

P R E S S R E L A S E

Deutsche Beteiligungs AG invests in Dieter Braun GmbH

- **Cable assemblies for the automotive industry**
- **Management buyout in DBAG core sector**
- **Opportunities for revenue growth after capacity expansion**
- **Final investment by DBAG Fund VI**

Frankfurt am Main, 8 December 2016. Deutsche Beteiligungs AG (DBAG) will invest in Dieter Braun GmbH (Braun), a supplier to the automotive industry, the Company announced today. DBAG-advised DBAG Fund VI will acquire a majority interest in Braun from financial investor Seafort Advisors in a management buyout. DBAG will invest up to 5.9 million euros from its balance sheet for its co-investment and will indirectly hold a 13.1 percent interest. In addition to DBAG Fund VI, the company's management will also acquire shares in the company. The transaction is subject to antitrust approval and will presumably be completed in January 2017. The parties to the contract agreed not to disclose the purchase price.

Braun is the eleventh investment by DBAG Fund VI, which will be 86 percent invested subsequent to the transaction. Less than four years after the start of its investment period, this buyout finalises the creation of the fund's portfolio. Sufficient assets remain available to sponsor the growth strategies agreed with the portfolio companies, including add-on acquisitions. This final transaction now marks the beginning of the investment period of the new DBAG Fund VII, which closed in September 2016 with commitments of 1,010 million euros.

Braun (www.kabelkonfektion.com) is a specialist and solutions provider in cable assembly and lighting for the automotive industry. The cables are either used in electric modules such as the switches of a multi-functional steering wheel or they connect such modules to a vehicle's main wiring harness. A core competence is interior lighting. Braun is highly esteemed by its customers in the automotive industry for its ability to provide efficient solutions even for small to medium quantities involving a high degree of complexity and variable lead times. This internationally operating company also generates about 15 percent of its revenue (2016: 77 million euros) with components for machinery and equipment and for household appliances.

Braun has grown strongly since its foundation in 1993. Over the past seven years, revenue grew by an average annual rate of 19 percent. The company is

present at its customers' key production sites: in addition to its headquarters in Bayreuth, Germany, it operates facilities in the Czech Republic, Ukraine, Mexico and China. Braun employs a staff of 1,500.

Braun is benefiting from an increasing amount of electric and electronic components in vehicles and from the trend by OEMs and suppliers to outsource production processes. It has positioned itself in the future topical area of e-mobility with various applications. Braun's importance for its customers in the automotive supplier industry is therefore high. Expenditures in capacity expansion and new production lines will enable the company to satisfy the growing demand and strengthen its position in a fragmented market. Braun's management also sees development potential in the enlargement of the product portfolio to include other applications and in the expansion of its geographical reach.

"Braun specialises in efficiently manufacturing quality relevant components in a broad range of variants and smaller quantities, thereby relieving its customers of the associated complexity, and it does so with production facilities on three continents," said Dr Rolf Scheffels, member of the DBAG Board of Management on today's signing. "We consider this a very attractive business model with promising growth prospects."

"DBAG has a long history as an investment partner in the automotive industry. Its skill set and Braun's long experience will enable us to exploit revenue potential more effectively with expanded production capacities," said Torsten Alex, Chairman of Braun's executive board. "We are confident of having set the right course today for the company's successful development."

Deutsche Beteiligungs AG, a listed private equity company, initiates closed-end private equity funds and invests alongside the DBAG funds in well-positioned mid-sized companies with potential for development. DBAG focuses on industrial sectors in which Germany's 'Mittelstand' is particularly strong on an international comparison. With its experience, expertise and equity, DBAG supports the portfolio companies in implementing corporate strategies that sustainably create value. Its entrepreneurial approach to investing has made DBAG a sought-after investment partner in the German-speaking world. Assets under management or advisement by the DBAG Group amount to approximately 1.8 billion euros.

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