Deutsche Beteiligungs AG

Welcome to the 2012 Annual Meeting

Frankfurt, 29 March 2012

Financial year 2010/2011 at a glance

Deutsche Beteiligungs AG

- **Three new investments**
  - Romaco
  - Spheros, Brötje-Automation (2011/2012)
- **Two realisations**
  - Heim & Haus, Preh

- **Negative net income of €-16.6mn in financial year 2010/2011**
  - Previous year: €34.1mn

- **NAV per share declines to €17.47**
  - Return on NAV -6.2%

- **Distribution:**
  €0.40 dividend and
  €0.40 surplus dividend
  €0.80 total per share

Negative net income: €-16.6mn (prev.yr. net income: €34.1mn)

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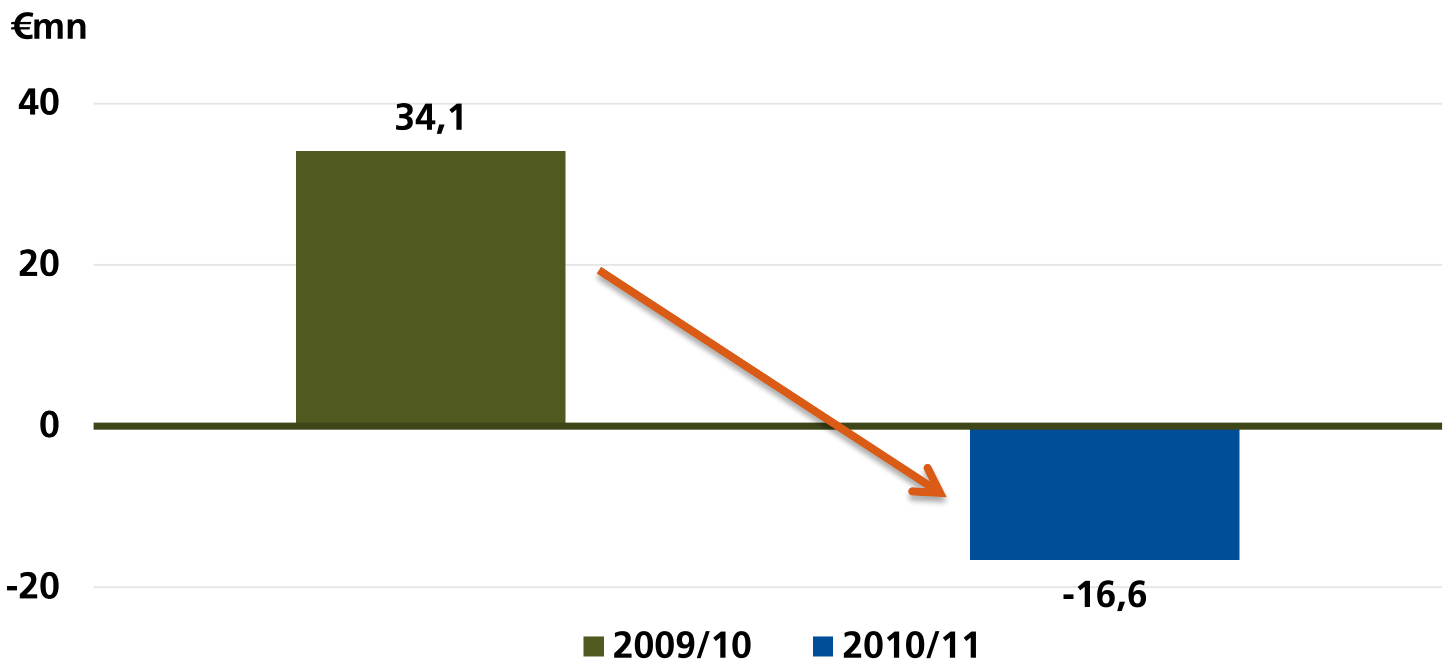
- **Loss is primarily due to unrealised valuation movements**



Net result of investment activity: €-4.5mn (prev.yr.: €53.2mn)

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- **Key component on income statement**
- **Three constituents:**
  - **Net result of valuation**
    Net valuation movements of investments held at end of financial year
  - **Net result of disposal**
    Net valuation movements of investments realised in the financial year
  - **Income from financial assets**
    Profit shares (dividends) from portfolio companies

Net result of valuation: €-20.6mn

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- **Nearly all portfolio companies increased revenues and earnings**

Net result of valuation		€mn
Valuation of unquoted investments		
	Earnings growth	9.5
	Change in multiples	-6.2
	Change in debt	0.1
Stock market valuation (Homag Group AG)		-18.5
Negative valuation change due to distribution-related write-down (special effect, offset)		-7.6
Others		4.0
		-20.6

Price trend of Homag shares caused greatest valuation effect

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- **IPO in 2007: DBAG sold 40% of its holding in Homag**
  - Proceeds (incl. dividends since 2008) 140% of historical cost of entire investment
- **Price trend 2010/11: €15.48 ➡ €8.48, -45%**
- **Price trend 2009/10: €8.46 ➡ €15.48, +83%**

Lower multiples reflect downbeat sentiment in stock markets

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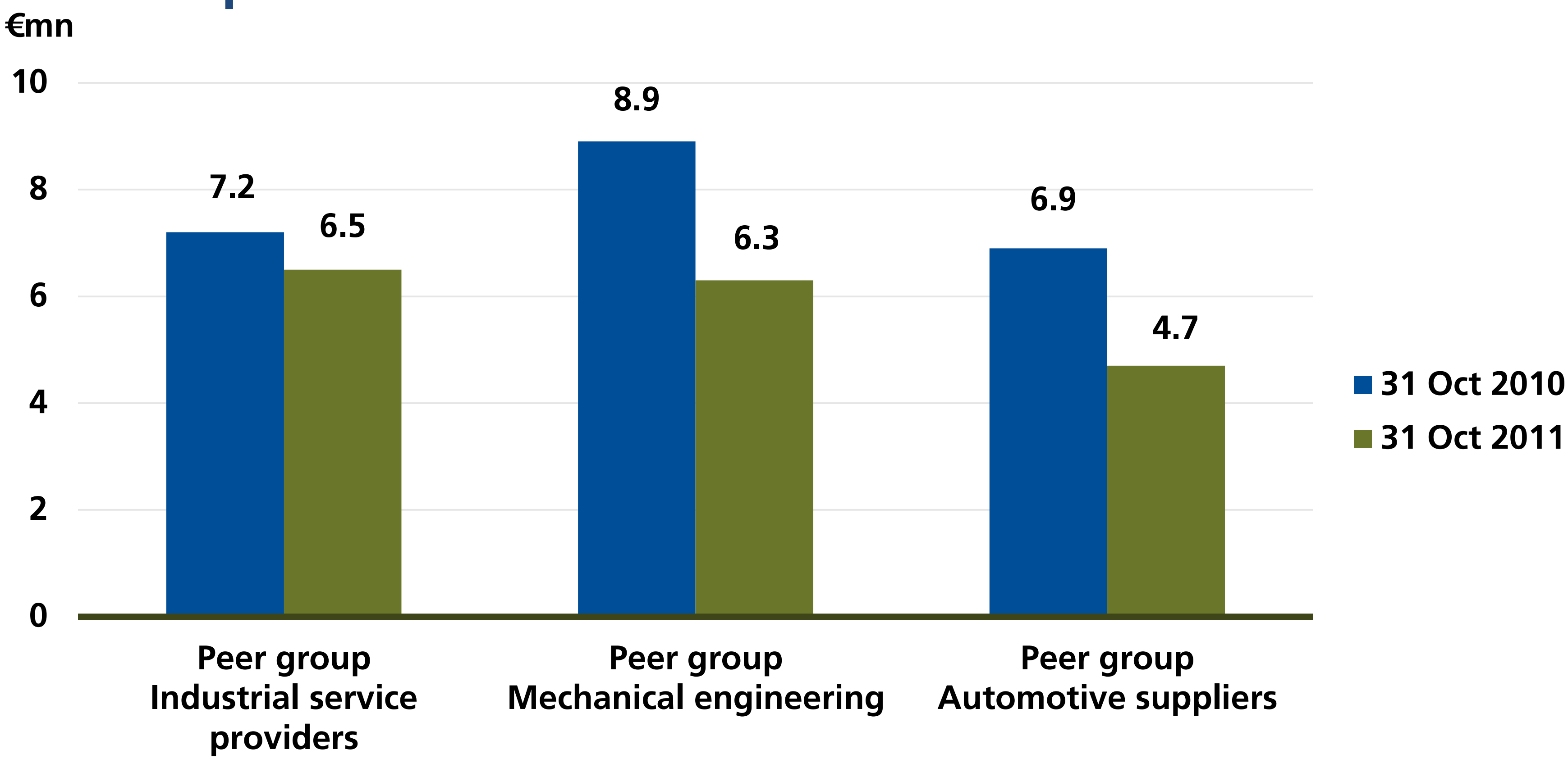
- **Negative valuation effect of €6.2mn due to lower multiples**



Net result of valuation: €-20.6mn (prev.yr.: €42.5mn)

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Nearly all portfolio companies increased revenues and earnings

Net result of valuation		€mn
Valuation of unquoted investments		
	Earnings growth	9.5
	Change in multiples	-6.2
	Change in debt	0.1
Stock market valuation (Homag Group AG)		-18.5
Negative valuation change due to distribution-related write-down (special effect, offset)		-7.6
Others		4.0
		-20.6

Net result of disposal: €6.7mn (prev.yr.: €1.1mn)

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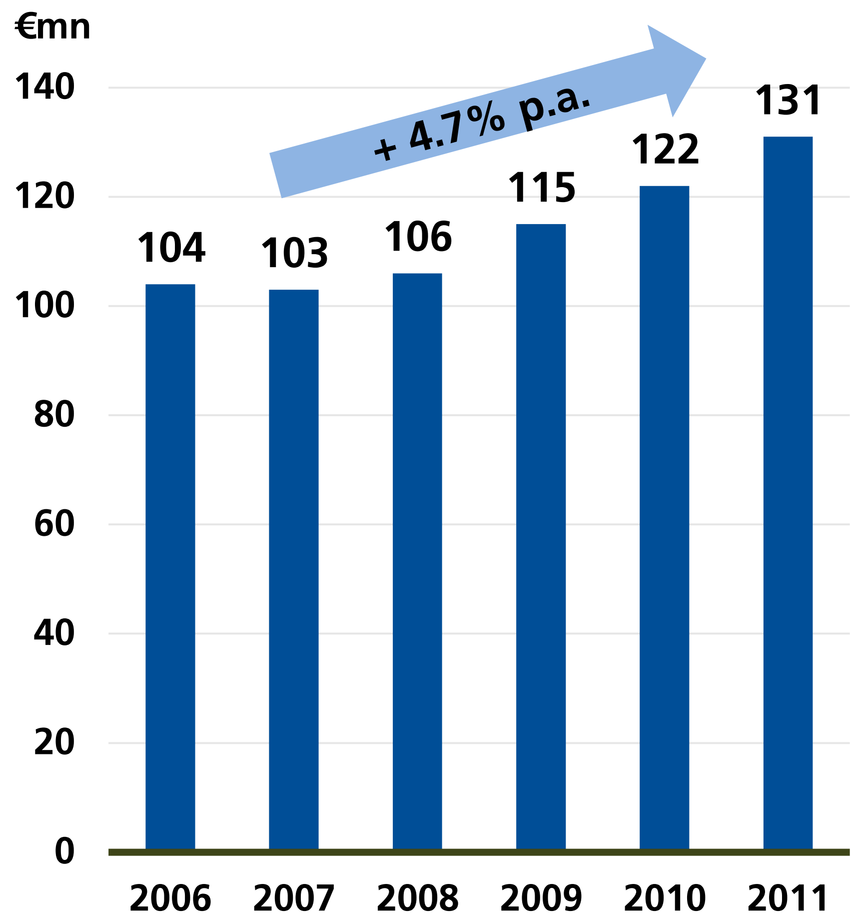
- **Net result of disposal: difference between sales proceeds and opening valuation at start of financial year**
  ➡ not conclusive of long-term performance
- **Two realisations**
  - Preh – (partial) realisation in April 2011
    - Put option for remaining shares (25.1% of original investment) exercisable beginning of 2013
  - Heim & Haus – realisation in May 2011

Heim & Haus – Further development of a family-run business

- **Growth trend supported**
- **Product range expanded**
  - Roof windows
  - Security windows
- **Capital expenditures in capacity expansions**
- **Employment increased**
- **Divestment to co-owners ➡ Heim & Haus back in family hands**

Revenues Heim & Haus



Preh – Successful implementation of investment strategy

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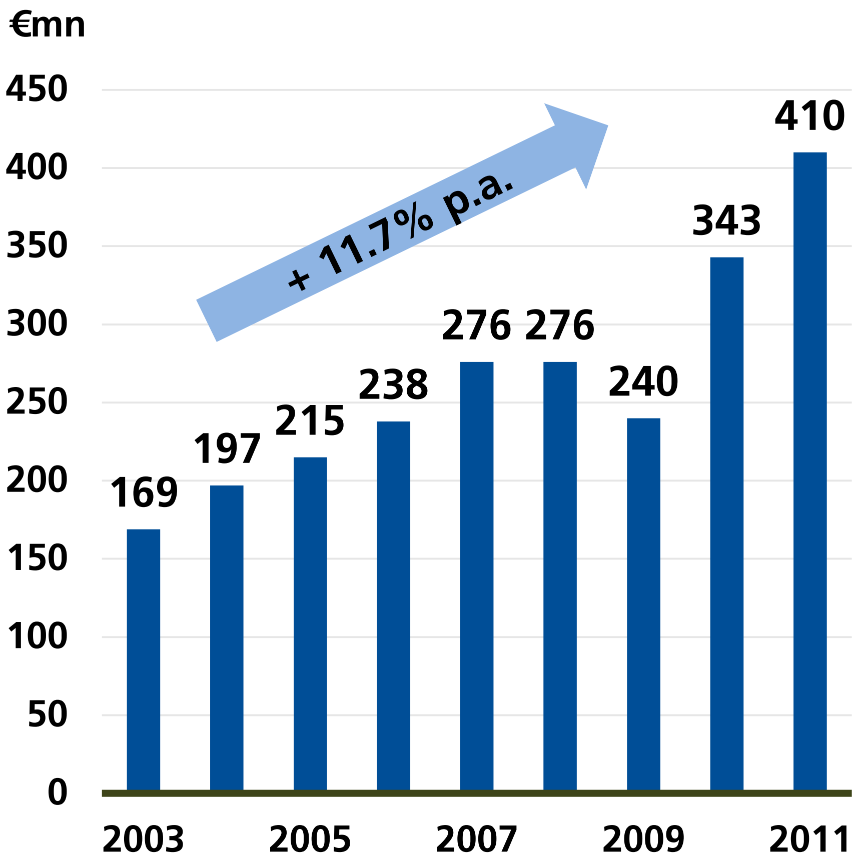
- **Transformed into a purely automotive supplier**
  - Two partial entities (2004 share of revenues: 18%) divested in 2008 and 2011
- **Attractive new product categories initiated**
  - "Electronic control units": battery management for electro-vehicles
  - "Driver control units"
- **Customer base expanded / internationalisation**
  - Sept. 2005: Production site set up in Mexico
  - March 2009: Production site set up in Romania
  - Nov. 2010: Joint venture founded and production site set up in China

  ➡ Rapid market entry in China

Preh – Growth record 2003 - 2011

Revenues automotive business



- **Margin improved**
- **Staff enlarged**
  - 2003: 1,700 employees
  - 2011: 2,700 employees
- **2009 automotive crisis overcome**
- **Outperformance vs. automotive sector**

Current income from financial assets: €9.4mn (prev.yr.: €6.6mn)

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- **Increase due to special effects**
  - Distribution of €7.6mn offset by distribution-related writedown on an investment
- **Details in Management's Report**

Other operating income: €18.5mn (prev.yr.: €14.6mn)

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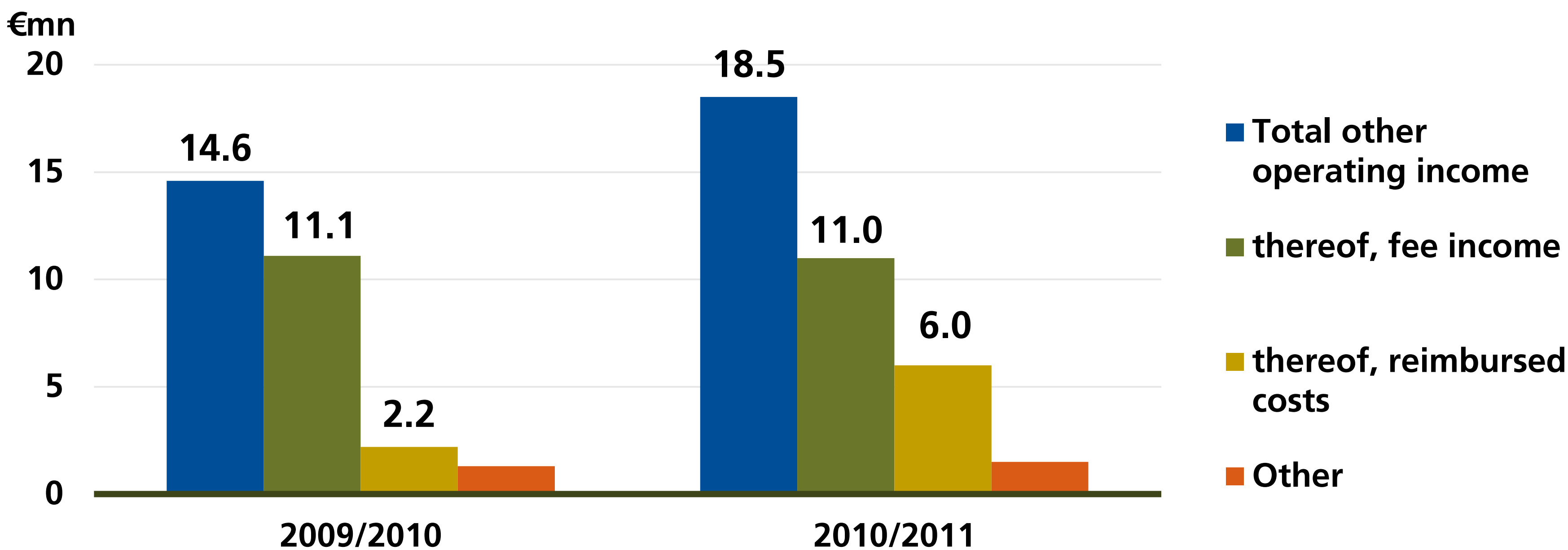
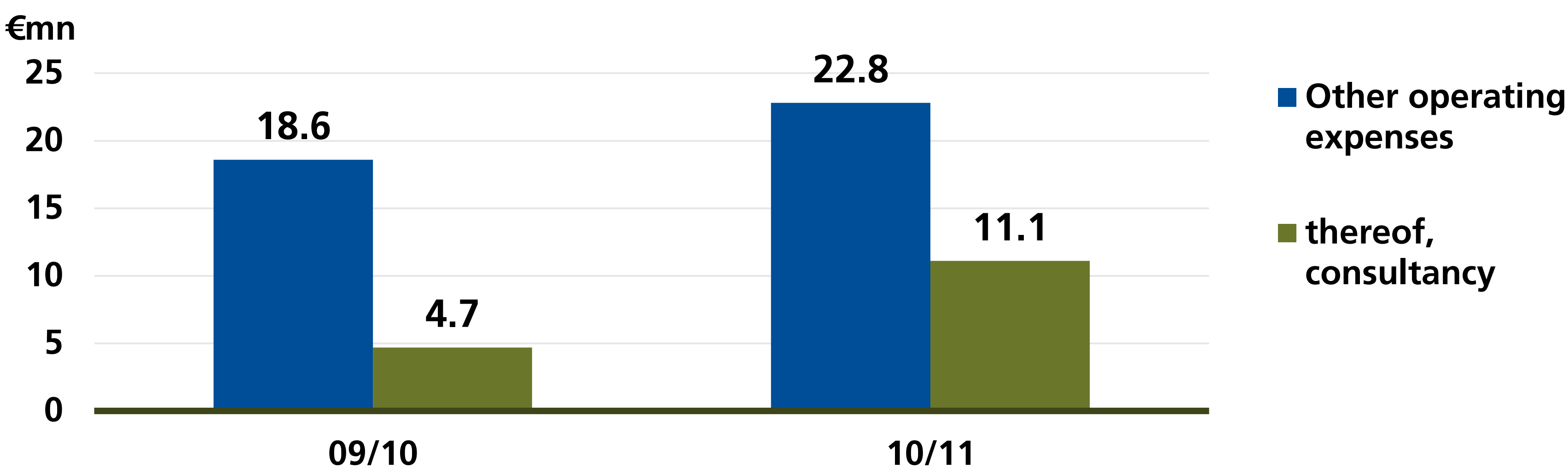
- Up considerably due to reimbursed costs (party offset by other operating expenses)
- Management fee income from DBAG Expansion Capital Fund contained since August 2011



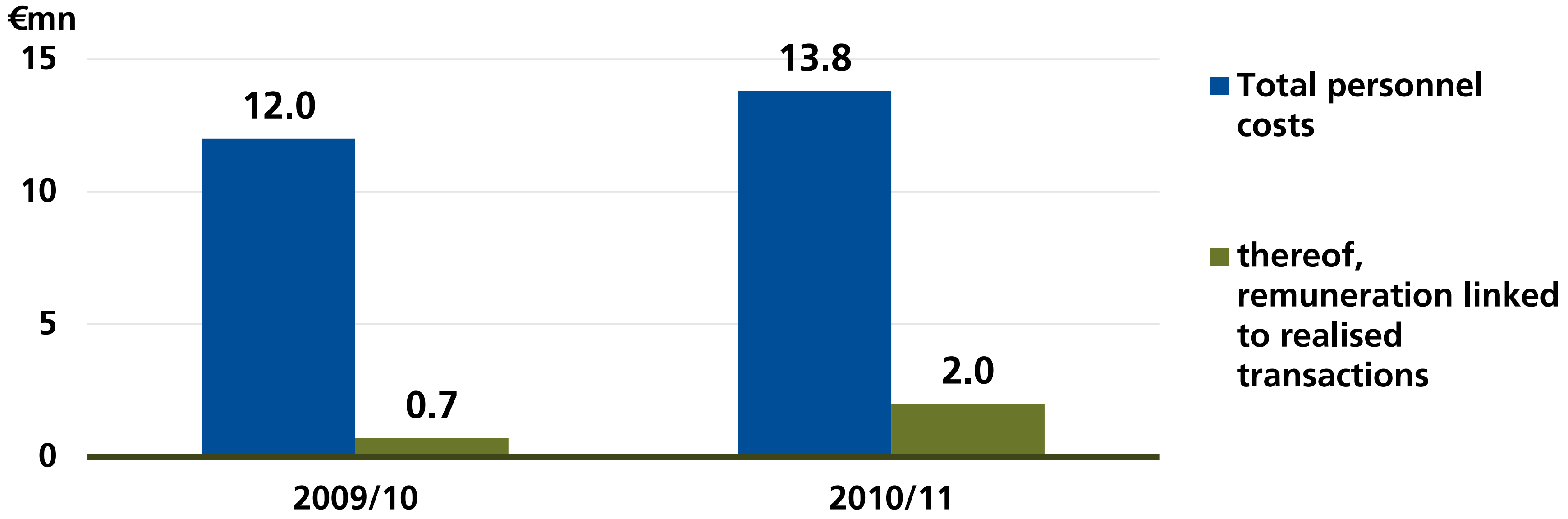
Other operating expenses: €22.8mn (prev.yr.: €18.6mn)

- **Additional provisions for possible tax risk (relates to several preceding financial years)**
- **Higher transaction-related consultancy expenses (partially offset by other operating income)**



Personnel costs: €13.8mn (prev.yr.: €12.0mn)

- **Higher performance-linked remuneration following profitable realisations (Preh, Heim & Haus)**



Net interest: €3.1mn (prev.yr.: €0.8mn)
Net taxes: €1.8mn (prev.yr.: €1.3mn)

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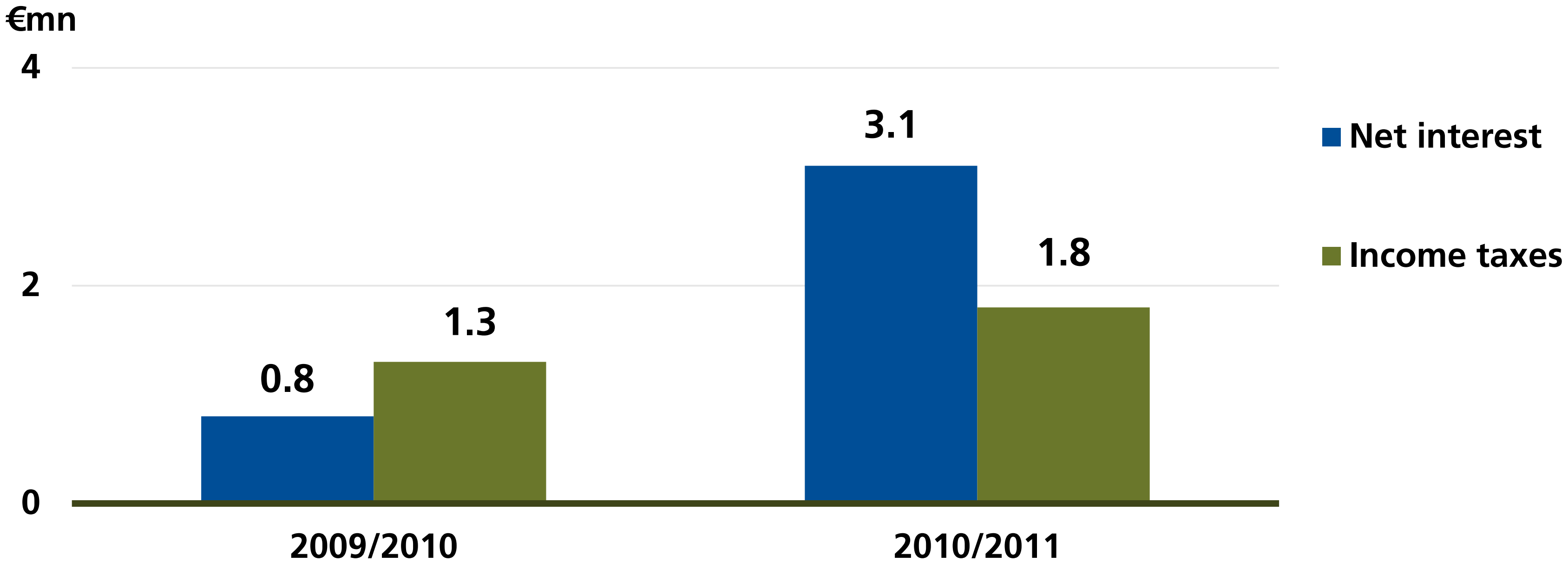
- **Increase in net interest primarily due to interest on tax refund**
- **Tax refunds in 2009/2010 and 2010/2011 from preceding years**



Balance sheet: NAV per share fell to €17.47

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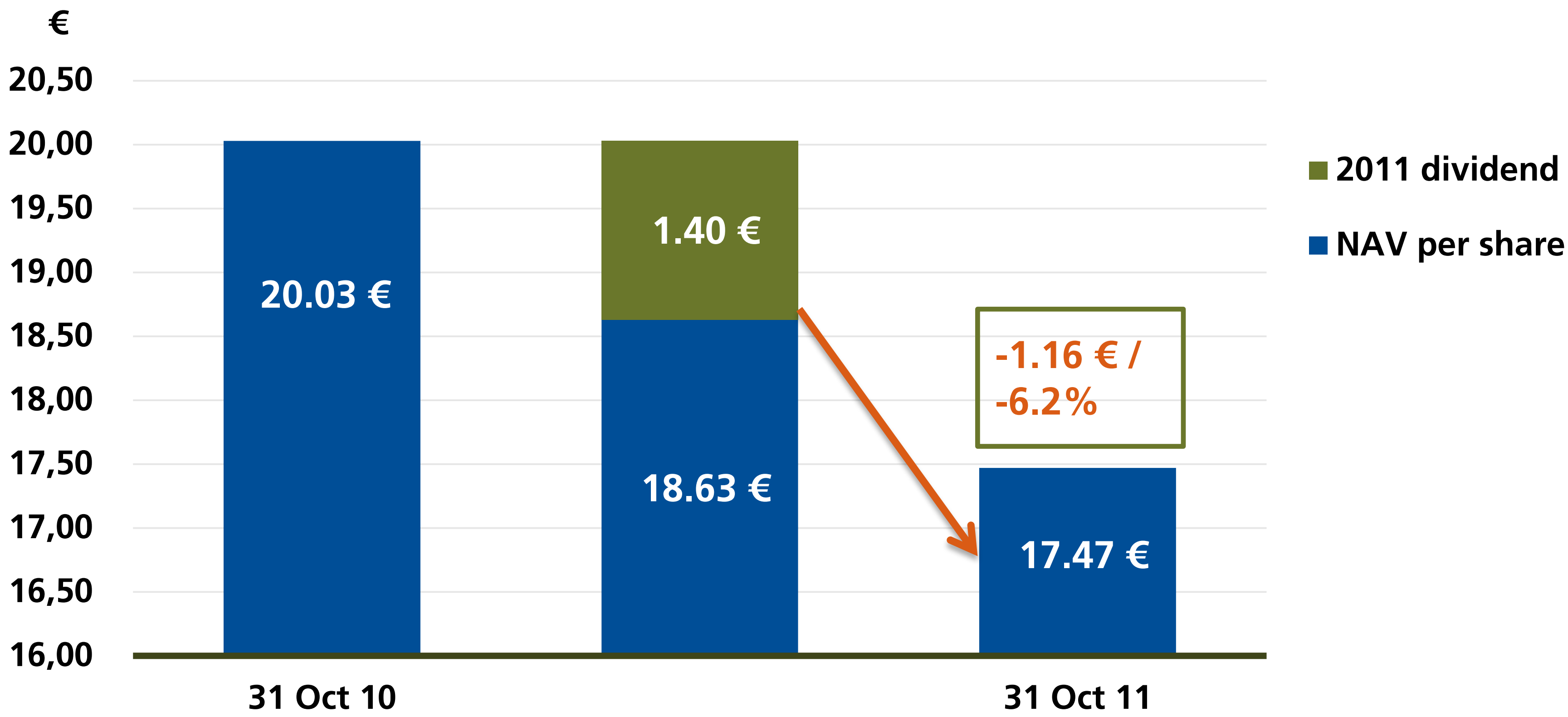
Net asset value per share lost 6.2%



Balance sheet: Liquidity of €155.6mn at reporting date

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Assets (€mn)	31 Oct. 2011	31 Oct. 2010	Liabilities (€mn)	31 Oct. 2011	31 Oct. 2010
Financial assets and loans	97.1	134.6	Equity	238.9	273.9
Other (e.g. receivables)	27.2	40.8	Non-current liabilities	10.9	15.8
Liquidity	155.6	140.7	Current liabilities	30.1	26.4
	279.9	**316.1**		**279.9**	**316.1**

- Financial assets and loans: “portfolio”, shelf companies and companies the majority of which is attributable to third parties
- “Liquidity”: cash, short-term securities and long-term securities
- Liquidity outflows for investments (Spheros GmbH, Brötje-Automation GmbH) and dividend of ~ €32mn

Ten-year average return on NAV per share: 11.2 percent

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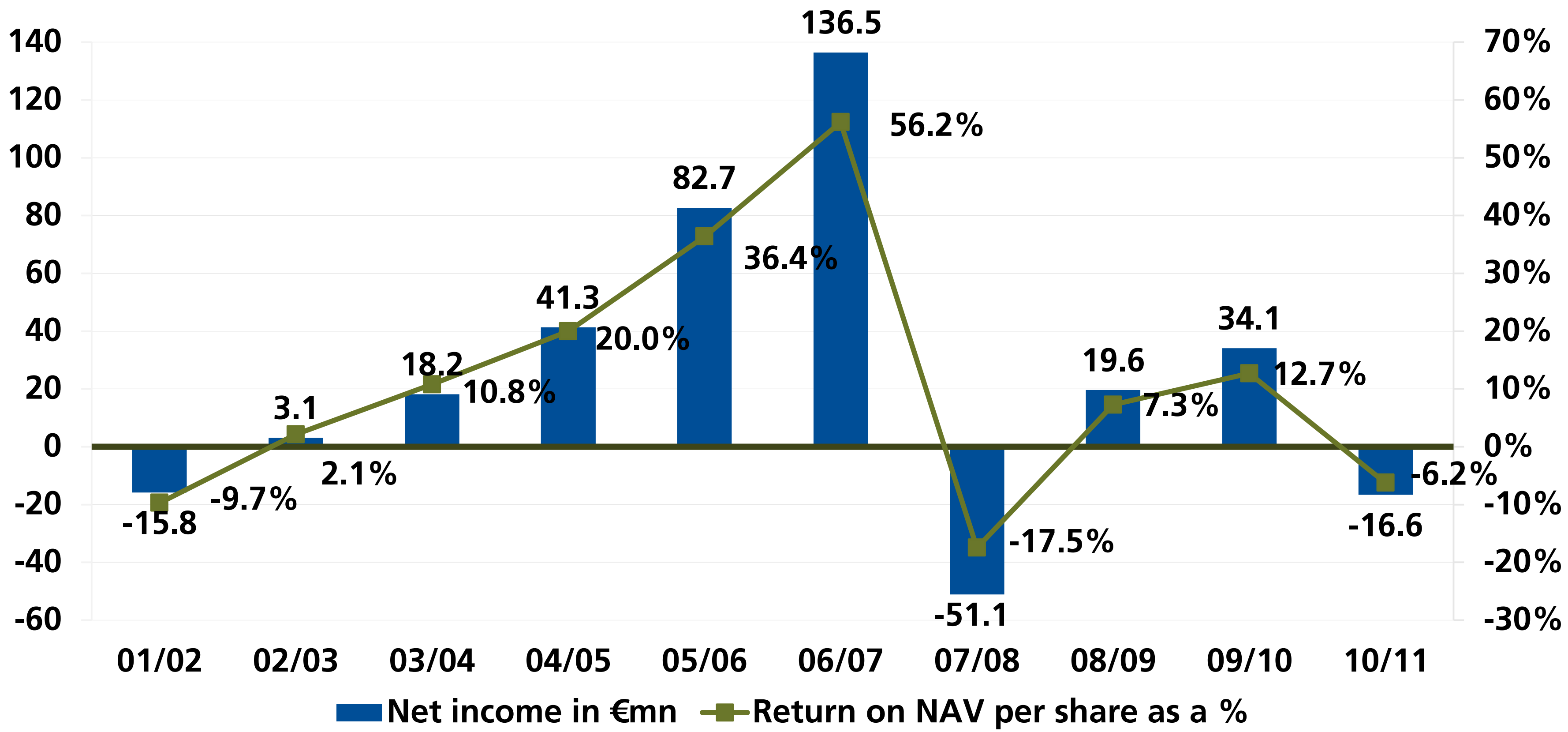

2001/02 to 2003/04 based on HGB accounting, thereafter on IFRS.

DBAG shares outperform other stocks

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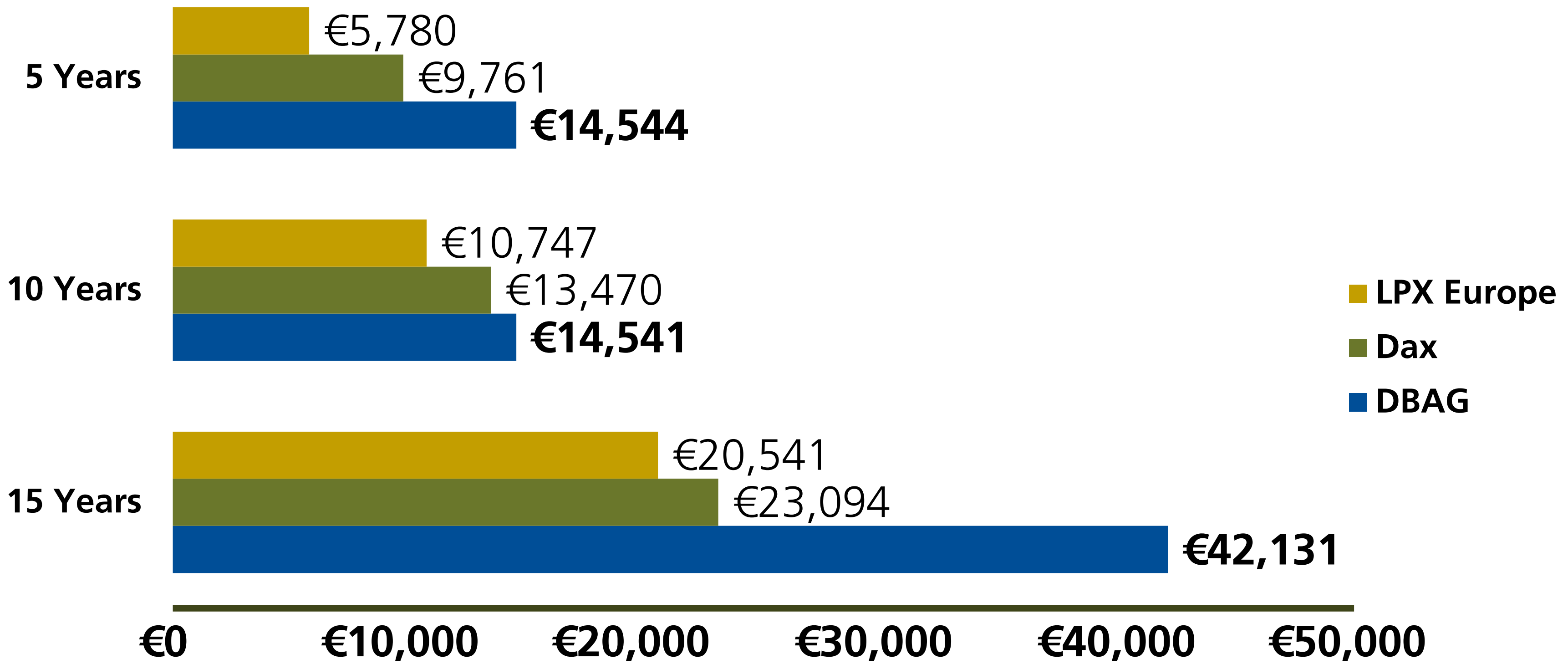
Performance comparison of DBAG portfolio
(Initial investment: €10,000, reinvested dividends and subscription rights)



Dividend policy remains unchanged

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- **Dividend recommendation for 2010/2011:**
  €0.40 € base dividend
  <u>€0.40 € surplus dividend</u>
  €0.80 € Total dividends per share
- **Total distribution: €10.9mn**
  – Equates to 44% of distributable profit

- **Objectives of our dividend policy:**
  – to allow shareowners to participate in the Company's long-term performance
  – to cushion share-price volatility

Recommended dividend represents dividend yield of 4.3%

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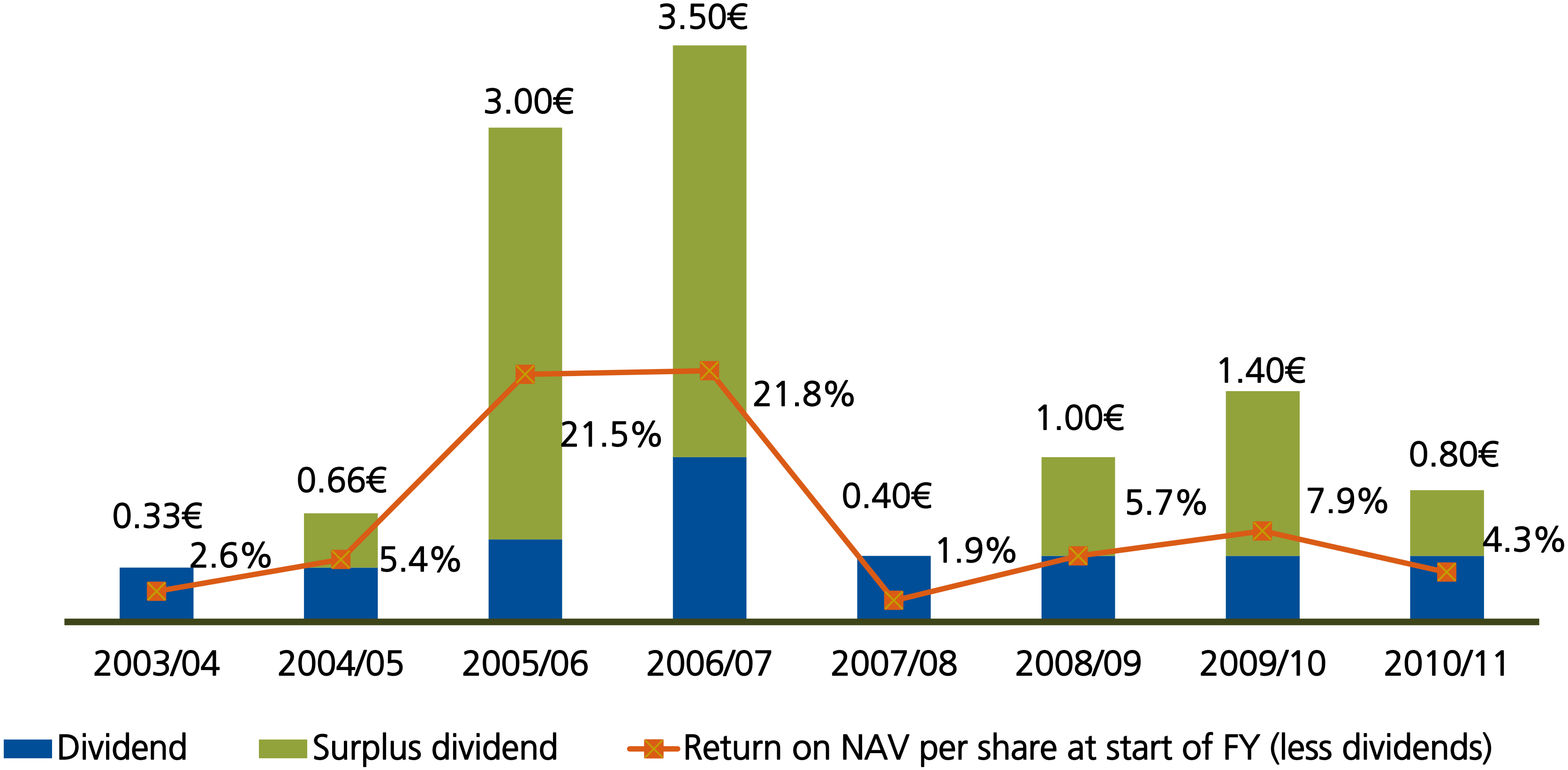
Dividend and dividend yield
(relative to opening NAV per share at start of FY)



Changes to portfolio: New investments also very international

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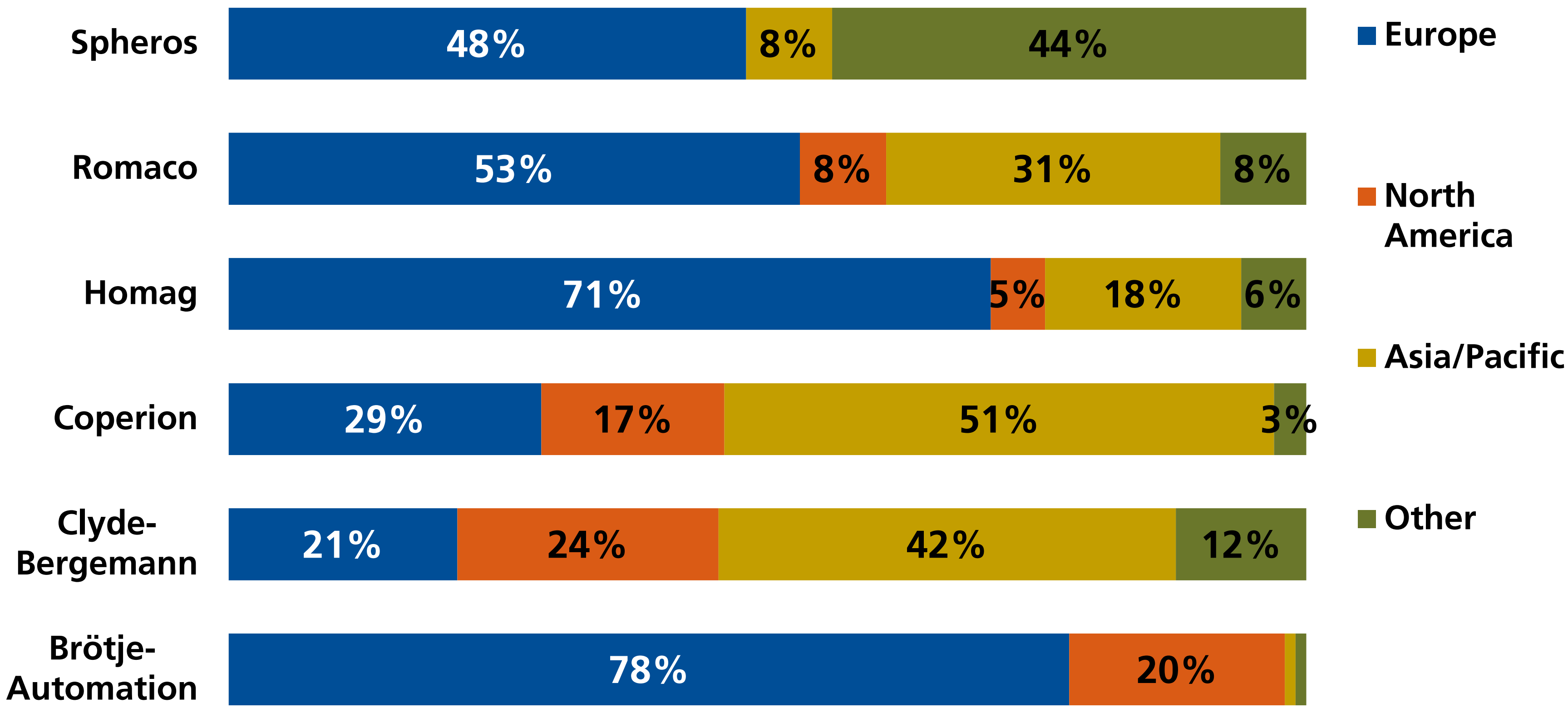
Geographical revenue split



Romaco Group – Invested in April 2011

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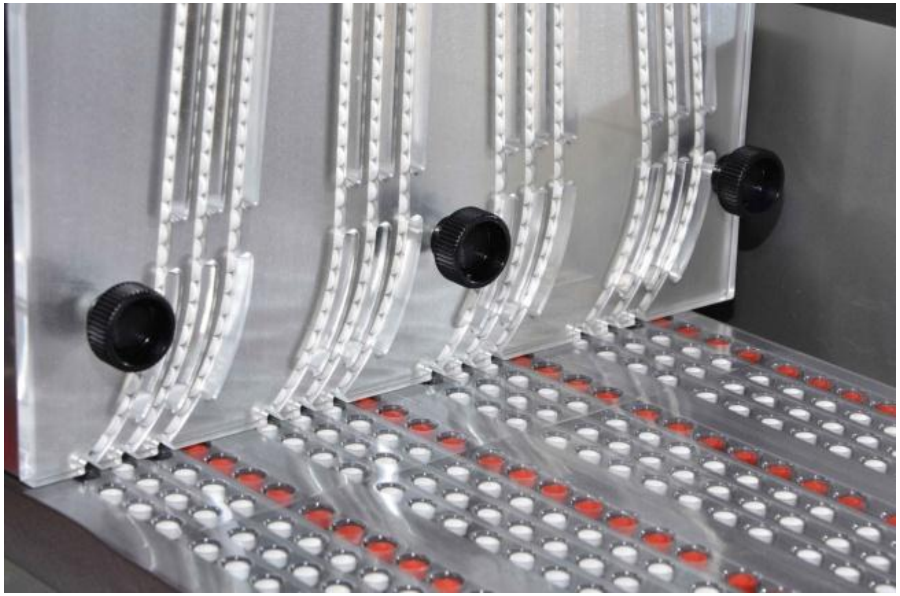
- **Leading manufacturer of machines and lines for packaging and processing applications for the pharma, cosmetics and food industries**
- **Revenues of €93mn**
- **450 employees**
- **Investment: €7.7mn for a 18.7% share (another 77.3% held by DBAG Fund V)**



Romaco at a glance

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- Two business segments:
  Packaging machines (share of revenues: 66%)
  - Technologically advanced, flexible machines
  - Clients: largely contract packers and generics manufacturers (market growing strongly)
  Process technology (33%)
  - Technologically mature products, partially with service-intensive components
  - Clients: Focus on food applications
  - Market sustainable and stable
- Standard machines with low technology risks and order sizes
- Strong service business and large installed base (24,000 machines worldwide)

Romaco – Market environment

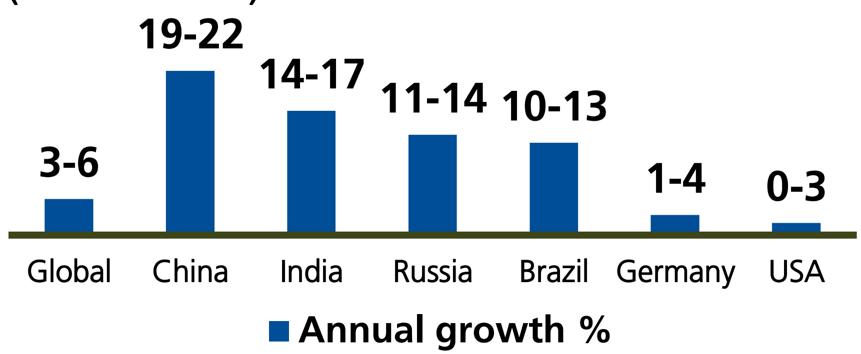
Packaging

- Expiry of patents benefit generics manufacturers
- Greater variant diversity
- New dosage forms

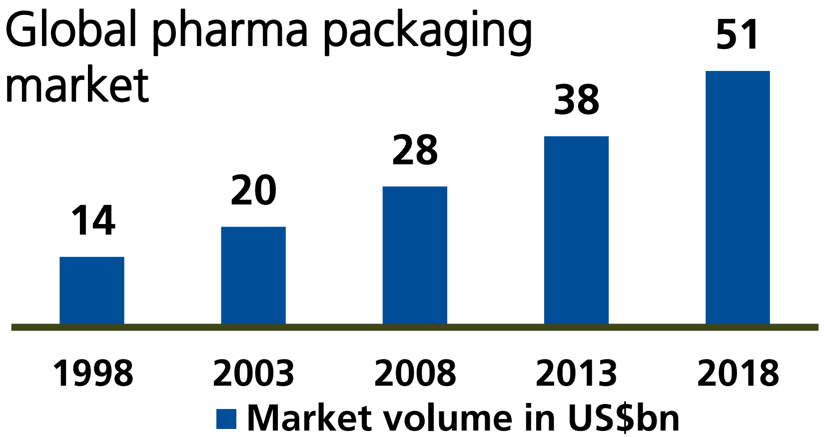
Process technology

- Stable market with strong growth rates in Asia and eastern Europe
- Technology transfer to applications in cosmetics industry

Pharma market growth (2011-2015)



Global pharma packaging market



Spheros GmbH – Invested since February 2012

- **Global leader in development and production of air conditioning/heating systems for buses**
- **Revenues of €185mn**
- **680 employees**
- **Investment: up to €15mn for up to 19% interest (plus up to 76% for DBAG Fund V)**

Spheros at a glance

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- **Global market presence**
  -Production sites in Germany, Finland, Turkey, Brazil, India and China
  - International R&D sites
- **Innovative, technologically differentiated product portfolio**
- **Leadership position in growing niche market**
- **Clients: bus manufacturers worldwide and bus fleet operators (public and private)**
- **Growth potential through…**
  …further internationalisation
  …know-how transfer to other applications

Spheros – Market environment

- **Excellent market position**
  - Spheros' market share between 15% (air conditioning units) and 35% (engine-independent heating systems)
- **Bus market a structural growth market**
  - Growing populations, urbanisation, environmental protection regulations, need for greater comfort
  - Production growing much more strongly than national product: 6.0% p.a. vs. 1.4% p.a. (2004 – 2010)
  - Future growth rates (2010 – 2015) between 3.5% and 4.9%
  - Strong market growth in China and India (5% / 10% p.a.)
- **Bus market is less cyclical than automobile and commercial vehicle industry**

Brötje-Automation – Invested since March 2012

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- A leader in development and production of machines and lines for automated aircraft assembly
- Revenues ~ €80mn, 350 employees
- Investment: approx. €6mn for an approx.17% interest (approx. another 73% held by DBAG Fund V)

Brötje-Automation at a glance

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- **Leading market player in its role as a strategic supplier to all major aircraft manufacturers**
- **Products:**
  - Joining technology, especially riveting machines
    - Automated production of fuselage and individual sections
    - Riveting of metal or carbon fibre
    - Challenge: extremely high precision for positioning of rivets
  - Assembly line construction
    - Factory planning and turnkey services
  - Service: high number of installed systems
- **Transfer of skills to other industries**
  - e.g. machines for use in wind-energy sector (rotor blade production)

Brötje-Automation – Market environment

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- **Brötje-Automation is a leader in a growth market**
  - Aircraft production: expected to grow by 3.3% from 2010 to 2020
    ➡ Expansion of existing production capacities
- **New clients: aircraft manufacturers in China and Russia**
- **Quality, reliability, service and ability to construct complete lines are important purchasing criteria for clients**
  - Long-standing customer relationships since early 1990s
- **USP through benchmark technologies**

Three new management buyouts a basis for future performance

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- **Portfolio companies operating in markets that exhibit superior growth**
- **Portfolio companies profiting from current global trends**
  - Romaco: greater prosperity in emerging countries
  - Spheros: increasing mobility
  - Brötje-Automation: increasing mobility, rising global cargo traffic
- **DBAG Fund V more than 75 percent invested**
  - Eight management buyouts, thereof
    - three family-run businesses
    - one investment (MCE) realised completely, another (Homag Group AG) partially

Focus remains on new investment – Good prerequisites

- **Experienced investment team, systematically enlarged and strengthened in key competencies**
  - Research
  - Industrial experts
  - More team members
- **Good reputation among all market participants**
  - Citations, i.a. "DACH House of the Year"
- **Ample liquid funds**
  - Liquidity of ~ €120mn on balance sheet of DBAG
  - Commitments of ~ €250mn to co-investment funds

A look at the market

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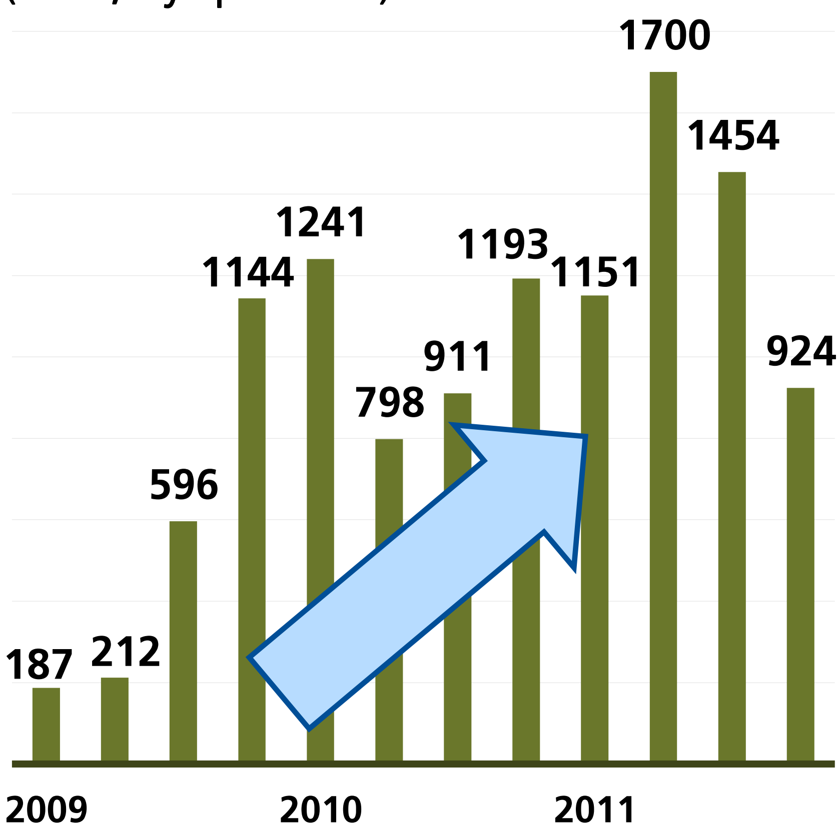
- **Private equity market basically moving forward**
- **Demand for private equity rising**
  - "Basel III"
- **Limited availability of acquisition finance**
  - "Basel III"
  - Syndicates or complex structures required
- **(Ever) shorter cycles complicate investment decisions**

PE investment in Germany
(€mn, by quarters)



Good start to new financial year: First-quarter net income of €6.9mn

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- **Net income of €6.9mn in first quarter**
- **Net asset value per share is €17.96**
  - An increase of 2.9% in the first three months of 2011/12*
- **Gain primarily derives from net result of valuation**
  - Good current trading performance by portfolio companies: 2012 budgets > 2011 actual
  - Homag (share price up 15% in Q1)
  - Higher multiples in all sectors
- **Portfolio companies continue to make good progress**

But: earnings forecasts remain difficult to make in view of prevailing uncertainty

* Based on NAV per share at 31 October 2011, less proposed dividend

Commitment to social matters

- “Friends and Sponsors of the Schirn”–

  Sponsorship continued this year

Agenda Item 1

Deutsche Beteiligungs AG

- **Presentation of the adopted annual Financial Statements and Management's Report of Deutsche Beteiligungs AG at 31 October 2011, together with an explanatory report by the Board of Management on disclosures pursuant to § 289 (4) HGB (German Commercial Code); presentation of the approved Consolidated Financial Statements and Management's Report for the Group at 31 October 2011, together with an explanatory report by the Board of Management on disclosures pursuant to § 315 (4) HGB and the Report of the Supervisory Board**

Agenda Item 2

Deutsche Beteiligungs AG

- **Resolution on the appropriation of retained profit**

Agenda Item 3

- **Resolution on the ratification of the actions of the members of the Board of Management for financial year 2010/2011**

Agenda Item 4

- **Resolution on the ratification of the actions of the members of the Supervisory Board for financial year 2010/2011**

Agenda Item 5

- **Appointment of auditors for financial year 2011/2012**

Thank you!

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- **Auf Wiedersehen in March 2013**
- **For the latest news visit www.deutsche-beteiligung.de**

Disclaimer

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This presentation contains forward-looking statements. Forward-looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Any statement in this presentation that states our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Beteiligungs AG. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our business.