



QUARTERLY
STATEMENT
AT
30 JUNE 2020

1ST TO 3RD QUARTER 2019/2020

ANALYSTS' CONFERENCE CALL
6 AUGUST 2020

SPEAKERS



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NET ASSET VALUE HAS RECOVERED, FOLLOWING POSITIVE CAPITAL MARKET DEVELOPMENTS ...

**Revival of the
M&A market**

**Portfolio
companies
continue
their buy-and-
build-strategy**

**Net asset value
bounces back to
405.1 million
euros**

**Net income from
Fund Investment
Services rises to
6.6 million euros**

**Forecast
raised**

... WHILST KEY INDICATORS REMAIN BURDENED BY THE CORONAVIRUS CRISIS

PRIVATE EQUITY INVESTMENTS

NET
ASSET VALUE

405.1

MILLION EUROS

NET ASSET VALUE
PER SHARE:

26.93

EUROS

PRE-TAX PROFIT:

-31.2

MILLION EUROS

CASH FLOW FROM
INVESTMENT ACTIVITY:

-12.3

MILLION EUROS

FUND INVESTMENT SERVICES

PRE-TAX
PROFIT:

6.6

MILLION EUROS

ASSETS UNDER
MANAGEMENT OR
ADVISORY:

1.7

BILLION EUROS

GROUP

NET INCOME

-24.6

MILLION EUROS

DEAL FLOW: EXCLUSIVELY PURCHASES AT THE LEVEL OF PORTFOLIO COMPANIES

M&A market virtually at a standstill during the period under review

Portfolio companies continued their buy-and-build strategy

- › DBAG Fund VII
 - blick radiology practices: two acquisitions closed
 - Network components manufacturer duagon: one acquisition agreed upon and closed
- › DBAG ECF
 - BTV Multimedia: one acquisition agreed upon in Q3
 - DING Group: four acquisitions agreed upon (one in Q3) and closed (one of which after the reporting date)
 - netzkontor nord: two acquisitions agreed upon and closed
 - vitronet: three acquisitions agreed upon and closed (of which one in the third quarter)



CORONAVIRUS CRISIS: OVERVIEW OF IMPACTS AND MEASURES TAKEN (1/2)

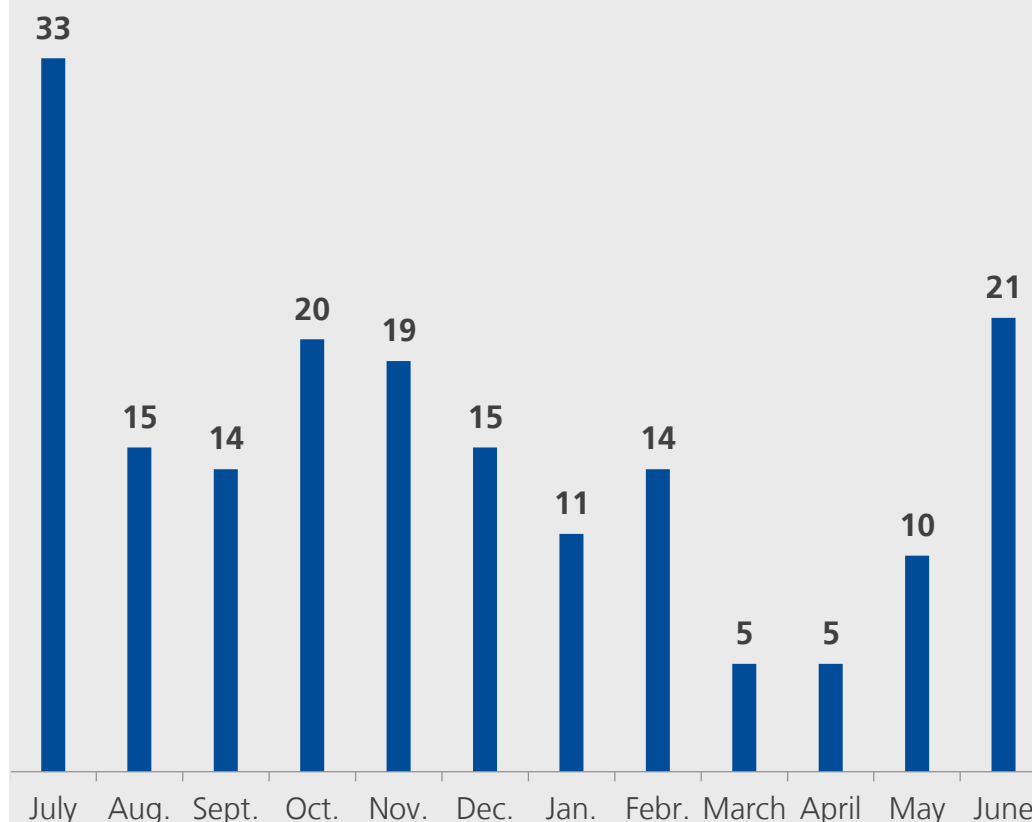
Revival of the M&A market since the end of the third quarter

- › Deal flow has been picking up since June, but markedly lower number of investment opportunities overall (Q1-Q3: 120; FY 2018/2019: 258)
- › Disposal from the DBAG ECF portfolio agreed upon at the end of July

Business operations continue to run smoothly

- › Digital business processes as a prerequisite
- › Board of Management and staff were largely working from home during the period under review; partial return to the office since early July

NUMBER OF NEW INVESTMENT OPPORTUNITIES MBOs (July 2019-June 2020)



CORONAVIRUS CRISIS: OVERVIEW OF IMPACTS AND MEASURES TAKEN (2/2)

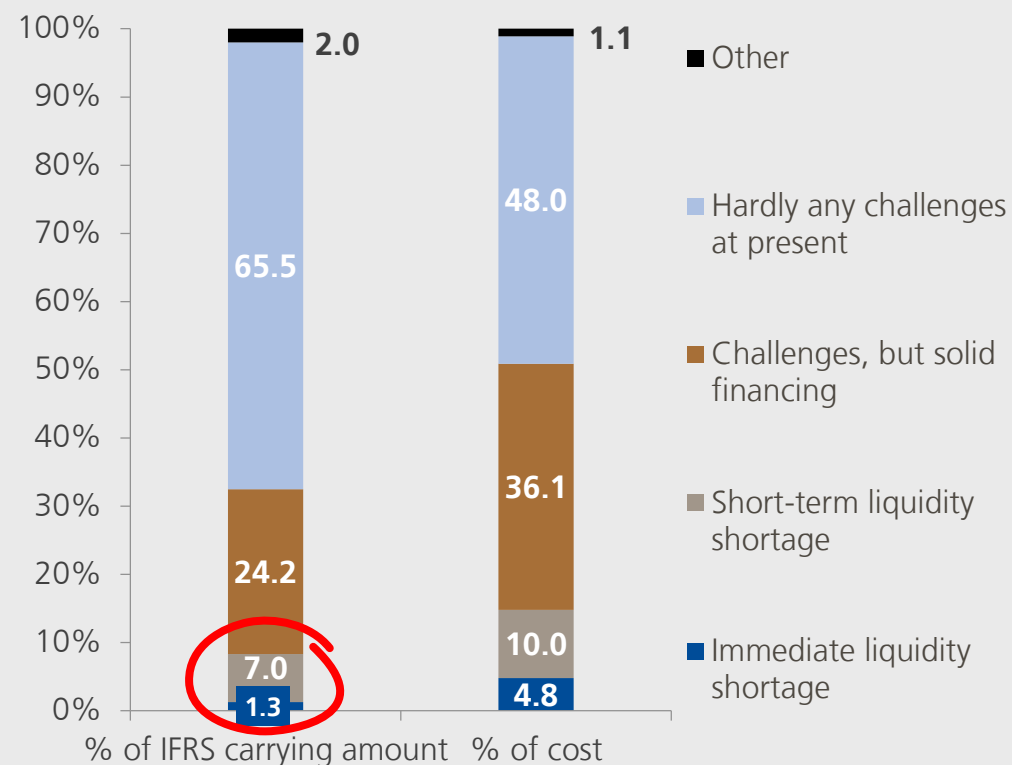
Portfolio value as at 30 June 2020

- › Acquisition cost: 353 million euros
- › Carrying amount (IFRS): 368 million euros
- › IFRS carrying amount, relative to cost: 1.04x

Broadly diversified portfolio offering a mixed picture

- › Diversification and portfolio size have paid off
- › Industrial companies tending to face stronger burdens, whereas the broadband telecommunications sector is hardly being affected, or not affected at all
- › Overall situation remains challenging but manageable
- › Companies facing liquidity shortages accounted for eight per cent of portfolio value as at the reporting date – relief provided through further debt financings agreed upon over recent weeks

BREAKDOWN OF PORTFOLIO COMPANIES BY THE DEGREE TO WHICH THEY ARE AFFECTED AS AT 30 JUNE 2020 (%)



CORONAVIRUS CRISIS: REFLECTING THE IMPACT ON VALUATIONS

METHODICAL CHALLENGE

- › Avoiding dual consideration of impact – in multiples and results

VALUATION AS AT 31 MARCH 2020

- › Impact accounted for in the multiple, adjusting for individual peer-group companies where earnings expectations were already adjusted
- › Results of portfolio companies, without coronavirus impact

VALUATION AS AT 30 JUNE 2020

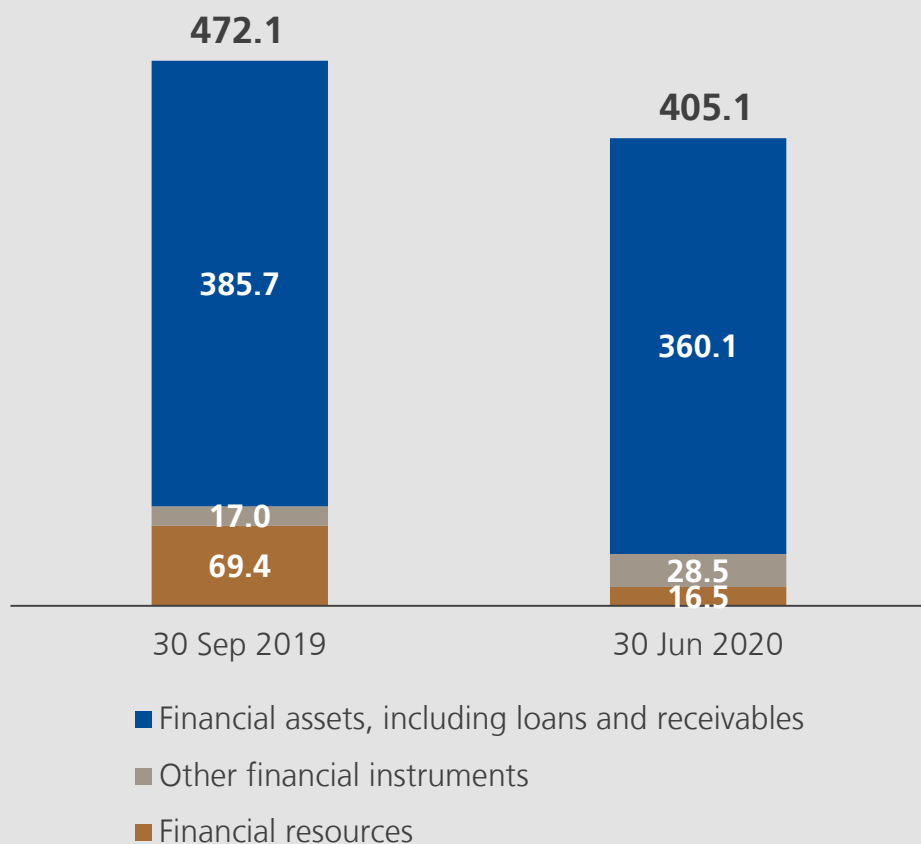
- › Multiples not adjusted, since earnings estimates have been corrected in the meantime
- › Sustainable earnings expectations of portfolio companies, including coronavirus impact

UNPRECEDENTED VOLATILITY OF MULTIPLES IMPACT ON A QUARTERLY COMPARISON

- › -58 million euros (Q2) vs. +105 million euros (Q3), of which two-thirds from price increases – one-third from reduced earnings estimates
- › All multiples are higher than on 31.3., in some cases markedly above their levels on 30.9.2019 – decoupled from current price levels for enterprises

NET ASSET VALUE HAS DECLINED BY NINE PER CENT DURING THE CORONAVIRUS CRISIS (ADJ. FOR DIVIDEND DISTRIBUTION)

NET ASSET VALUE (€mn)



Net asset value:
Management indicator for the financial objective “Build the value of Private Equity Investments”

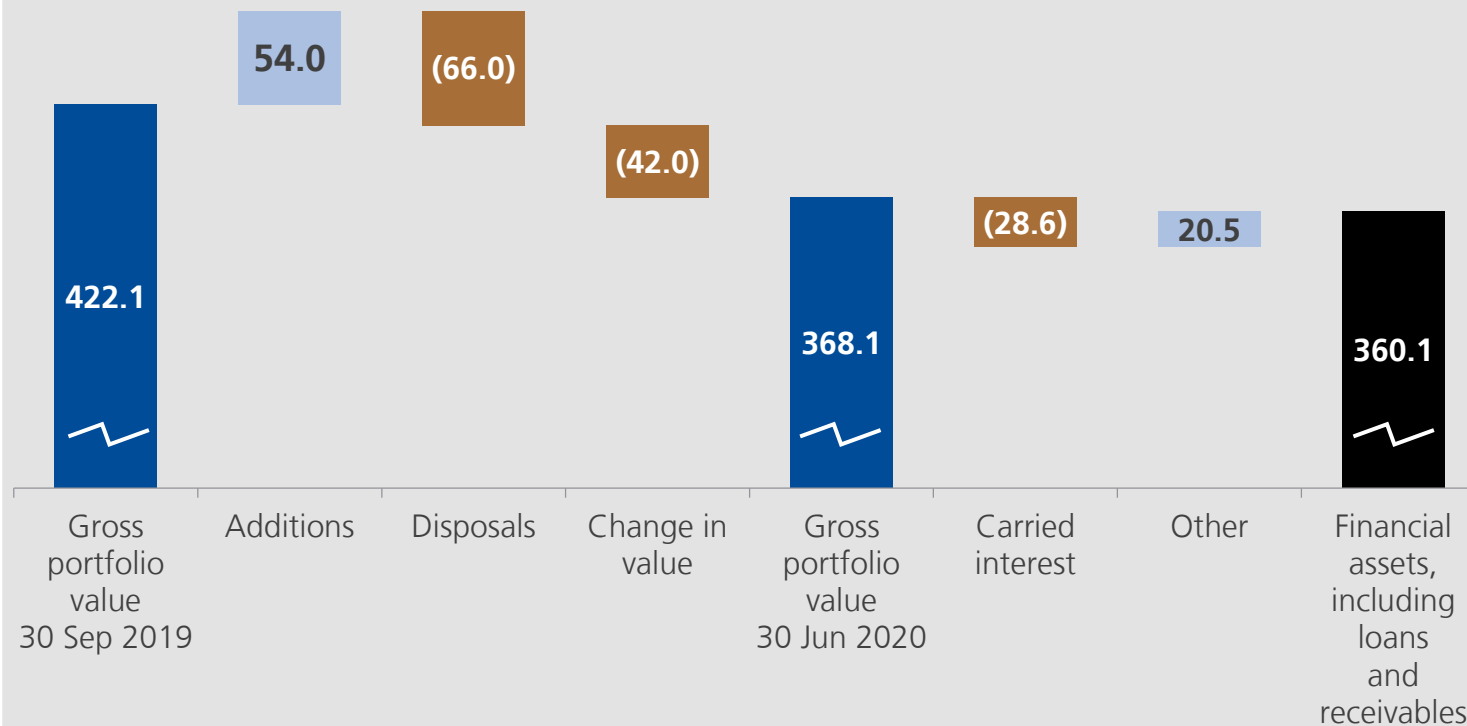
Key drivers for the decline:

- › Portfolio impairment caused by coronavirus crisis
- › Offset by reversal of carried interest
- › Dividend paid

Net asset value has declined by nine per cent, adjusted for dividend distribution (22.6 million euros)

MEASUREMENT CHANGES AND DISPOSALS REDUCE PORTFOLIO VALUE

PORTFOLIO VALUE DEVELOPMENT (€mn)



Additions

- › Closing of transactions agreed upon in the 2018/2019 financial year
 - DBAG Fund VII: Cartonplast
 - DBAG ECF: DING Group
- › Growth capital for DNS:Net (DBAG ECF)
- › Support for acquisitions, and for additional bank financing

Disposals

- › DBAG ECF: inexo closed in Q1
- › DBAG Fund V: Romaco Group – sale of remaining stake
- › Recapitalisation of netzkontor nord

Other

- › Largely involving funds from the disposal of inexo not yet received

NET MEASUREMENT GAINS AND LOSSES DETERMINED BY THE IMPACT OF THE PANDEMIC

NET GAINS AND LOSSES ON MEASUREMENT AND DERECOGNITION Q1-Q3 2019/2020 (€mn)



Miscellaneous: Exchange rate fluctuations, other effects

Change in results:

- › +48.3 million euros: results from acquisitions (broadband telecommunications)
- › -59.0 million euros: 7 companies from the automotive and mechanical engineering sectors
- › -50.6 million euros: 17 additional portfolio companies from different sectors

Change in debt:

- › -31.6 million euros: financing of acquisitions
- › -10.5 million euros: drawdowns on credit facilities, or KfW loans

PORTFOLIO IS BROADLY DIVERSIFIED: MORE THAN 50 PER CENT OF PORTFOLIO VALUE OUTSIDE THE CORE SECTORS



Four core sectors



16 companies
46% of portfolio value

Broadband telecommunications



5 companies
29% of portfolio value

Other focus sectors



3 companies
9% of portfolio value

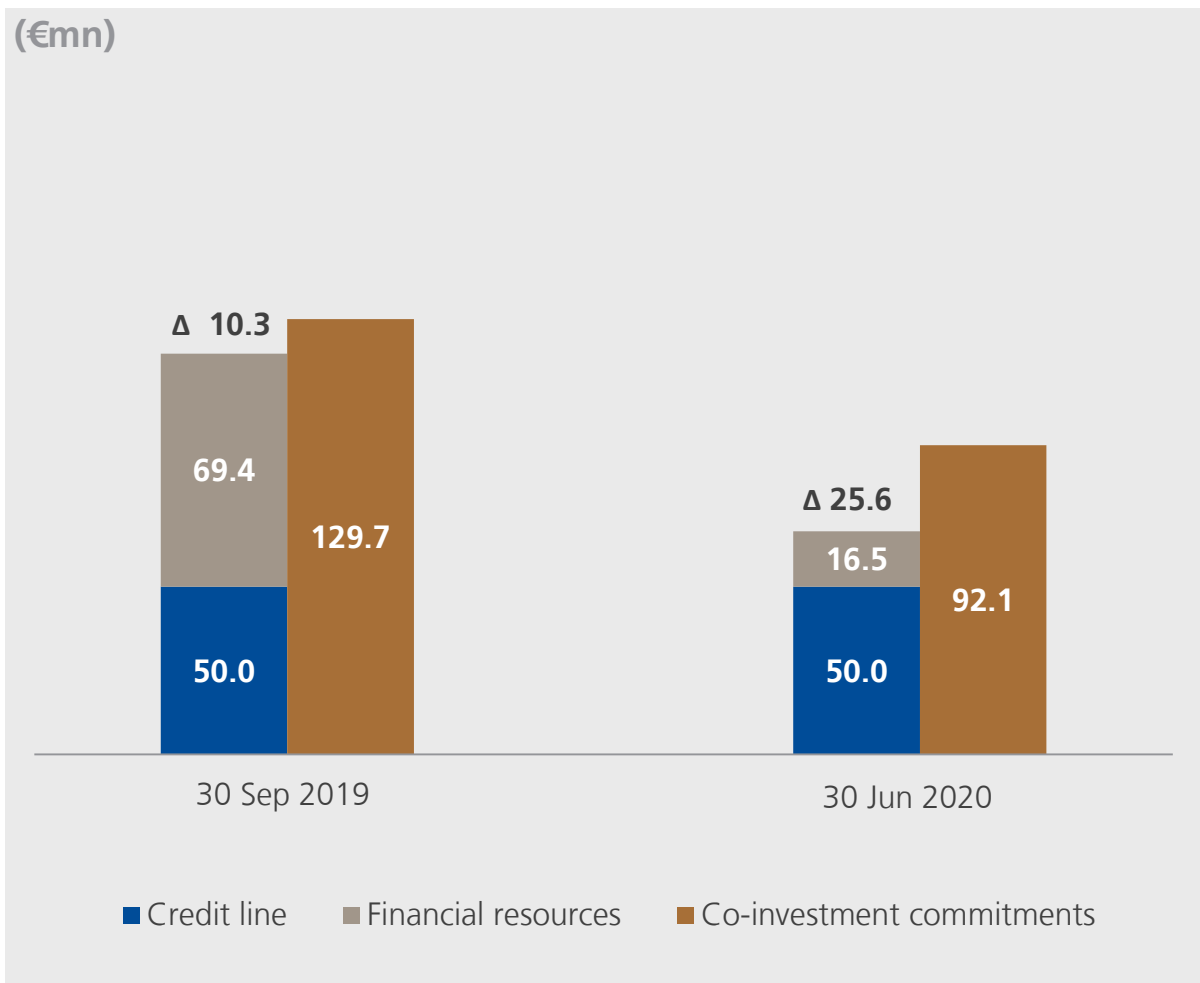
Other



4 companies
14% of portfolio value

Not considered: legacy holdings, plus investment in an externally managed international buyout fund

CO-INVESTMENT COMMITMENTS HAVE RISEN WITH DBAG FUND VIII – VARIOUS OPTIONS BEING EXAMINED



Over-commitment covered as at the reporting date, through structural financial resources (27.9 million euros)

Rising financing requirements:

- › Co-investment commitments for DBAG Fund VIII: 255 million euros over six years (start of investment period on 1 Aug 2020)
- › Long-term investments exclusively using DBAG's own financial resources

Coverage of financing requirements:

- › Portfolio proceeds
- › Examining various options for debt as well as equity financing

NET INCOME FROM FUND INVESTMENT SERVICES IMPROVED TO 6.6 MILLION EUROS

Net income from Fund Investment Services: Management indicator for the financial objective “Build the value of Fund Investment Services”

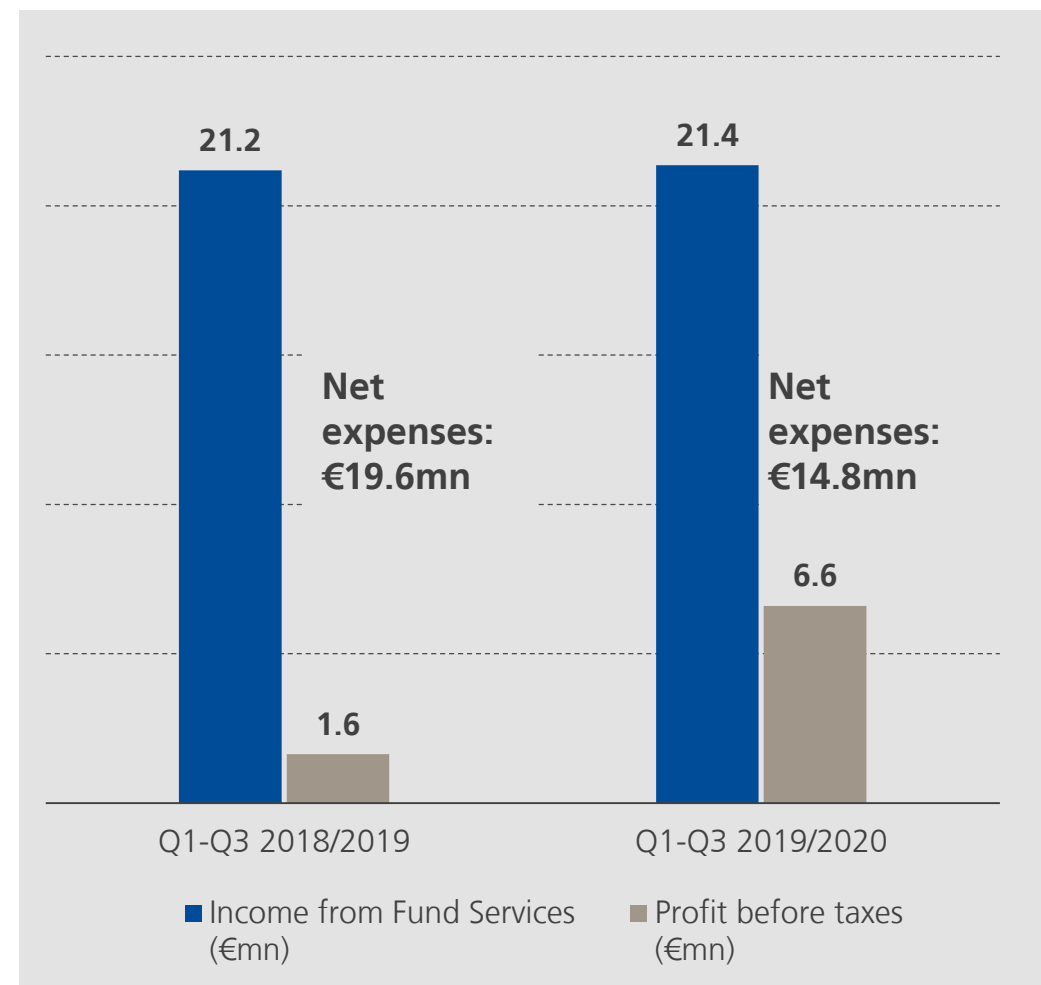
Income from Fund Services stable

- › Lower fees from DBAG Fund V and DBAG Fund VI, as expected
- › Offset by higher fees from DBAG Fund VII (due to top-up fund transactions), and DBAG ECF (DING)

Other income/expense items: lower net expenses

- › Lower provisions for variable remuneration
- › Numerous individual items

Start of DBAG Fund VIII on 1 August 2020 will lead to a (net) increase in 2019/2020 income by 2.3 million euros



Income from the Fund Investment Services segment includes internal management fees of 1.0 million euros from the PE Investments segment (Q1-Q3 2018/2019: 0.9 million euros)

ADJUSTED FORECAST FOR THE FINANCIAL YEAR 2019/2020

	Actual Q1-Q3 2019/2020	Forecast 2019/2020
Net asset value of Private Equity Investments	€405.1mn	€400mn to €425mn
Net income from Fund Investment Services	€6.6mn	€8.0mn to €9.0mn
Dividend per share	€1.50	No forecast
Net income	€-24.6mn	€-25mn to €-5mn

The forecast for the net asset value of Private Equity Investments is subject to valuation levels on the capital markets not having changed much at the end of this financial year from the time the forecast was published.

DBAG CONSIDERS ITSELF WELL-POSITIONED

MARKET POSITION

- › Financial strength through new DBAG Fund VIII
- › Long-term investment offer established, as an equity solutions platform for mid-sized companies

PORTFOLIO

- › Broadly diversified, with a clear reduction in the share of industrial business models
- › Buy-and-build strategies are being consistently implemented
- › Attractive business models for strategic buyers

EXPERIENCE

- › Investment team with experience across several investment and economic cycles
- › Six additional investment team members joined during the last twelve months