

## PRESS RELEASE

### **Deutsche Beteiligungs AG: Sustained value creation reflecting further development of portfolio companies**

- **Net asset value of Private Equity Investments increases by ten per cent in the first half of the financial year, to 464.8 million euros**
- **Net income from Fund Investment Services of 9.1 million euros**
- **Brisk transaction activity**
- **New full-year guidance affirmed**

**Frankfurt/Main, 12 May 2021.** The net asset value of Deutsche Beteiligungs AG's Private Equity Investments increased by more than 10 per cent to 464.8 million euros in the first six months of the current financial year, largely driven by the overall positive operational development of its 33 portfolio companies. Aside from the strategic development of the individual companies, the improving macro-economic environment has started to benefit DBAG's entire portfolio. Capital markets developments, however, which influence the net income for the period through the valuation of the portfolio at fair value, has barely contributed to value creation. The Fund Investment Services segment achieved earnings of 9.1 million euros before taxes, compared to 3.5 million euros for the same period of the previous year. Earnings before taxes in the Private Equity Investments segment amounted to 64.7 million euros, compared to -80.2 million euros for the same period of the previous year. Given the higher than expected net income from investment activity, as reported in advance, DBAG concluded the first half of the financial year 2020/2021 with a net income of 73.1 million euros, compared to -76.7 million euros for the same period in the previous year.

After the first six months of the financial year 2020/2021, DBAG's key performance indicators – net asset value of Private Equity Investments, and net income from Fund Investment Services, as well as the Group's net income – came in within the range of DBAG's full-year guidance, which had been raised at the end of March 2021 and is affirmed in the half-yearly financial report published today. DBAG regularly points out that results of any single quarter cannot be extrapolated to the financial year as a whole.

The budgets of portfolio companies reflect their expectations at the beginning of the year; accordingly, these had been largely influenced by caution regarding the further development of the COVID-19 pandemic. Recent reports from the portfolio now confirm that consumer spending and the investment activity of companies have been increasing amid hopes that global vaccination programmes prove effective. This is reflected in more optimistic earnings expectations for the

current year, resulting in higher valuations of DBAG's investments. Among these, companies continue to stand out whose business models benefit from the trend towards digitalisation. The strategy to accelerate the companies' development through acquisitions has also contributed positively.

Earnings from Fund Investment Services benefited from a higher assessment base for calculating income – after the start of the investment period of DBAG's most recent fund (DBAG Fund VIII) in August 2020, the base was significantly higher than in the first half of the previous year.

“The manifold changes to our portfolio during the first half of 2020/2021 not only underline the swiftness with which we are exploiting market opportunities – they also showcase the full spectrum of opportunities on our radar”, the half-yearly financial report published today states. Since the beginning of the financial year, DBAG has entered into one new investment, agreed an extremely successful disposal, and has supported several add-on acquisitions by its portfolio companies. Not least, two companies were able to achieve a major leap in growth through a merger.

“More than ever, we can look at a number of interesting investment opportunities”, Chief Financial Officer Susanne Zeidler said today at the presentation of results. “This is not only true for investments alongside the new DBAG Fund VIII but also for Long-Term Investments financed exclusively from DBAG's own balance sheet.” Regarding the successful conclusion of the rights issue at the end of April, she said: “Shareholders and investors are confident in our ability to continue to invest successfully in the future – we in turn are confident that new investments will further increase DBAG's company value over the medium term.”

***Deutsche Beteiligungs AG, a listed private equity company, initiates closed-end private equity funds, and itself invests predominantly alongside those funds in well-positioned mid-market companies with development potential. For many years, DBAG'S focus has been on industrial sectors. A growing portion of DBAG's equity investments is now deployed in the growth sectors of broadband/telecommunications, IT services/software and healthcare. Its long-term, value-enhancing entrepreneurial investment approach makes DBAG a sought-after investment partner in the German-speaking world. DBAG Group's assets under management or advisory amount to 2.5 billion euros.***

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