

# QUARTERLY STATEMENT

AT 31 DECEMBER 2019  
1ST QUARTER 2019/2020

## AT A GLANCE

Exchange-listed Deutsche Beteiligungs AG (“DBAG”) invests in well-positioned mid-sized companies with potential for growth. For many years, we have focused on those industry sectors where Germany’s ‘Mittelstand’ is particularly strong in international comparison. A growing portion of DBAG’s equity investments is deployed in its new focus sectors of

broadband/telecommunications, IT services/software and healthcare. Our long-term, value-enhancing entrepreneurial investment approach makes DBAG a sought-after investment partner in the German-speaking world. We have achieved superior performance over many years – for our portfolio companies as well as for our shareholders and investors.

## CONSOLIDATED KEY FIGURES

		1st quarter 2019/2020	1st quarter 2018/2019
<b>Core business objective: increase the Company's value</b>			
Net asset value (reporting date 30.9.)	€mn	465.1	472.1
Net income from Fund Investment Services	€mn	1.7	1.5
<b>Private Equity Investments segment</b>			
Net income from investment activity	€mn	0.1	(21.1)
Earnings before taxes	€mn	(1.9)	(22.9)
Cash flow from investment activity	€mn	(43.8)	(17.5)
Net asset value (reporting date 30.9.)	€mn	465.1	472.1
<b>Fund Investment Services segment</b>			
Income from Fund Services	€mn	7.4	7.6
Earnings before taxes	€mn	1.7	1.5
Assets under management or advisory (reporting date 30.9.)	€mn	1,678.5	1,704.4
<b>Other indicators</b>			
Net income	€mn	(0.2)	(21.4)
Earnings per share <sup>1</sup>	€	(0.01)	(1.42)
Equity (reporting date 30.9.)	€mn	459.9	460.2
Number of employees (reporting date 30.9., including apprentices) <sup>2</sup>		71	75

1 Based on the weighted average number of shares in the respective period

2 31 Dec 2019: Three positions temporarily duplicated



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OTHER DISCLOSURES

NET ASSET VALUE  
DOWN SLIGHTLY,  
TO

**465.1**

MILLION EUROS



LEVEL OF INVESTMENT  
RAISED FURTHER,  
AS A **BASIS FOR**  
GROWTH



NEUTRAL EFFECT  
FROM PORTFOLIO VALUATION



EARNINGS FROM FUND  
INVESTMENT SERVICES  
SLIGHTLY IMPROVED –  
AS EXPECTED – TO

**1.7**

MILLION EUROS



UNCHANGED  
**SUBDUED OUTLOOK**  
FOR 2019/2020

## LETTER TO OUR SHAREHOLDERS

Frankfurt/Main, 7 February 2020

*Dear Shareholders,*

We presented our revamped target system in the 2018/2019 Annual Report. Since the beginning of the new financial year, it has provided the foundation for managing the Company. Even though we are reporting the two key financial indicators of the new system on a quarterly basis, it remains true that any single quarter (or even one financial year) does not say much about the success of our business activities.

There was only an insignificant change in the net asset value during the period under review. As some of our portfolio companies are feeling the effects of recession in the German industrial segment, it was down by 1.5 per cent on the figure at 30 September 2019 to 465.1 million euros. The earnings contribution generated by Fund Investment Services showed some improvement, rising slightly from 1.5 million euros in the previous year to 1.7 million euros, thanks in particular to a considerable overall reduction in expenses.

The adverse economic environment means that we remain cautiously optimistic as far as the current financial year is concerned. Nevertheless, it is precisely in periods like these that additional opportunities can arise for our portfolio companies: opportunities that we can help them to identify and exploit in our role as a highly experienced advisor. As a result, we will continue to successfully develop our diversified portfolio in the future, both in our new focus sectors, which are often dominated by digital business models, and in our core sectors, which include industries that have traditionally been mainstays of the German economy.

Going forward, our new DBAG Fund VIII, which we launched in 2019 with a volume of 1.1 billion euros, will be available for new investments. It will not only significantly increase DBAG's assets under management or advisory to approximately 2.5 billion euros, as against 1.7 billion euros as at 31 December 2019, but it will also increase DBAG's co-investment commitments by 25 per cent, to 255 million euros. Further potential is offered by investments that we intend to make exclusively on our own books ("Principal Investments"): we have yet again improved our offering aimed at the mid-market segment, providing long-term capital for investments in family-owned businesses, without the restrictions associated with the terms of standard private equity funds.

The Board of Management  
of Deutsche Beteiligungs AG



Torsten Grede



Dr Rolf Scheffels



Susanne Zeidler

## REVIEW OF KEY EVENTS AND TRANSACTIONS

The first quarter of the 2019/2020 financial year saw Deutsche Beteiligungs AG support several acquisitions at the level of its portfolio companies, which were completed either during the quarter under review or shortly after it came to a close.

In addition, a number of transactions that had already been agreed in the fourth quarter of the previous financial year were closed. These included the sale of the minority interest in inexo Beteiligungs GmbH & Co. KGaA, which DBAG had held alongside DBAG ECF. The MBO of Cartonplast Holdings GmbH, in which DBAG had invested together with DBAG Fund VII in the fourth quarter of 2018/2019, was also completed. The same applies to the MBO of STG Group, in which DBAG holds an interest together with DBAG ECF.

### DBAG Fund VIII launched with a volume of 1.1 billion euros

We have launched DBAG Fund VIII, a new private equity fund with a volume of 1.1 billion euros. Once the placement has been completed, outstanding capital commitments and, as a result, the assets under management or advisory, will increase considerably to around 2.5 billion euros.

During a short and successful placement phase, we were able to generate capital commitments totalling in excess of one billion euros until 31 December 2019. Like its predecessors, the fund consists of two sub-funds: a principal fund and a top-up fund. This structure allows us to expand our investment universe.

The principal fund will predominantly structure equity investments between 40 and 100 million euros. Including the top-up fund, up to around 220 million euros can be invested per transaction, putting larger companies on our radar as well. In total, we expect this fund to make between 12 and 14 investments.

### DBAG Fund VII: Cartonplast MBO completed, blick uses acquisitions to strengthen its position

The Cartonplast MBO – agreed in the fourth quarter of the 2018/2019 financial year – was completed during the period under review. This investment from our core industrial services sector was one of the largest single investments in our history: we have invested 25.7 million euros alongside DBAG Fund VII using the top-up fund. Cartonplast primarily rents plastic layer pads for the transport of glass containers for foodstuffs. Within its customer value chain, the company has established a closed logistics cycle for this purpose.

It is reaping the benefits from the increasing trend towards outsourcing and the mounting importance of sustainability efforts. By further internationalising its business and expanding its offering, Cartonplast is expected to experience dynamic growth in the years ahead.

The radiology group blick, which belongs to the DBAG Fund VII portfolio, is experiencing rapid growth thanks to acquisitions. In September 2019, agreements were reached on the takeover of an additional dialysis practice (Morlock) and a highly specialised regional hospital in Berlin. The acquisition of Morlock was completed just after the end of the quarter under review, whereas the purchase of the hospital was completed before the quarter came to a close. Since a major proportion of this hospital's revenue is generated from outpatient examinations or treatments focused on radiological services, it is an excellent strategic fit for blick. The acquisition of the hospital, Klinik Helle Mitte, will increase the number of the group's doctors by around one fifth. Going forward, the hospital will act as the nucleus of blick's further buy-and-build strategy.

### DBAG ECF: STG MBO completed and first few acquisitions agreed, netzkontor nord also experiencing acquisition-driven growth

The 'buy-and-build' approach also forms a key component of the strategic rationale for the investment in STG Group: the purpose is to combine a portfolio of regional businesses, in order to enhance customer service and to realise synergies within the scope of a larger structure. In addition to organic growth, acquisitions are a key component of the growth strategy pursued by STG, DBAG's sixth investment in the

broadband/telecommunications focus sector. The MBO was agreed in the past financial year alongside DBAG ECF, and was completed in the quarter under review. STG focuses on the construction of fibre optic networks. As well as expanding its regional presence, the company also aims to expand its future service offering as an operator of fibreoptic networks for large telecommunications companies and the housing industry.

In the first three months of the current financial year, the takeover of Leinberger-Bau GmbH and three other subsidiaries belonging to the Leinberger Group marked the execution of what is already the second acquisition: Leinberger Bau (2019 revenues: approximately 22 million euros) is a full-service provider of supply and communication networks; ISKA Schön (2019 revenues: approximately 35 million euros) is a provider of specialist subterranean construction and maintenance services, especially in telecommunications and trenching, with a focus on Bavaria. Both transactions were closed shortly after the reporting date and will allow STG to expand its network installation capacities, broadening the geographical scope of its business activities to cover the German federal states of Hesse and Bavaria.

STG has executed both acquisitions without the commitment of further equity. A further company acquisition was agreed at the beginning of the new year, and work is in progress on another. All in all, STG Group aims to use these four takeovers to multiply its revenues to more than 100 million euros per annum, just a few months following the start of our investment in November 2019.

netzkontor nord is another portfolio company held by DBAG ECF alongside DBAG that operates in the broadband communications segment and successfully completed acquisitions in the first quarter of the new financial year: the acquisition of Voss Telecom Services GmbH had already been completed by the quarterend date, while the purchase of SSF Telekommunikations Management GmbH was finalised shortly after the end of the quarter. netzkontor nord financed both acquisitions using its own resources.

The business models of Voss and netzkontor nord complement each other extremely well. Voss also operates in North Rhine-Westphalia, Baden-Württemberg and Hesse and will provide the platform for future growth in western Germany for netzkontor nord, whose regional focus has been on Schleswig-Holstein to date.

## New offering: Principal Investments with a longer term

We have diversified our investment strategy even further, and will also be making investments from DBAG's own balance sheet in the future. This will create additional impetus for boosting net asset value, as we will be able to exploit investment opportunities that do not fit the investment strategies that we apply to the funds we advise.

In this context, we are thinking primarily of family-owned businesses that are looking for a minority shareholder to provide equity capital for a period extending beyond the usual term of a private equity fund. We envisage holding such investments for seven years or more.

# FINANCIAL PERFORMANCE

## Overview

Net income for the first quarter of 2019/2020 came to -0.2 million euros, up significantly on the figure of -21.4 million euros reported for the same period of the previous year. The increase can be attributed largely to net income from investment activity, which improved from a net loss of -21.1 million euros in the previous year to a net gain of 0.1 million euros.

It is important, however, to bear in mind that the structure of these earnings has changed: in the previous year, a

clearly positive value contribution made by the operating performance of our portfolio companies was more than offset by hefty declines in the multiples of listed peer group companies. In the quarter under review, on the other hand, a negative value contribution from operating performance was offset by slightly positive effects from the change in multiples. We already communicated this foreseeable development of gross gains and losses on measurement and derecognition in an adhoc disclosure by DBAG published on 14 January 2020.

At 7.1 million euros, income from Fund Services was, as expected, slightly lower than in the previous year (7.4 million euros). Net expenses from other income/expenses improved to 7.3 million euros as against 7.7 million euros in the previous year, in particular because of a considerable drop in other operating expenses.

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Net income from investment activity	59	(21,106)
Income from Fund Services	7,097	7,405
<b>Income from Fund Services and investment activity</b>	<b>7,156</b>	<b>(13,701)</b>
Personnel expenses	(4,794)	(4,853)
Other operating income	853	1,854
Other operating expenses	(3,266)	(4,577)
Net interest income	(134)	(140)
<b>Other income/expenses</b>	<b>(7,342)</b>	<b>(7,716)</b>
<b>Earnings before taxes</b>	<b>(186)</b>	<b>(21,418)</b>
Income taxes	0	0
<b>Earnings after taxes</b>	<b>(186)</b>	<b>(21,418)</b>
Net income attributable to other shareholders	(2)	(5)
<b>Net income</b>	<b>(188)</b>	<b>(21,422)</b>
Other comprehensive income	(94)	(302)
<b>Total comprehensive income</b>	<b>(282)</b>	<b>(21,748)</b>

**INCOME FROM FUND SERVICES AND INVESTMENT ACTIVITY** increased to 7.2 million euros in the first quarter of the current financial year, compared with -13.7 million euros in the same quarter of the previous year. This is attributable to the development in net income from investment activity that mainly determine this item, both in terms of amount and volatility. For details, please refer to the chapter entitled "Net income from investment activity".

At 7.1 million euros, income from Fund Services was down slightly from the previous level of 7.4 million euros, largely due to lower fees generated from DBAG Fund VI. The sale of investments from this portfolio in the course of the last financial year reduced the basis for calculating DBAG's fee.

At -7.3 million euros, net expenses under **OTHER INCOME/ EXPENSE ITEMS** (the net amount of personnel expenses, other operating income and expenses, as well as net interest) were lower than in the previous year (-7.7 million euros). With personnel expenses and net interest remaining stable, the drop was due to the change in other operating income and expenses.

Other operating income fell considerably to 0.9 million euros, compared with 1.9 million euros in the same quarter of the previous year. This was due primarily to a 1.1 million euro reduction in the amount of consultancy expenses that could be passed through to the DBAG funds for transactions that had not yet been completed. On the other hand, there was a drop in consultancy expenses, which are included in other operating expenses, in the same amount. Other operating expenses came to a total of 3.3 million euros as against 4.6 million euros in the same period of the previous year.

## Net income from investment activity

The change in **NET INCOME FROM INVESTMENT ACTIVITY**, from -21.1 million euros in the first quarter of the previous financial year to the current level of 0.1 million euros, was mainly due to two factors: performance of the investments of the portfolio companies, which – with one exception (JCK) – are held via investment entity subsidiaries, and the change in the capital market multiples that we use to value our companies.

At 38,000 euros, **GROSS GAINS AND LOSSES ON MEASUREMENT AND DERECOGNITION** were slightly positive in the first quarter, as against -23.9 million euros for the same quarter of the previous year. In the previous year, the very positive change in earnings at our portfolio companies was more

than offset by significant negative effects resulting from changes in capital market multiples. In the quarter under review, on the other hand, changes in the valuations of listed peer group companies made a positive contribution, while the change in the earnings of our portfolio companies was negative overall.

### NET INCOME FROM INVESTMENT ACTIVITY

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Result of valuation and disposal	38	(23,862)
Net gain or loss attributable to other shareholders of investment entity subsidiaries	50	3,633
<b>Net result of valuation and disposal</b>	<b>88</b>	<b>(20,229)</b>
Current portfolio income	1,902	1,024
<b>Net portfolio income</b>	<b>1,990</b>	<b>(19,205)</b>
Net gains or losses from other assets and liabilities of investment entity subsidiaries	(1,931)	(1,898)
Income from other financial assets	0	(4)
<b>Net income from investment activity</b>	<b>59</b>	<b>(21,106)</b>

**SOURCE ANALYSIS 1:** For our valuations as at the reporting date of 31 December are usually based on the budgets of the portfolio companies for the forthcoming year. Instead of the earnings generated in the past year, the earnings expectations for the new year determine the valuations; this applies to both the financial data for our portfolio companies, as well as to the multiples of listed reference companies that we use for the valuations.

In the quarter under review, a number of our companies made a subdued start to the new year, particularly in the industrial sector. This shows just how much pressure the uncertain overall political framework – for example, resulting from Brexit, but also from the ongoing global trade conflicts and structural changes in the automotive industry – is putting on the economy.

This scenario means that, in some cases, strategies will have been adapted to reflect the current economic environment, in order to implement growth plans at a later date. At one company, changes in the regulatory environment have also translated into lower earnings expectations. At another, restructuring measures at a particular location have been delayed.

The performance of our investments in the broadband telecommunications sector, in particular, remains positive. Other companies are also systematically putting their value appreciation strategy into practice – using promising acquisitions, for example, to achieve growth.

Our portfolio is broadly diversified and our companies pursue very different approaches to increasing their enterprise value. We help them to identify the opportunities that arise precisely in periods of weaker economic development, and provide the funds they need to exploit them.

All in all, the **CHANGE IN EARNINGS** at our portfolio companies amounted to -4.9 million euros in the first quarter of the new financial year, compared with 30.9 million euros in the same period of the previous year.

We do not receive any current distributions from the majority of the investments during the holding period. This allows the portfolio companies to use any surpluses to reduce their DEBT. By contrast, they increase their debt levels if they achieve rapid growth by way of acquisitions.

In the period under review, the change in debt contributed -1.5 million euros to earnings. In the previous year, the negative contribution had been much more pronounced at -9.9 million euros, due to varying individual developments at three companies.

All in all, the value contribution made by the operating performance of the portfolio companies – changes in earnings and debt – came to -6.4 million euros compared with 21.1 million euros in the previous year.

**RESULT OF VALUATION AND DISPOSAL BY SOURCES: SOURCE ANALYSIS 1**

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Fair value of unlisted investments		
Change in earnings	(4,879)	30,940
Change in debt	(1,545)	(9,871)
Change in multiples	5,072	(47,767)
Change in exchange rates	95	191
Change – other	(287)	2,703
Net result of disposal	(1,544)	(23,804)
Acquisition cost	274	209
Other	1,309	(267)
	<b>38</b>	<b>(23,862)</b>

The change in **MULTIPLES** includes the earnings contribution from changes in the valuation multiples of listed peer group companies, which we use to value our portfolio companies.

After this figure had been well in the red in the previous year, at -47.8 million euros, we can report a positive effect of 5.1 million euros overall for the quarter under review. Although the majority of valuations were higher, there were also considerable downward valuation adjustments in some cases.

Changes in **EXCHANGE RATES** once again did not have any significant impact in the period under review, amounting to 0.1 million euros as against 0.2 million euros in the previous year.

The item **CHANGE - OTHER** reflects changes in planning assumptions and the resulting changes in the valuations of portfolio companies valued using the DCF method. Whereas in the previous year, a positive contribution of 2.7 million euros had been reported, the adjustment in the quarter under review was slightly negative, at -0.3 million euros.

**NET GAINS OR LOSSES ON DERECOGNITION** of 0.3 million euros reflected a technical effect relating to the disposal of inxio, a transaction that was agreed just before the end of the 2018/2019 financial year.

The contributions to the net valuation result included in the “**OTHER**” item can be attributed to the settlement of various previous disposals and relate primarily to representations and warranties.

**SOURCE ANALYSIS 2:** The positive changes in value during the first three months are attributable to twelve (previous year: eight) active portfolio companies. Twelve companies (previous year: 14) and the two externally-managed foreign buyout funds reported measurement losses. In the previous year, one of these two buyout funds made a positive contribution to measurement, while the other made a negative contribution.

The measurement of one company is unchanged. Three investments (previous year: six) are carried at their transaction price because they have been held for less than twelve months; these account for eleven per cent of the portfolio value.

While the change in multiples in our portfolio had a positive effect overall, lower multiples were reported particularly for the portfolio companies in the broadband telecommunications sector, offsetting the effects of ongoing good operating performance. At another company, too, marked improvements in operating performance were almost completely overshadowed by the negative change in multiples.

All in all, however, our portfolio companies have been feeling the effects of the recession in the German industrial sector in particular, especially affecting those related to the automotive sector. This delays the expected increases in value resulting from the implementation of the strategy agreed when the initial investment was made.

**RESULT OF VALUATION AND DISPOSAL BY SOURCES: SOURCE ANALYSIS 2**

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Positive movements	17,796	13,584
Negative movements	(17,758)	(37,446)
	<b>38</b>	<b>(23,862)</b>

**SOURCE ANALYSIS 3:** Net gains and losses on measurement and derecognition are shaped by the low portfolio valuation in the first three months of the year. This effect was, however, much less pronounced than in the previous year. As in the same quarter of the previous year, no investments were sold. This means that, as mentioned earlier, net gains and losses on derecognition only include a trailing effect from the sale of inexo in the 2018/2019 financial year.

**RESULT OF VALUATION AND DISPOSAL BY SOURCES: SOURCE ANALYSIS 3**

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Net valuation result	(236)	(24,071)
Net result of disposal	274	209
	<b>38</b>	<b>(23,862)</b>

In light of net measurement gains and losses, the net income from investment activity was not reduced by the **NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS OF INVESTMENT ENTITY SUBSIDIARIES** in the first quarter. This item relates mainly to carried interest entitlements resulting from personal investments in investment entity subsidiaries of the DBAG funds, namely DBAG Fund V, DBAG Fund VI and DBAG ECF. These entitlements are attributable to those active and former members of the DBAG investment team who coinvested alongside the relevant funds. The performance of these funds resulted in a slight drop in carried interest entitlements overall. This produced a contribution to the net income from investment activity in the amount of 0.1 million euros. The contribution made in the previous year came to 3.6 million euros.

The carried interest entitlements essentially reflect the net performance of the DBAG Fund investments. This means that the carried interest changes depending on the further performance of the investments of the funds and in the course of distributions following disposals from a fund's portfolio, provided that the contractual conditions are met. Carried interest payments will extend over a number of years depending on the degree to which the individual investments appreciate in value. DBAG Fund VII has been investing since April 2017. No carried interest needs to be recognised for this fund as at the reporting date.

**CURRENT PORTFOLIO INCOME** mainly relates to interest payments on shareholder loans.

**NET GAINS OR LOSSES FROM OTHER ASSETS AND LIABILITIES OF INVESTMENT ENTITY SUBSIDIARIES** were unchanged at -1.9 million euros. The item mainly includes the fees payable to the manager of DBAG Fund VI and DBAG Fund VII, based on DBAG's invested/committed capital.

## FINANCIAL POSITION – LIQUIDITY

In addition to cash and cash equivalents of 13.0 million euros, DBAG's financial resources also consist of units in fixed-income and money market funds amounting to 5.5 million euros. These funds are available for investment.

As at 31 December 2019, investment entity subsidiaries held further financial resources in the amount of 19.7 million euros, solely in cash and cash equivalents, some of which have already been distributed to DBAG.

The following statement of cash flows in accordance with IFRSs explains the changes in DBAG's cash and cash equivalents.

During the first three months of the 2019/2020 financial year, FINANCIAL RESOURCES in accordance with IFRS, which exclusively comprise cash and cash equivalents, fell by 30.9 million euros to 13.0 million euros (30 September 2019: 43.9 million euros).

The negative balance of **CASH FLOWS FROM OPERATING ACTIVITIES** was lower than in the previous year. The change reflects the irregular timing for the recognition of income from Fund Services, which is customary for this business: the corresponding fees are usually charged to fund investors concurrently with calls for new investments, or set off against repayments following disposals.

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS INFLOWS (+)/OUTFLOWS (-)

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Net income	(188)	(21,422)
Measurement gains (-)/losses (+) and gains (-)/losses (+) on disposal of financial assets and loans and receivables	(63)	21,093
Other non-cash changes	(6,381)	(9,226)
<b>Cash flow from operating activities</b>	<b>(6,632)</b>	<b>(9,555)</b>
Proceeds from disposals of financial assets and loans and receivables	3,174	27,769
Payments for investments in financial assets and loans and receivables	(35,493)	(34,571)
Proceeds from disposal of other financial instruments	14,518	10,093
Payments for investments in other financial instruments	(26,047)	(20,777)
Cash flow from investment activity	(43,848)	(17,487)
Proceeds from (+)/payments for (-) investments in securities	19,857	22,287
Other cash inflows and outflows	(80)	12
<b>Cash flow from investing activities</b>	<b>(24,072)</b>	<b>4,813</b>
Payments for lease liabilities	(242)	0
<b>Cash flow from financing activities</b>	<b>(242)</b>	<b>0</b>
<b>Net change in cash and cash equivalents</b>	<b>(30,945)</b>	<b>(4,742)</b>
Cash and cash equivalents at beginning of period	43,934	23,571
<b>Cash and cash equivalents at end of period</b>	<b>12,989</b>	<b>18,829</b>

**CASH FLOW FROM INVESTMENT ACTIVITY** was negative in the reporting period, at -43.8 million euros, as cash outflows for investments clearly exceeded portfolio repayments following disposals. Investment activities generated cash outflows of 17.5 million euros in the first three months of the 2018/2019 financial year. Cash flow from investment activity can fluctuate considerably due to reporting date factors. This is due to fewer, yet sizeable cash inflows and outflows in the transaction business. This sort of volatility is typical for our business model.

Proceeds from the disposal of financial assets and loans and receivables are mainly attributable to a distribution of liquidity from DBAG Fund VII. Payments for investments in financial assets and loans and receivables related to capital calls made by investment entity subsidiaries for the new investments and follow-on investments made by DBAG Fund VII and DBAG ECF, as described in the chapter entitled "Review of significant events and transactions".

The repayment of the short-term loans that DBAG had granted to netzkontor nord was recognised as proceeds from the disposal of other financial instruments. Conversely, the loans that DBAG granted in connection with the structuring of new investments or for follow-on investments are reflected as payments for investments in other financial instruments.

The sale of securities resulted in a cash inflow of 19.9 million euros.

## FINANCIAL POSITION – ASSETS

### Asset and capital structure

Total assets as at the reporting date of 31 December 2019 stood at 490.8 million euros, which represents only a slight change compared with the figure at the start of the financial year. As far as the **ASSET STRUCTURE** is concerned, the proportion of total assets attributable to non-current assets came to around 86 per cent as at the reporting date (30 September 2019 reporting date: around 79 per cent).

At the same time, current assets as at 31 December 2019 were down by 34.7 million euros compared to the level witnessed three months earlier. The drop in cash and cash equivalents and short-term securities in connection with investment activity during the first three months was offset by an increase in other financial instruments and other current

assets. Other financial instruments are short-term loans granted by DBAG in connection with the structuring of new investments. The other current assets relate to receivables from Fund Services.

The total amount of short-term securities and cash and cash equivalents of 18.5 million euros as at 31 December 2019 is not a meaningful figure, as the funds resulting from the sales of inexo and Infiana – which had already been realised – had not yet been received. We also expect to see further cash inflows in the second quarter from the sale of the remaining shares in Romaco Group after the end of the quarter under review.

At 31 December 2019, 85 per cent of total assets (30 September 2019: 79 per cent) were invested in financial assets. Four per cent of total assets were attributable to DBAG's financial resources, consisting of cash and cash equivalents and securities; the share of financial resources has decreased since the end of the last financial year (when it still amounted to 14 per cent), for the reasons already mentioned.

At 459.9 million euros, equity was on a par with the level seen at the end of the 2018/2019 financial year, when it totalled 460.2 million euros. At the end of the first quarter, this amounts to 30.57 euros per share compared to 30.59 euros at the beginning of the quarter.

#### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 000's	31 Dec 2019	30 Sep 2019
Financial assets including loans and receivables	418,071	385,693
Other non-current assets	2,421	883
Deferred tax assets	658	658
<b>Non-current assets</b>	<b>421,150</b>	<b>387,233</b>
Other financial instruments	28,531	17,002
Receivables and other assets	8,248	7,398
Short-term securities	5,519	25,498
Cash and cash equivalents	12,989	43,934
Other current assets	14,409	10,550
<b>Current assets</b>	<b>69,696</b>	<b>104,382</b>
<b>Total assets</b>	<b>490,846</b>	<b>491,615</b>
Equity	459,869	460,152
Non-current liabilities	19,621	19,677
Current liabilities	10,774	11,787
<b>Total equity and liabilities</b>	<b>490,846</b>	<b>491,615</b>

The **CAPITAL STRUCTURE** remained largely unchanged compared to the end of the previous financial year, with the equity ratio coming in at 93.7 per cent on the reporting date as against 93.6 per cent as at 30 September 2019.

Equity covers non-current assets in full, and current assets at 56 per cent.

The changes in non-current and current liabilities were also negligible.

The 50 million euro **CREDIT LINE** was not drawn down during the first three months, nor at the reporting date.

## Financial assets and loans and receivables

Financial assets, including loans and receivables, are largely determined by the **VALUE OF THE PORTFOLIO**: excluding non-controlling interests in investment entity subsidiaries (largely carried interest), the figure at the end of the first quarter was 15.7 million euros lower compared to the 30 September 2019 reporting date. The additions of Cartonplast and STG Group to the portfolio were unable to compensate for the disposal of inexo and the overall negative performance of the other portfolio companies due to the recession in the German industrial sector (see the comments on the value of the portfolio below).

### FINANCIAL ASSETS INCLUDING LOANS AND RECEIVABLES

€ 000's	31 Dec 2019	30 Sep 2019
Portfolio value (including loans and receivables)		
Gross	406,448	422,109
Non-controlling interests of other shareholders in investment entity subsidiaries	(39,855)	(39,850)
Net	366,593	382,260
Other assets and liabilities of investment entity subsidiaries	51,404	3,359
Other non-current assets	74	74
<b>Financial assets including loans and receivables</b>	<b>418,071</b>	<b>385,693</b>

The **INTERESTS OF OTHER SHAREHOLDERS IN INVESTMENT ENTITY SUBSIDIARIES** were unchanged as against the start of the financial year. The current fair values of our funds' portfolios did not require any adjustment to be made to carried interest overall.

The drop in the portfolio value was offset by a marked increase of 48.0 million euros in **OTHER ASSETS AND LIABILITIES OF INVESTMENT ENTITY SUBSIDIARIES**, with the result that financial assets, including loans and receivables, increased by 32.4 million euros.

The increase in other assets and liabilities was primarily due to the disposal of inexo. While the company's valuation is no longer included in the portfolio value as at the reporting date, most of the proceeds are still with the investment entity subsidiary. This had an impact on other financial assets and the assets, as well as the cash and cash equivalents, of this Group company. The latter also rose due to the inflow of proceeds from the sale of Infiana and the repayment of refinancing by netzkantor nord. The receivables from investments increased slightly during the ordinary course of business. On the other hand, there was a marked increase in liabilities resulting from the structuring of new investments.

## Portfolio and portfolio value

DBAG's portfolio consisted of 28 equity investments on 31 December 2019: 23 management buyouts and five investments with the purpose of financing growth. The investments are held indirectly via investment entity subsidiaries with only one exception (JCK).

There are also two investments in international private equity funds managed by third parties that we entered into in 2000 and 2002, respectively. One of the two funds now holds only one portfolio company, while the other is about to be liquidated.

As at 31 December 2019, the value of the investments, including the loans and receivables extended to the portfolio companies and excluding short-term interim financing, amounted to 390.6 million euros (30 September 2019: 409.0 million euros). In addition, there were entities with a value of 15.9 million euros through which representations and warranties on previous disposals are (largely) settled ("Other investments"), and which are no longer expected to deliver any appreciable value contributions (30 September 2019: 13.1 million euros). This brought the portfolio value to a total of 406.4 million euros (30 September 2019: 422.1 million euros). As a result, the value of the portfolio corresponds to 1.2 times the original cost.

The portfolio value has fallen in gross terms by 15.7 million euros since the beginning of the financial year. As well as

additions amounting to a total of 43.3 million euros – mainly the new investments in Cartonplast and STG Group – there were follow-up investments at companies including DNS:NET and blikk.

This was offset by disposals totalling 58.8 million euros, mainly the result of the inxio sale and the repayment of refinancing by netzkantor nord. There were also negative changes in value totalling 0.2 million euros all in all.

At 31 December 2019, the 15 largest investments accounted for around 75 per cent of the portfolio value (30 September 2019: 79 per cent). The following table lists these 15 investments in alphabetical order. A full list of the portfolio companies can be found on the DBAG website and at the end of this Quarterly Statement.

Company	Cost €mm	Equity share	Investment type	Sector
		DBAG %		
blikk Holding GmbH	19.0	12.1	MBO	Healthcare
Cartonplast Holdings GmbH	24.9	16.4	MBO	Industrial services
DNS:Net Internet Service GmbH	16.4	15.7	Growth	Broadband/telecommunications
duagon Holding AG	23.8	21.3	MBO	Industrial components
JCK Holding GmbH Textil KG	8.8	9.5	Growth	Consumer goods
Karl Eugen Fischer GmbH	22.6	21.0	MBO	Mechanical and plant engineering
Kraft & Bauer Holding GmbH	14.1	19.0	MBO	Industrial components
netzkantor nord GmbH	5.0	35.9	MBO	Broadband/telecommunications
Oechsler AG	11.2	8.4	Growth	Automotive suppliers
Pfaunder International S.à r.l.	13.3	17.8	MBO	Mechanical and plant engineering
Polytech Health & Aesthetics GmbH	13.3	15.0	MBO	Industrial components
Sero GmbH	10.7	21.4	MBO	Automotive suppliers
Telio Management GmbH	14.3	15.6	MBO	Other
vitronet GmbH	4.5	41.3	MBO	Broadband/telecommunications
von Poll Immobilien GmbH	11.7	30.1	MBO	Real estate agency business

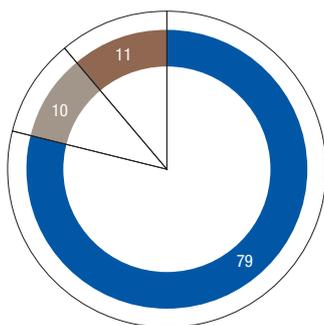
The following portfolio information is based on the valuation and resulting portfolio value at the reporting date of 31 December 2019. The investments in international buyout funds and in companies through which re-tentions for representations and warranties from exited

investments are held are recognised under "Other". The information on debt (net debt, EBITDA) relates to the expectations of the portfolio companies for the 2020 financial year.

# PORTFOLIO STRUCTURE

PORTFOLIO VALUE BY VALUATION METHOD

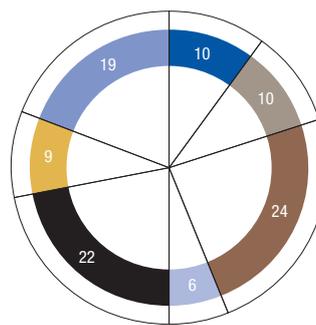
%



- Multiples method
- Transaction price
- Other (incl. DCF)

PORTFOLIO VALUE BY SECTORS

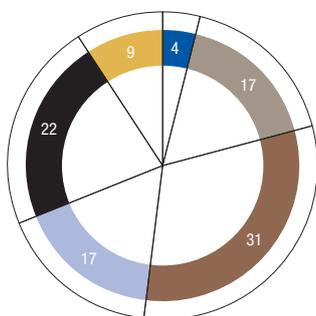
%



- Mechanical and plant engineering
- Automotive suppliers
- Industrial components
- Industrial services
- Broadband/telecommunications
- Other focus sectors
- Other

PORTFOLIO VALUE BY NET DEBT/EBITDA OF PORTFOLIO COMPANIES

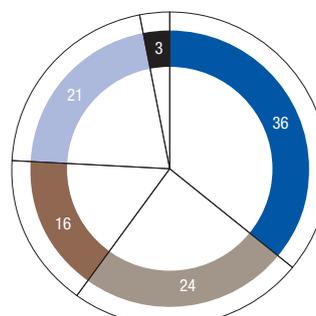
%



- < 1,0
- 1,0 to < 2,0
- 2,0 to < 3,0
- 3,0 to < 4,0
- > 4,0
- Other

CONCENTRATION OF PORTFOLIO VALUE

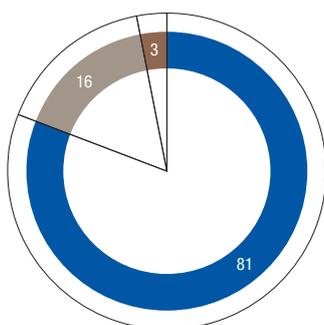
Size categories %



- Top 1-5
- Top 6-10
- Top 11-15
- Top 16-27
- Other (incl. externally managed international buyout funds)

PORTFOLIO VALUE BY TYPE OF INVESTMENT

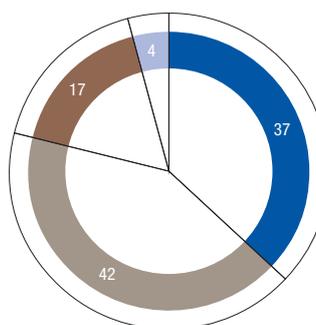
%



- Management buyouts
- Growth financing
- Other (incl. externally managed international buyout funds)

PORTFOLIO VALUE BY AGE

Categories %



- < 2 years
- 2-5 years
- > 5 years
- Other (incl. externally managed international buyout funds)

## BUSINESS PERFORMANCE BY SEGMENT

### Private Equity Investments segment

#### SEGMENT EARNINGS STATEMENT – PRIVATE EQUITY INVESTMENTS

€ 000's	1st quarter 2019/2020	1st quarter 2018/2019
Net income from investment activity	59	(21,106)
Other income/expense items	(1,957)	(1,765)
<b>Earnings before taxes</b>	<b>(1,898)</b>	<b>(22,872)</b>

Totalling -1.9 million euros at the end of the first quarter of 2019/2020, **EARNINGS BEFORE TAXES** in the Private Equity Investments segment clearly outstripped the prior-year figure of -22.9 million euros. This was due to the improved **NET INCOME FROM INVESTMENT ACTIVITY**. Please refer to the notes on this item in the section on “Financial performance”. Net expenses under **OTHER INCOME/EXPENSE ITEMS** (net amount of internal management fees, personnel expenses, other operating income and expenses and net interest) increased only slightly, by 0.2 million euros, year-on-year. This figure includes internal management fees of 0.3 million euros for the Fund Investment Services segment (previous year: 0.2 million euros).

#### NET ASSET VALUE AND AVAILABLE LIQUIDITY

€ 000's	31 Dec 2019	30 Sep 2019
Financial assets including loans and receivables	418,071	385,693
Other financial instruments	28,531	17,002
Financial resources	18,508	69,432
<b>Net asset value</b>	<b>465,110</b>	<b>472,126</b>
Financial resources	18,508	69,432
Credit line	50,000	50,000
<b>Available liquidity</b>	<b>68,508</b>	<b>119,432</b>
<b>Co-investment commitments alongside DBAG funds</b>	<b>88,498</b>	<b>129,733</b>

**NET ASSET VALUE** as at the reporting date was only slightly below the value at the end of the previous financial year. An increase in financial assets and other financial instruments of 43.9 million euros in total was more than offset by a drop in financial resources of 50.9 million, of which 43.8 million euros was attributable to negative cash flow from investment activity, thus only constituting a shift within net asset value. Over and above this, the decline in financial resources largely reflected the financing of operating activities (-6.6 million euros). This part of cash flows is heavily dependent upon the timing of when income from Fund Services is charged to investors in DBAG funds. Net gains and losses on measurement and derecognition merely accounted for a 0.1 million euro change in net asset value. Please refer to the comments on financial position and financial performance for information on changes in net gains and losses on measurement and derecognition, and to financial assets and financial resources.

The outstanding **CO-INVESTMENT COMMITMENTS ALONGSIDE DBAG FUNDS** fell by 41.2 million euros overall, because we made capital calls for acquisitions of portfolio companies. The relatively low volume of co-investment commitments in absolute terms reflects the high level of investment of the current DBAG funds.

At 31 December 2019, only 21 per cent of the co-investment commitments were covered by existing financial resources (cash and cash equivalents including securities) (30 September 2019: 53 per cent). This does not include cash and cash equivalents held by investment entity subsidiaries that will be distributed in the current quarter/coming quarters; as a result, these are also available to fulfil the co-investment commitments. A 50 million euro credit line – provided by a consortium of two banks, with a term until 2023 – is available to compensate for irregular cash flows.

The surplus of coinvestment commitments over available funds amounts to around five per cent of financial assets at the reporting date, compared with three per cent as at 30 September 2019. This ratio will improve considerably again in the near future due to sales that have already been realised. By way of example – and as already mentioned – we had not yet received the funds from the sale of inexo by the reporting date. Furthermore, the shares in Romaco Group remaining in the context of the sale in 2017 were surrendered as agreed after the end of the reporting period.

Following the launch of DBAG Fund VIII, the coinvestment commitments will obviously increase considerably. While this reflects the potential for new, attractive equity investments on the one hand, it will also lead to additional investment requirements on the other. The new Principal Investments activities will also create further financing requirements.

Nevertheless, in line with the nature of our business, these funds will only be called gradually over a period spanning several years. We still aim to keep the liquidity available that is required to cover the investment volume for one financial year in each case. As our plans stand at the moment, this volume corresponds to around 90 million euros a year for both this year and the next two years.

## Fund Investment Services segment

### SEGMENT EARNINGS STATEMENT – FUND INVESTMENT SERVICES

€ 000's	1st quarter 2019/2020	1 quarter 2018/2019
Income from Fund Services	7,422	7,608
Other income/expense items	(5,710)	(6,154)
<b>Earnings before taxes</b>	<b>1,712</b>	<b>1,454</b>

The Fund Investment Services segment improved its **EARNINGS BEFORE TAXES** from 1.5 million euros in the previous year to 1.7 million euros in the quarter under review. **INCOME FROM FUND SERVICES** fell slightly year-on-year. Lower fees generated from DBAG Fund VI and DBAG Fund V, a development that was to be expected, were offset by increasing fees from DBAG Fund VII in line with the investment progress made. The previous year also included one-off transaction-related fees for DBAG ECF II that were not repeated in the period under review. The segment information also takes internal income from the Private Equity Investments segment in the amount of 0.3 million euros (previous year: 0.2 million euros) into account.

Net **OTHER INCOME/EXPENSES** were down by 0.4 million euros year-on-year. For further information, please refer to the explanatory information on financial performance.

### ASSETS UNDER MANAGEMENT OR ADVISORY

€ 000's	31 Dec 2019	30 Sep 2019
Funds invested in portfolio companies	1,184,517	1,088,298
Funds drawn but not yet invested	0	0
Short-term bridge financing for new investments	167,626	94,492
Outstanding capital commitments of third-party investors	307,898	452,212
Financial resources (of DBAG)	18,508	69,432
<b>Assets under management or advisory</b>	<b>1,678,549</b>	<b>1,704,434</b>

The amount of **ASSETS UNDER MANAGEMENT OR ADVISORY** has fallen slightly since the start of the financial year. Although the total funds invested in portfolio companies (or bridge financings) are now higher than they were three months ago, the outstanding capital commitments of third-party investors fell due to the investment progress made, in particular, by DBAG Fund VII. There was also a reduction in DBAG's financial resources in the course of business and investment activity during the first three months. We refer to the section entitled "Financial position – liquidity" for information on the changes in DBAG's financial resources.

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

In May 2017, DBAG and DBAG Fund V had successfully completed their investment in the Romaco Group and sold around three quarters of their shares to a strategic buyer, China's Truking Group. The remaining stake of 24.9 per cent was initially retained in order to support the company's transition to the new shareholder.

After the end of the reporting period, the sale of these shares to the Truking Group was notarised and executed. The agreed proceeds from the disposal had already been determined back in May 2017 and had been reflected accordingly in the valuation of the remaining investment, meaning that this transaction does not deliver any value contribution for the current financial year. We expect to receive the net disposal proceeds of just under six million euros during the second quarter of the current financial year.

## OPPORTUNITIES AND RISKS

For information on opportunities and risks, we refer to the statements made in the combined management report at 30 September 2019. They continue to apply in principle. In particular, there are no major changes in the risks involving a "high expected value".

## FORECAST

Net gains or losses from the Private Equity Investments segment are indicative of changes in the net asset value. In the short term, they are heavily defined by individual events or developments that are not predictable at the beginning of the financial year. We cannot predict, for example, to what

extent the capital markets will influence net gains or losses from Private Equity Investments, and therefore changes in the net asset value.

This is why we always issue our forecast subject to the proviso that valuation levels on the capital markets will not have changed considerably by the end of a financial year as against the time at which the forecast was published. This means that if, contrary to the assumptions used in our projections, the multiples for listed peer group companies are much lower on the reporting date than they were on the last reporting date, the net asset value will be lower than in the forecast, and vice versa.

In the first quarter of the new financial year, the multiples used to value our portfolio companies showed positive development, contributing to net gains and losses on measurement and derecognition that were up considerably in a year-on-year comparison.

Nevertheless, we wish to reiterate here that the informational value of a single quarterly result is comparatively low in DBAG's case. The result cannot be used to draw any conclusions as to the result for an entire financial year – nor is it meaningful to compare figures (net gains and losses on measurement and derecognition as the main driver of changes in net asset value) for certain quarters of financial year with the same quarter of the previous year. It would be purely coincidental if one quarter's result and, as a result, the change in net asset value, were to match the corresponding quarter of the previous year: not only is our business not linear, it does not follow any seasonal pattern either. This distinguishes it from most other business models adopted by other listed companies.

As published in the 2018/2019 Annual Report, our expectations for the current 2019/2020 financial year remain more cautious in light of the economic environment. Consequently, we only expect to see a slight increase in the net asset value. After deductions to reflect the dividend that we will be proposing to the Annual Meeting, we expect the net asset value at the end of the current financial year to be slightly (up to 10 per cent) lower than that seen on the most recent reporting date.

The earnings generated by Fund Investment Services, on the other hand, are likely to benefit from the new DBAG Fund VIII in the current financial year, and to rise considerably. The extent of the increase will depend on when exactly the fund's investment period begins.

Net income is expected to be moderately lower than the five-year average – that is, in a range between 28 and 37 million euros.

1 cf. 2018/2019 Annual Report, page 104 ff.

2 cf. 2018/2019 Annual Report, page 113 ff.

## OTHER DISCLOSURES

This document is a Quarterly Statement pursuant to section 53 of the Stock Exchange Rules and Regulations (Börsenordnung) of the Frankfurt Stock Exchange, as amended on 18 November 2019. The consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity were prepared in accordance with International Financial Reporting Standards (IFRS). With one exception (IFRS 16 “Leases”), the accounting and consolidation policies used are the same as those applied to the previous consolidated financial statements at 30 September 2019.

## ANNEX TO THE QUARTERLY STATEMENT

### Consolidated statement of comprehensive income

for the period from 1 October 2019 to 31 December 2019

€ 000's	1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018
Net income from investment activity	59	(21,106)
Income from Fund Services	7,097	7,405
<b>Income from Fund Services and investment activity</b>	<b>7,156</b>	<b>(13,701)</b>
Personnel expenses	(4,794)	(4,853)
Other operating income	853	1,854
Other operating expenses	(3,266)	(4,577)
Interest income	178	145
Interest expenses	(312)	(285)
<b>Other income/expense items</b>	<b>(7,342)</b>	<b>(7,716)</b>
<b>Earnings before taxes</b>	<b>(186)</b>	<b>(21,418)</b>
Income taxes	0	0
<b>Earnings after taxes</b>	<b>(186)</b>	<b>(21,418)</b>
Net gain or loss attributable to non-controlling interests	(2)	(5)
<b>Net income</b>	<b>(188)</b>	<b>(21,422)</b>
a) Items that will not be reclassified subsequently to profit or loss		
Gains (+)/losses (-) on remeasurements of the net defined benefit liability (asset)	(94)	(302)
b) Items that will be reclassified subsequently to profit or loss		
Changes in the fair value of financial assets measured at fair value through other comprehensive income	0	(24)
<b>Other comprehensive income</b>	<b>(94)</b>	<b>(326)</b>
<b>Total comprehensive income</b>	<b>(282)</b>	<b>(21,748)</b>
Earnings per share in euros (diluted and basic) <sup>1</sup>	(0.01)	(1.42)

<sup>1</sup> The earnings per share calculated in accordance with IAS 33 are based on net income divided by the average number of DBAG shares outstanding in the reporting period.

## Consolidated statement of cash flows

for the period from 1 October 2019 to 31 December 2019

### INFLOWS (+)/OUTFLOWS (-)

€ 000's	1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018
Net income	(188)	(21,422)
Measurement gains (-)/losses (+) on financial assets and loans and receivables, amortisation of intangible assets and depreciation of property, plant and equipment, gains (-)/losses (+) on securities	180	21,335
Gains (-)/losses (+) from disposals of non-current assets	(4)	(13)
Increase (-)/decrease (+) in income tax assets	2	(1,964)
Increase (-)/decrease (+) in other assets (net)	(4,459)	(899)
Increase (+)/decrease (-) in pension provisions	(56)	231
Increase (+)/decrease (-) in other provisions	(5,235)	(4,673)
Increase (+)/decrease (-) in other liabilities (net)	3,127	(2,149)
<b>Cash flow from operating activities</b>	<b>(6,632)</b>	<b>(9,555)</b>
Proceeds from disposals of financial assets and loans and receivables	3,174	27,769
Payments for investments in financial assets and loans and receivables	(35,493)	(34,571)
Proceeds from disposals of other financial instruments	14,518	10,093
Payments for investments in other financial instruments	(26,047)	(20,777)
Cash flow from investment activity	(43,848)	(17,487)
Proceeds from disposals of property, plant and equipment and intangible assets	32	41
Payments for investments in property, plant and equipment and intangible assets	(113)	(29)
Proceeds from disposals of securities	19,857	22,472
Payments for investments in securities	0	(185)
<b>Cash flow from investing activities</b>	<b>(24,072)</b>	<b>4,813</b>
Payments for lease liabilities	(242)	0
<b>Cash flow from financing activities</b>	<b>(242)</b>	<b>0</b>
Net change in cash and cash equivalents	(30,945)	(4,742)
Cash and cash equivalents at beginning of period	43,934	23,571
<b>Cash and cash equivalents at end of period</b>	<b>12,989</b>	<b>18,829</b>

## Consolidated statement of financial position

as at 31 December 2019

€ 000's	31 Dec 2019	30 Sep 2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	341	301
Property, plant and equipment	2,080	582
Financial assets	418,071	385,693
Deferred tax assets	658	658
<b>Total non-current assets</b>	<b>421,150</b>	<b>387,233</b>
<b>Current assets</b>		
Receivables	2,418	1,565
Short-term securities	5,519	25,498
Other financial instruments	28,531	17,002
Income tax assets	5,830	5,833
Cash and cash equivalents	12,989	43,934
Other current assets	14,409	10,550
<b>Total current assets</b>	<b>69,696</b>	<b>104,382</b>
<b>Total assets</b>	<b>490,846</b>	<b>491,615</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Subscribed capital	53,387	53,387
Capital reserve	173,762	173,762
Retained earnings and other reserves	(14,122)	(14,028)
Consolidated retained profit	246,843	247,031
<b>Total equity</b>	<b>459,869</b>	<b>460,152</b>
<b>Debt</b>		
<b>Non-current liabilities</b>		
Liabilities to non-controlling interests	56	55
Provisions for pension obligations	19,537	19,593
Other provisions	28	28
Other non-current liabilities	582	0
<b>Total non-current liabilities</b>	<b>20,203</b>	<b>19,677</b>
<b>Current liabilities</b>		
Other current liabilities	5,483	1,260
Income taxes payable	17	17
Other provisions	5,274	10,509
<b>Total current liabilities</b>	<b>10,774</b>	<b>11,787</b>
<b>Total liabilities</b>	<b>30,977</b>	<b>31,463</b>
<b>Total equity and liabilities</b>	<b>490,846</b>	<b>491,615</b>

## Consolidated statement of changes in equity

for the period from 1 October 2019 to 31 December 2019

€ 000's	1 Oct 2019 to 31 Dec 2019	1 Oct 2018 to 31 Dec 2018
<b>Subscribed capital</b>		
At start and end of reporting period	53,387	53,387
<b>Capital reserve</b>		
At start and end of reporting period	173,762	173,762
<b>Retained earnings and other reserves</b>		
<b>Legal reserve</b>		
At start and end of reporting period	403	403
<b>First-time adoption of IFRS</b>		
At start and end of reporting period	16,129	16,129
<b>Reserve for changes in accounting methods</b>		
At start and end of reporting period	(109)	(109)
<b>Reserve for gains/losses on remeasurements of the net defined benefit liability (asset)</b>		
At start of reporting period	(30,450)	(22,760)
Change in reporting period	(94)	(302)
At end of reporting period	(30,545)	(23,062)
<b>Reserves for financial assets measured at fair value through other comprehensive income</b>		
At start of reporting period	0	(15)
Changes recognised directly in equity during the reporting period	0	(52)
Changes recognised in income during the reporting period	0	28
At end of reporting period	0	(39)
<b>At end of reporting period</b>	<b>(14,122)</b>	<b>(6,679)</b>
<b>Consolidated retained profit</b>		
At start of reporting period	247,031	222,973
Net income	(188)	(21,422)
<b>At end of reporting period</b>	<b>246,843</b>	<b>201,551</b>
<b>Total</b>	<b>459,869</b>	<b>422,020</b>

## Disclosures on segment reporting

for the period from 1 October 2019 to 31 December 2019

### SEGMENTAL REPRESENTATION FOR THE 1ST QUARTER 2019/2020

€ 000's	Private Equity Investments	Fund Investment Services	Reconciliation Group	Group 1st quarter 2019/2020
Net income from investment activity	59	0	0	(363)
Income from Fund Services <sup>1</sup>	0	7,422	(325)	7,097
<b>Income from Fund Services and investment activity</b>	<b>59</b>	<b>7,422</b>	<b>(325)</b>	<b>7,156</b>
Other income/expenses	(1,957)	(5,710)	325	(7,342)
<b>Earnings before taxes (Segment result)</b>	<b>(1,898)</b>	<b>1,712</b>	<b>0</b>	<b>(186)</b>
Income taxes				0
<b>Earnings after taxes</b>				<b>(186)</b>
Net income attributable to other shareholders				(2)
<b>Net income</b>				<b>(188)</b>
Financial assets and loans and receivables	418,071			
Other financial instruments	28,531			
Financial resources <sup>2</sup>	18,508			
<b>Net asset value</b>	<b>465,110</b>			
<b>Assets under management or advisory<sup>3</sup></b>		<b>1,678,549</b>		

1 A synthetic internal administration fee is calculated for the Investment segment and taken into account when determining segment net income. The fee is based on DBAG's co-investment interest.

2 The financial resources serve DBAG for investments in financial assets and loans and receivables. They contain the line items "Cash and cash equivalents", "Long-term securities" and "Short-term securities".

3 Assets under management or advisory comprise financial assets, loans and receivables, the financial resources of DBAG, as well as the investments and callable capital commitments to DBAG-managed private equity funds. The investments and loans and receivables are recognised at cost.

### SEGMENTAL REPRESENTATION FOR THE 1ST QUARTER 2018/2019 OR AS AT 30 SEPTEMBER 2019

€ 000's	Private Equity Investments	Fund Investment Services	Reconciliation Group	Group 1st quarter 2018/2019
Net income from investment activity	(21,106)	0	0	(21,106)
Income from Fund Services <sup>1</sup>	0	7,608	(203)	7,405
<b>Income from Fund Services and investment activity</b>	<b>(21,106)</b>	<b>7,608</b>	<b>(203)</b>	<b>(13,701)</b>
Other income/expenses	(1,765)	(6,154)	203	(7,716)
<b>Earnings before taxes (Segment result)</b>	<b>(22,872)</b>	<b>1,454</b>	<b>0</b>	<b>(21,418)</b>
Income taxes				0
<b>Earnings after taxes</b>				<b>(21,418)</b>
Net income attributable to other shareholders				(5)
<b>Net income</b>				<b>(21,422)</b>
Financial assets and loans and receivables	385,693			
Other financial instruments	17,002			
Financial resources <sup>2</sup>	69,432			
<b>Net asset value</b>	<b>472,126</b>			
<b>Assets under management or advisory<sup>3</sup></b>		<b>1,704.434</b>		

1 See footnote in preceding table, explanation in footnote 1

2 See footnote in preceding table, explanation in footnote 2

3 See footnote in preceding table, explanation in footnote 3

## PORTFOLIO COMPANIES

Company	Revenues 2018 <sup>1</sup> (€mn)	Number of employees	Core business
blikk Holding GmbH Unna, Germany	75	632	Radiology services and treatment
BTV Multimedia GmbH Hanover, Germany	48	140	Equipment and services for broadband communications
Cartonplast Holdings GmbH Dietzenbach, Germany	79	760	Pool system for reusable layer pads
cloudflight GmbH Munich, Germany	27	350	Advisory services, software development and cloud operations
Dieter Braun GmbH Bayreuth, Germany	87	1,616	Cable systems and interior vehicle lighting
DNS:Net Internet Service GmbH Berlin, Germany	18	191	Telecommunications and IT services
duagon Holding AG Dietikon, Switzerland <sup>2</sup>	103	419	Network components for rail vehicles
FLS GmbH Heikendorf, Germany	10	87	Real-time scheduling and route optimisation software
Frimo Group GmbH Lotte, Germany	201	1,338	Tools and plants for the automotive industry
Gienanth Group GmbH Eisenberg, Germany	181	1,182	Machine- and hand-moulded castings for the automotive supply industry, production of large engine blocks
Heytex Bramsche GmbH Bramsche, Germany	105	500	Manufacturer of technical textiles
JCK Holding GmbH Textil KG Quakenbrück, Germany	811	1,600	Marketer of textiles and seller of merchandise
Karl Eugen Fischer GmbH Burgkunstadt, Germany	87	543	Mechanical engineering for the tyre industry
Kraft & Bauer Holding GmbH Holzgerlingen, Germany	26	80	Fire extinguishing systems for tooling machines
mageba AG Bülach, Switzerland <sup>2</sup>	106	1,088	Products and services for the infrastructure and building construction sectors
More than Meals Europe S.à r.l. Luxembourg	516	3,250	Chilled ready meals and snacks
netzkantor nord GmbH Flensburg, Germany	30	298	Services for the telecommunications sector
Oechsler AG Ansbach, Germany	430	3,555	Plastics engineering for industries of the future
Pfäudler International S.à r.l. Luxembourg <sup>3</sup>	281	1,531	Mechanical engineering for the processing industry
Polytech Health & Aesthetics GmbH Dieburg, Germany	42	180	High-quality silicon implants
Rheinhold & Mahla GmbH Hamburg, Germany	117	521	Interior outfitting for ships and marine installations
Sero GmbH Rohrbach, Germany	90	270	Development and manufacturing service provider for electronic components
Silbitz Group GmbH Silbitz, Germany	168	1,052	Hand-moulded and automated moulded castings with a steel and iron basis
Sjølund A/S Sjølund, Denmark <sup>4</sup>	259	225	Bent aluminium and steel components
STG-Gruppe Bochum, Germany	20	90	Services for the telecommunications sector
Telio Management GmbH Hamburg, Germany	51	144	Communications and media systems for correctional facilities
vitronet GmbH Essen, Germany	67	244	Construction of fibre-optic networks
von Poll Immobilien GmbH Frankfurt/Main, Germany	91	130	Estate agency

1 Some companies have a financial year that deviates from the calendar year

2 duagon Holding AG, mageba AG: figures in CHF

3 Pfäudler International S.à r.l.: figures in USD

4 Sjølund A/S: figures in DKK (2018/2019)

## OTHER INFORMATION

### Forward-looking statements bear risks

This Quarterly Statement contains statements on the future development of Deutsche Beteiligungs AG. It reflects the current views of the management of Deutsche Beteiligungs AG and is based on relevant plans, estimates and expectations. Please note that the statements include certain risks and uncertainty factors which may mean that the actual results vary materially. Although we believe these forward-looking statements to be realistic, there can be no guarantees.

### Disclaimer

The figures in this Quarterly Statement are generally presented in thousands or millions of euros. Rounding differences may occur between the amounts presented and their actual value, but these are of an insignificant nature.

The Quarterly Statement is published in English and German. The German version of this report shall be authoritative.

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### Financial calendar

#### **20 FEBRUARY 2020**

Annual Meeting 2020, Frankfurt/Main

#### **25 FEBRUARY 2020**

Dividend payment

#### **24–26 MARCH 2020**

Bankhaus Lampe German Conference, Baden-Baden

#### **13 MAY 2020**

Publication of the 2019/2020 half-yearly financial report, Analysts' conference call

#### **22 JUNE 2020**

Capital Markets Day, Frankfurt/Main

#### **6 AUGUST 2020**

Publication of the Quarterly Statement for the third quarter of 2019/2020, Analysts' conference call

**Information for  
Shareholders**

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