NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

18. INTANGIBLE ASSETS / PROPERTY, PLANT AND EQUIPMENT

	Acquisition cost			
T€	1 Nov. 2013	Additions	Disposals	**31 Oct. 2014**
Intangible assets	336	135	3	468
Property, plant and equipment	2,468	551	282	2,737
	2,804	**686**	**285**	**3,205**

	Depreciation/amortisation				Carrying amount	
T€	1 Nov. 2013	Additions	Disposals	**31 Oct. 2014**	**31 Oct. 2014**	31 Oct. 2013
Intangible assets	302	18	3	317	151	34
Property, plant and equipment	1,195	398	160	1,433	1,304	1,273
	1,497	**416**	**163**	**1,750**	**1,455**	**1,307**

Depreciation and amortisation on property, plant and equipment and intangible assets in the reporting year exclusively relate to scheduled depreciation.

19. FINANCIAL ASSETS

Financial assets are composed of the following:

T€	**31 Oct. 2014**	31 Oct. 2013
Interests in associates	11,382	64,246
Other interests in portfolio companies	107,441	83,988
International fund investments	8,300	10,359
Portfolio	127,123	158,593
Other financial assets	7,924	8,159
	135,047	**166,752**

Financial assets are measured at fair value through profit or loss (see note 6).

Other financial assets contain companies that are mainly attributable to third parties.

This item exhibited the following movements in the reporting year:

T€	1 Nov. 2013	Additions	Disposals	**Value movements**	**31 Oct. 2014**
Portfolio	158,593	10,321	63,363	21,572	127,123
Other financial assets	8,159	0	0	(235)	7,924
	166,752	**10,321**	**63,363**	**21,337**	**135,047**

Movements in value are recorded under the caption "Net result of valuation and disposal of financial assets and loans and receivables" in the consolidated statement of comprehensive income (see note 6).

20. LOANS AND RECEIVABLES

T€	2013/14	2012/13
At start of financial year	14,110	2,925
Additions	14,582	11,407
Disposals	2,745	222
At end of financial year	**25,947**	**14,110**

Loans and receivables relate to claims arising from loan arrangements with portfolio companies. The additions in financial year 2013/14 contain loans, silent partnerships and profit-sharing certificates.

21. OTHER NON-CURRENT ASSETS

T€	31 Oct. 2014	31 Oct. 2013
Pension obligations and plan assets	0	248
Tax assets	421	619
	421	**867**

We refer to the commentary in notes 25 and 30.

22. RECEIVABLES

T€	31 Oct. 2014	31 Oct. 2013
Receivables from associates	25	63
Receivables from portfolio companies	7,375	11,917
	7,400	**11,980**

Receivables from associates pertain to subsidiaries which, lacking materiality, were not consolidated (see note 4).

Receivables from portfolio companies relate, among other things, to two short-term loans in conjunction with the acquisition of a portfolio company and the funding of a purchase transaction by another portfolio company for a total of T€3,579. The previous year's receivables from portfolio companies largely pertained to a short-term loan in conjunction with the acquisition of a portfolio company in the amount of T€8,930. This item also contains receivables from a clearing account with one portfolio company and interest receivable from portfolio companies.

These receivables are recognised at fair value outside profit or loss and are subjected to an impairment test at every reporting date (see note 6).

Impairment losses developed as follows:

T€	2013/14	2012/13
At start of financial year	60	654
Additions	0	0
Disposals	60	594
At end of financial year	**0**	**60**

Disposals in the amount of T€60 (previous year: T€594) relate to impairment losses on a receivable from a disinvested portfolio company. The receivable was derecognised through profit or loss in financial year 2013/14.

23. SECURITIES

Securities held at 31 October 2014 were exclusively acquired as investments of cash and cash equivalents not immediately required.

Classification of securities in the statement of financial position:

T€	31 Oct. 2014	31 Oct. 2013
Long-term securities	80,991	50,514
Short-term securities	31,344	28,028
	112,335	**78,542**

Classification of securities by types:

T€	31 Oct. 2014	31 Oct. 2013
Floating-rate notes (3-month Euribor)	25,026	48,088
Floating-rate notes (6-month Euribor)	10,000	25,020
Fixed-rate securities	77,309	5,434
	112,335	**78,542**

Classification of securities by maturity:

T€	31 Oct. 2014	31 Oct. 2013
Due within 1 year	31,344	28,028
Due between 1 and 2 years	3,921	21,449
Due between 2 and 3 years	5,000	29,065
Due between 3 and 4 years	0	0
Due between 4 and 5 years	22,773	0
Due > 5 years	49,297	0
	112,335	**78,542**

All securities have been designated to the category of "available-for-sale financial assets" (see note 6).

The change in fair value of T€306 (previous year: T€-86) is recognised in the consolidated statement of comprehensive income in "Unrealised gains/(losses) on available-for-sale securities". A loss of T€43 (previous year: loss of T€30) arising from disposals of securities from this category in the reporting year was reclassified to consolidated net income.

24. OTHER FINANCIAL INSTRUMENTS

T€	31 Oct. 2014	31 Oct. 2013
Short-term equity shares	2,245	2,401

Short-term equity shares relate to shares that are to be sold to the managements of portfolio companies within a year.

25. TAX ASSETS, TAX PROVISIONS AND DEFERRED TAXES

T€	31 Oct. 2014	31 Oct. 2013
Tax assets		
Other non-current assets	421	619
Income tax assets	5,435	3,452
Tax provisions	2,232	1,838
Deferred tax liabilities	60	61

Tax assets contain imputable taxes and corporation tax assets of Deutsche Beteiligungs AG capitalised at net present value. The major portion of income tax assets results from imputable investment income tax of T€2,506 (previous year: T€1,134) arising on a distribution by Deutsche Beteiligungsgesellschaft mbH as well as corporation tax credits of Deutsche Beteiligungs AG of T€652 (previous year: T€850). Another part of tax assets stems from imputable investment income taxes of T€140 arising from interest income on securities and bank accounts, as well as of T€419 from distributions from investments.

Tax provisions reflect expected tax expenses, without accounting for imputable taxes and tax prepayments.

Deferred tax assets and liabilities are offset in conformity with IAS 12.74.

Tax loss carryforwards have been recognised in deferred taxes as follows:

T€	31 Oct. 2014	31 Oct. 2013
Tax loss carryforward, corporation tax	77,366	86,064
thereof usable	0	0
Tax loss carryforward, trade tax	17,676	14,981
thereof usable	0	0

Based on the type of business activities and their tax treatment, it is unlikely that the Group companies concerned will achieve sufficient future taxable profits against which the loss carryforwards can be used.

Deferred tax liabilities are exclusively attributable to line item "Financial assets".

26. OTHER CURRENT ASSETS

T€	31 Oct. 2014	31 Oct. 2013
Receivables for advisory services	11,081	1,479
Receivables from DBAG funds	2,071	3,706
Purchase price retention	1,879	449
Value-added tax	1,026	1,371
Loans	573	1,001
Interest receivable on securities	478	251
Lease security deposit	405	405
Purchase price receivable	0	1,778
Other receivables	973	1,008
	18,486	**11,448**

Receivables from DBAG funds largely comprise profit priority shares and reimbursable expenses.

Receivables from advisory services pertain to advisory services to the management company of DBAG Fund VI.

The movement in purchase price receivable in financial year 2013/14 relates to the receipt of payments due from the sale of two investments (see management report, section "Business and portfolio review", page 72 f.)

The purchase price retention covers possible representation and warranty risks from the divestment of a portfolio company. The purchase price retention recognised in the prior year was reversed in financial year 2013/14.

Loans chiefly result from deferred purchase price payments extended to managers of portfolio companies from disposals of short-term shareholdings in incorporated companies.

Value-added tax pertains to outstanding refunds of input tax credits.

Other receivables largely constitute prepaid expenses.

27. EQUITY

Subscribed capital/number of shares outstanding

All shares in Deutsche Beteiligungs AG were converted from bearer shares to no-par value registered shares at a ratio of 1:1 in financial year 2013/14. Each share is entitled to one vote.

The shares are admitted for trading on the Frankfurt Stock Exchange (Prime Standard) and the Dusseldorf Stock Exchange. Shares in the Company are also traded on the Open Market of the Berlin, Hamburg-Hanover, Munich and Stuttgart stock exchanges.

The number of shares outstanding was constantly 13,676,359 both in the reporting and the comparative period.

Arithmetically, the capital attributable to each share equals approximately 3.55 euros per share.

Sale of own shares to employees and retirees

The Company offers employees and retirees of Deutsche Beteiligungs AG and of a subsidiary an employee share purchase plan at preferential terms, which is orientated around tax legislation and limits. The following depicts the transactions involving own shares in financial year 2013/14:

	Purchase/sales price per share		Share of subscribed capital	
	€	*Number of shares*	*T€*	*‰*
At 1 Nov. 2013		0	0	0.0
Date of purchase: 15 Oct. 2014	20.89	3,766	13	0.3
Date of sale/transfer: 28 Oct. 2014	14.98	3,766	13	0.3
At 31 Oct. 2014		**0**	**0**	**0.0**

Authorised capital

The Board of Management is, with the consent of the Supervisory Board, authorised to raise the share capital of the Company until 23 March 2015 by up to a total of 24,266,665.33 euros through one or more issues of new no-par registered shares in exchange for cash or non-cash contributions (authorised capital). The number of shares in that context must be increased proportionately to the share capital.

Purchase of own shares

The Board of Management is, with the consent of the Supervisory Board, authorised until 22 March 2016 to purchase own shares by up to ten percent of the current share capital – or, in the event that this value is lower – of the share capital at the time the authorisation is exercised, for purposes other than trading in own shares.

Contingent capital

The Board of Management is authorised, with the consent of the Supervisory Board, to issue, by one or in several issues, bearer or registered warrant-linked bonds and/or convertible bonds (jointly referred to as "bonds") in the period until 23 March 2015 with or without a maturity cap for a total nominal amount of up to €160,000,000.00. It is also authorised to grant holders of warrant-linked bonds warrants, and the holders or creditors of convertible bonds conversion rights, to registered shares in the Company with a proportionate share in the share capital of up to €24,266,665.33 under the conditions specified for the warrant-linked bonds or convertible bonds (jointly referred to as "bond conditions").

In addition to euros, the bonds may also be denominated in an official currency of an OECD country, limited to the equivalent amount in euros.

The bonds may also be issued by affiliates in which the Company directly or indirectly holds a majority. In such an event, the Board of Management shall be authorised, with the consent of the Supervisory Board, to guarantee for the bonds and to grant the holders and/or creditors of such bonds option or conversion rights to bearer shares in the Company.

Capital reserve

The capital reserve, which was unchanged at T€141,394 (previous year: T€141,394), comprises amounts achieved from the issuance of shares in excess of the par value.

Retained earnings and other reserves

Retained earnings and other reserves comprise:

- the legal reserve, as stipulated by German stock corporation law
- first-time adopter effects from the IFRS opening balance at 1 November 2003
- provisions for actuarial gains/losses arising from defined benefit pension obligations/plan assets (see note 30)
- unrealised gains/losses on available-for-sale investments (see note 23)

Consolidated retained profit

At the Annual Meeting on 27 March 2014, shareholders voted to pay a dividend of 0.40 euros per share (5,470,543.60 euros) plus a surplus dividend of 0.80 euro per share (10,941,087.20 euros) for financial year 2012/13.

in €	**2013/14**	2012/13
Dividends paid	5,470,543.60	5,470,543.60
Surplus dividends paid	10,941,087.20	10,941,087.20
Total distribution	**16,411,630.80**	**16,411,630.80**

In its separate accounts consistent with the German Commercial Code (HGB), the retained profit of Deutsche Beteiligungs AG amounts to 92,276,031.02 euros (previous year: 43,259,096.88 euros). At the Annual Meeting, the Board of Management and the Supervisory Board will recommend paying a total dividend of 2.00 euros per share for financial year 2013/14, consisting of a base dividend of 0.40 euros per share and a surplus dividend of 1.60 euros per share.

In Germany, dividends paid to shareholding corporations are subject to a corporation tax rate of five percent plus a solidarity surcharge and, to the same extent, municipal trade tax, insofar as these do not relate to free-floating investments (i.e. interest of less than 15 percent). Dividends earned by natural persons are subject to a flat rate withholding tax ("Abgeltungssteuer") of 25 percent plus a solidarity surcharge and, if applicable, church tax, which the dividend-paying company pays directly to the taxation authority.

28. MINORITY INTEREST

T€	2013/14	2012/13
At start of financial year	10,146	12,086
Additions	46	312
Disposals	101	3,228
Profit share	323	976
At end of financial year	**10,414**	**10,146**

Minority interest relates to DBG Advisors Kommanditaktionär GmbH & Co. KG, DBAG Fund V Konzern GmbH & Co. KG, DBG Managing Partner GmbH & Co. KG, DBAG Expansion Capital Fund Konzern GmbH & Co. KG and DBAG Fund VI Konzern (Guernsey) L.P. For a commentary on minority interest, please refer to the information on DBAG funds in note 40.

Minority interest attributable to DBG Advisors Kommanditaktionär GmbH & Co. KG (DBAG Fund IV) developed as follows:

T€	2013/14	2012/13
At start of financial year	9,929	11,602
Additions	0	0
Disposals	67	2,586
Profit share	87	913
At end of financial year	**9,949**	**9,929**

Minority interest attributable to DBAG Fund V Konzern GmbH & Co. KG (DBAG Fund V) developed as follows:

T€	2013/14	2012/13
At start of financial year	122	460
Additions	0	234
Disposals	33	642
Profit share	229	70
At end of financial year	**318**	**122**

Minority interest attributable to DBG Managing Partner GmbH & Co. KG (DBAG Fund V) developed as follows:

T€	2013/14	2012/13
At start of financial year	25	24
Additions	0	0
Disposals	0	0
Profit share	0	1
At end of financial year	**25**	**25**

Minority interest attributable to DBAG Expansion Capital Fund Konzern GmbH & Co. KG (DBAG Expansion Capital Fund) developed as follows:

T€	2013/14	2012/13
At start of financial year	69	0
Additions	46	77
Disposals	1	0
Profit share	7	(8)
At end of financial year	**121**	**69**

Minority interest attributable to DBAG Fund VI Konzern (Guernsey) L.P. (DBAG Fund VI) developed as follows:

T€	2013/14	2012/13
At start of financial year	1	0
Additions	0	1
Disposals	0	0
Profit share	0	0
At end of financial year	**1**	**1**

29. OTHER PROVISIONS

29.1 Current other provisions

T€	1 Nov. 2013	Utilisations	Reversals	Additions	31 Oct. 2014
Personnel-related commitments	9,798	5,086	272	8,525	12,965
Financial assets	2,793	986	1,806	4,053	4,054
Other	1,498	1,256	154	1,360	1,448
	14,089	**7,328**	**2,232**	**13,938**	**18,467**

Provisions for personnel-related commitments chiefly consist of performance-linked emoluments. These performance-linked emoluments contain components for the past financial year as well as components with long-term incentive effects. They pertain to members of the Board of Management and staff of Deutsche Beteiligungs AG. The performance-linked compensation scheme for staff largely corresponds to that of the members of the Board of Management. For information on the design of the individual elements of the compensation scheme, please refer to the commentary in the remuneration report, which is an integral part of the management report.

Provisions for financial assets are allocable to the investment business. These include representation and warranty commitments, transaction costs that incur on disposals of portfolio companies as well as reimbursable consultancy expenses.

"Other" contains provisions of T€762 (previous year: T€562) for tax consultancy and other external advisory services as well as T€336 (previous year: T€375) for the Annual Meeting in March 2015 and preparation of the current Annual Report.

29.2 Non-current other provisions

T€	1 Nov. 2013	Utilisations	Reversals	Additions	31 Oct. 2014
Personnel-related commitments	218	47	0	25	196
Representations and warranties	0	0	0	39	39
	218	**47**	**0**	**64**	**235**

Non-current personnel-related other provisions contain obligations arising from early retirement agreements.

Representations and warranties relate to commitments on the disinvestment of one portfolio company.

30. PENSION OBLIGATIONS AND PLAN ASSETS

The disclosure in the statement of financial position has been derived as follows:

T€	31 Oct. 2014	31 Oct. 2013
Present value of pension obligations	37,454	31,199
Fair value of plan assets	(28,069)	(28,028)
(Other non-current assets)	**0**	**(248)**
Provisions for pension obligations	**9,385**	**3,419**

The present value of pension obligations developed as follows:

T€	2013/14	2012/13
Present value of pension obligations at start of financial year	31,199	27,574
Interest expenses	917	788
Service cost	393	479
Benefits paid	(967)	(881)
Actuarial (gains)/losses	5,912	3,239
Present value of pension obligations at end of financial year	**37,454**	**31,199**

The present value of pension obligations is determined by means of an actuarial appraisal. The appraisal was based on the following actuarial assumptions:

		31 Oct. 2014	31 Oct. 2013
Discount rate	%	1.78	2.94
Salary trend rate (incl. career trend)	%	2.50	2.50
Benefit trend rate	%	2.00	2.00
Life expectancy based on modified actuarial charts by Dr Klaus Heubeck		2005 G	2005 G
Increase in income threshold for state pension plan	%	2.00	2.00

The discount rate is based on the iBoxx corporate AA10+ index, which is determined by interest rates for high-quality long-term bonds.

The life expectancy assumptions are based on the 2005 G actuarial life tables by Dr Klaus Heubeck. They were modified as per 31 October 2013 to account for the particularities of the beneficiaries of the DBAG Group's defined benefit plans and individual defined benefit commitments. A comparison with similar groups of individuals revealed an average longer life expectancy of three years for the DBAG scheme members and beneficiaries.

Plan assets developed as follows over the past financial year:

T€	2013/14	2012/13
Fair value of plan assets at start of financial year	28,028	27,999
Expected interest income	824	378
Actuarial gains/(losses)	(783)	(349)
Fair value of plan assets at end of financial year	**28,069**	**28,028**

The following amounts were recognised in consolidated net income:

T€	2013/14	2012/13
Service cost	393	479
Interest expenses	917	788
Expected interest income on plan assets	(824)	(378)
	486	**889**

The net amount of interest expenses and expected interest income on plan assets is recognised in item "Interest expenses".

"Gains/(losses) on remeasurements of the net defined benefit liability (asset)" recognised in other comprehensive income developed as follows in financial year 2013/14:

T€	2013/14	2012/13
Actuarial gains/(losses) at start of financial year	(14,578)	(10,990)
Gains/(losses) from difference between actual and expected returns on plan assets	(783)	(349)
Gains/(losses) from change in demographic assumptions	0	(2,967)
Gains/(losses) experience-related	(5,912)	(272)
Actuarial gains/(losses) at end of financial year	**(21,273)**	**(14,578)**

The greater loss of T€-783 in financial year 2013/14 (previous year: T€-349) results from the change in the accounting method in compliance with the amended rules of IAS 19 (see also note 3).

Amount, timing and uncertainty of future cash flows

The DBAG Group is exposed to risk arising from pension obligations for defined benefit plans and individual defined benefit commitments. Risk exposure particularly extends to changes in the present value of pension obligations and in the fair value development of plan assets.

Changes in the present value of pension obligations result in particular from changes in actuarial assumptions. The discount rate and life expectancy exert a significant influence on the present value. The discount rate is subject to (market) interest risk. A change in average life expectancy impacts the length of pension payments and, consequently, the liquidity risk. Based on reasonable estimations, possible changes in these two actuarial parameters would have the following impact on the present value of pension obligations:

	31 Oct. 2014	31 Oct. 2013
Discount rate		
Increase by 50 bps	(2,750)	(2,172)
Decrease by 50 bps	3,101	2,434
Average life expectancy		
Increase by 1 year	(1,423)	(1,210)
Decrease by 1 year	1,415	1,438

The sensitivity analysis shown above is based on a change in one parameter, while all others remain constant.

The plan assets are invested in a money market fund in order to minimise the market price and liquidity risk. Both the value of the money market fund and the discount rate are exposed to (market) interest rate risk. If the market interest rate for corporate bonds and money market securities rises (falls), the return on plan assets will rise (fall) and the present value of pension provisions will fall (rise).

Beginning in financial year 2014/15, DBAG will shift the plan assets to a special fund in line with the rules of the German Investment Code (KAGB). This special fund will have an unlimited term and will be managed based on an investment strategy with a long-term orientation and capital preservation. The changed investment strategy is to generate returns that at least correspond to the discount rate.

As for the past two prior years, current budgetary planning for the 2014/15 financial year does not provide for allocations to plan assets.

31. OTHER CURRENT LIABILITIES

Other current liabilities relate to prepaid income and other liabilities.

32. OTHER FINANCIAL COMMITMENTS, CONTINGENT LIABILITIES AND TRUSTEESHIPS

OTHER FINANCIAL COMMITMENTS are detailed by call commitments and permanent debt obligations in the following nominal amounts:

T€	**31 Oct. 2014**	31 Oct. 2013
Call commitments	3,304	6,479
Permanent debt obligations	5,052	5,472
	8,356	**11,951**

Possible call commitments relate to investments in international funds (see note 19), which may draw down additional funding for investments and costs, as well as contractually agreed potential investments in portfolio companies. The decrease in call commitments pertains to two portfolio companies for which commitments were drawn down in the financial year.

The following provides an overview of the due dates of permanent debt obligations at 31 October 2014:

T€	< 1 year	1–5 years	> 5 years	Total
Permanent debt obligations	846	2,951	1,255	**5,052**
thereof rental contracts	717	2,870	1,255	**4,842**

Permanent debt obligations pertain, in particular, to office rental for the premises on Börsenstrasse 1 in Frankfurt/Main. The non-terminable office rental contract began on 1 August 2011 and runs until 31 July 2021. Deutsche Beteiligungs AG is entitled to renew the rental contract twice for a period of five years each time.

As in the previous year, there were no **CONTINGENT LIABILITIES** at 31 October 2014.

TRUST ASSETS totalled T€ 13,776 at 31 October 2014 (previous year: T€ 10,829). Of that amount, T€ 13,732 (previous year: T€ 10,753) are attributable to shares in two portfolio companies that are held by Group companies for two managed funds. Trust liabilities exist in an equivalent amount. DBAG does not achieve income from trustee activities.

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

33. GENERAL DISCLOSURES ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

The objective of consolidated statements of cash flows based on IAS 7 is to report on and create transparency in a group's relevant flows of cash. Cashflows are differentiated according to operating activities as well as investing and financing activities. The indirect presentation method was applied for cash flows from operating activities. Cash flows from investment activities have been converted to the direct presentation method as of the reporting year.

Proceeds and payments relating to financial assets and to loans and receivables are recorded in cash flows from investing activities instead of in cash flows from operating activities, since this classification gives a truer representation, from our point of view.

Proceeds and payments arising from interest are presented in cash flows from operating activities.

There were no cash flows to be reported based on changes in the group of consolidated companies.

Cash funds at the beginning and end of the period existed in the form of cash deposits in banks. Cash funds of the proportionately consolidated Q.P.O.N. Beteiligungs GmbH amounted to T€ 13 (previous year: T€ 15).

Since financial year 2007/08, a part of the financial resources not needed in the near term has been invested in securities. The securities serve, as do cash and cash equivalents, to meet the Group's payment obligations. According to IAS 7, these securities do not constitute financial resources, since their maturity has so far always been longer than three months from the date of acquisition. IAS 7.16 requires the purchase and sale of these securities to be recognised as cash flows from investing activities.