**Adjustments exclusively refer to DBAG Fund VI**

**First earnings effect, as a result of retroactive adjustment: in Q1 2016/2017**

## KEY P&amp;L FIGURES

(€MN)	2014/15 <sup>1</sup>	2015/16	2016/2017 <sup>2</sup>	2017/2018
Net result of investment activity	29.2	59.4	85.8	34.1
Fee income from fund management and advisory services	19.2	18.3	27.0	28.5
Other income / expenses	-21.3	-28.4	-30.8	-29.0
EBIT	26.8	49.8	82.4	34.0
EBT	27.1	49.3	81.9	33.6
Net income	27.0	49.5	82.0	33.6



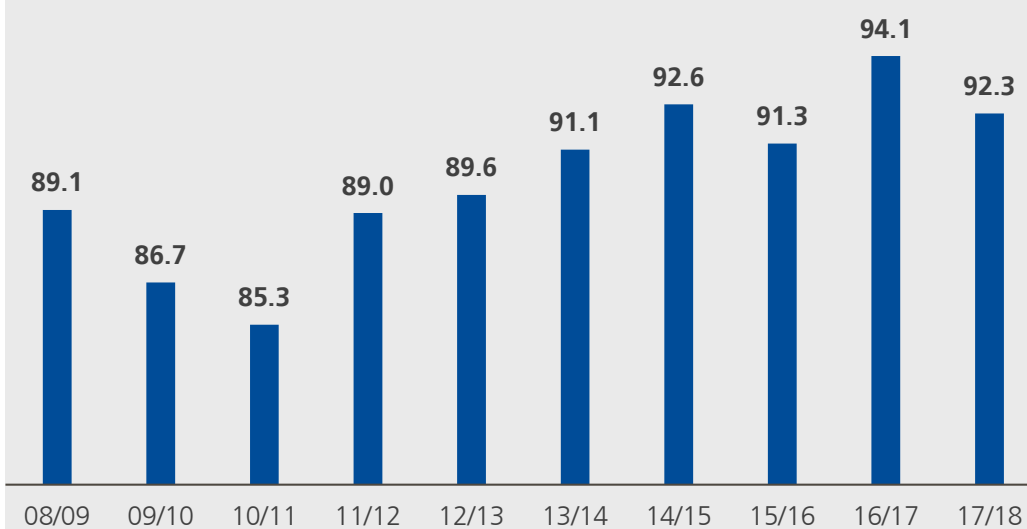
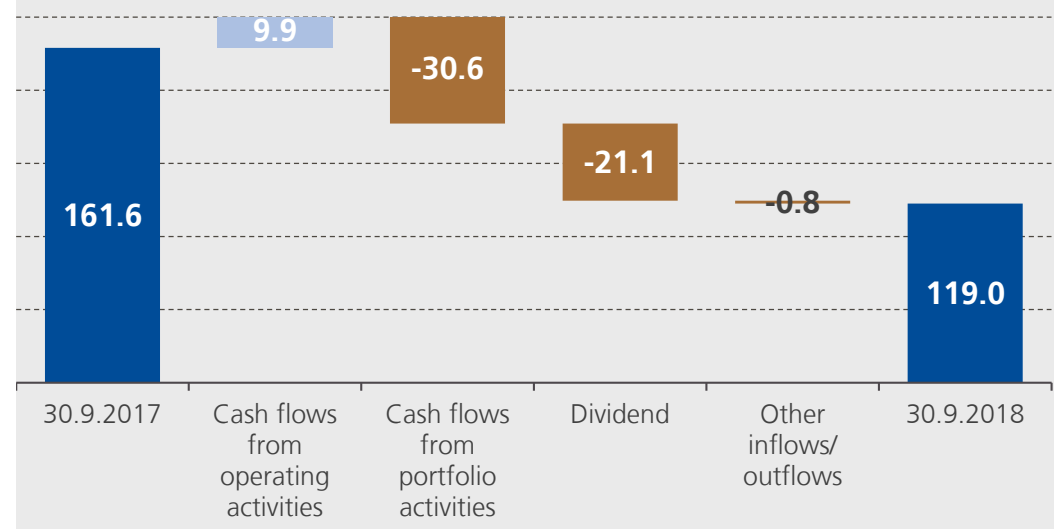
<sup>1</sup> Truncated eleven-month financial year 2014/2015; <sup>2</sup> adjusted to include the carried interest of DBAG Fund VI (Guernsey) L.P.

## BALANCE SHEET

(€MN)	30.9. 2015	30.9. 2016	30.9. 2017 <sup>1</sup>	30.9. 2018
Financial assets incl. loans and receivables	250.2	316.3	254.2	323.3
Other assets	18.7	15.3	48.0 <sup>2</sup>	42.9 <sup>2</sup>
Financial resources <sup>2</sup>	58.3	72.6	161.6	119.0
<b>Total</b>	<b>327.2</b>	<b>404.2</b>	<b>464.0</b>	<b>485.2</b>

(€MN)	30.9. 2015	30.9. 2016	30.9. 2017	30.9. 2018
Equity	303.1	369.6	436.4 <sup>1</sup>	447.8
Non current liabilities	8.9	15.2	11.5	12.4
Current liabilities	15.2	19.4	16.1	25.0
<b>Total</b>	<b>327.2</b>	<b>404.2</b>	<b>464.0</b>	<b>485.2</b>

## EQUITY RATIO (%)

FINANCIAL RESSOURCES<sup>3</sup> (€MN)<sup>1</sup> adjusted to include the carried interest of DBAG Fund VI (Guernsey) L.P.;<sup>2</sup> including short-term loans granted as a part of the structuring of new investments; <sup>3</sup> including line items "Cash and cash equivalents", "Long-term securities and "Short-term securities"

## BUSINESS PERFORMANCE BY SEGMENTS: PRIVATE EQUITY INVESTMENTS

(€MN)	2017/18	2016/17 <sup>1</sup>
Net result of investment activity	34.1	85.8
Other income/ expenses	-6.5	-8.5
Net income before taxes	27.6	77.3

**As expected, segment earnings significantly lower than in the outstanding previous financial year**

**Earnings burdened by capital market developments**

(€MN)	30.9.2018	30.9.2017
Financial assets incl. loans and receivables	323.3	254.2 <sup>1</sup>
Other financial instruments	32.8	35.7
Financial resources	119.0	161.6
Bank liabilities	0	0
Net asset value	475.1	451.5

Financial resources	119.0	161.6
Credit line	50.0	50.0
Available liquidity	169.0	211.6
Co-investment commitments	198.5	253.7

<sup>1</sup> adjusted to include the carried interest of DBAG Fund VI (Guernsey) L.P.



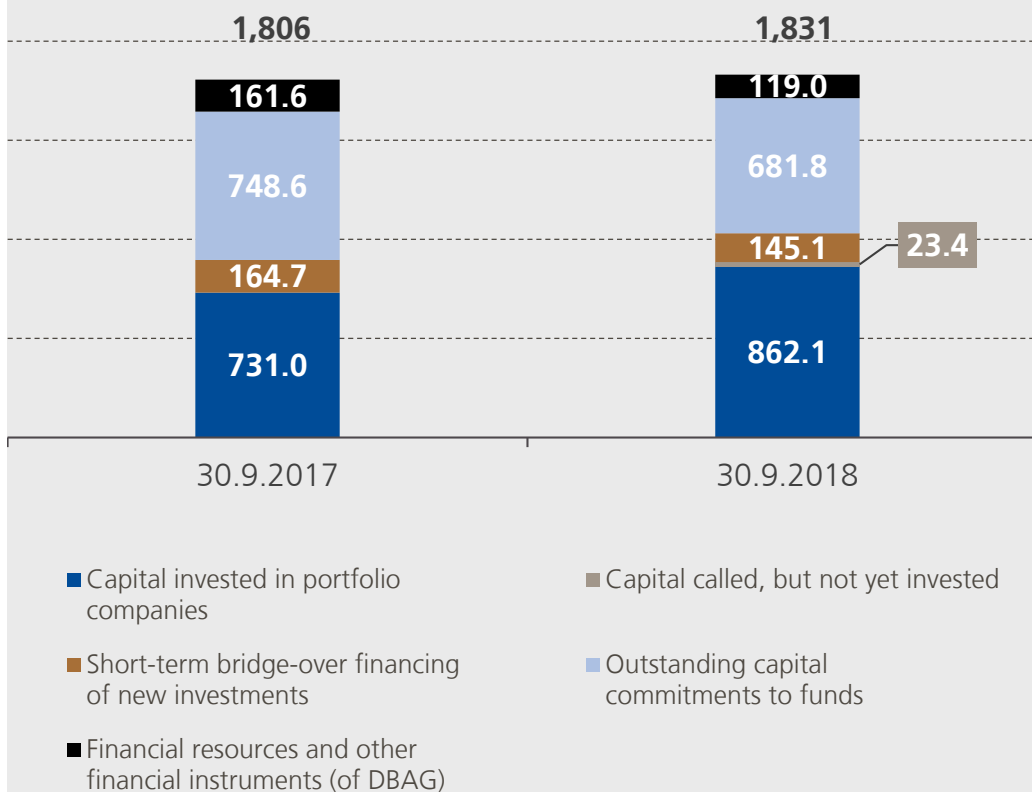
## BUSINESS PERFORMANCE BY SEGMENTS: FUND INVESTMENT SERVICES

(€MN)	2017/18	2016/17
Fee income from fund management and advisory services	29.4	28.1
Other income/expenses	-23.4	-23.4
Net income before taxes	6.0	4.7

**Higher income from DBAG Fund VII and DBAG ECF, partly compensated by lower income from DBAG Fund V and DBAG Fund VI, after disposals in 2016/2017**

**Transaction-based remuneration for DBAG ECF investments**

### ASSETS UNDER MANAGEMENT OR ADVISEMENT (€MN)



## OUTLOOK: NET INCOME FOR 2018/2019 MODERATELY BELOW FIVE-YEAR-AVERAGE

	2017/2018	Basis for the forecast	Projected 2018/2019	Targeted up to 2020/2021
<b>Net income</b>	€33.6mn	€48.0mn	Moderately lower	Significantly higher than 2018/2019
<b>Return on equity per share</b>	7,8%	14,6%	Moderately lower	Significantly higher than 2018/2019
<b>Result of investment activity</b>	€34.1mn	€51.9mn	Moderately lower	Significantly higher than 2018/2019
<b>Fee income from fund investment services</b>	€29.4mn	€29.4mn	Slightly higher	Significantly higher than 2018/2019
<b>Financial resources</b>	€119.0mn	€119.0mn	Significantly lower	Significantly higher than 2018/2019
<b>Annual profit DBAG, based on HGB</b>	€9.9mn	€9.9mn	Significantly higher	k. A.

As considerable fluctuation in these performance indicators is typical for the business, the forecast is based on the average value for the last five financial years.














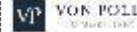












Valuation scheme: "slight": +/- 0 to 20%, "moderate": +/- 20 to 40%, "significant": +/- > 40%

Valuation scheme: „slight“: +/- 0 to 20%    „moderate“: +/- 20 to 40%    „significant“: +/- >40%



## PORTFOLIO

# THE PORTFOLIO OF 27 COMPANIES IS INCLUDED IN FOUR DBAG FUNDS, ...

DBAG FUND	Count	2012	2013	2014	2015	2016	2017	2018
DBAG FUND VII	3/3						 	
DBAG FUND VI	10/11			 	  	  		
DBAG ECF II	1/3							
DBAG ECF I	3/3							  
DBAG ECF	9/9		 		  	 		
DBAG FUND V	1/11							

Not yet completed at the reporting date: Investments in a radiology group, Kraft & Bauer, SERO (all DBAG Fund VII) and FLS (DBAG ECF II)  
 Not included: investments in two externally managed international buyout funds

# ... HAS BROAD EXPOSURE IN DIFFERENT SECTORS WHILE MINIMIZING RISKS ...

## Four DBAG core sectors



**Mechanical and plant engineering:**  
23% of the portfolio value



**Industrial components:**  
30% of the portfolio value



**Industrial services:**  
8% of the portfolio value



**Automotive suppliers:**  
8% of the portfolio value

## Other sectors



... to which the DBAG platform permits special access:

28% of the portfolio value

Not included: other investments, including investments in externally managed international buyout funds (three percent of the portfolio value)

# ... AND IS BALANCED IN TERMS OF SIZE CATEGORIES

Young portfolio: High share of portfolio companies at the beginning of their development phase

Portfolio value of 349.3 million euros corresponds to 1.4 times the original transaction value



TOP 1-5: 33%



TOP 6-10: 26%



TOP 11-15: 17%



TOP 16-27: 21%

Not included: other investments, including investments in externally managed international buyout funds (three percent of the portfolio value)

# THE DBAG PORTFOLIO IS NATIONALLY ROOTED AND GLOBALLY ACTIVE

**Portfolio companies with internationally successful business models**

**More than 80% of the portfolio companies are located in Germany; 80% of the portfolio companies operate globally**

**Combined turnover of more than €3.5bn generated from more than 100 countries**



**64**

PERCENT OF REVENUES (EUROPE)

**16**

PERCENT OF REVENUES (NORTH AMERICA)

**9**








PERCENT OF REVENUES (ROW)

**12**

PERCENT OF REVENUES (APAC)

# DBAG-PORTFOLIO



## (AS PER 30. SEPTEMBER 2018)

COMPANY	EQUITY SHARE DBAG FUNDS (%)	THEREOF EQUITY SHARE DBAG (%)	INVESTMENT DBAG (COST, €MN)	BUSINESS
 BTV Multimedia GmbH	100.0	41.0	4.8	Provider for cable network equipment
 Dieter Braun GmbH	86.1	16.4	5.9	Cable systems and interior vehicle lighting
 DNS:NET Internet Service GmbH	35.7	14.9	6.3	Telecommunications and IT services
 duagon Holding AG	87.4	19.8	22.3	Network components for railway vehicles
 Frimo Group GmbH	75.8	14.4	17.4	Tools and plants for the automotive industry
 Gienanth GmbH	61.5	11.7	3.9	Machine- and hand-moulded castings for the automotive supply industry, production of large engine blocks
 Heytex Bramsche GmbH	86.3	16.8	6.3	Manufacturer of technical textiles
 inexio KGaA	16.4	6.9	7.5	Telecommunications and IT services
 Infiana Group GmbH	92.7	17.6	4.5	Specialised films
 JCK Holding GmbH Textil KG	16.0	9.5	8.8	Marketer of textiles and seller of merchandise









# DBAG-PORTFOLIO

## (AS PER 30. SEPTEMBER 2018)

	COMPANY	EQUITY SHARE DBAG FUNDS (%)	THEREOF EQUITY SHARE DBAG (%)	INVESTMENT DBAG (COST, €MN)	BUSINESS
	Karl Eugen Fischer GmbH	73.0	16.5	22.7	Mechanical engineering for the tyre industry
	mageba AG	41.6	19.8	6.6	Products and services for infrastructure and building construction sectors
	More than Meals Europe S.à r.l.	68.1	12.5	16.5	Chilled ready meals and snacks
	netzkontor nord GmbH	81.7	33.8	6.5	Construction of fibre-optic networks
	Novopress KG	39.8	18.9	2.3	Tool systems for the sanitary, electronic and construction industries
	Oechsler AG	20.0	8.4	11.2	Plastics engineering for the industries of the future
	Pfaudler International S.à r.l.	93.2	17.7	12.2	Mechanical engineering company for the processing industry
	Plant Systems & Services PSS GmbH	49.0	20.5	2.3	Services to the energy and process industries
	Polytech Health & Aesthetics GmbH	78.9	15.0	13.1	Provider of high-quality silicone implants
	Rheinhold & Mahla GmbH	43.0	20.4	12.2	Interior outfitting for ships and marine installations

# DBAG-PORTFOLIO

## (AS PER 30. SEPTEMBER 2018)

	COMPANY	EQUITY SHARE DBAG FUNDS (%)	THEREOF EQUITY SHARE DBAG (%)	INVESTMENT DBAG (COST, €MN)	BUSINESS
	Silbitz Group GmbH	68.4	13.0	4.3	Hand-moulded and automated moulded castings with steel and iron basis
	Sjølund A/S	52.1	21.5	4.5	Aluminium and steel components
	Telio Management GmbH	83.0	15.8	13.4	Communications and media systems for correctional facilities
	Unser Heimatbäcker GmbH	96.7	18.8	12.2	Bakery chain
	vitronet Projekte GmbH	91.2	43.4	4.3	Construction of fibre-optic networks
	von Poll Immobilien GmbH	90.0	36.9	11.7	Estate agency

# DBAG-PORTFOLIO (NOT INCLUDED AS PER 30. SEPTEMBER 2018)

	COMPANY	INITIAL INVESTMENT DATE	BUSINESS
	FLS GmbH	Sept. 2018 (closing in October 2018)	Software for real-time schedule and route planning
	Kraft & Bauer Holding GmbH	Sept. 2018 (closing in November 2018)	Provider of fire extinguishing systems for tooling machines
	Radiologie-Gruppe	Mar. 2017 (closing outstanding)	Radiological examinations and therapy
	Sero Schröder Elektronik Rohrbach GmbH	Sept. 2018 (closing in November 2018)	Development partner and manufacturing service provider for electronic components

# BTV MULTIMEDIA INVESTMENT OVERVIEW



## **Business:**

- › Equipment and service for broadband communications; components for cable and fibre-optic networks
- › Based in Hannover (Germany)

## **Ownership summary:**

- › Initial investment date: August 2018
- › Investment share: 41.0% DBAG (€4.8mn)

## **Transaction:**

- › MBO, co-investment alongside DBAG ECF II

# BTV MULTIMEDIA INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Expand the product portfolio to participate in future expansion of fibre-optic network
- › Expand service business
- › Buy-and-build strategy

## Development:

- › Benefits significantly from upgrade of existing cable infrastructure
- › Positive market environment
- › Opportunities mainly from high demand for fast, high-performance internet connections

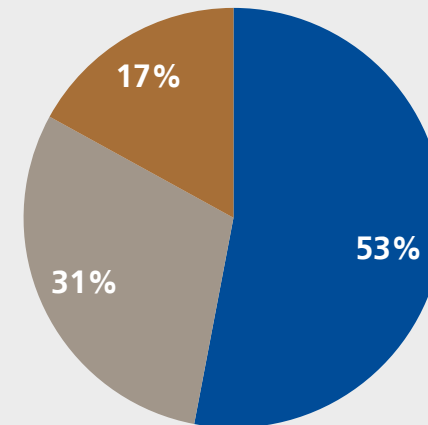
30

MILLION EUROS  
REVENUES 2017

90

EMPLOYEES

REVENUES BY SERVICE  
(FY 2017)



- Distribution of proprietary developments
- Distribution of third-party products
- Service business

# DIETER BRAUN INVESTMENT OVERVIEW



## **Business:**

- › Specialist and solutions provider in cable assembly and lighting for the automotive industry
- › Headquartered in Bayreuth (Germany)

## **Ownership summary:**

- › Initial investment date: January 2017
- › Investment share: 16.4% DBAG (€5.9mn)

## **Transaction:**

- › MBO, co-investment alongside DBAG Fund VI

# DIETER BRAUN INVESTMENT CASE & COMPANY DEVELOPMENT

## Investment case:

- › Growth through facility expansion and new production lines
- › Growth through new products and clients
- › Internationalisation
- › Assessment of opportunities for follow-on investment

## Development:

- › Company is benefiting from an increasing amount of electric and electronic components in vehicles
- › Successful capacity expansion in the Czech Republic
- › Opening of a new logistics centre and headquarters
- › Revenues and earnings growth expected for 2018

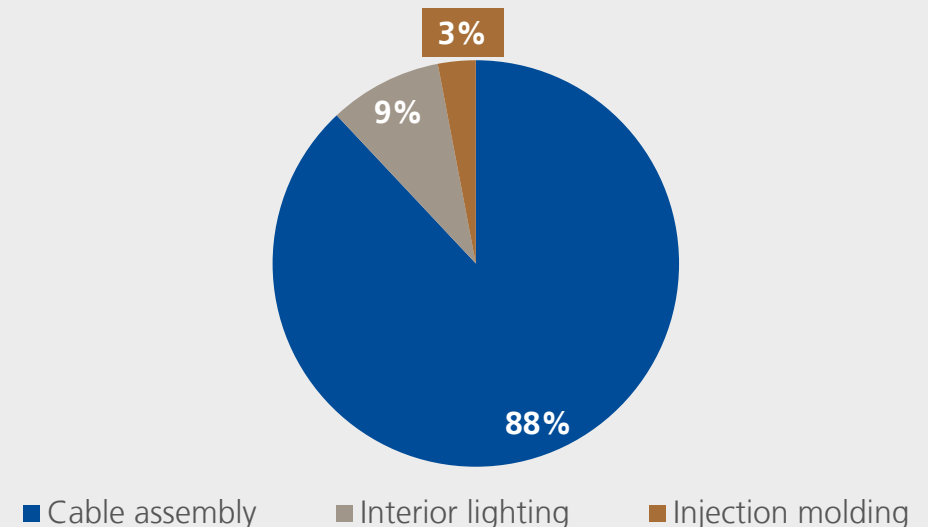
# 82

MILLION EUROS  
REVENUES 2017

# 1,500

EMPLOYEES

REVENUES BY SEGMENTS  
(FY 2017)





# DNS:NET INVESTMENT OVERVIEW



## Business:

- › Provider of fibre-broadband internet access and telephone services in rural parts primarily in and around Berlin
- › Headquartered in Berlin (Germany)

## Ownership summary:

- › Initial investment date: September 2013
- › Investment share: 14.9% DBAG (€6.3mn)

## Transaction:

- › Expansion capital investment alongside DBAG ECF



# DNS:NET

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Regional roll-out of proven business model in Eastern Germany
- › Broadening of product portfolio to address business clients

### Development:

- › Strong growth through substantial infrastructure roll-out
- › Accelerated sales efforts lead to strong increase in customer base, particularly in the private customer segment
- › Number of connected customers significantly increased in 2018

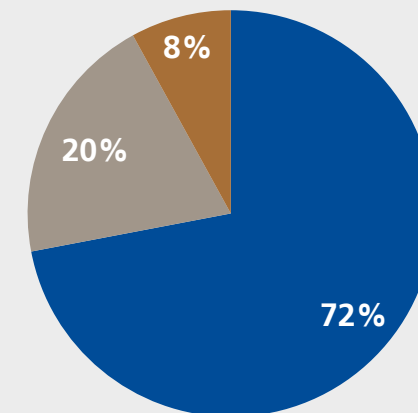
# 14

MILLION EUROS  
REVENUES 2017

# 122

EMPLOYEES

### REVENUES BY CUSTOMER (FY 2017)



■ VDSL/Apartments    ■ Business clients    ■ Other

# DUAGON INVESTMENT OVERVIEW



## **Business:**

- › Provider of network components for rolling stock communication
- › Headquartered in Dietikon (Switzerland)

## **Ownership summary:**

- › Initial investment date: July 2017
- › Investment share: 19.8% DBAG (€22.3mn)

## **Transaction:**

- › MBO, co-investment alongside DBAG Fund VII

# DUAGON INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Expansion of product portfolio and increasing global sales
- › Broadening direct sales coverage in China
- › Emphasized rollout of Ethernet technology

## Development:

- › Strong growth through increasing demand from China
- › Merger with MEN completed in May 2018, integration proceeding according to plan
- › First joint sales activities in China successful
- › Good order intake in 2018
- › Expansion of capacity planned

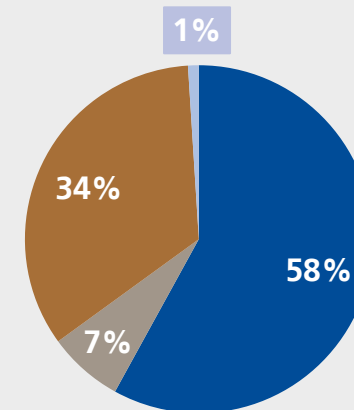
96

MILLION CHF REVENUES 2017

400

EMPLOYEES

## REVENUES BY REGION (FY 2017)\*



■ China   ■ APAC (excl. China)   ■ Europe   ■ North America

\* excluding MEN

# FRIMO INVESTMENT OVERVIEW



## Business:

- › Leading manufacturer of customised machines & tools for quality plastic parts, primarily for car interior
- › Headquartered in Lotte (Germany)

## Ownership summary:

- › Initial investment date: November 2016
- › Investment share: 14.4% DBAG (€17.4mn)

## Transaction:

- › MBO of a family-owned business
- › MBO alongside DBAG Fund VI

# FRIMO

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Expansion of the business in existing markets
- › Growth with service and spare parts business
- › Accelerate growth by add-on acquisitions  
(B+R Steuerungstechnik April 2017)

### Development:

- › Volatile market environment, strong competition
- › Postponement of orders leads to delays in revenue recognition
- › Adaptation of internal structures to changed framework conditions
- › Optimisation measures set in motion

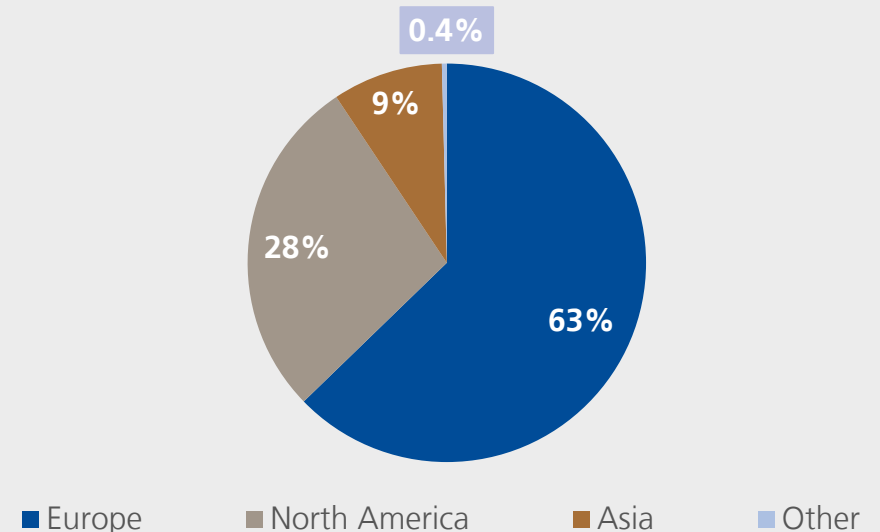
# 236

MILLION EUROS  
REVENUES 2017

# 1,400

EMPLOYEES

### REVENUES BY REGION (FY 2017)



# GIENANTH INVESTMENT OVERVIEW



## Business:

- › Market leader in complex iron castings, employing two technologies:
  - Hand moulding (small volume production of large engine blocks)
  - Machine moulding (large volume production of driveline parts for the automotive industry)
- › Headquartered in Eisenberg (Germany)

## Ownership summary:

- › Initial investment date: March 2015
- › Investment share: 11.7% DBAG (€3.9mn)

## Transaction:

- › Secondary buyout from trusteeship alongside DBAG Fund VI
- › Successful capital increase by Sistema in 2016; DBAG reduced its share

# GIENANTH INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Solid presence in an attractive industry
- › Achieve further operational improvements
- › Explore add-on opportunities

## Development:

- › Business profits from rising order intake in all segments in 2018
- › Measures for operational improvement successfully implemented
- › Revenues and earnings growth planned for 2018
- › Acquisition of SLR completed in September 2018

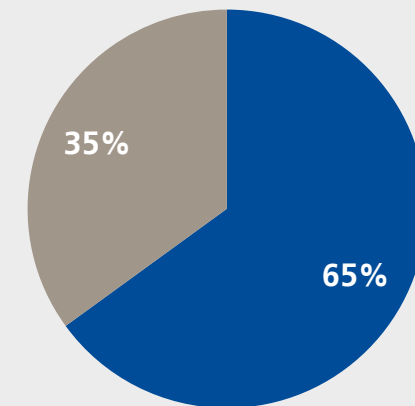
143

MILLION EUROS  
REVENUES 2017

780

EMPLOYEES

REVENUES BY SEGMENT  
(FY 2017)



■ Driveline parts

■ Large engine blocks



# HEYTEX INVESTMENT OVERVIEW



## **Business:**

- › Manufacturer of technical textiles and industrial applications
- › Leading market position in various industries in Europe and North America
- › Headquartered in Bramsche (Germany)

## **Ownership summary:**

- › Initial investment date: December 2012
- › Investment share: 16.8% DBAG (€6.3mn)

## **Transaction:**

- › Secondary buyout
- › MBO alongside DBAG Fund V



# HEYTEX

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Sales expansion by strengthening and further internationalising sales force
- › Market entry US
- › New products
- › Operational improvements

### Development:

- › 2017 orders had noticeably improved
- › Very positive developments in China, but low capacity utilisation at present
- › Sales slowed due to scarcity of resources
- › New production line to expand capacity in start-up phase
- › Excellent cash conversion

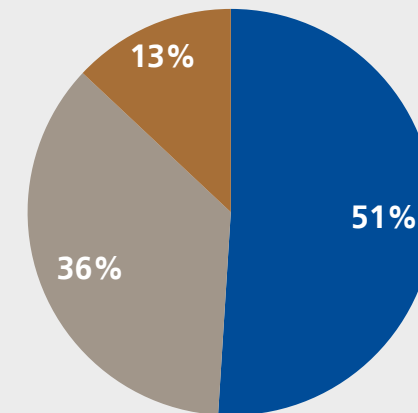
# 114

MILLION EUROS  
REVENUES 2017

# 500

EMPLOYEES

### REVENUES BY PRODUCT SEGMENT (FY 2017)



■ Industrial

■ Sign

■ Military

# INEXIO INVESTMENT OVERVIEW



## Business:

- › Provider of fibre-broadband internet and telephone access in rural parts of Southern Germany
- › Headquartered in Saarlouis (Germany)

## Ownership summary:

- › Initial investment date: May 2013
- › Investment share: 6.9% DBAG (€7.5mn)

## Transaction:

- › Expansion capital investment alongside DBAG ECF

## INEXIO

## INVESTMENT CASE &amp; COMPANY DEVELOPMENT

**Investment case:**

- › Rapid roll-out of proven business model
- › Accelerate growth by add-on acquisitions

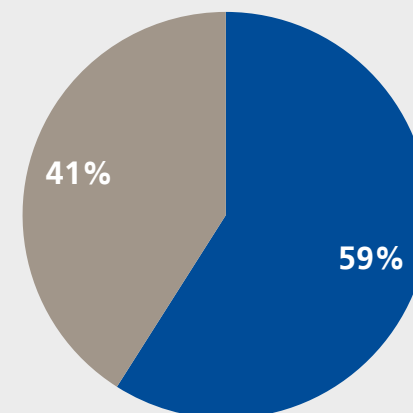
**Development:**

- › Roll-out of infrastructure investments according to plan
- › Number of new customers significantly higher than in previous years
- › Further revenues and earnings growth expected for 2018
- › Minority investment by Warburg Pincus in 2016; DBAG increases share as part of the capital increase
- › Additional add-on acquisition made in 2017

**55**MILLION EUROS  
REVENUES 2016/2017 \***260**

EMPLOYEES

\* Preliminary

**REVENUES BY CUSTOMER  
(FY 2016/2017)**

■ Private customers

■ Corporate customers

# INFIANA INVESTMENT OVERVIEW



## Business:

- › Developer & manufacturer of plastic films, end-markets:
  - Hygiene/Healthcare
  - Building/Construction
  - Adhesive tapes/special labels
- › Production footprint with sites in Germany and USA
- › Headquartered in Forchheim (Germany)

## Ownership summary:

- › Initial investment date: December 2014
- › Investment share: 17.6% DBAG (€4.5mn)

## Transaction:

- › Corporate spin-off (Huhtamaki Group)
- › MBO alongside DBAG Fund VI

# INFIANA INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Exposure to attractive core markets
- › Capacity expansion at existing sites
- › Product innovations to increase share-of-wallet
- › Explore add-on opportunities

## Development:

- › Sustained positive trend in demand
- › Poor performance of exchange rate (USD) and raw-material prices putting pressure on profitability
- › Operational improvements planned, in particular for the location in the US
- › New production machine in start-up phase at the Forchheim site
- › Closure of Thailand site in second half-year 2018 completed

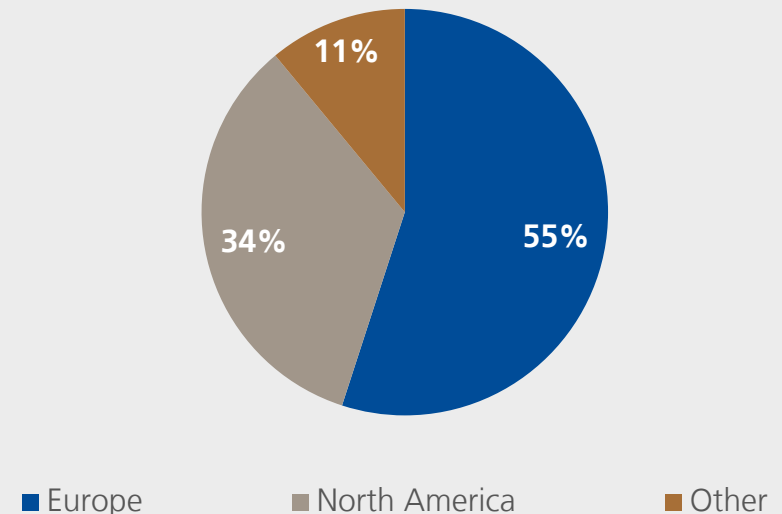
**202**

MILLION EUROS  
REVENUES 2017

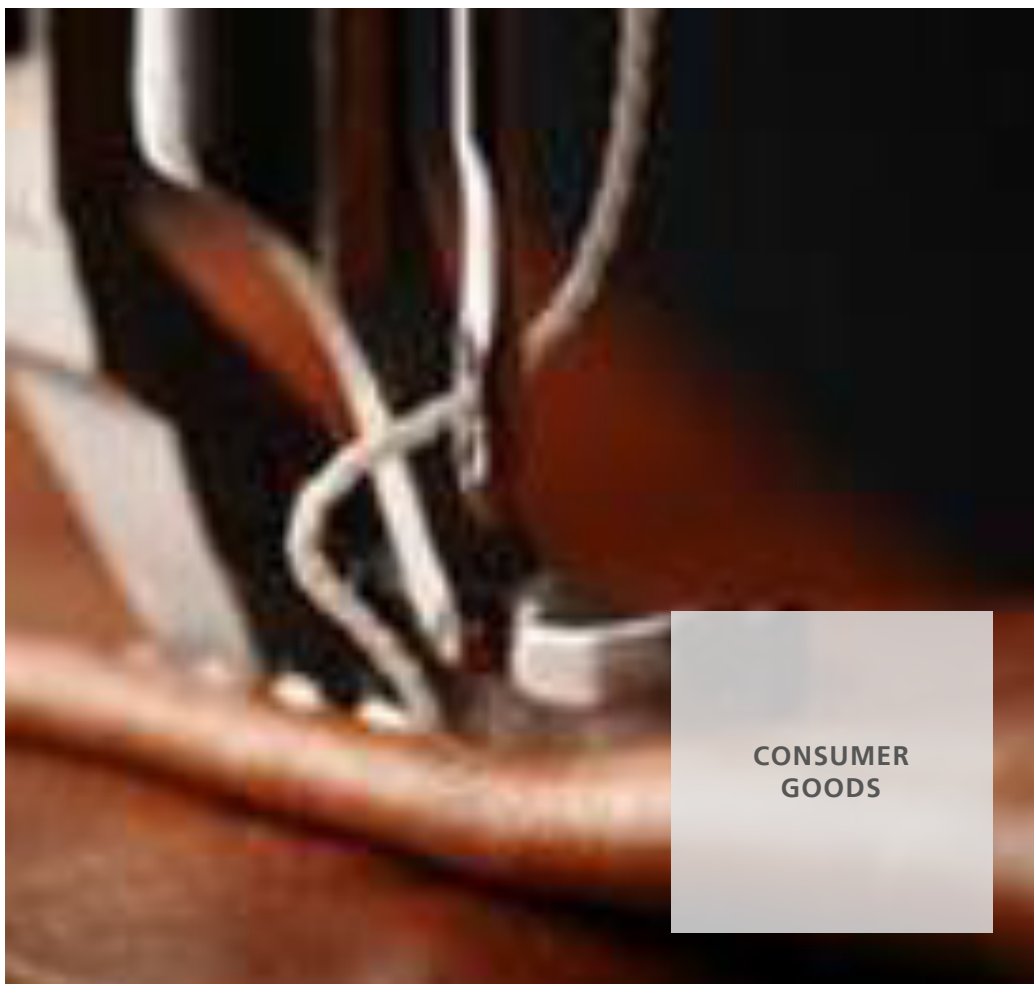
**800**

EMPLOYEES

**REVENUES BY REGION  
(FY 2017)**



# JCK INVESTMENT OVERVIEW



## **Business:**

- › Trading company for textiles, sportswear and other products
- › Market-leading supplier to discount chains especially large supermarket operations
- › Headquartered in Quakenbrück (Germany)

## **Ownership summary:**

- › Initial investment date: June 2015
- › Investment share: 9.5% DBAG (€8.8mn)

## **Transaction:**

- › Acquisition of investment from Alpinvest Partners
- › Expansion capital investment alongside DBAG ECF



# JCK

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Solid core business with a stable customer base
- › Attractive growth investment
- › Increase revenues share of merchandising articles

### Development:

- › Strong growth within all business segments, both organic and anorganic
- › Further growth expected for 2018
- › Recent add-on acquisition is performing very positively
- › Stronger focus on the merchandising business leads to increased diversification and decreased customer dependency
- › Revenues and earnings for FY 2017 expected on previous year's level

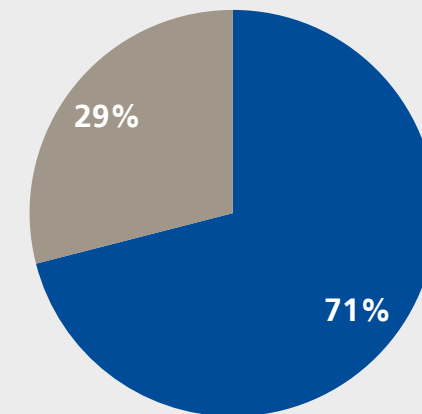
# 668

MILLION EUROS  
REVENUES 2017

# 1,531

EMPLOYEES

REVENUES BY REGION  
(FY 2017)



■ Germany

■ ROW

# KARL EUGEN FISCHER INVESTMENT OVERVIEW



## Business:

- › Global leader in the development and production of cutting machinery for the tyre industry
- › Based in Burgkunstadt (Germany)

## Ownership summary:

- › Start of investment: June 2018
- › DBAG investment: 16.5% (€22.7mn)

## Transaction:

- › MBO, co-investment alongside DBAG Fund VII



# KARL EUGEN FISCHER INVESTMENT CASE & COMPANY DEVELOPMENT

## Investment case:

- › Expand technology leadership by improving machine performance
- › Expand service business
- › Expand capacity

## Development:

- › Increasing demand for high-quality production machinery
- › High barriers to market entry and strong market position enable growth
- › Several new customer wins in the greater China region
- › Cash-generative business model

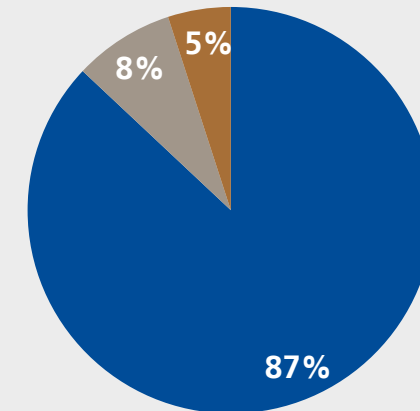
# 83

MILLION EUROS  
REVENUES 2017

# 540

EMPLOYEES

## REVENUES BY SEGMENTS (FY 2017)



- Mechanical engineering industry
- Service business
- Modifications and components

# MAGEBA INVESTMENT OVERVIEW



## Business:

- › Leading global provider of structural bearings, expansion joints and other products and services for the infrastructure and building sector
- › Headquartered in Bülach (Switzerland)

## Ownership summary:

- › Initial investment date: February 2016
- › Investment share: 19.8% DBAG (€6.6mn)

## Transaction:

- › Share purchase and capital increase
- › Expansion capital investment alongside DBAG ECF

# MAGEBA

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Increase market penetration with existing product portfolio to support revenue growth
- › Further internationalisation and development of new products
- › Growth opportunities in protection of buildings from seismic forces of earthquakes

### Development:

- › Positive market environment and intact demand
- › Strong increase in new orders
- › Revenues and earnings expected to be up on last year
- › New production site in Slovenia in start-up phase; operational improvements set in motion

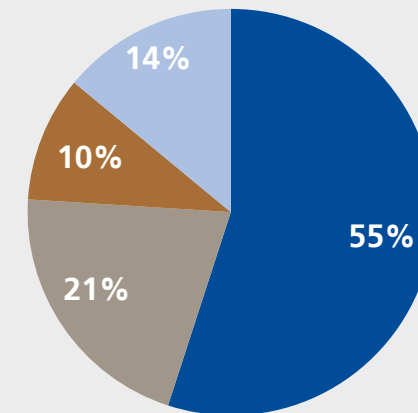
# 92

MILLION CHF  
REVENUES 2017

# 800

EMPLOYEES

REVENUES BY REGION  
(FY 2017)



■ Europe ■ Asia ■ North America ■ Others

# MORE THAN MEALS INVESTMENT OVERVIEW



## Business:

- › Pan-European manufacturer of private label chilled convenience food
- › #1 player in UK, #1 player in Germany
- › Headquartered in Luxembourg

## Ownership summary:

- › Initial investment date: April 2017
- › Investment share: 12.5% DBAG (€16.5mn)

## Transaction:

- › MBO, co-investment alongside DBAG Fund VII and its top-up fund

# MORE THAN MEALS

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › International sales opportunities
- › New product development
- › Explore further add-on opportunities that allow to complement the portfolio

### Development:

- › Adverse development of raw material prices continues in 2018
- › Current focus on product innovation and optimisation of production
- › Summer 2018 marked by drop in demand due to warm temperatures

# 444

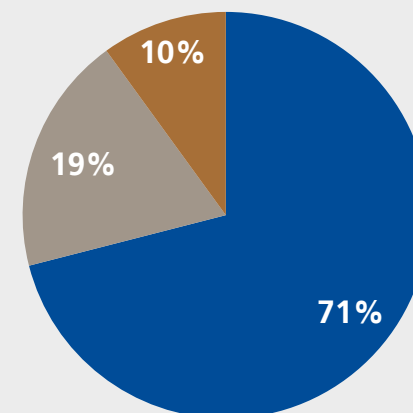
MILLION EUROS  
REVENUES 2017/2018 \*

\* Preliminary

# 3,250

EMPLOYEES

### REVENUES BY REGION (FY 2017)



■ UK    ■ Germany    ■ Other European countries



# NETZKONTOR INVESTMENT OVERVIEW



## **Business:**

- › Services relating to the planning and supervision of fibre-optic cable construction
- › Network management for operators of fibre-optic networks
- › Headquartered in Flensburg (Germany)

## **Ownership summary:**

- › Initial investment date: January 2018
- › Investment share: 33.8% DBAG (€6.5mn)

## **Transaction:**

- › MBO, co-investment alongside DBAG ECF I

# NETZKONTOR INVESTMENT CASE & COMPANY DEVELOPMENT

## Investment case:

- › Regional expansion and diversification of the customer base
- › Buy-and-build strategy

## Development:

- › Benefiting from strong reputation as a reliable, high-quality provider and from project management expertise
- › Market demand strongly supported by further government subsidies
- › Strong demand leads to higher revenues and earnings expectations for 2018
- › Acquisition of BIB Tech completed in May 2018
- › Acquisition of another company agreed in August 2018

# 13

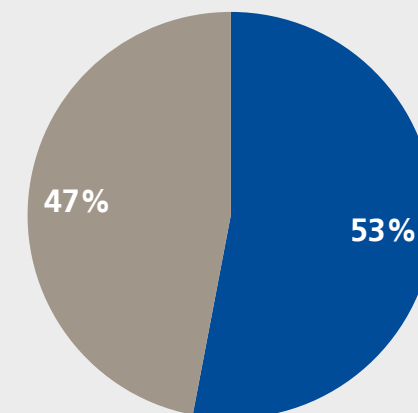
MILLION EUROS  
REVENUES 2017\*

# 140

EMPLOYEES\*

\* incl. BIB Tech Add-on

## REVENUE BY BUSINESS DIVISION (FY 2018)



■ Planning and supervision of fibre roll-out

■ Network management service and data service

# NOVOPRESS INVESTMENT OVERVIEW



## Business:

- › Leading developer and manufacturer of tool systems for the sanitary, electrotechnical and construction industries
- › Strong position in a niche market
- › Headquartered in Neuss (Germany)

## Ownership summary:

- › Initial investment date: June 2015
- › Investment share: 18.9% DBAG (€2.3mn)

## Transaction:

- › Acquisition of investment from AlInvest Partners
- › Expansion capital investment alongside DBAG ECF



# NOVOPRESS

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Further expansion of the pipe connecting technology business
- › Further internationalisation
- › Attractive growth investment

### Development:

- › Revenues and earnings at record level in 2017, expected to be on the level of the previous year
- › Strong growth, particularly due to expansion of sales in North America
- › Expansion of market position
- › Opening of a new warehouse completed in 2017
- › Capacity expansion also planned for 2018 and 2019

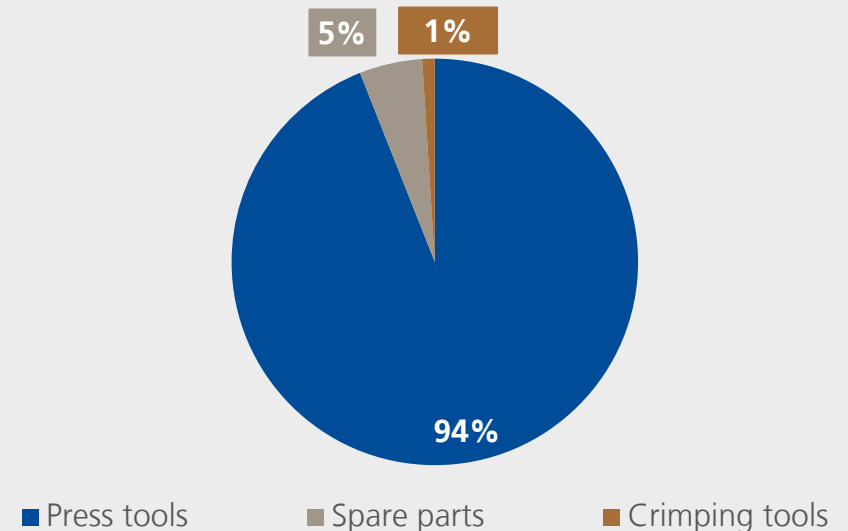
**n.a.**

MILLION EUROS  
REVENUES 2017

**106**

EMPLOYEES

### REVENUES BY PRODUCT (FY 2017)



# OECHSLER INVESTMENT OVERVIEW



## **Business:**

- › Leading producer of injection-moulded precision parts and electro-mechanical components
- › Production sites in Europe (Germany, Romania), North America (Mexico) and Asia (China)
- › Headquartered in Ansbach (Germany)

## **Ownership summary:**

- › Initial investment date: March 2015
- › Investment share: 8.4% DBAG (€11.2mn)

## **Transaction:**

- › Share purchase
- › Expansion capital investment alongside DBAG ECF

# OECHSLER INVESTMENT CASE & COMPANY DEVELOPMENT

## Investment case:

- › New product development based on core technology
- › Diversification of customer base
- › Further market penetration with existing product portfolio
- › Select add-on acquisitions to integrate value chain and/or add specific competencies

## Development:

- › Core business develops significantly better than in the previous year
- › New production site in the start-up phase; slight delays in revenue recognition
- › Successful diversification of customer base and expansion of product portfolio

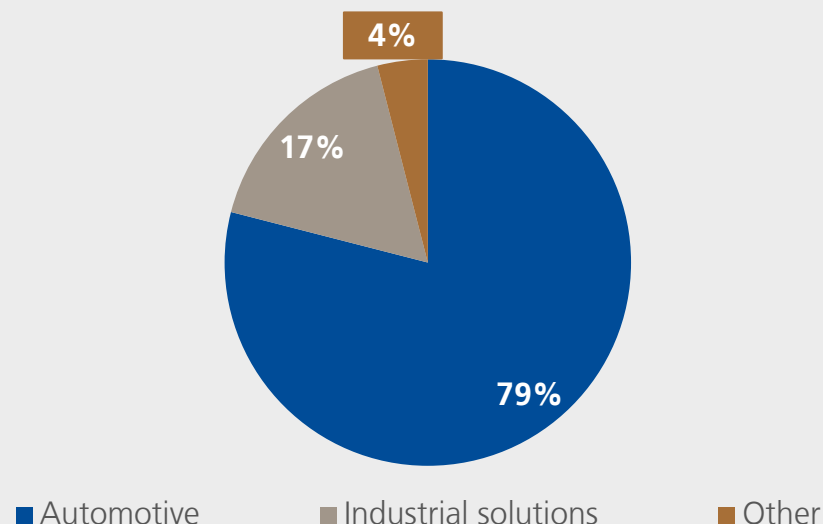
# 369

MILLION EUROS  
REVENUES 2017

# 2,591

EMPLOYEES

## REVENUES BY BUSINESS DIVISION (FY 2017)



# PFAUDLER INVESTMENT OVERVIEW



## Business:

- › Global market-leading manufacturer of glass-lined reactors and components for the chemical and pharmaceutical industries
- › Provider of aftermarket parts and services based on its own products
- › 13 production sites in four countries across four continents

## Ownership summary:

- › Initial investment date: December 2014
- › Investment share: 17.7% DBAG (€12.2mn)

## Transaction:

- › Corporate spin-off (National Oilwell Varco Inc.)
- › MBO alongside DBAG Fund VI

# PFAUDLER

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Optimisation of core business
- › Expansion & improvement of the aftermarket business
- › Shift from product to process/service orientation

### Development:

- › Significant revenues and earnings improvement, especially due to successful follow-up investment Montz
- › Measures to improve operational performance successfully implemented
- › Competitive environment in Europe remains challenging
- › Three successful add-on acquisitions in 2017
- › Reorganisation of German production site will be driven forward in 2018

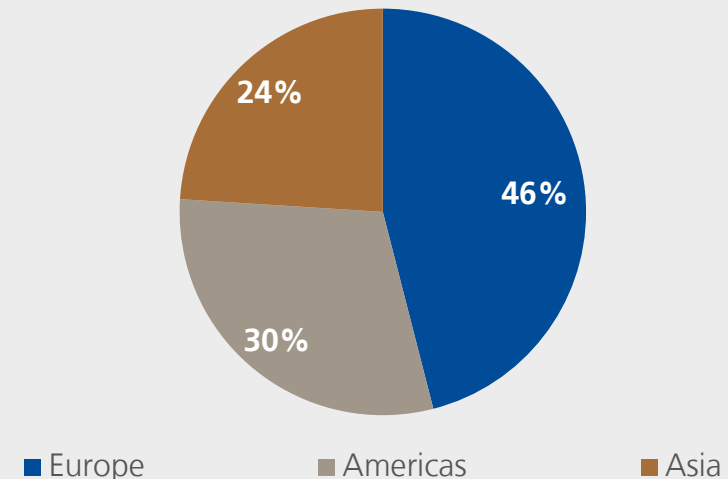
# 234

MILLION USD  
REVENUES 2016/2017

# 1,400

EMPLOYEES

REVENUES BY REGION  
(FY 2016/2017)





# PSS INVESTMENT OVERVIEW



## Business:

- › Group of specialised companies that provide services for the energy and process industries, e.g. for power plants and chemical companies
- › Headquartered in Bochum (Germany)

## Ownership summary:

- › Initial investment date: December 2012
- › Investment share: 20.5% DBAG (€2.3mn)

## Transaction:

- › Expansion capital investment, co-investment alongside DBAG ECF

# PSS INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Buy-and-build concept
- › Conversion of PSS to more diversified and stable service business

## Development:

- › The market environment is being shaped by strong price pressure
- › Increased sales activities facilitate market entry in new regions and with new customers
- › Revenue growth is slightly below budget
- › Underutilisation of existing capacities putting pressure on earnings
- › Positive outlook for 2018 based on the current order intake

**38**

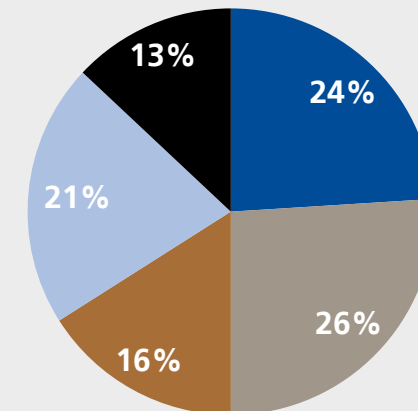
MILLION EUROS  
REVENUES 2017\*

\* Preliminary

**205**

EMPLOYEES

## REVENUES BY PRODUCT SEGMENT (FY 2017)



- Utility Companies
- Waste Incineration Plants
- Other Power Plants
- Chemistry and Petro Industry
- Industry

# POLYTEACH HEALTH & AESTHETICS INVESTMENT OVERVIEW



## Business:

- › Manufacturer of silicone implants for plastic and reconstructive surgery
- › Strong sales footprint in Germany, Western Europe and Brazil
- › Headquartered in Dieburg (Germany)

## Ownership summary:

- › Initial investment date: October 2016
- › Investment share: 15.0% DBAG (€13.1mn)

## Transaction:

- › Acquisition of investment from owner/founder
- › MBO alongside DBAG Fund VI
- › Merger with strategic partner (closing in June 2018)



# POLYTEACH HEALTH & AESTHETICS INVESTMENT CASE & COMPANY DEVELOPMENT

## Investment case:

- › Fast growing business in a growing market
- › Strengthening market presence and gaining market share in established countries
- › Further developing newly entered markets and enter new markets

## Development:

- › Superior reliability and high production standards ("Made in Germany")
- › Capacity expansion thanks to opening a new production facility at the end of 2017
- › Strong demand from Latin America, Western and Eastern Europe
- › Rising material costs and performance of exchange rate dampen earnings expectations
- › Further potential through merger with strategic partner

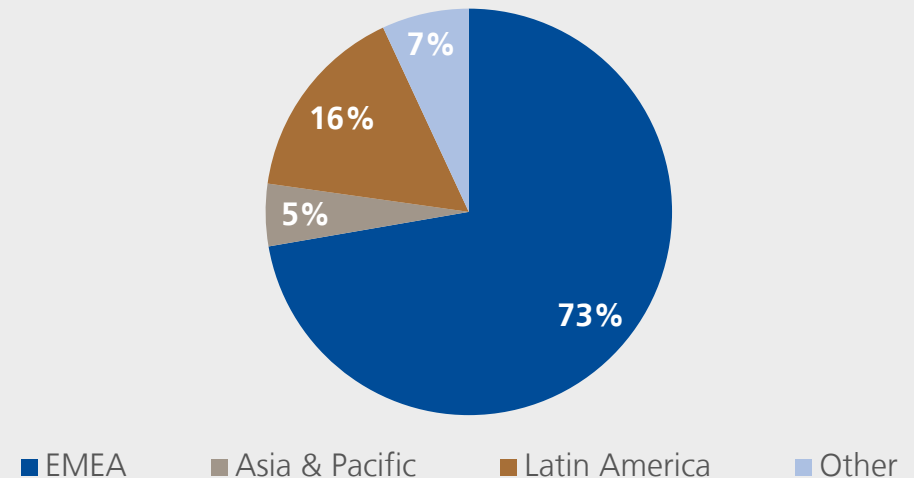
# 36

MILLION EUROS  
REVENUES 2017

# 180

EMPLOYEES

REVENUES BY REGION  
(FY 2017)



# RHEINHOLD & MAHLA INVESTMENT OVERVIEW



## Business:

- › Leading supplier of the maritime industry focusing of interior fittings of cruise ships and ferryboats
- › Headquartered in Hamburg (Germany)

## Ownership summary:

- › Initial investment date: September 2016
- › Investment share: 20.4% DBAG (€12.2mn)

## Transaction:

- › Share purchase
- › Expansion capital investment alongside DBAG ECF

PSS

## INVESTMENT CASE &amp; COMPANY DEVELOPMENT

**Investment case:**

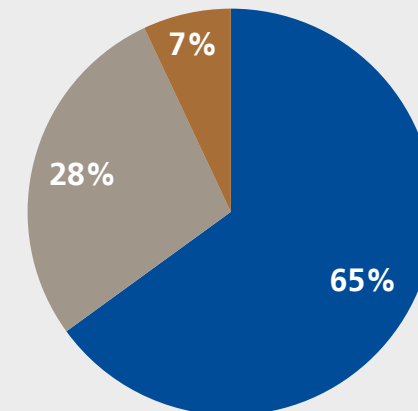
- › Expansion of the business in existing markets
- › Growth of service business (maintenance and upgrading of cruise ships)
- › Further internationalisation to Northern Europe and China

**Development:**

- › Growing end market cruise tourism
- › Expiry of a large-scale order in 2017 led to decrease of revenues and earnings
- › Strong order intake since the second half of 2017, but earnings negatively impacted by headcount growth
- › Measures to improve operational performance set in motion

**100**MILLION EUROS  
REVENUES 2017**475**

EMPLOYEES

**REVENUES BY REGION  
(FY 2017)**

■ Europe

■ Americas

■ Asia

# SILBITZ INVESTMENT OVERVIEW



## Business:

- › Operator of three iron foundries in:
  - Silbitz – casting of various materials on an iron and steel basis in hand-moulded and automated machine-moulded processes
  - Zeitz – focusing on wind energy systems
  - Košice – casting of various materials with a high degree of individualisation
- › Headquartered in Silbitz (Germany)

## Ownership summary:

- › Initial investment date: August 2015
- › Investment share: 13.0% DBAG (€4.3mn)

## Transaction:

- › Secondary buyout
- › MBO alongside DBAG Fund VI
- › Partial sale to Sistema: DBAG's share reduced

# SILBITZ

## INVESTMENT CASE & COMPANY DEVELOPMENT



### Investment case:

- › Solid presence in an attractive industry
- › Expand melting capacities in Zeitz to enable manufacturing of larger castings
- › Strengthen the geographical presence
- › Further operational improvements
- › Explore add-on opportunities

### Development:

- › Continued positive development in the market environment
- › Rising capacity utilisation on the back of positive demand
- › Implementation of optimisation measures prove successful
- › Revenues and earnings growth expected for 2018
- › Stronger diversification of product portfolio and customer base

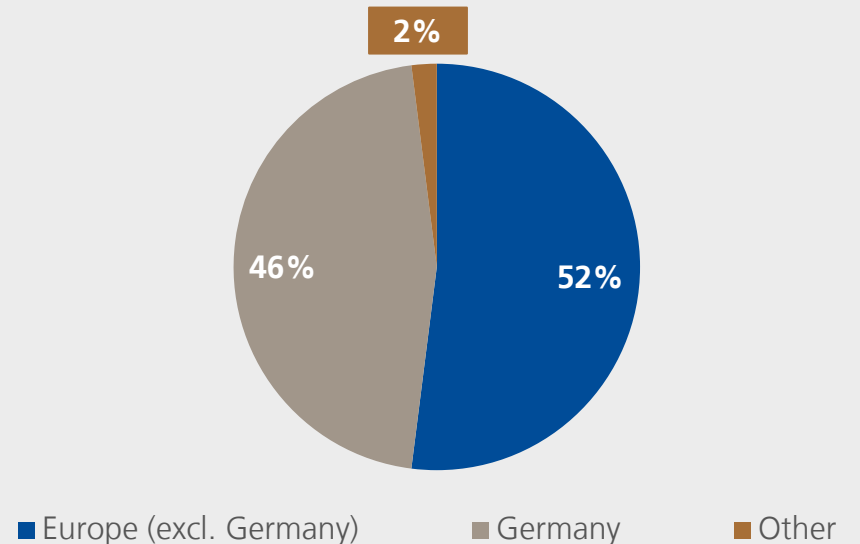
**157**

MILLION EUROS  
REVENUES 2017

**1,052**

EMPLOYEES

**REVENUES BY REGION  
(FY 2017)**





# SJØLUND INVESTMENT OVERVIEW



## Business:

- › Manufacturer of aluminium and steel components for the wind power and rail industry, the construction sector and the mechanical engineering industry
- › Headquartered in Sjølund (Denmark)

## Ownership summary:

- › Initial investment date: January 2018
- › Investment share: 21.5% DBAG (€4.5mn)

## Transaction:

- › MBO, co-investment alongside DBAG ECF I

### Investment case:

- › Expansion of business with existing customers in high-growth markets (China, USA)
- › Restructuring of sales activities with a focus on the mechanical engineering sector

### Development:

- › Weak market environment (currently especially wind power and rail) leads to lower demand
- › Market share unchanged, positive outlook for 2019
- › Acquisition of a company in Estonia completed in September 2018

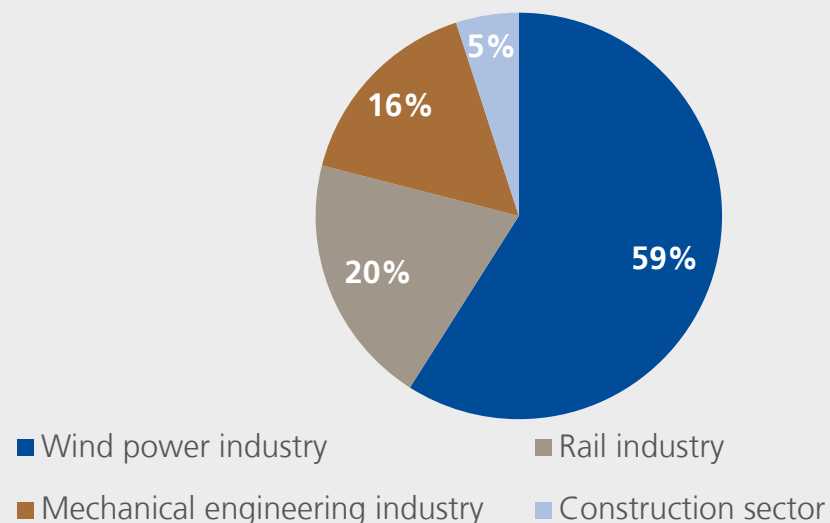
# 228

MILLION DKK  
REVENUES 2016/2017

# 120

EMPLOYEES

REVENUES BY SECTORS  
(FY 2016/2017)



# TELIO INVESTMENT OVERVIEW



## Business:

- › European market leader in inmate communication solutions for the corrections industry
- › Develops, installs and operates communications and media systems in prisons
- › Headquartered in Hamburg (Germany)

## Ownership summary:

- › Initial investment date: April 2016
- › Investment share: 15.8 DBAG (€13.4mn)

## Transaction:

- › Acquisition of investment from family office
- › MBO alongside DBAG Fund VI



# TELIO

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Harvest identified upselling opportunities within existing markets
- › Add further revenue streams by winning tenders in new markets and applying new products
- › Accelerate growth by add-on acquisitions

### Development:

- › High margin business
- › Market growth through internationalisation
- › Tender for “Jamming” and all other key telephony tenders won in early 2018
- › Roll-out initiated for “jamming”; high investment
- › Follow-on investment in Spain (2016) developing very positively
- › Further company acquisition agreed in September 2018

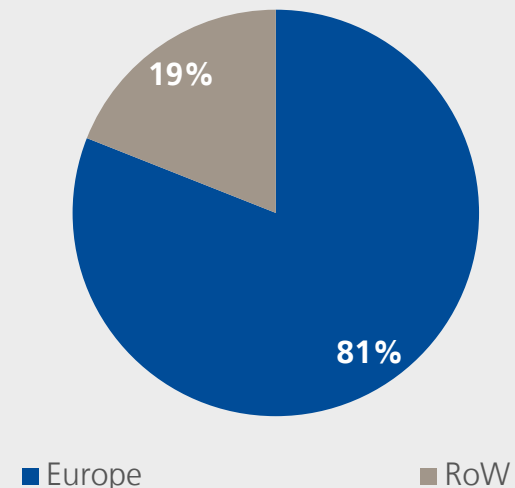
# 41

MILLION EUROS  
REVENUES 2017

# 144

EMPLOYEES

REVENUES BY REGION  
(FY 2017)



# UNSER HEIMATBÄCKER INVESTMENT OVERVIEW



## Business:

- › Bakery chain, > 400 outlets under the brands “Unser Heimatbäcker” and “Lila-Bäcker” as well as wholesale business (> 1,500 customers)
- › Market leader in its geographic area of operations, #5 in Germany
- › Headquartered in Pasewalk (Germany)

## Ownership summary:

- › Initial investment date: May 2014
- › Investment share: 18.8% DBAG (€12.2mn)

## Transaction:

- › Secondary buyout
- › MBO alongside DBAG Fund VI
- › Repurchase of the shares of the company’s founder in Q1 2018

# UNSER HEIMATBÄCKER INVESTMENT CASE & COMPANY DEVELOPMENT

## Investment case:

- › Expansion of B-2-C business (outlets)
- › Buy-and-build concept by further consolidations of the existing market or expansion of the regional footprint by the acquisition of competing bakery chains

## Development:

- › Increase in personnel costs due to the minimum wage and unfavourable product mix has been putting pressure on profitability since 2017
- › Challenging market environment due to shortage of specialised personnel
- › Optimisation measures being implemented
- › Consolidation of the production sites

# 138

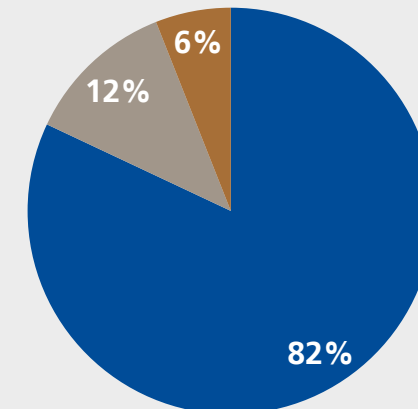
MILLION EUROS  
REVENUES 2017\*

# 2,700

EMPLOYEES

\* Preliminary

## REVENUES BY SEGMENT (FY 2017)



■ Outlets    ■ Wholesale business    ■ Frozen food business

# VITRONET INVESTMENT OVERVIEW



## **Business:**

- › Service provider for telecommunication networks focusing on fiber optic networks
- › Headquartered in Essen (Germany)

## **Ownership summary:**

- › Initial investment date: June 2017
- › Investment share: 43.4% (€4.3mn)

## **Transaction:**

- › Family succession
- › Co-investment alongside DBAG ECF

# VITRONET

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Expansion of regional coverage in Germany and diversification of the customer base
- › Growth of maintenance and service business
- › Market participation with an extended product portfolio

### Development:

- › Rapidly growing business driven by rising demand for high speed internet and government subsidies
- › Capacity bottlenecks at subcontractors lead to slower revenue growth
- › Realisation of two acquisitions in 2017/2018 to expand value chain
- › Recapitalisation completed in May 2018

# 42

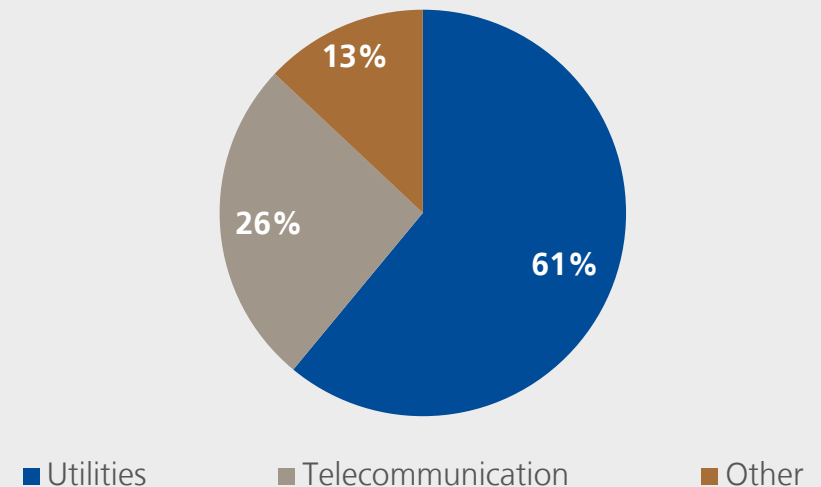
MILLION EUROS  
REVENUES 2017\*

# 200

EMPLOYEES\*

\* incl. two add-on transactions

### REVENUES BY CUSTOMER (FY 2017)





# VON POLL INVESTMENT OVERVIEW



## Business:

- › Leading estate agent specialising in premium residential property in Germany, Austria and Switzerland
- › Over 280 offices in Germany and nine other European countries
- › Headquartered in Frankfurt am Main (Germany)

## Ownership summary:

- › Initial investment date: July 2018
- › Investment share: 36.9% (€11.7mn)

## Transaction:

- › MBO, co-investment alongside DBAG ECF

# VON POLL INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Continuous development of shop presence in Germany
- › International expansion in regions outside German-speaking countries
- › Improve market penetration at existing shops

## Development:

- › Profits from rising demand for high-quality properties in the current positive overall economic environment
- › Highly cash-generative business model
- › Further growth planned for 2018

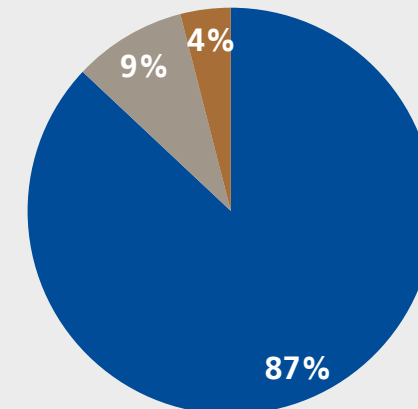
**71**

MILLION EUROS  
REVENUES 2017

**120**

EMPLOYEES

## REVENUES BY BUSINESS DIVISION (FY 2017)



■ Business partners    ■ Own locations    ■ Others

# FLS<sup>1</sup>

## INVESTMENT OVERVIEW



### **Business:**

- › Development and sale of software for real-time scheduling and route optimisation in service and logistics
- › Based in Heikendorf (Germany)

### **Ownership summary:**

- › Start of investment: agreed in September 2018, completed in October 2018

### **Transaction:**

- › MBO, co-investment with DBAG ECF II

<sup>1</sup> Investment not yet completed as of 30 September 2018



**Investment case:**

- › Expand business with existing customers and acquire new customers
- › Expand software-as-a-service business
- › Optimise of organisational structure

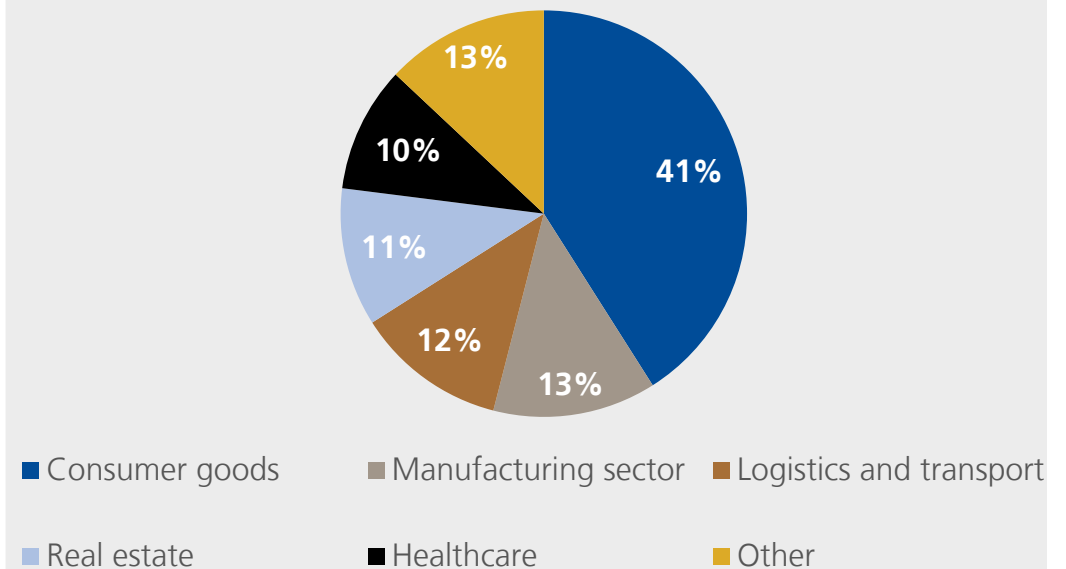
**Development:**

- › Use an algorithm for real-time optimisation of processes
- › Foster customer loyalty through strong integration of IT solutions
- › Strong market growth

**8**  
MILLION EUROS  
REVENUES 2017

**70**  
EMPLOYEES

**REVENUES BY INDUSTRY  
(FY 2017)**



<sup>1</sup> Investment not yet completed as of 30 September 2018

# KRAFT & BAUER<sup>1</sup> INVESTMENT OVERVIEW



## Business:

- › Leading provider of fire protection systems for machine tools
- › Based in Holzgerlingen (Germany)

## Ownership summary:

- › Start of investment: agreed in September 2018, completed in November 2018

## Transaction:

- › MBO, co-investment with DBAG Fund VII

<sup>1</sup> Investment not yet completed as of 30 September 2018

# KRAFT & BAUER<sup>1</sup> INVESTMENT CASE & COMPANY DEVELOPMENT



## Investment case:

- › Proactive sales activities
- › Expand the service business by acquiring regional service companies
- › International expansion into end markets with high potential

## Development:

- › Opportunities, particularly also from the progressive automation of production plants
- › Large market share
- › Asset-light business model

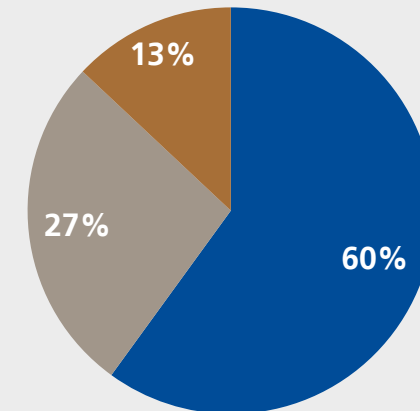
**21**

MILLION EUROS  
REVENUES 2017

**80**

EMPLOYEES

## REVENUE BY CUSTOMER GROUPS (FY 2017)



■ Tool making      ■ Retrofitting      ■ Distributors

<sup>1</sup> Investment not yet completed as of 30 September 2018

# RADIOLOGIE-GRUPPE<sup>1</sup> INVESTMENT OVERVIEW



## **Business:**

- › Radiology service provider offering inpatient and outpatient radiological examinations and therapy
- › Headquartered in Herne and Unna (both in Germany)

## **Ownership summary:**

- › Initial investment date: signing in March 2017, closing outstanding

## **Transaction:**

- › MBO, co-investment alongside DBAG Fund VII

<sup>1</sup> Investment not yet completed as of 30 September 2018

# RADIOLOGIE-GRUPPE<sup>1</sup>

## INVESTMENT CASE & COMPANY DEVELOPMENT

### Investment case:

- › Accelerate growth through active buy-and-build strategy
- › Strong consolidations of the radiology market
- › Expand service portfolio as well as joint ventures with hospitals

### Development:

- › Company is benefiting from an increasing demand for radiological examinations and treatments
- › Trend by hospitals to outsource their radiology departments to external practices
- › Revenues and earnings improvement expected for 2018

# 63

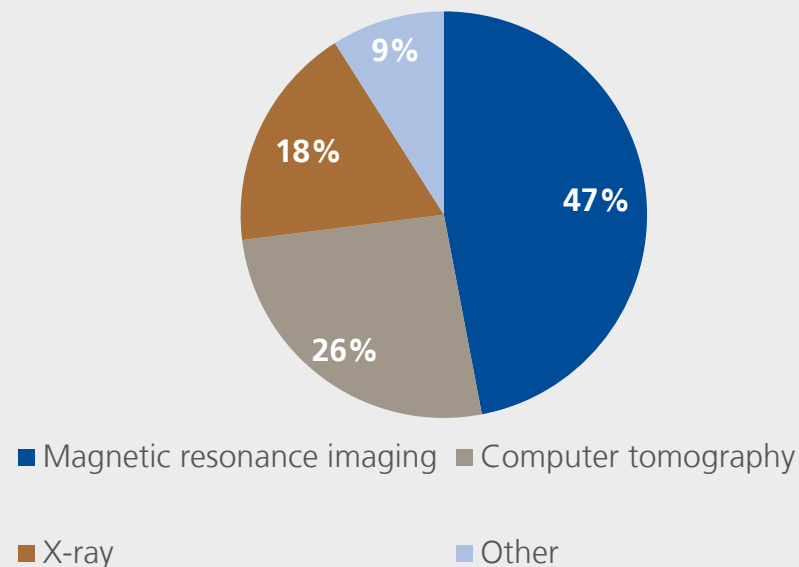
MILLION EUROS  
REVENUES 2017\*

\* Budget

# 550

EMPLOYEES

### REVENUES BY MODALITY (FY 2017)



<sup>1</sup> Investment not yet completed as of 30 September 2018

# SERO<sup>1</sup>

## INVESTMENT OVERVIEW



### **Business:**

- › Development partner and manufacturing service provider for electronic components with a focus on the automotive and manufacturing industries
- › Based in Rohrbach (Germany)

### **Ownership summary:**

- › Start of investment: agreed in September 2018, completed in November 2018

### **Transaction:**

- › MBO, co-investment with DBAG Fund VII

<sup>1</sup> Investment not yet completed as of 30 September 2018



SERO<sup>1</sup>

## INVESTMENT CASE &amp; COMPANY DEVELOPMENT

**Investment case:**

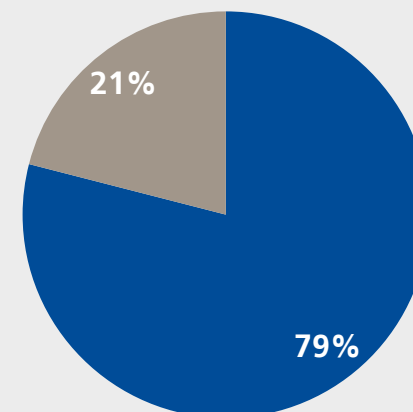
- › Diversify the existing customer base
- › International expansion outside the DACH region (China and North America)
- › Increase in capacity
- › Expand the sales structure

**Development:**

- › Attractive liquidity profile
- › Further growth planned for 2018

**79**MILLION EUROS  
REVENUES 2017**250**

EMPLOYEES

**REVENUE BY INDUSTRY  
(FY 2017)**

■ Automotive industry

■ Industry































<sup>1</sup> Investment not yet completed as of 30 September 2018



# SUCCESSFUL MBOS (1/2): AVERAGE CAPITAL MULTIPLE OF 2.9X

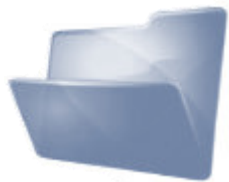
COMPANY	INVESTED	DIVESTED	HOLDING PERIOD (YEARS)	EXIT ROUTE	CAPITAL MULTIPLE
ZGS-Bildungs GmbH („Schülerhilfe“)	Oct-2013	Jul-2017	3.8	Secondary Buyout	3.9
Formel D GmbH	May-2013	Jul-2017	4.2	Secondary Buyout	4.9
ProXES GmbH	May-2013	Jul-2017	4.2	Secondary Buyout	5.4
Romaco GmbH	Apr-2011	Jun-2017	6.2	Trade Sale	2.4
FDG S.A.	Jun-2010	Apr-2017	6.8	Secondary buyout	2.4
Broetje-Automation GmbH	Mar-2012	Oct-2016	4.6	Trade sale	4.1
Clyde Bergemann Power Group	May-2005	Apr-2016	10.9	Trade sale	0.3
Spheros GmbH	Dec-2011	Mar-2016	4.3	Trade sale	2.5
Homag Group AG	Feb-2007	Oct-2014	7.7	Trade sale	2.8
Coveright Surfaces GmbH	Jun-2003	Jan-2013	9.6	Trade sale	1.2
ICTS Europe B.V.	Mar-2008	Dec-2012	4.8	Write-off	0.0
Coperion GmbH	Jul-2007	Nov-2012	5.3	Trade sale	4.2
Preh GmbH	Oct-2003	Dec-2012	9.2	Trade sale	3.1
Heim & Haus GmbH	Sep-2006	May-2011	4.7	Buy-back	1.9
MCE AG	Apr-2007	Oct-2009	2.5	Trade sale	4.1

# SUCCESSFUL MBOS (2/2): AVERAGE CAPITAL MULTIPLE OF 2.9X

COMPANY	INVESTED	DIVESTED	HOLDING PERIOD (YEARS)	EXIT ROUTE	CAPITAL MULTIPLE
Lewa GmbH	Sep-2005	Aug-2009	3.9 	Trade sale	7.3 
AkSys GmbH	Nov-2001	Oct-2008	6.9 	Trade sale	0.1 
DS Technologie GmbH	Jul-1998	Oct-2007	9.3 	Trade sale	1.3 
HT Engineering GmbH	Jun-2002	Jun-2006	4.0 	Trade sale	6.2 
Zapf GmbH	Nov-1999	Apr-2006	6.4 	Trade sale	0.1 
Otto Sauer Achsenfabrik GmbH	Apr-2004	Mar-2006	1.9 	Secondary buyout	4.1 
Babcock Borsig Service GmbH	Nov-2003	Apr-2005	1.4 	Trade sale	5.8 
Andritz AG	Dec-1999	Aug-2004	4.4 	IPO	2.0 
Edscha AG	Oct-2000	Dec-2002	2.2 	Secondary buyout	1.8 
Sebaldus GmbH	Aug-1997	Nov-2000	3.3 	Trade sale	3.5 
Libro AG	Feb-1997	Jul-2001	3.4 	Trade sale	1.6 
Euvita KG	Jul-1997	Aug-2000	3.1 	Trade sale	0.9 
GAH AG	Jul-1998	Jul-2000	2.0 	Trade sale	3.7 
Schoeller & Hoesch KG	May-1997	Dec-1998	1.6 	Trade sale	2.6 
<b>Average</b>			<b>5.0</b> 		<b>2.9</b> 

# WORLDWIDE ACCEPTED VALUATION GUIDELINES FOR COMPANIES IN MULTI-STAGE PROCESS

## VALUATION GUIDELINES



- › Fair value measurement as per IFRS 13
- › Concretises IPEV Valuation Guidelines (industry standard, as of Dec 15)

## VALUATION COMMITTEE

- › Management Board
- › Head of Finance
- › Finance officer
- › Investment controller



<sup>1</sup> Annual audit DBAG consolidated financial statements (30 Sept.), annual audit DBAG funds (31 Dec.), review DBAG half-yearly financial statements (31 March)

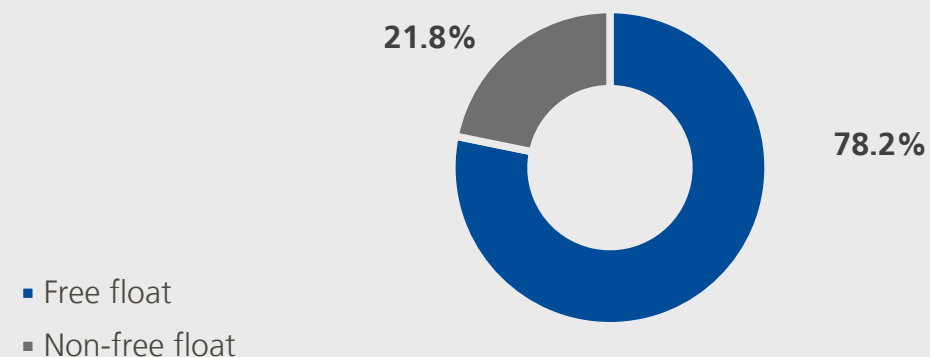


## DBAG SHARE

ANALYST	DATE	RATING	TARGET PRICE (€)
Baader-Helvea Equity Research, Tim Dawson	Nov. 2018	„Buy“	49.40
Bankhaus Lampe, Christoph Schlienkamp	Nov. 2018	„Hold“	37.50
Edison Research, Gavin Wood	Aug. 2018	For regulatory reasons neither recommendation, nor upside target	
J.P. Morgan Cazenove, Christopher Brown	Nov. 2018	„Underweight“	n.a.
Kepler Cheuvreux, Bérénice Lacroix	Aug. 2018	„Hold“	40.00
Oddo BHF Bank, Martin Decot	Sept. 2018	„Neutral“	40.00
SRC Research, Stefan Scharff	Nov. 2018	„Buy“	45.00
Warburg Research GmbH, Eggert Kuls	Sept. 2018	„Buy“	44.00

SHARE	
Last price XETRA (€) as of 28.11.2018	36.10
Market capitalisation (€mn)	543.1
Shares outstanding	15,043,994
Average daily trading volume (1 month)	13,810
Average daily trading volume (3 months)	21,774

## SHAREHOLDER STRUCTURE



## FINANCIAL CALENDAR

## FINANCIAL CALENDAR

30.11.2018	Publication of results for financial year 2017/2018, Analysts' conference, Frankfurt am Main
5.12.2018	Dr Kalliwoda Capital Evening, Frankfurt am Main
10.12.2018	Road show Dublin
11.12.2018	Road show London
10.+11.1.2019	Oddo BHF Forum, Lyon
23.1.2019	Kepler Cheuvreux German Corporate Conference, Frankfurt am Main
28.1.2019	Press conference, Frankfurt am Main



### Contact

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Investor Relations  
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Mobile: +49 172 611 54 83  
E-mail: IR@dbag.de

## BASIC DATA

Symbol	Reuters: DBAGn.DE Bloomberg: DBAN:GR
ISIN	DE000A1TNUT7
Listing	Prime Standard (FWB)
DBAG is member of LPeC	<a href="http://www.listedprivatecapital.com">www.listedprivatecapital.com</a>
Indices	S-Dax DAXsector All Financial Services LPX50, LPX Europe

Deutsche Beteiligungs AG  
Börsenstraße 1  
60313 Frankfurt am Main

[www.dbag.com](http://www.dbag.com)

## FORWARD-LOOKING STATEMENTS INVOLVE RISKS

This presentation contains forward-looking statements. Forward-looking statements are statements that do not describe facts or past events; they also include statements about our assumptions and expectations.

Any statement in this report that states our intentions, assumptions, expectations or predictions and the underlying assumptions is a forward-looking statement. These statements are based on plans, estimates and projections currently available to the Board of Management of Deutsche Beteiligungs AG. Therefore, forward-looking statements only relate to the date on which they are made. We do not assume any obligation to update such statements in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors may cause actual events to differ significantly from those in forward-looking statements. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere – the key regions for our investment activities.