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IDENTIFYING
OPPORTUNITIES.
DRIVING
DEVELOPMENTS.

ANNUAL GENERAL MEETING 2020

FRANKFURT/MAIN,
20 FEBRUARY 2020

OUR REPORTING TO YOU

Torsten Grede

- › Welcome

Susanne Zeidler

- › Targets and results in the past financial year
- › Development of the target and management system
- › Financial outlook for the current financial year

Torsten Grede

- › Sector focus
- › Further development of equity capital platform
- › Outlook



TORSTEN GREDE
Spokesman of the
Board of Management



SUSANNE ZEIDLER
Chief Financial Officer

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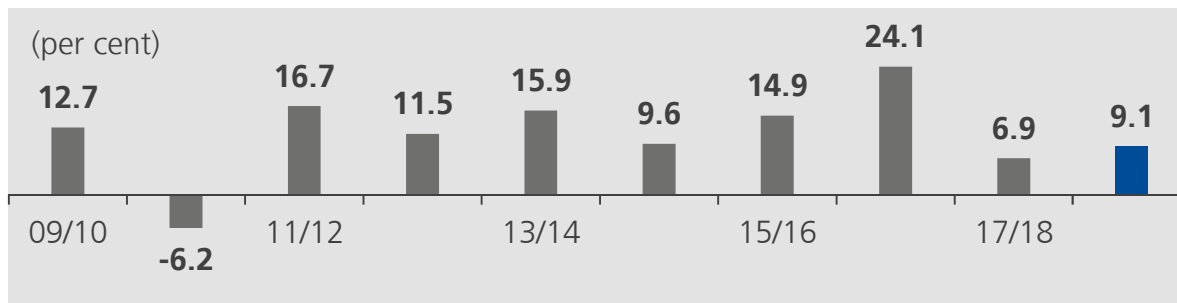
SUSANNE ZEIDLER
Chief Financial Officer

CORE OBJECTIVE ACHIEVED: LONG-TERM COMPANY VALUE HAS BEEN INCREASED



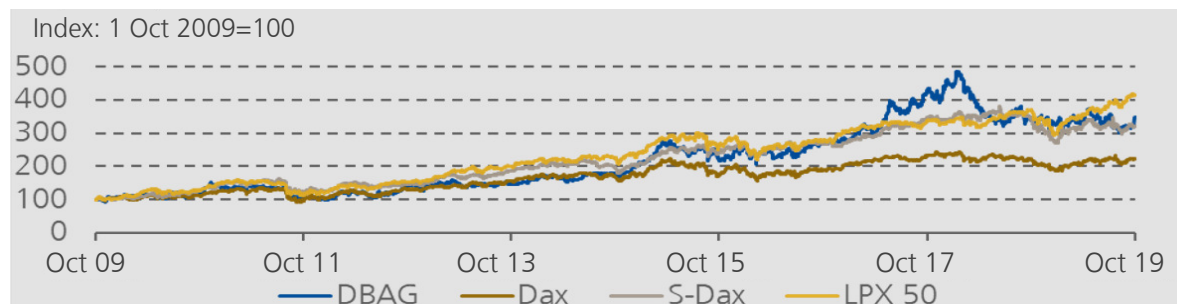
NET INCOME

45.9
MILLION EUROS



RETURN ON EQUITY PER SHARE

9.1
PER CENT



TOTAL SHAREHOLDER RETURN

2.0
PER CENT

TARGETS OF DEUTSCHE BETEILIGUNGS AG



FINANCIAL TARGETS

VALUE CONTRIBUTION
FROM
FUND INVESTMENT
SERVICES

BUILD THE VALUE
OF PORTFOLIO
COMPANIES

SHAREHOLDER
PARTICIPATION IN
SUCCESS – THROUGH
A STABLE (AND
PREFERABLY
INCREASING) DIVIDEND

CORE BUSINESS OBJECTIVE

LONG-TERM INCREASE OF DBAG'S ENTERPRISE VALUE

SUPPORT OF
PROMISING MID-SIZED
BUSINESS MODELS

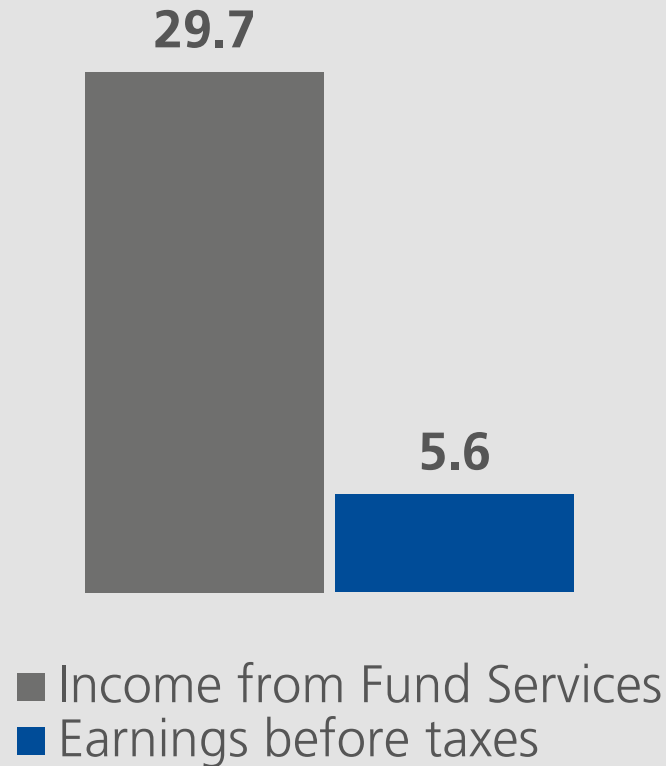
MAINTAIN AND BUILD
ON OUR REPUTATION
IN THE PRIVATE EQUITY
MARKET

GARNER ESTEEM AS
AN ADVISOR
OF PRIVATE EQUITY
FUNDS

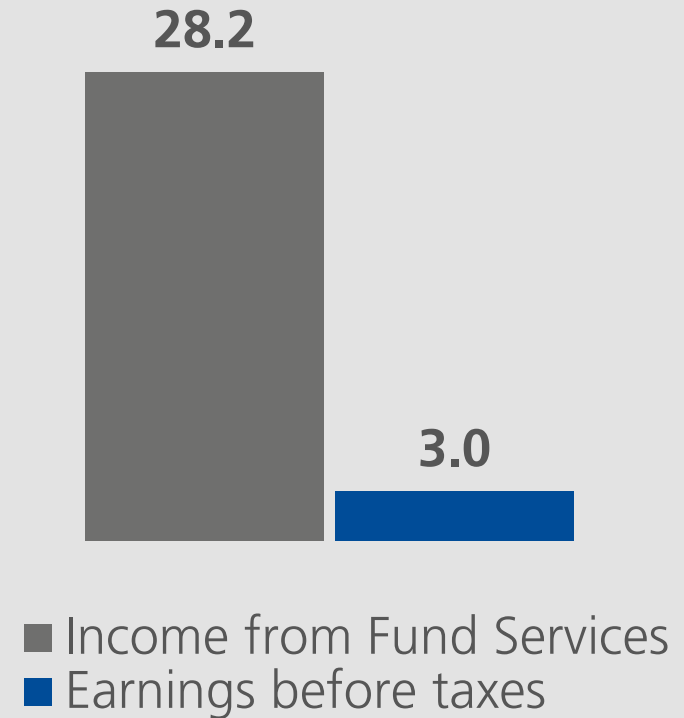
NON-FINANCIAL OBJECTIVES

FUND INVESTMENT SERVICES MAKE SMALLER VALUE CONTRIBUTION THAN PLANNED, AFTER DISPOSALS

FUND INVESTMENT SERVICES SEGMENT 2017/2018 (€mn)



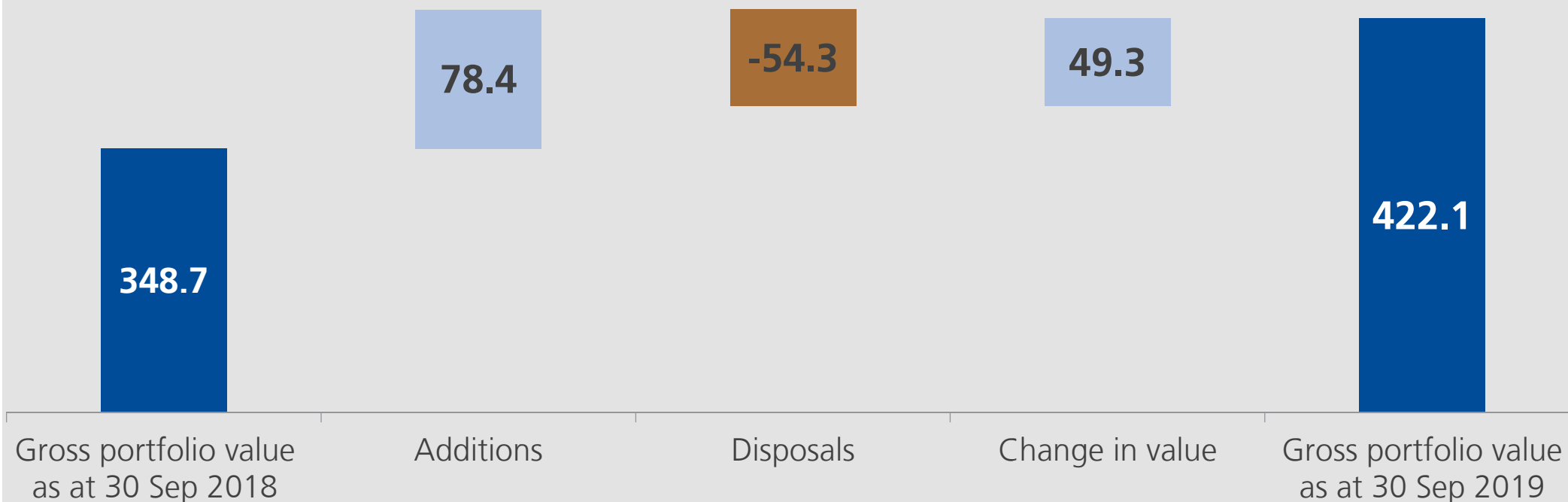
FUND INVESTMENT SERVICES SEGMENT 2018/2019 (€mn)



PORTFOLIO VALUE INCREASES BY 21 PER CENT

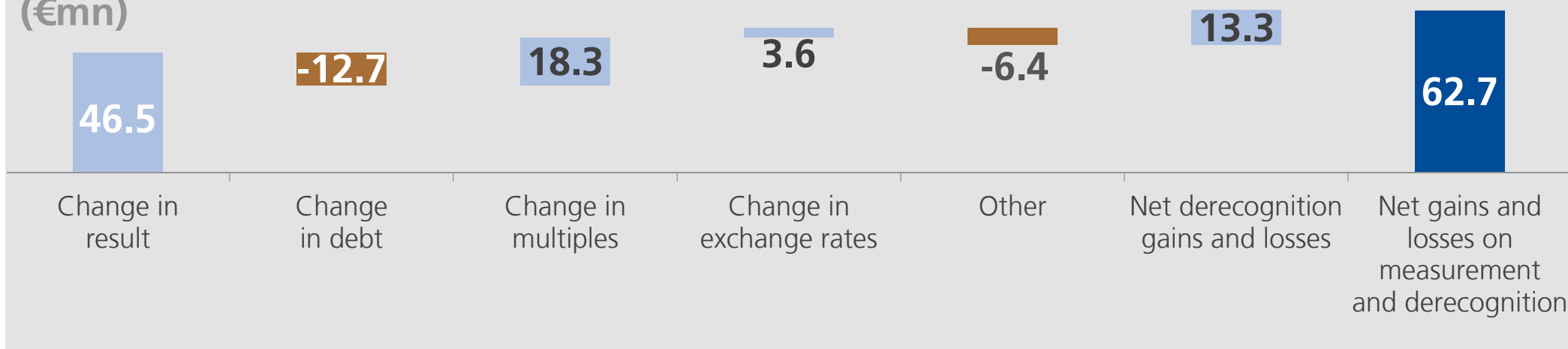


PORTFOLIO VALUE DEVELOPMENT (€mn)



A SUCCESSFUL FINANCIAL YEAR THANKS TO DISPOSALS

NET GAINS AND LOSSES ON MEASUREMENT AND DERECOGNITION (€mn)



Earnings contribution from disposals

53.0 million euros

- > Of which realised (= net derecognition gains and losses):
- > Of which not yet realised (in "Change in multiples"):

13.3 million euros
39.7 million euros

Earnings contribution from changes in multiples: (excluding net derecognition gains and losses)

-22.7 million euros

CONCENTRATION ON FOCUS SECTORS IS PAYING OFF

Core sectors

Revenue growth

4.7%

Change in EBITDA

0.2%

Debt
(net debt/EBITDA)

2.4x

Focus sectors

Revenue growth

31.6%

Change in EBITDA

29.8%

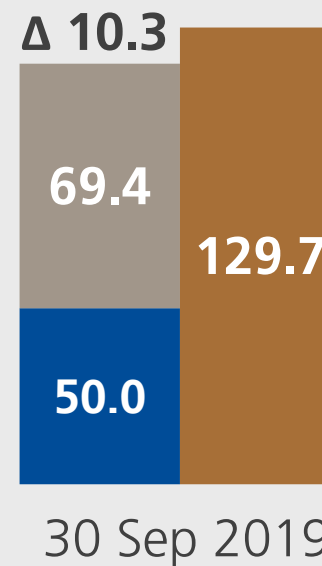
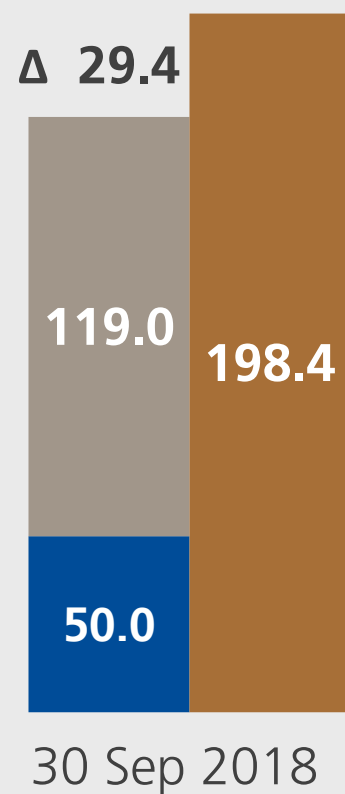
Debt
(net debt/EBITDA)

4.5x

Base date and value: portfolio companies that were present in the portfolio throughout 2018/2019, excluding inxio

FINANCIAL RESOURCES REQUIRED FOR FURTHER GROWTH

(€mn)



- Co-investment commitments
- Financial resources
- Credit line

DIVIDEND POLICY ENSURES SHAREHOLDERS PARTICIPATE IN PERFORMANCE

STABLE DIVIDEND

- ▶ Net retained profit (HGB) allows for stable dividend, also for subsequent financial years

RAISED WHENEVER POSSIBLE

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

ATTRACTIVE DIVIDEND YIELD

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

**DIVIDEND
2018/2019**



1.50

EUROS PER SHARE



4.3

PER CENT DIVIDEND
YIELD

DEVELOPMENT OF THE TARGET AND MANAGEMENT SYSTEM

FINANCIAL TARGETS

①
BUILD THE VALUE OF
PRIVATE EQUITY
INVESTMENTS

②
BUILD THE VALUE OF
FUND INVESTMENT
SERVICES

SHAREHOLDER
PARTICIPATION IN
SUCCESS – THROUGH
A STABLE (AND
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CORE BUSINESS OBJECTIVE

LONG-TERM INCREASE OF DBAG'S ENTERPRISE VALUE

GARNER ESTEEM AS A
FINANCIAL INVESTOR
IN THE MID-MARKET
SEGMENT

GARNER ESTEEM AS
AN ADVISOR
OF PRIVATE EQUITY
FUNDS

**NEW
ASPECT:**

RETAIN EXPERIENCED
AND MOTIVATED
EMPLOYEES

NON-FINANCIAL OBJECTIVES

THE FIRST THREE MONTHS AT A GLANCE

Net asset value
slightly lower at
465.1
million euros

Earnings from
Fund Investment
Services slightly
improved, as
expected, to
1.7
million euros

Neutral effect
from portfolio
valuation

Level of
investment
increased
–
basis for further
growth

Outlook for
2019/2020
remains subdued

FINANCIAL OUTLOOK FOR 2019/2020 REMAINS SUBDUED



	Actual 2018/2019	Forecast 2019/2020
Net asset value	472.1 million euros	Slightly lower
Net income from Fund Investment Services	3.0 million euros	Significantly higher
Dividend per share	1.50 euros	Unchanged
Net income	45.9 million euros	Moderately lower

„slight“: +/- 0 bis 10 % „moderate“: +/- 10 bis 20 % „significant“: > +/- 20 %

„Net income“: „moderate“: +/- 20 to 40 % vis-a-vis made to the average of the past five financial years

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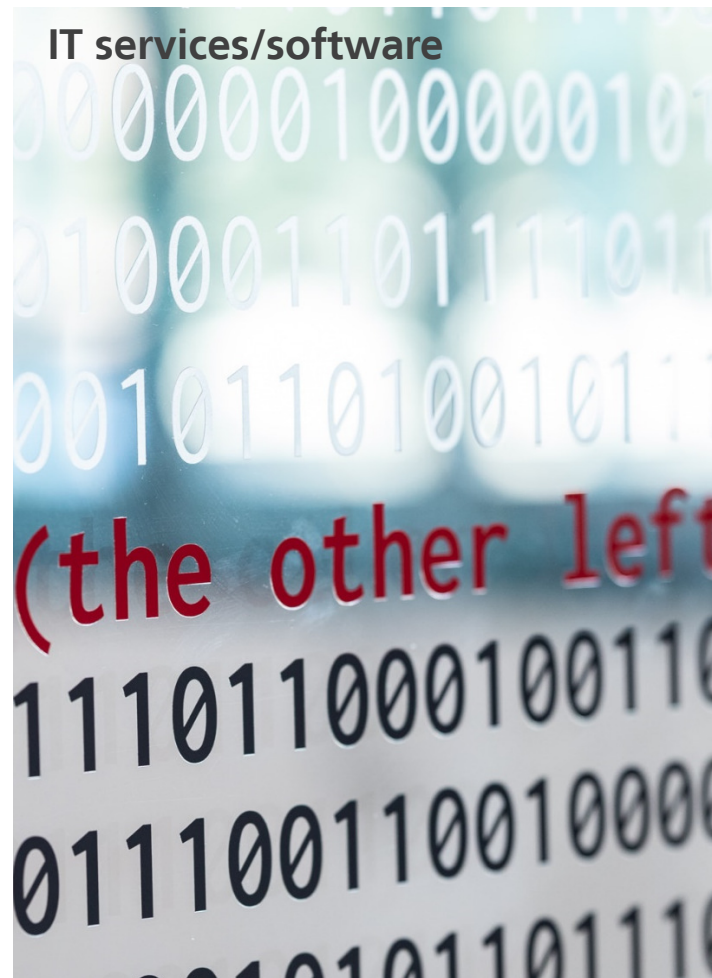
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EXPANSION OF THE INVESTMENT FOCUS

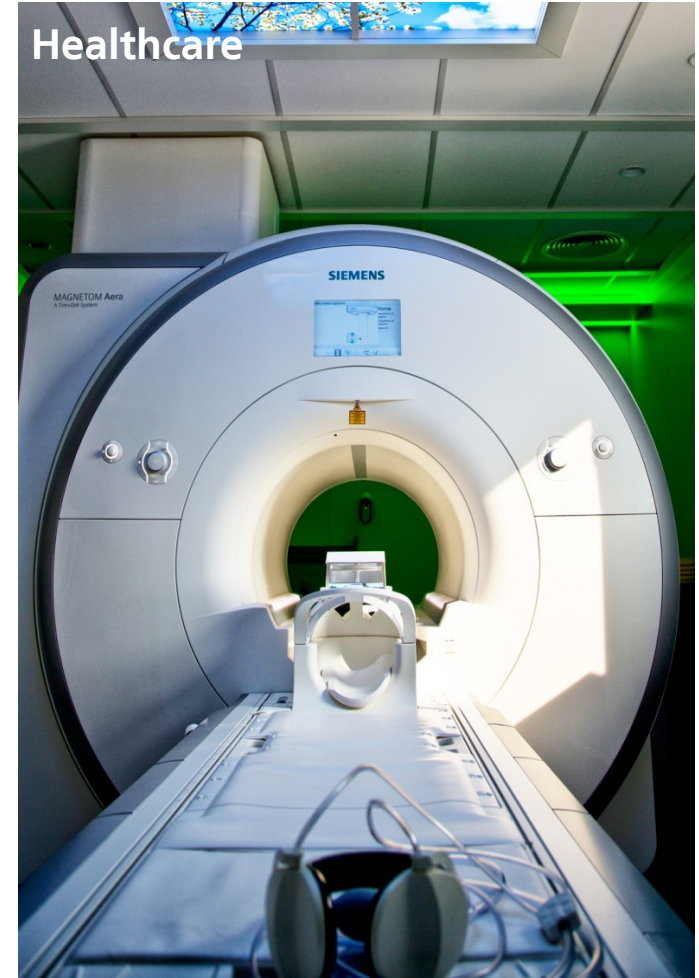
Broadband/telecommunications



IT services/software



Healthcare

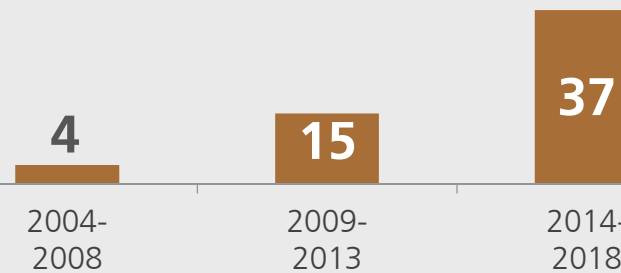


CHANGES IN THE MBO MARKET

AUTOMOTIVE SUPPL., MECHANICAL
& PLANT ENGINEERING (number)



IT SERVICES/SOFTWARE,
HEALTHCARE (number)



AUTOMOTIVE SUPPL., MECHANICAL
& PLANT ENGINEERING (€bn)



IT SERVICES/SOFTWARE,
HEALTHCARE (€bn)



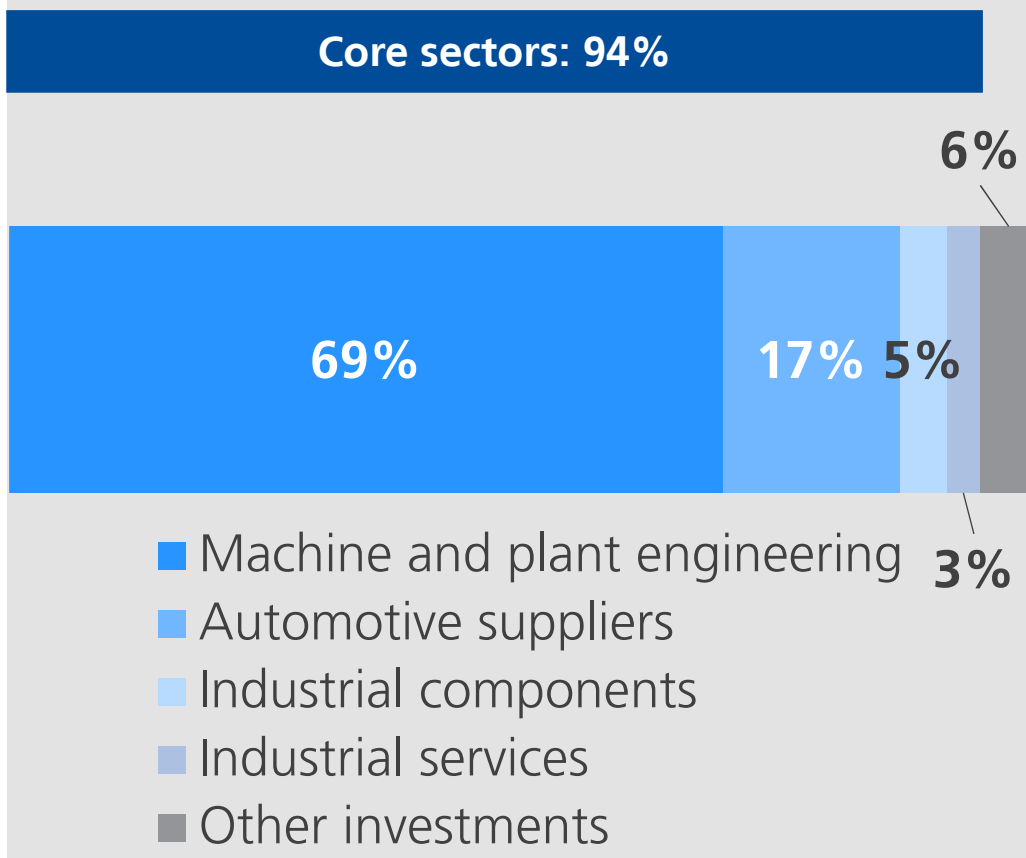
**Core sectors
remain important**

**Market volume in
focus sectors
increases strongly**

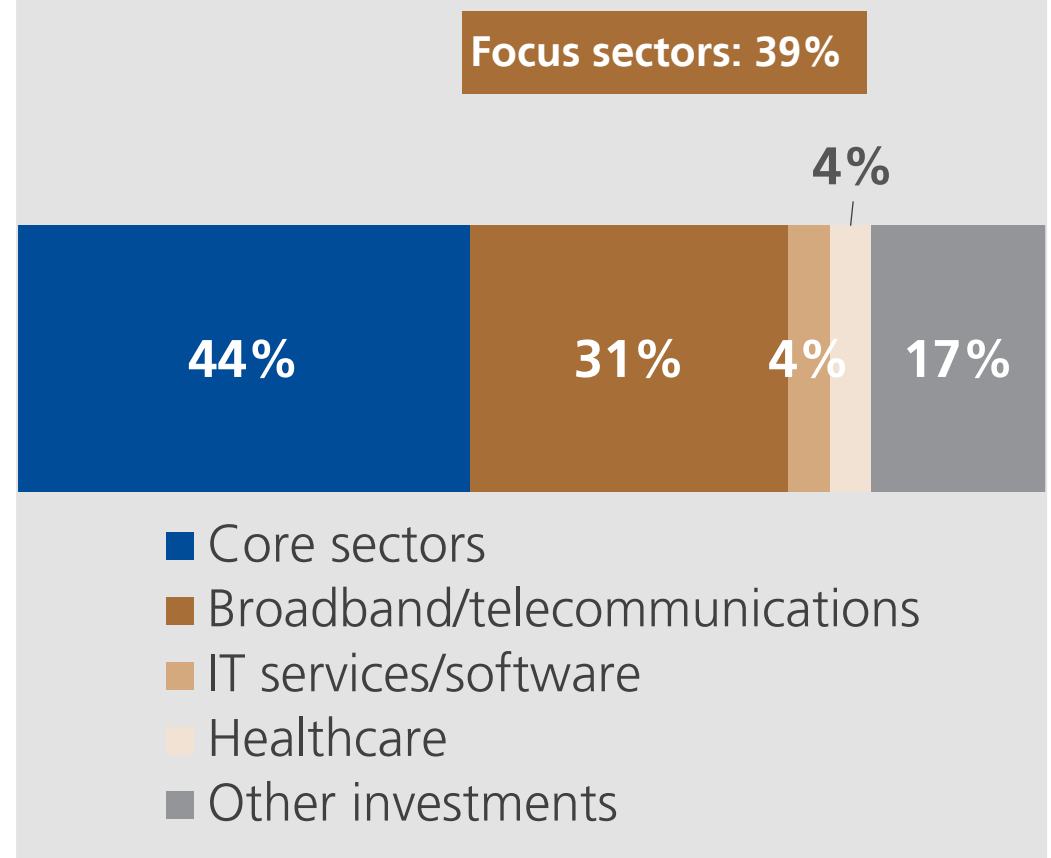
**Interest for
private equity is
growing in the
German
Mittelstand**

STRATEGIC DECISIONS REFLECTED IN THE PORTFOLIO

PORTFOLIO STRUCTURE AT 31 OCT 2013



PORTFOLIO STRUCTURE AT 30 SEP 2019



PORTFOLIO IS BROADLY DIVERSIFIED AS AT 31 DECEMBER 2019

Four core sectors: 50 per cent of portfolio value



Focus sector broadband/ telecommunications: 22 per cent



Other focus sectors: 9 per cent



Other investments: 15 per cent



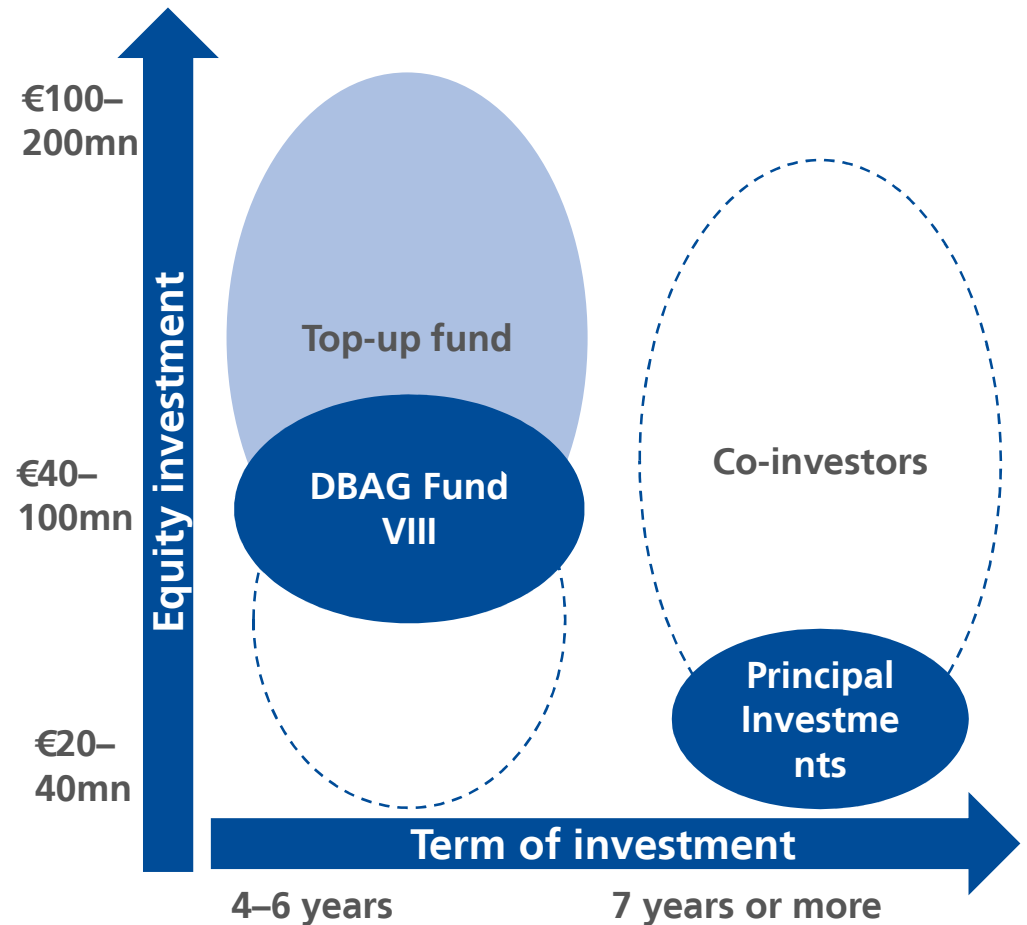
Not considered: Other investments, including investments in international buy-out funds managed by others (3.8 per cent of portfolio value)

EQUITY SOLUTIONS PLATFORM FOR THE GERMAN MITTELSTAND

Long-term equity from the DBAG balance sheet (without the usual fund term limitation)

DBAG Fund VIII allows for further portfolio expansion

Investing larger sums in individual companies is possible thanks to DBAG Fund VIII's top-up fund



ATTRACTIVE MINORITY STAKES – EXAMPLE INEXIO

**First investment in the focus sector
broadband/telecommunications**

Growth financing 2013

- › Minority stake
- › Profit-participation rights
- › Capital increase financing
- › Share purchases

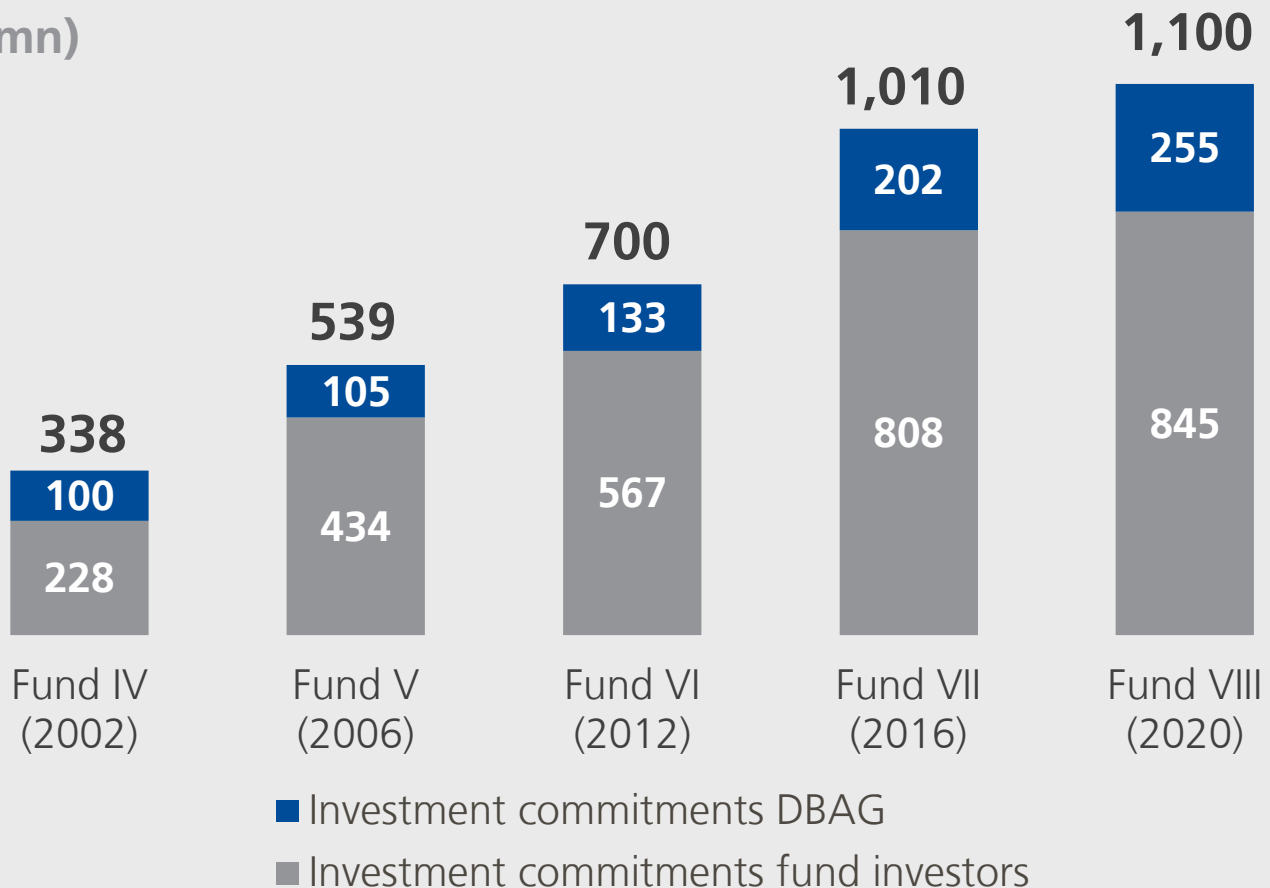
**Disposal in 2019, at 7.5 times the initial
acquisition cost**

**One of the most successful transactions
in DBAG's history**



DBAG FUND VIII: SUCCESSFUL FUNDRAISING AS A MILESTONE

DBAG FUNDS DEVELOPMENT (€mn)



Rapid investment progress acts as foundation for fundraising

Volume of assets under management/ advisory rises to 2.5 billion euros

DBAG's own investment commitments grow around 25 per cent to reach 255 million euros

THE BASIS FOR STRATEGY IMPLEMENTATION: OUR DBAG TEAM AND BUSINESS PROCESSES



More than 250 years of private equity experience

Expanding Research, Business Development, Legal and Human Resources

Expansion planned for the investment team

Continuous improvement of our business processes is embedded within the organisation



OUTLOOK: SIGNIFICANTLY HIGHER NET ASSET VALUE IN THE MEDIUM TERM



BUSINESS ENVIRONMENT

Macroeconomic challenges

Structural changes in the automotive industry

Low interest rates: more capital for private equity

High pricing levels



DEUTSCHE BETEILIGUNGS AG

Systematic team development

Continuous improvement of our business processes

PROJECTIONS FOR 2020/2021 AND 2021/2022

Significantly higher net asset value:
> 20 per cent p.a. growth