

FORMEL D GMBH



<p><b>€10.4mn</b> INVESTMENT OF DBAG</p>	<p><b>62.4%</b> SHARE OF DBAG FUND V</p>
<p><b>15.1%</b> SHARE OF DBAG</p>	<p><b>MBO</b> TYPE OF INVESTMENT</p>
	<p><b>MAY 2013</b> INITIAL INVESTMENT</p>

**SERVICES FOR THE  
AUTOMOTIVE INDUSTRY**

Formel D provides the automotive industry and its suppliers with services that cover the entire product creation process, from vehicle development and production to customer service. The company advises its customers and provides them with specialised employees as well as technical solutions. The focus is on services that address quality issues.

The value chain in the automotive industry has become more permeable. Formel D makes use of the opportunities that arise from the greater integration of the individual levels of the value chain. In doing so, it serves the specific needs of the automotive industry, which is under pressure to improve quality and productivity despite the growing complexity of vehicles (e.g. due to more electronics), an increasing number of models and shorter product life-cycles. This enables Formel D to detach itself to a certain extent from the volatility of the economy. In the context of ongoing globalisation, every new factory a carmaker opens presents Formel D with an opportunity to enter new markets and capture additional growth potential. Here, the company benefits from being one of the few global service providers in its segment.

**POTENTIAL FOR DEVELOPMENT**

Formel D already has an international presence with 88 production sites in 25 countries. Nevertheless, it intends to continue expanding to other countries, such as the US and China. It aims to base its revenue and earnings growth particularly on new services. As a precondition for further growth, the formerly family-run company intends to transform its leadership culture towards corporate governance that is geared to the capital markets.

By strengthening its sales organisations in the US and China, Formel D is pushing its international expansion. It has made its sales division more customer and solution-oriented overall. A new reporting system is in place that provides detailed information regularly throughout the year as a basis for the company's value-based management.

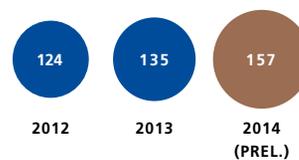
**2014 FINANCIAL YEAR**

Formel D owes its strong revenue growth in 2014 to a wider choice of services, some with greater complexity, for existing customers as well as a rise in the number of new models going into production. Especially in Germany and the US, the company performed better than expected. The number of employees rose by around 20 percent. In Russia, the Ukraine crisis affected business. Overall, Formel D improved its profit margin once more compared to the previous year.

**OUTLOOK AND OBJECTIVES**

The company will continue to implement the measures agreed on at the start of the investment. These include, for example, optimising its network of sites by closing plants that are not sufficiently profitable. The budget entails higher revenues in 2015, especially in the core markets of Germany, the US and China. The company also aims to boost its profitability.

**REVENUES in €mn**



**EMPLOYEES**

4,500