



HALF-YEARLY
FINANCIAL REPORT
AT
31 MARCH 2018

1ST HALF-YEAR AND 2ND QUARTER 2017/2018

ANALYSTS' CONFERENCE, 8 MAY 2018



SPEAKERS

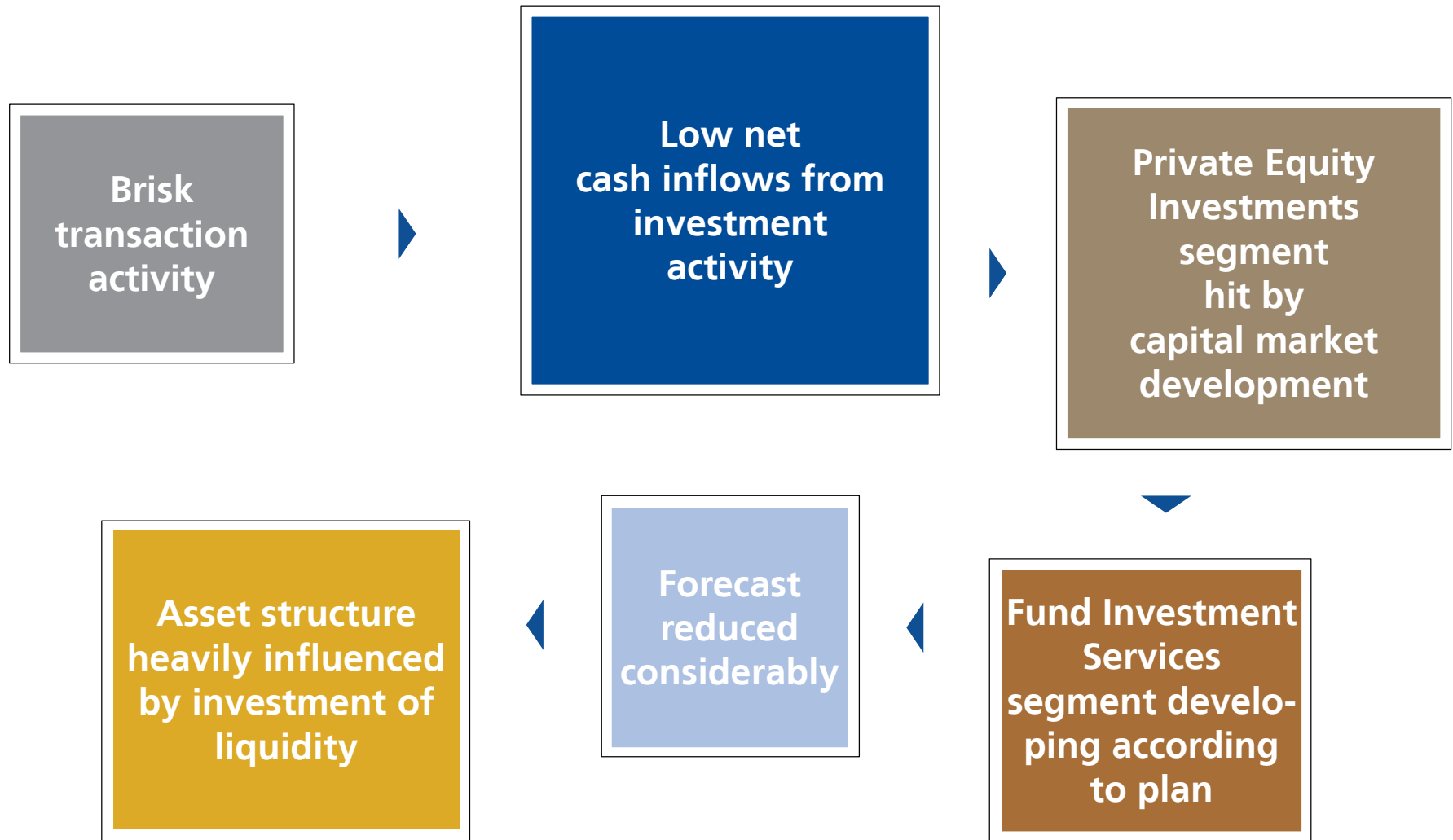


SUSANNE ZEIDLER
Chief Financial Officer



THOMAS FRANKE
Head of Public Relations
and Investor Relations

FIRST HALF AT A GLANCE



EXCURSUS: VOLATILITY TYPICAL FOR THE BUSINESS, ESPECIALLY APPARENT IN YEAR-ON-YEAR COMPARISON

Transaction activity

	H1 2016/2017	H1 2017/2018
New investments	3	2
Acquisitions in the portfolio	3	6
(Partial) Disposals	3	1
Disposals in the portfolio	0	1

Cash flow from investment activity

H1 2016/2017

24.8

MILLION EUROS

H1 2017/2018

4.0

MILLION EUROS

Capital market impact

H1 2016/2017

12.7

MILLION EUROS

H1 2017/2018

-15.8

MILLION EUROS

Net income PE investments segment

H1 2016/2017

41.9

MILLION EUROS

H1 2017/2018

16.5

MILLION EUROS

DEUTSCHE BETEILIGUNGS AG

NET INCOME:

19.3

MILLION EUROS

RETURN ON EQUITY
PER SHARE:

4.5

PERCENT

EQUITY PER SHARE:

29.43

EUROS

FINANCIAL
RESSOURCES:

135.5

MILLION EUROS

FUND INVESTMENT SERVICES

NET INCOME
BEFORE TAXES:

2.9

MILLION EUROS

ASSETS UNDER
MANAGEMENT:

1,765

MILLION EUROS

PRIVATE EQUITY INVESTMENTS

NET INCOME
BEFORE TAXES:

16.5

MILLION EUROS

NET ASSET VALUE:

447.6

MILLION EUROS

BRISK TRANSACTION ACTIVITY: GOOD INVESTMENT PROGRESS IN DBAG FUND VII AND DBAG ECF I

	Q1 2017/2018	Q2 2017/2018
<p>DBAG ECF I: Sjølund</p> <ul style="list-style-type: none"> – First investment DBAG ECF I – Co-investment DBAG: 4.5 million euros 	<p>▶ agreed</p>	<p>▶ completed</p>
<p>DBAG ECF I: netzkontor</p> <ul style="list-style-type: none"> – Second investment DBAG ECF I; more than one-quarter of the funds invested – Co-investment DBAG: 4.6 million euros 	<p>▶ agreed</p>	<p>▶ completed</p>
<p>DBAG Fund VII: Merger of duagon and MEN</p> <ul style="list-style-type: none"> – Capital increase – Co-investment DBAG: up to 11 million euros 		<p>▶ agreed</p>

FURTHER SIGNIFICANT EVENTS AND CHALLENGES IN THE SECOND QUARTER

Silbitz (DBAG Fund VI)

▶ **Partial sale to Sistema Finance completed; initial cash inflow of 1.3 million euros**

Unser Heimatbäcker
(DBAG Fund VI)

▶ **Capital increase in the course of restructuring measures; DBAG invests a further 1.4 million euros**

DBG Eastern Europe II
(externally managed)

▶ **Penultimate investment successfully sold**

Current
challenges

▶ **Shortage of staff and personnel expenses, commodity prices, currency exchange rates, production capacities**

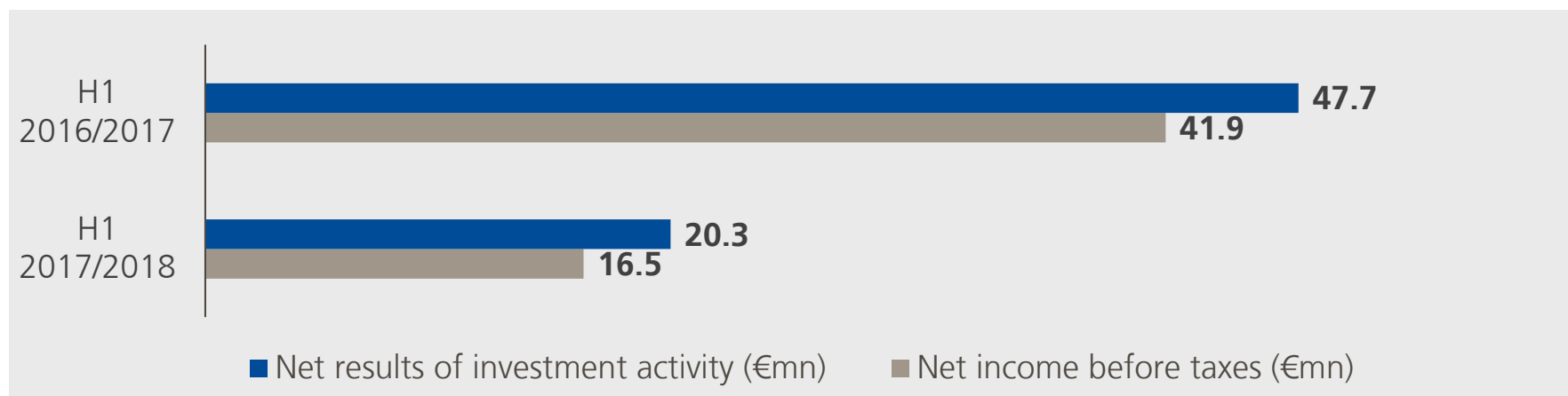
PRIVATE EQUITY INVESTMENTS: NET RESULT HIT BY CAPITAL MARKET DEVELOPMENT

Net result of investment activity: 20.3 million euros following 47.7 million euros in the previous year

- Hit by capital market development (drop in valuation multiples)
- Successful disposals in the previous year; no comparable contribution to earnings from the disposal of a portfolio company in this financial year

Lower negative balance of other income/expenses compared to the previous year: 3.8 million euros

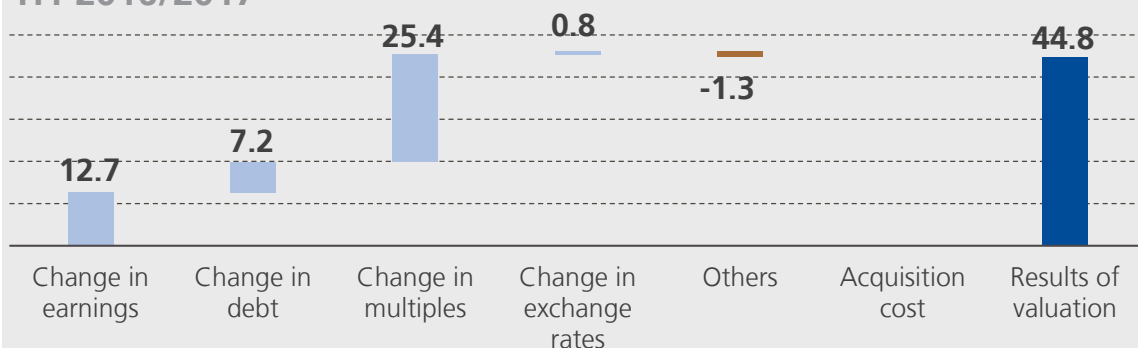
- Performance-based remuneration from Grohmann sale in the previous year (1.6 million euros)



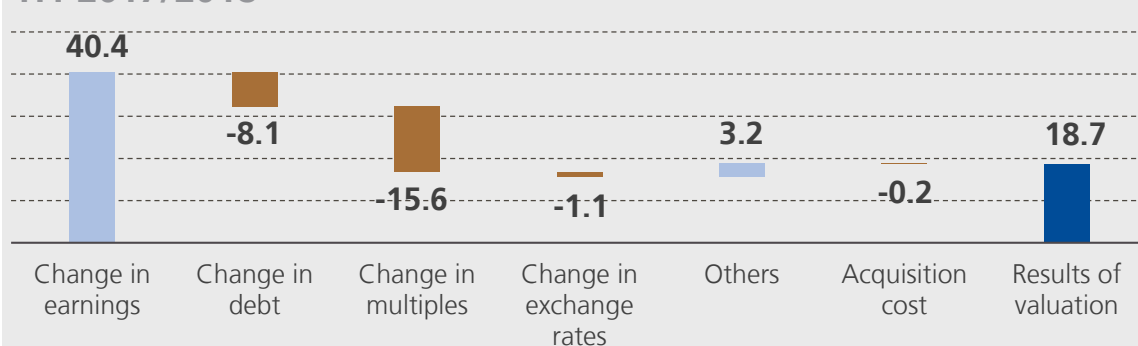
PE INVESTMENTS: VALUE CONTRIBUTION FROM PORTFOLIO SIGNIFICANTLY BETTER THAN IN PREVIOUS YEAR

Net results of valuation (€mn)

H1 2016/2017



H1 2017/2018



Capital market development is having a significantly negative impact on net result of investment activity and net income compared to the previous year

In the previous year, a multiples effect resulted in 12.7 million euros from valuations on the capital market and 12.8 million euros from information gleaned from ongoing disposal processes

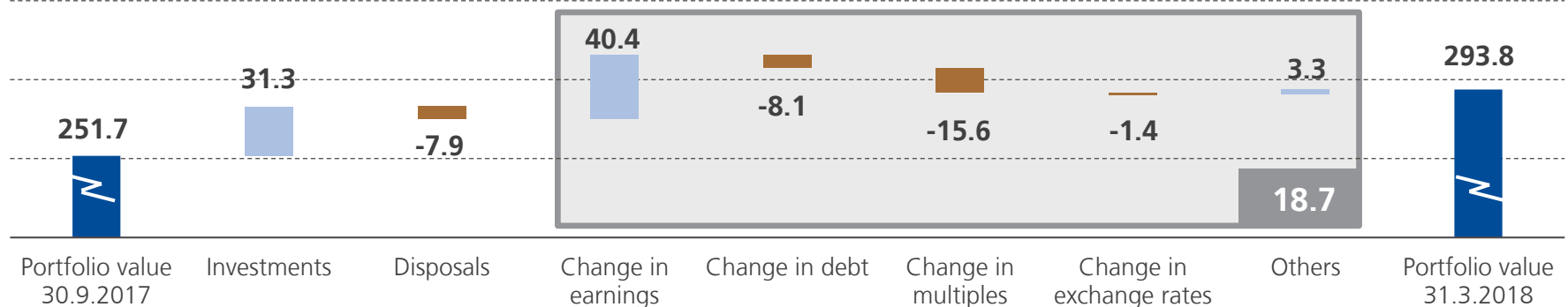
PRIVATE EQUITY INVESTMENTS: PORTFOLIO VALUE INCREASES THROUGH INVESTMENTS AND EARNINGS

Investments: primarily More than Meals, Sjølund and netzkontor, as well as various follow-on investments

Disposals: primarily due to Cleanpart selling a line of business, the partial disposal of Silbitz and the repayment of Coperion shareholder loan

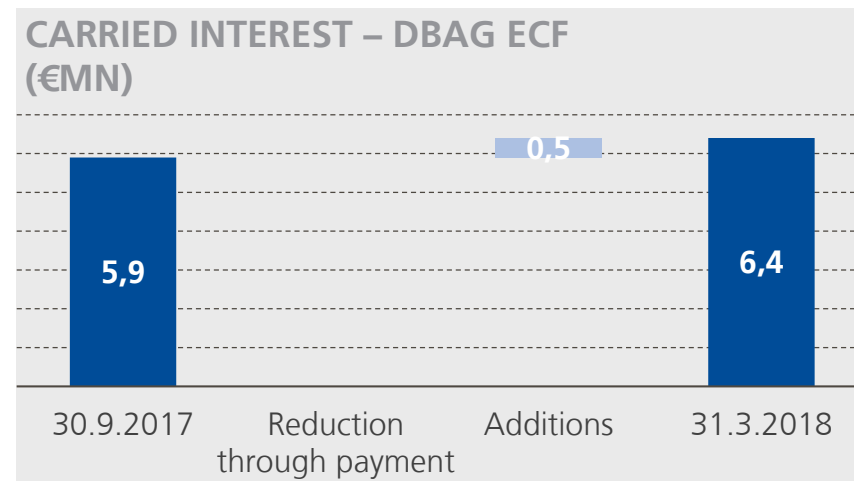
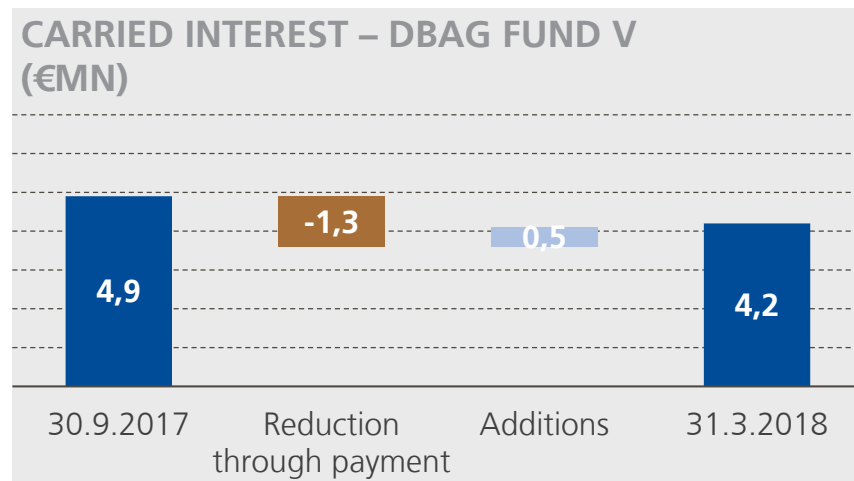
Changes in earnings: positive contribution from 11 out of 24 portfolio companies

DEVELOPMENT IN PORTFOLIO VALUE (€MN)



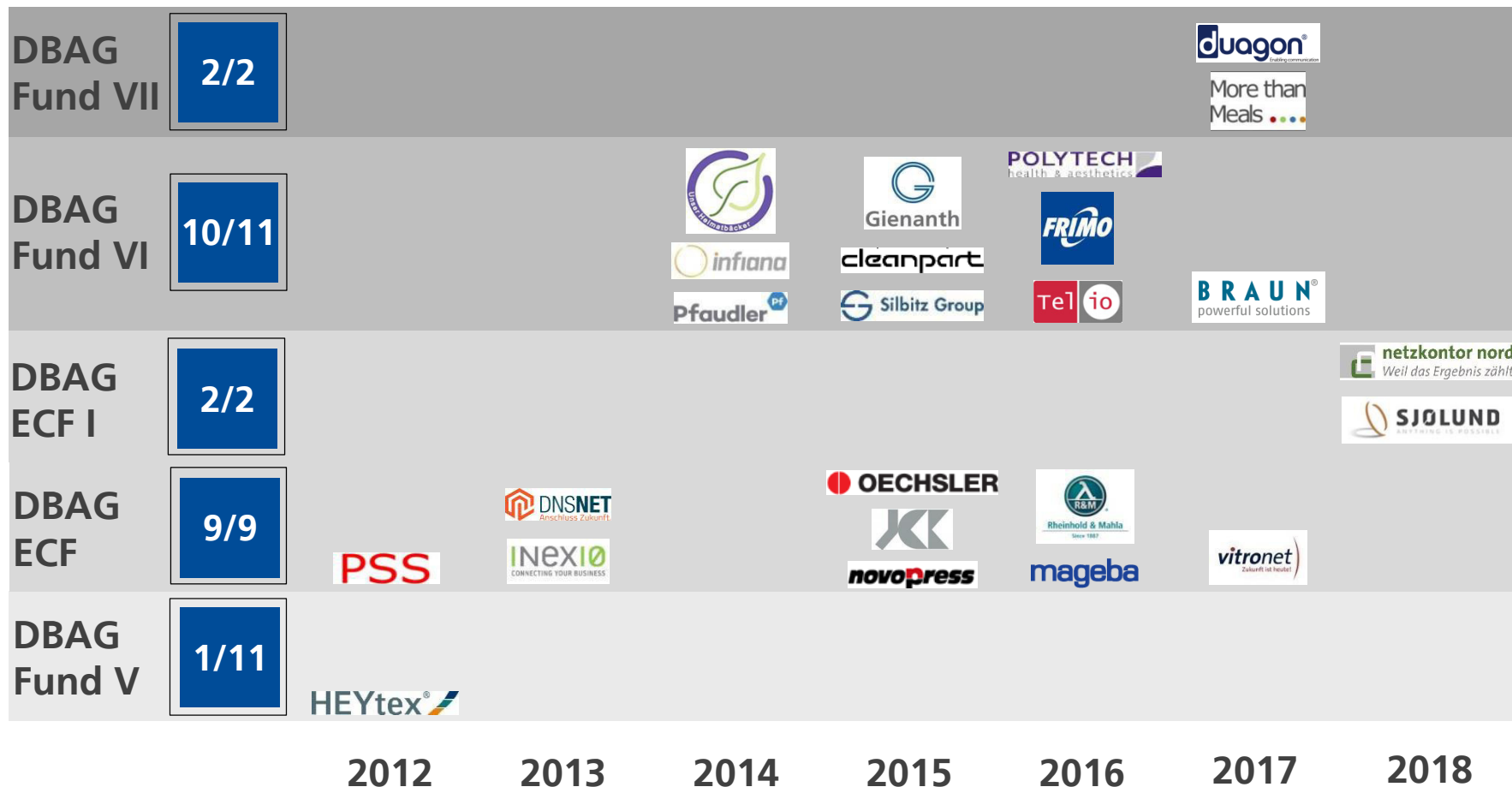
CARRIED INTEREST IN THE FIRST HALF OF THE YEAR

(€mn)	30.9.2017	31.3.2018	Changes
Carried Interest	10.8	10.5	-0.3
Other interests	2.1	2.1	0.0
Minority interest in investment entity subsidiaries	12.9	12.6	-0.3



No carried interest (CI) included for DBAG Fund VI and DBAG Fund VII; arithmetical CI DBAG Fund VI at 31 Mar 2018: 9.3 million euros (30 Sep 2017: 8.4 million euros); arithmetical CI DBAG Fund VII at 31 Mar 2018: 0.6 million euros (30 Sep 2017: 0.0 million euros)

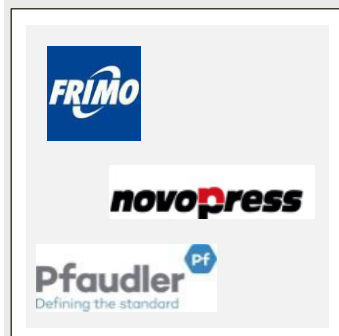
PRIVATE EQUITY INVESTMENTS: PORTFOLIO AT 31 MARCH 2018



Not yet completed at the reporting date: investment in a radiology group (DBAG Fund VII), agreed in March 2017
 Not included: investments in two externally managed international buyout funds

PRIVATE EQUITY INVESTMENTS: SECTOR DISSEMINATION MINIMISES RISK

Four DBAG core sectors



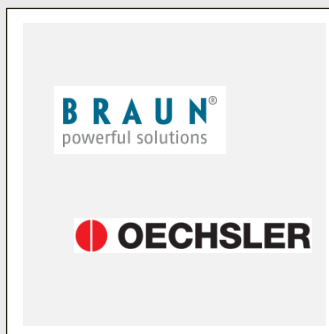
Mechanical and
plant engineering:
**19% of
portfolio value**



Industrial
components:
**31% of
portfolio value**



Industrial
services:
**9% of
portfolio value**



Automotive
suppliers:
**10% of
portfolio value**

Other sectors



..., to which the
DBAG platform permits
special access:
26% of portfolio value

Not included: other investments, including investments in externally managed international buyout funds (5 percent of the portfolio value)

PRIVATE EQUITY INVESTMENTS: PORTFOLIO ALSO BALANCED BY SIZE CATEGORIES

Recent portfolio: High share of portfolio companies at the beginning of their development phase

Portfolio value of 293.8 million euros corresponds to 1.4 times the original transaction value



Not included: other investments, including investments in externally managed international buyout funds (5 percent of the portfolio value)

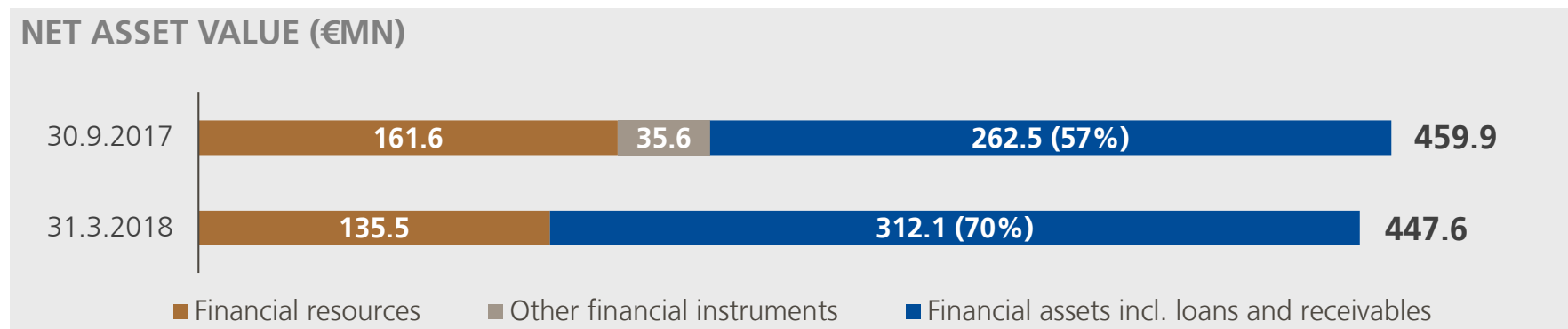
PRIVATE EQUITY INVESTMENTS: NET ASSET VALUE NEARLY UNCHANGED

Net assets equate to gross assets

- Strategy: financing of DBAG via the capital market
- Credit facility (50 million euros) to compensate for irregular cash flows not drawn down at the reporting date

Significant asset: portfolio value (293.8 million euros)

Other financial instruments: Short-term loans included as a part of the structuring of new investments (More than Meals, duagon) repaid in the second quarter; amount now distributed among financial assets and financial resources

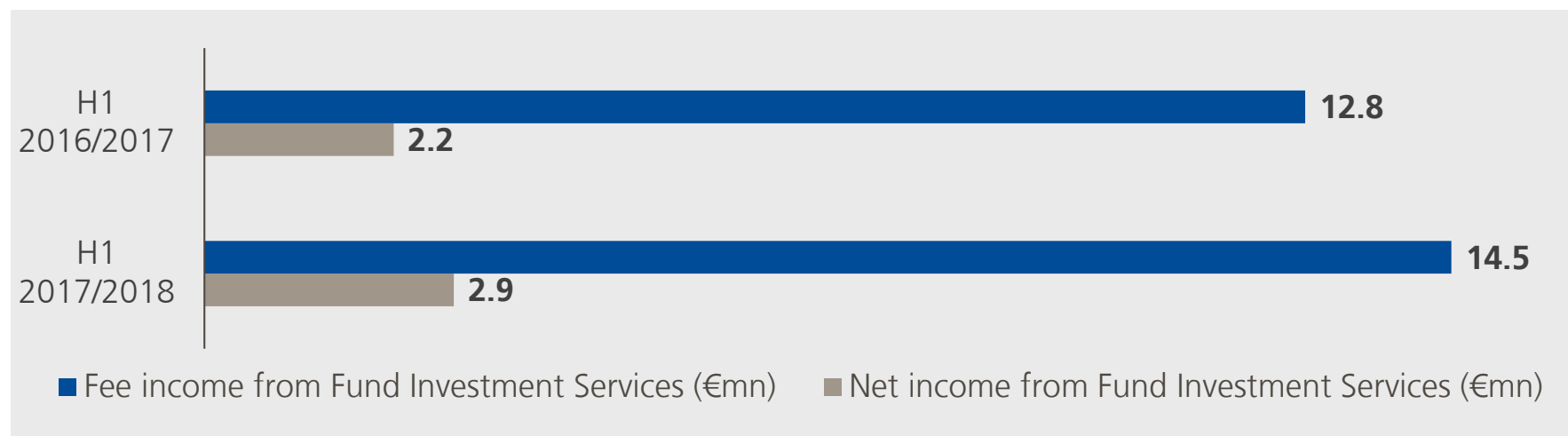


FUND INVESTMENT SERVICES SEGMENT DEVELOPING ACCORDING TO PLAN

Lower basis of calculation for remuneration from DBAG Fund V following disposals (now only a single investment)...

...more than compensated for by income from DBAG Fund VII (8.1 million euros)

Additional, transaction-related remuneration after the first investments of DBAG ECF First New Vintage (0.4million euros)



OUTLOOK: FORECAST SIGNIFICANTLY REDUCED FOR FINANCIAL YEAR 2017/2018

	BASIS FOR THE FORECAST	FORECAST 2017/18 NOVEMBER 2017	FORECAST 2017/18 APRIL 2018
NET RESULT FROM INVESTMENT ACTIVITY	46.7 million euros	Significantly higher	Moderately lower
FEE INCOME FROM FUND MANAGEMENT AND ADVISORY SERVICES	28.1 million euros	Slightly higher	Slightly higher
NET INCOME	43.0 million euros	Significantly higher	Moderately lower

“slightly”: ≤ 10%; “moderately”: 10–20%; “significantly”: ≥ 20%

ASSET STRUCTURE HEAVILY INFLUENCED BY INVESTMENT OF LIQUIDITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS (€MN)

