

## PRESS RELEASE

### **Deutsche Beteiligungs AG invests in bakery chain Management buyout of Dahlback / First new investment in current financial year**

**Frankfurt am Main, 22 April 2014.** Deutsche Beteiligungs AG (DBAG) has announced that it will invest in Dahlewitzer Landbäckerei GmbH (Dahlback). The company is the fifth largest bakery chain in Germany, operating 357 bakery outlets under the name of “Unser Heimatbäcker” and “Lila Bäcker”. The vendors, financial investor Steadfast and the managing partner, signed an agreement to that effect with DBAG Fund VI, a fund advised by DBAG. DBAG will hold 13.7 percent in Dahlback and invest up to 9.9 million euros. The present managing partner, Volker Schülke, will re-invest in the company and remain in his current role. The agreement is conditional on approval by the cartel authorities.

Dahlback is the first new investment to be added to the portfolio of Deutsche Beteiligungs AG this current financial year (1 November 2013 to 31 October 2014). The company was formed through the merger of various bakery chains in recent years. With 357 outlets, a staff of 2300 and annual revenues of 99 million euros, Dahlback is the largest bakery chain in north-eastern Germany. Dahlback is a premium quality bakery with innovative production processes and a holistic marketing concept. The company operates various outlet types in the checkout areas of supermarkets and in shopping centres as well as its own bakery shops and cafés. Dahlback plans to expand by further increasing its presence at the checkout area of supermarkets. Dahlback also operates “Rubave”, a wholesaler that delivers a range of bread, rolls, pastries and cakes to 1500 customers such as supermarkets, hotels, restaurants and filling stations.

“The fragmented bakery market in Germany is characterised by only a few large competitors, a consolidation process and structural changes brought on, among other things, by discount bakeries and, increasingly, bake-off stations in retail grocery stores. Our financial commitment will support Dahlback in accelerating its growth plans,” said Torsten Grede, Spokesman of the Board of Management of Deutsche Beteiligungs AG, on signing the agreement.

Volker Schülke commented: “Together with our new partner, we intend to expand our strong position as the fifth-largest bakery chain nationwide and

exploit growth opportunities through new store openings and acquisitions as well as by further implementing our “Lila Bäcker” concept. This will put us in a position to provide highest quality and service excellence to even more customers.”

***Deutsche Beteiligungs AG, a listed private equity company, invests in well-positioned mid-sized companies with potential for growth. For many years, DBAG has focused on industrial business models in selected sectors. With its experience, expertise and equity, DBAG supports its 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. It invests from its own balance sheet; DBAG also manages and advises parallel investment funds. Total assets amount to approximately 1.3 billion euros.***

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