



INVESTOR PRESENTATION

Financial year 2018/2019



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AGENDA

- **INTRODUCTION OF BORUSSIA DORTMUND**
- **UPDATE ON RECENT EVENTS**
- **INVESTMENT HIGHLIGHTS**
- **FINANCIAL OVERVIEW**
- **STRATEGY & UPSIDE POTENTIAL**



INTRODUCTION OF BORUSSIA DORTMUND

A leading European Football Club

Since its formation in 1909 Borussia Dortmund has become one of Germany's most successful football clubs, having won eight national championships, four German cup victories, first German club to win the European Cup Winners Cup and the UEFA Champions League.

Formidable fan base

Average number of spectators in 2018/2019: 80,841, making BVB no. 1 in Germany – ahead of Bayern Munich (75,000) and no. 1 in Europe for the eighth time in a row (!) ahead of FC Barcelona (75,208), Manchester United (74,498) and Real Madrid (61,014).

Stadium „Signal Iduna Park“

81,360 seats, making it Germany's largest football stadium. Attendance at over 95 percent on average over past ten years; according to TIMES, also the world's most attractive football stadium.

Versatile revenue sources

Pursuing a well defined strategy centred on developing core revenue sources such as broadcasting, advertising, match operations, merchandising/conference and catering and transfers

INTRODUCTION OF BORUSSIA DORTMUND

Management



Hans-Joachim Watzke, CEO

- Appointed managing director of Borussia Geschäftsführungs-GmbH in 15/2/2005
- Responsible for company's strategy and the business divisions "sports", "communication" and "sponsoring"
- Graduated as Dipl. Kaufmann
- Previous function: sole managing partner of Watex-Schutz-Bekleidungs-GmbH, a prominent manufacturer of protective clothing for workers and fire departments located in Marsberg (Hoch-Sauerland-Kreis), Germany



Thomas Treß, CFO

- Appointed managing director of Borussia Geschäftsführungs-GmbH in 2005
- Responsible for business divisions "finances" and "organisation"
- Graduated as Dipl. Kaufmann, tax advisor, certified public accountant
- Previous function: Partner with general powers of representation at auditing firm "RölfsPartner"

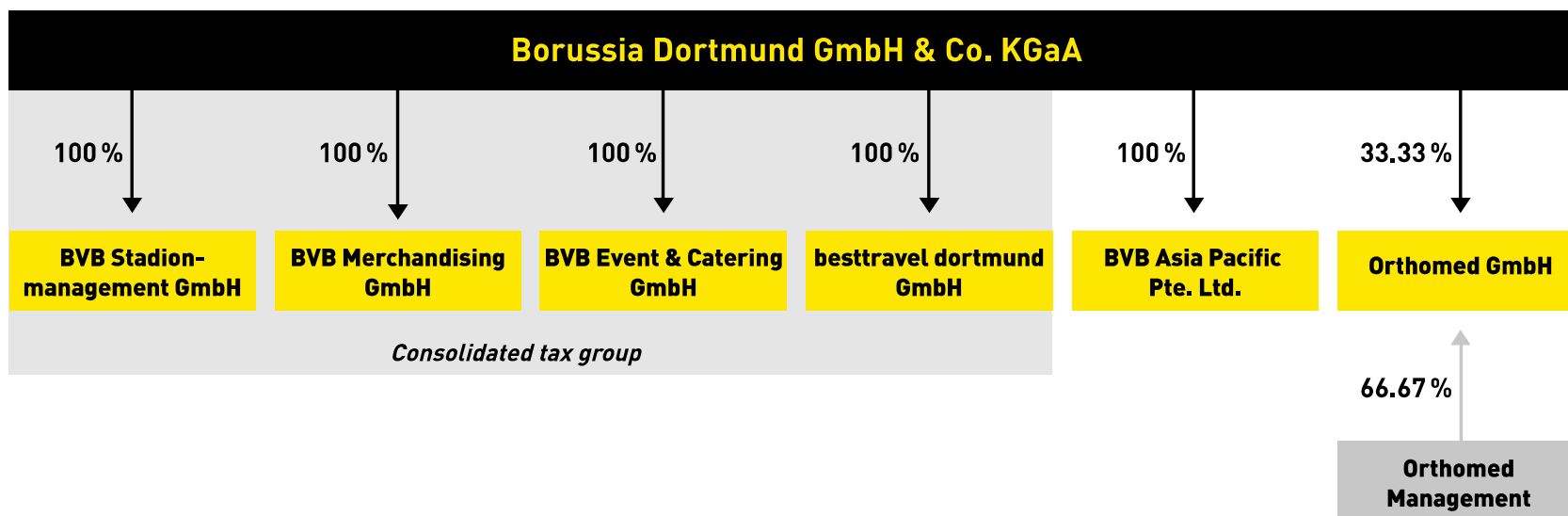


Carsten Cramer

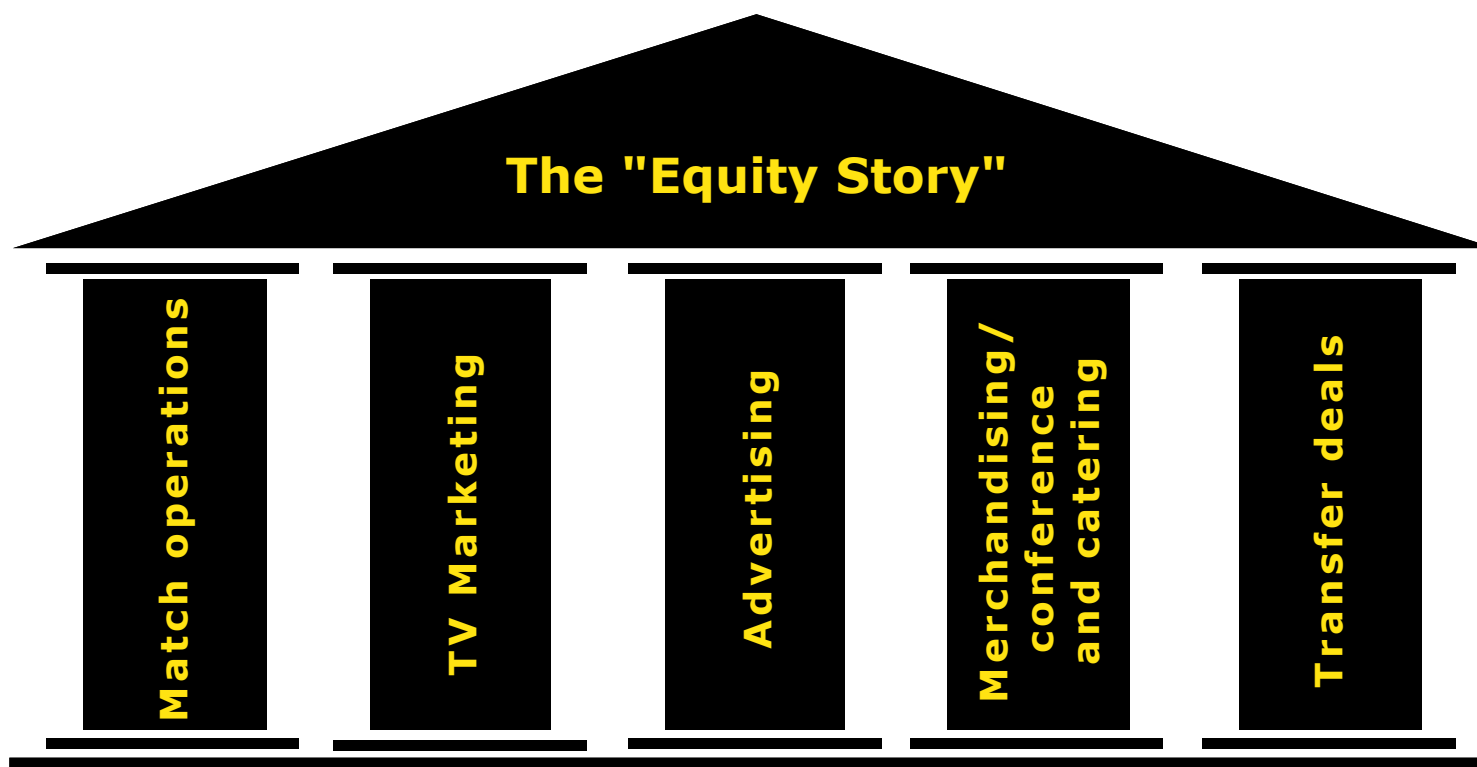
- Appointed managing director of Borussia Geschäftsführungs-GmbH in 2018
- Responsible for business divisions "sales", "marketing" and "digitalization"
- Previous function: Vice President Lagardère Sports

INTRODUCTION OF BORUSSIA DORTMUND

Borussia Dortmund group



INTRODUCTION OF BORUSSIA DORTMUND



UPDATE ON RECENT EVENTS

- Borussia Dortmund recorded with EUR 489.5 m. one of its highest revenues in its club history in fiscal year (FY) 2018/2019
- Transfer of Christian Pulisic for € 64.0 m. to Chelsea FC
- Payment of dividend in an amount of EUR 0.06 per share proposed to resolved general meeting 2019
- Most sympathetic football club in Germany (European Football Benchmark survey / Nielsen Sports Fußballmonitor 2017/2018)
- Qualified for UEFA Champions League in the season 2019/2020



INVESTMENT HIGHLIGHTS

Substantial higher value than implied by current stock market capitalization

Stable revenues with further potential for growth

Track record of developing talent

Leading brand and growing social presence

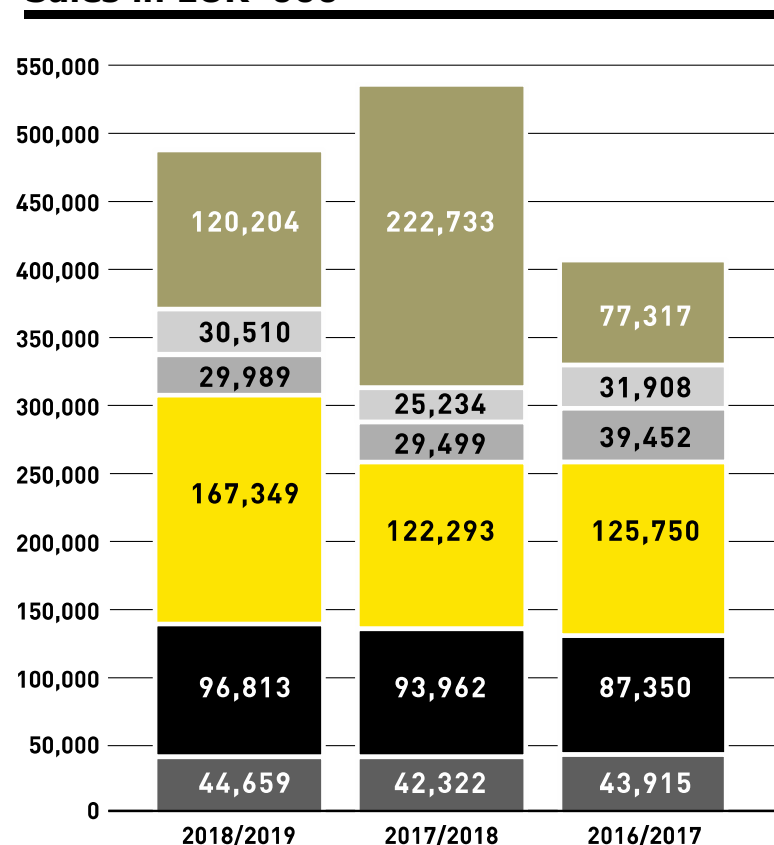
INVESTMENT HIGHLIGHTS

Stable revenue with further potential for growth

- **Total Group Revenues** EUR 489.5 m
- **Match operations:** Stadium attendance above 95 percent on average over the past 10 years, In the current FY 2018/2019 again 55,500 season tickets sold – "All-time record" for Bundesliga.
- **Advertising:** Increase resulted primarily from new revenues of sleeve sponsorship sponsors and higher international revenues.
- **TV marketing:** Substantial increase due to growing TV Champions League and TV Bundesliga revenues (EUR 45.1 m.).



Sales in EUR '000



INVESTMENT HIGHLIGHTS

Track record of developing talent

The aim is to further develop the professional squad, thus creating and developing sportive competitiveness as well as financial value. **The primary objective is to achieve sporting successes without incurring new debt.**

- **Transfer policy/football philosophy**

Professional scouting geared towards value appreciation is intended to create substantial values and long-term sporting competitiveness for the future.

- **High-quality players bring about excellent performance**

Players such as Mats Hummels (30), Marco Reus (30), Axel Witsel (30) or Paco Alcacer (25) offer the necessary quality of performance.

- **State-of-the-art training centre / BVB Academy**

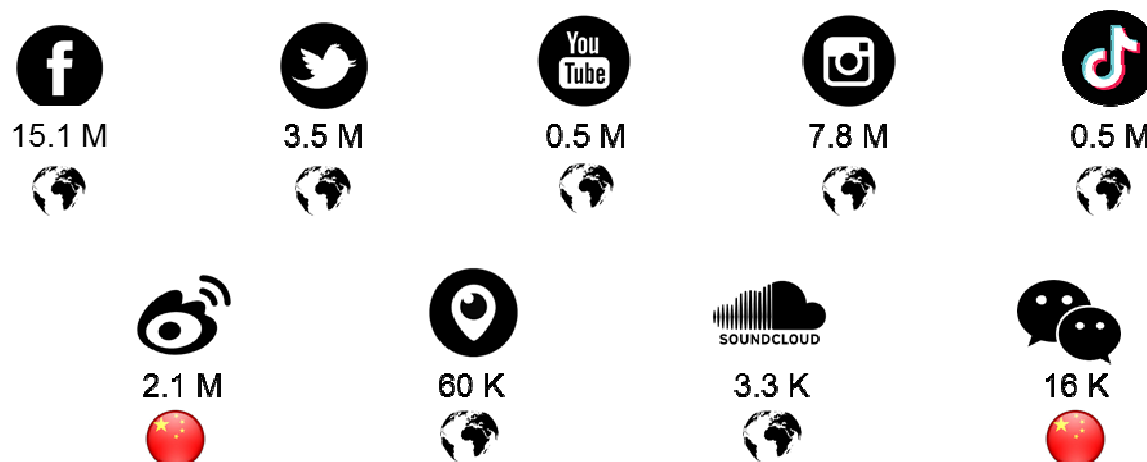
Borussia Dortmund's training centre combines optimal infrastructure with the latest training techniques and analyses, such as computer-assisted video systems, both for the professional squad and for the amateur and youth teams.

INVESTMENT HIGHLIGHTS

Leading brand with growing social media presence

- BVB is Europe's #12 in terms of total reach of all relevant social media channels
- Germany's most popular club according to the "2018 European Football Benchmark Study" by Statista
- Social media presence is monetized among others by cross advertising

Total 29.5 Million Follower



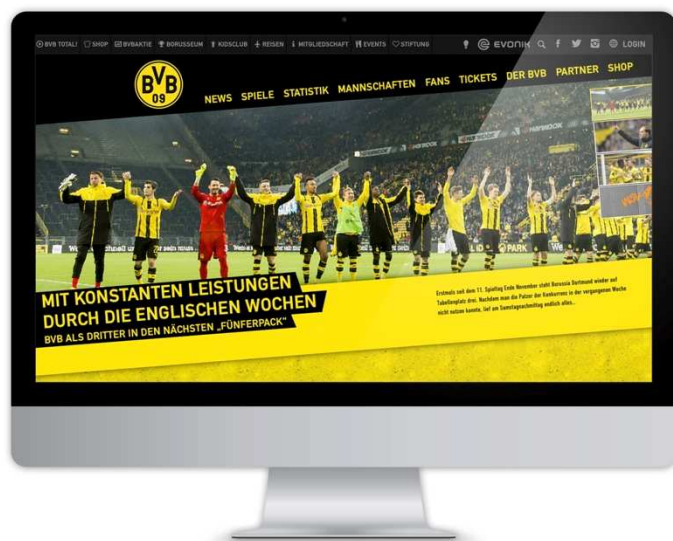
Source: mafo.com, 02/2017

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INVESTMENT HIGHLIGHTS

Digital Landscape



WEB

SEASONAL VIEW

09 Million Users
29 Million Sessions
39 Million Page Impressions
English, German, Japanese, Spanish,
French, Chinese



APP

SEASONAL VIEW

3 Million Downloads
0,9 Million Users
42 Million Sessions
255 Million Page Impressions
English & German
New App will be launched in Q1 2020

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INVESTMENT HIGHLIGHTS

Borussia Dortmund group

KEY FINANCIAL INDICATORS

EUR '000	2018/2019	2017/2018
Revenue	489,524	536,043
Gross revenue	497,270	539,935
Operating result (EBITDA)	115,983	137,306
Result from operating activities (EBIT)	23,501	38,974
(Consolidated) net income for the year	17,391	31,705
Cash flows from		
operating activities	144,525	170,361
investing activities	-139,324	-142,726
financing activities	-8,800	-17,468
Equity as at 30 June	354,919	343,585
Earnings per share (in EUR)	0.19	0.34

STRATEGY & UPSIDE POTENTIAL

The current **strategy** can principally be summarised as follows:

Focus on developing new talent and keeping key players

- Investments in young players such as Giovanni Reyna (16), Mateu Morey (19), Jadon Sancho (19), Dan-Axel Zagadou (20) and signing high-quality players such as Julian Brandt (23), Thorgan Hazard (26), Nico Schulz (26) or Mats Hummels (30) and keeping extraordinary players like Marco Reus (30) or Axel Witsel (30); new, uniform training concepts for all professional, amateur and youth squads.

Increasing fan involvement

- Expansion of fan services and participation in projects such as interactive BVB app, social media platforms such as Facebook and Twitter, BVB football academy and TV club channel "BVB tv!" / "BVB World!".

Utilising the "Borussia Dortmund" brand

- By expanding licensing business and more "strict" brand management.

STRATEGY & UPSIDE POTENTIAL

The current **strategy** can principally be summarised as follows:

Further gradual improvement in financial structure

- Equity ratio: 70.97% (as of 30 June 2019)

Steady Communication with the financial markets

- Quarterly financial reports, roadshows, company presentations at investor events such as but not limited to Deutsche Börse's equity forum.

Internationalization and digitalization

- Developing international sponsoring market; virtual advertising

STRATEGY & UPSIDE POTENTIAL

The Company has the following areas of **upside potential**:

- **(Re)qualification for UEFA Champions League/UEFA Europa League**
- **Increase in TV Rights revenue**
- **Realisation of transfer income**
- **Expansion of sponsoring/VIP hospitality marketing**
- **Success in DFB Cup**
- **Internationalization and digitalization**

Appendix – Borussia Dortmund Group

REVENUE

SALES in EUR '000	2018/2019	2017/2018	Delta
Match operations	44,659	42,322	2,337
Advertising	96,813	93,962	2,851
TV Marketing	167,349	122,293	45,056
Transfer deals	120,204	222,733	-102,529
Merchandising	29,989	29,499	490
Conference, catering, miscellaneous	30,510	25,234	5,276
	489,524	536,043	-46,519

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR '000	2018/2019	2017/2018	Veränderung
Revenue	489,524	536,043	-46,519
Other operating income	7,746	3,892	3,854
Gross revenue	497,270	539,935	-42,665
Cost of materials	-21,273	-20,094	-1,179
Personnel expenses	-205,104	-186,715	-18,389
Other operating expenses	-154,910	-195,820	40,910
Operating result (EBITDA)	115,983	137,306	-21,323
Depreciation, amortisation and write-downs	-92,482	-98,332	5,850
Result from operating activities (EBIT)	23,501	38,974	-15,473
Financial result	-1,692	-4,323	2,631
Profit before income taxes	21,809	34,651	-12,842
Income taxes	-4,418	-2,946	-1,472
Consolidated net income für the year	17,391	31,705	-14,314

Appendix – Borussia Dortmund Group

OTHER OPERATING EXPENSES

EUR '000	2018/2019	2017/2018	Delta
Match operations	47,318	39,824	7,494
Advertising	25,673	24,236	1,437
Transfer deals	43,612	96,981	-53,369
Retail	5,981	6,832	-851
Administration	26,201	22,254	3,947
Other	6,125	5,693	432
	154,910	195,820	-40,910

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - ASSETS

EUR '000	30.06.2019	30.06.2018	Delta
Non-current Assests	371,715	351,405	20,310
Intangible assets	163,710	120,342	43,368
Proberly, plant and equipment	184,001	180,693	3,308
Investments accounted for using the equity method	322	309	13
Financial assets	52	71	-19
Trade and other financial receivables	9,743	39,653	-29,910
Prepaid expenses	13,887	10,337	3,550
Current assets	128,356	134,207	-5,851
Inventories	4,569	5,588	-1,019
Trade and other financial receivables	30,061	22,981	7,080
Tax assets	1,801	645	1,156
Cash and cash equivalentents	55,865	59,464	-3,599
Prepaid expenses	15,026	14,457	569
Assets held for sale	21,034	31,072	-10,038
Total balance sheet	500,071	485,612	14,459

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - EQUITY AND LIABILITIES

EUR '000	30.06.2019	30.06.2018	Delta
Equity	354,919	343,585	11,334
Subscribed capital	92,000	92,000	0
Reserves	263,032	251,698	11,334
Treasury shares	-113	-113	0
Equity attributable to the owners of the parent company	354,919	343,585	11,334
Non-current liabilities	17,085	23,001	-5,916
Liabilities from finance leases	8,381	6,726	1,655
Trade payables	1,500	9,724	-8,224
Other financial liabilities	7,204	2,550	4,654
Deferred income	0	4,001	-4,001
Current liabilities	128,067	119,026	9,041
Provisions	1,671	1,146	525
Liabilities from leases	3,127	1,969	1,158
Trade payables	60,650	54,597	6,053
Other financial liabilities	33,655	34,659	-1,004
Deferred tax liabilities	2,679	0	2,679
Tax liabilities	811	1,962	-1,151
Deferred income	25,474	24,693	781
Total balance sheet	500,071	485,612	14,459

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF CASH FLOW

EUR '000	2018/2019	2017/2018	Delta
Cash Flow from operating activities	144,525	170,361	-25,836
Payments for			
investment in intangible assets	-129,458	-135,556	6,098
investments in property, plant and equipment	-9,872	-7,195	-2,677
investments in financial assets	6	25	-19
Cash flows from investing activities	-139,324	-142,726	3,402
Acquisition of minority interest	0	-1,654	1,654
Dividend payments	-5,519	-5,519	0
Repayment of liabilities under finance leases	-3,281	-10,295	7,014
Cash flows from financing activities	-8,800	-17,468	8,668
Change in cash and cash equivalents	-3,599	10,167	-13,766
Cash and Cash equivalents at the beginning of the period	59,464	49,297	10,167
Cash and cash equivalents at te end of the period	55,865	59,464	-3,599

Appendix – Future viability of Bundesliga

Source-based allocation of TV funds

- Increasing fan base and loyalty
- Greater focus of club executives on increasing the brand value

Increasing the **attractiveness** of the Bundesliga – nationally and internationally

50 + 1

- Protection from pursuit of individual interests which are not economical (selfishness and vanity)
- Protection from accumulation of excessive debt by clubs

Maintaining and improving **solidarity** in the Bundesliga

Financial Fair Play

- Fair financial competition regardless of ownership structures
- Promotion of reasonable financial measures taken by clubs

Maintaining and improving financial **stability** in the Bundesliga

Appendix – BVB share

BVB share

Current **market cap: approx. EUR 864,3 m.** (as of 14/08/2019). Share price currently trending between EUR 9.00 and EUR 9.60.

- Research report by Bankhaus Lampe KG, Düsseldorf, dated 08 August 2019 issued "Buy" recommendation (previously: "Buy")
- Edison Research Investment Ltd., London (UK), issued a "research update" on 17 June 2019 (n/a)
- Initial Research report by Frankfurt Main Research AG, Frankfurt a.M., dated 24 May 2019 issued "Buy" recommendation
- Research report by GSC Research GmbH, Düsseldorf, dated 16 May 2019 issued "Buy" recommendation (previously: "Hold")

Further information available for download under "Capital Market View" at our IR page at www.bvb.de/aktie.

Appendix – shareholder structure

Borussia Dortmund GmbH & Co. KGaA's share capital amounts to EUR 92,000,000 divided into the same number of no-par value shares. Based on the voting rights notifications we have received, the shareholder structure of Borussia Dortmund GmbH & Co. KGaA is currently (08/08/2019) as follows:

- **Evonik Industries AG: 14.78%**
- **Bernd Geske: 9.33%**
- **Ballspielverein Borussia 09 e.V. Dortmund: 5.53%**
- **SIGNAL IDUNA: 5.43%**
- **PUMA SE: 5.0%**
- **Free float: 59,93%**



Appendix – financial calendar

- **27/09/2019**
disclosure of the annual financial report – fiscal year 2018/2019
- **14/11/2019**
disclosure of the quarterly financial report – Q1 fiscal year 2019/2020
- **25/11/2019**
annual general meeting



Appendix – IR contact details

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