



INVESTOR PRESENTATION

Financial year 2016/2017

Real Love.



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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, three 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 2016/2017: 79,653, making BVB no. 1 in Germany – ahead of Bayern Munich (75,000) and no. 1 in Europe for the sixth time in a row (!) ahead of FC Barcelona (77,461), Manchester United (75,290) and Real Madrid (68,896)

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 and transfers

INTRODUCTION OF BORUSSIA DORTMUND

Management



Hans-Joachim Watzke
CEO

- Appointed managing director of Borussia Geschäftsführungs-GmbH in 15/2/2005
- Responsible for companys' 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

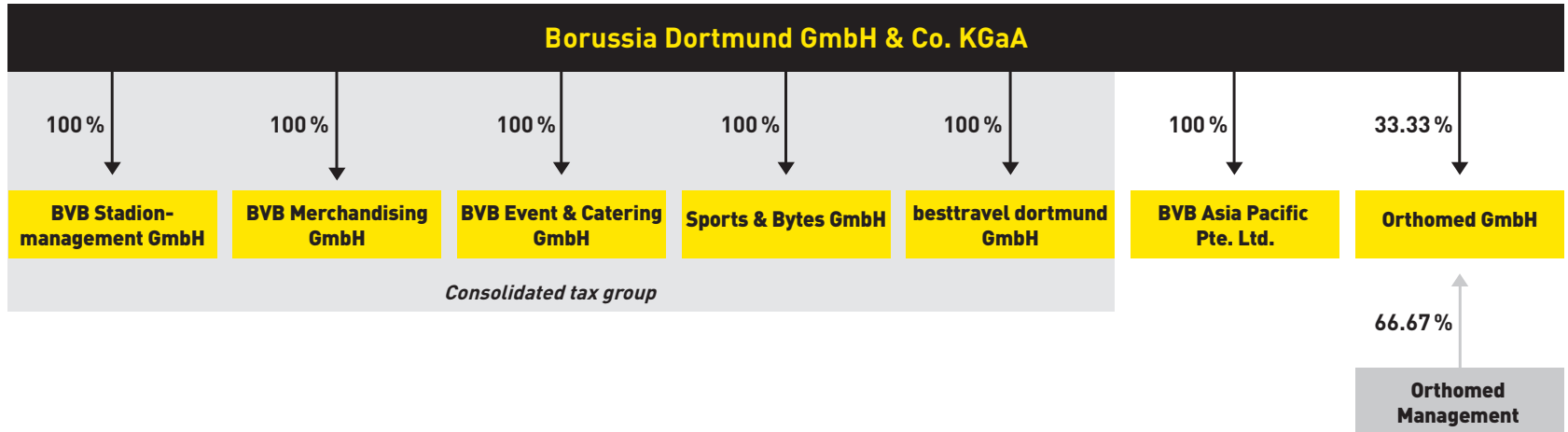


Thomas Treß
CFO

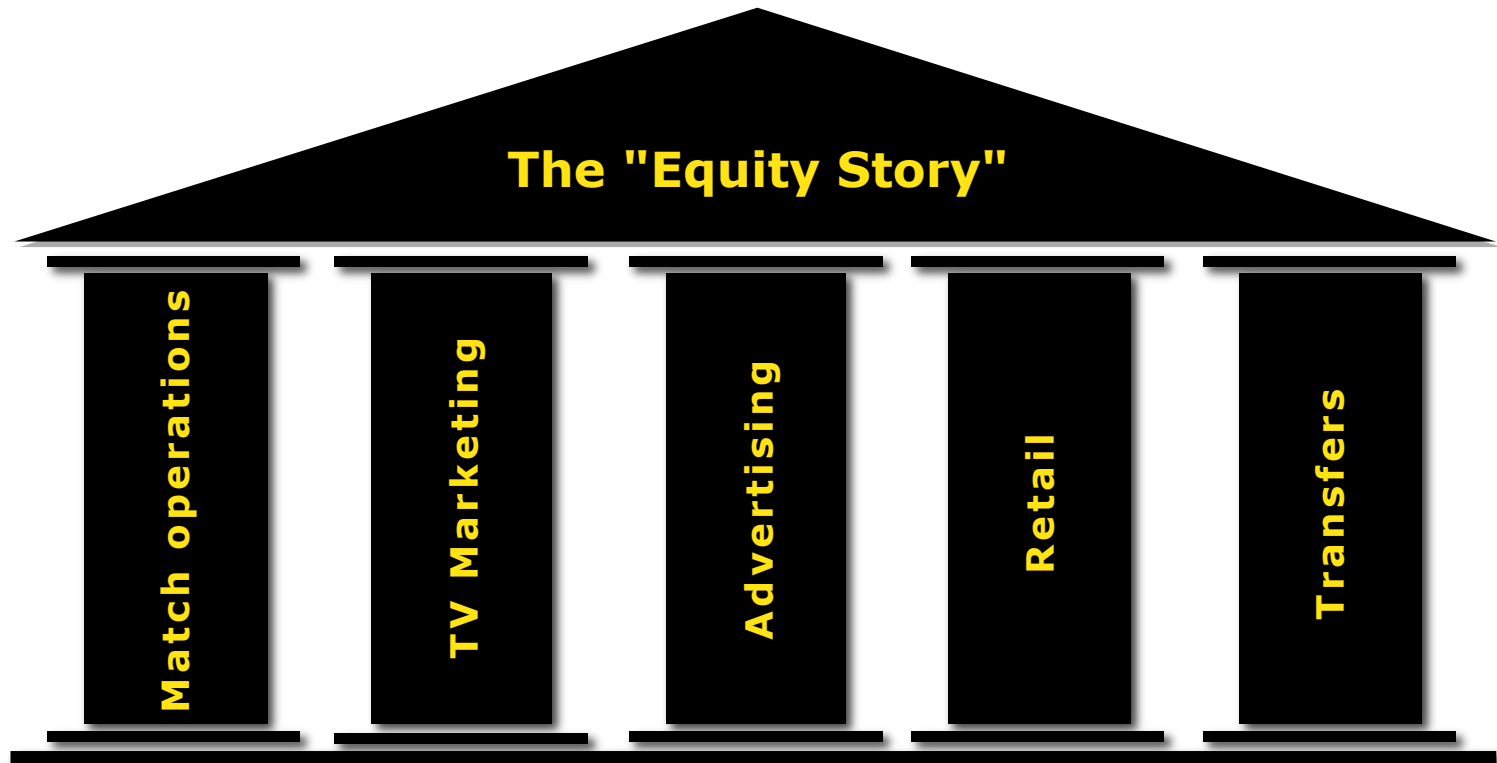
- Appointed managing director of Borussia Geschäftsführungs-GmbH in 2005
- Responsible for business divisions "finances" and "organisation"
- Graduated as Dipl. Kaufmann, tax advisor, certified public accountant
- Previous function: Partner with general powers of representation at auditing firm "RölfsPartner"

INTRODUCTION OF BORUSSIA DORTMUND

Borussia Dortmund group



INTRODUCTION OF BORUSSIA DORTMUND



UPDATE ON RECENT EVENTS

- Borussia Dortmund recorded with EUR 405.7m the highest revenues in its club history in fiscal year (FY) 2016/2017
- German record transfer of Ousmane Dembélé for €105m plus further contingent payments to FC Barcelona agreed (effective in FY 2017/2018)
- Intention to pay a dividend in an amount of EUR 0.06 per share
- Peter Bosz became head coach with the start of the new season 2017/2018
- Strong start into the Bundesliga season, currently (28/9/2017) positioned at #1
- Most sympathetic football club in Germany (Nielsen Sports Fußballmonitor 2017/2018)



INVESTMENT HIGHLIGHTS

Substantial higher value than implied by current stock market capitalization

**Stable revenues
with further
potential for
growth**

**Track record
of developing
talent**

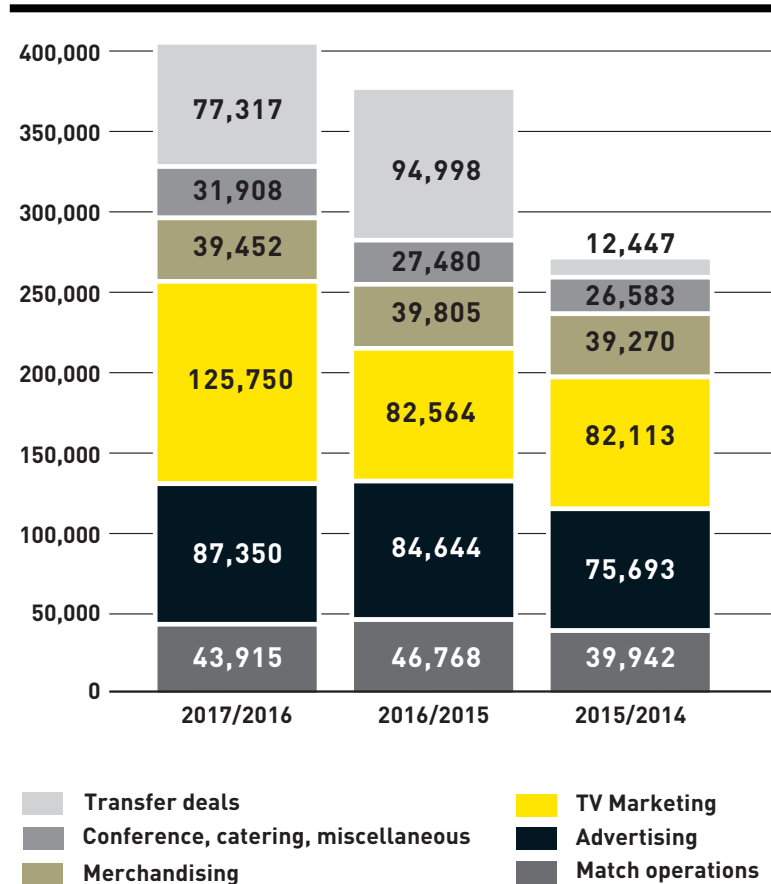
**Leading brand
and growing
social presence**

INVESTMENT HIGHLIGHTS

Stable revenue with further potential for growth

- **Total Group Revenues** EUR 405.7
- **Match operations:** Stadium attendance above 95 percent on average over the past 10 years, In the current FY 2017/2018 again 55,000 season tickets sold – "All-time record" for Bundesliga.
- **Advertising:** Increase resulted primarily from higher revenues of "Champion Partner" sponsors.
- **TV marketing:** Substantial increase due to participation in UEFA Champions League and growing TV Bundesliga revenues (EUR 66.0 m.) in FY 2016/2017. In the current FY 2017/2018, we expect further significant growth of TV Bundesliga revenues up to approx. EUR 89.0 m.
- **Merchandising:** Stagnation due to consumption saturation

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 Marco Reus (28), Pierre-Emerick Aubameyang (28), Andriy Yarmolenko (27) or Mario Götze (25) offer the necessary quality of performance.

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

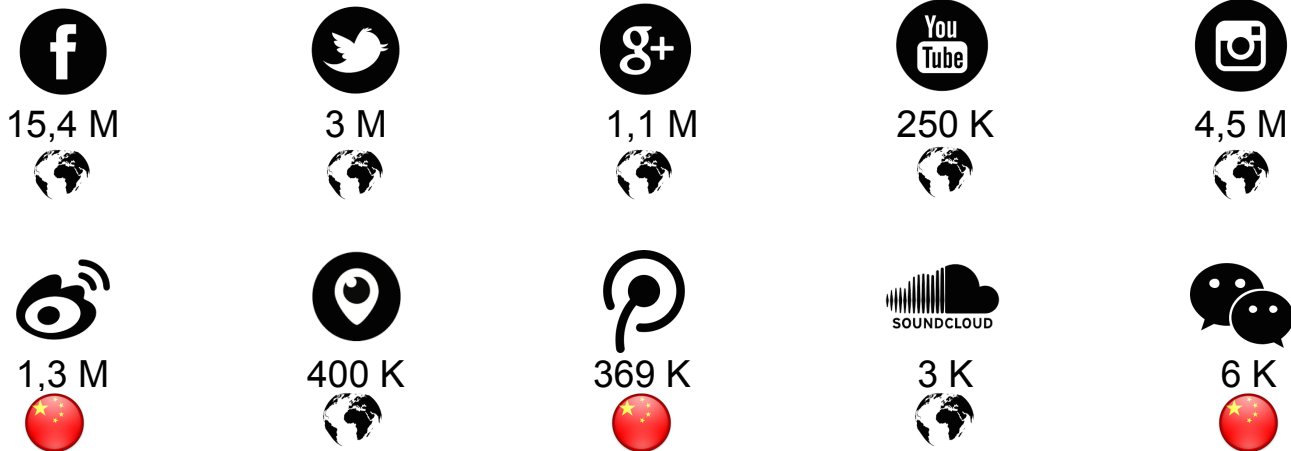
Borussia Dortmund's training centre combines optimal infrastructure with the latest training techniques and analyses, such as computer-assisted video systems, both for the professional squad and for the amateur and youth teams.

INVESTMENT HIGHLIGHTS

Leading brand with growing social media presence

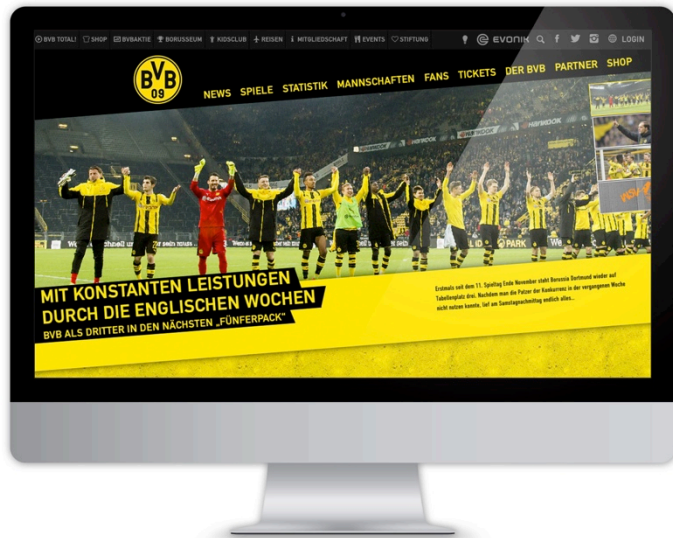
- BVB is Germany's # 1 in "2017 BrandFeel Ranking according to study conducted by Mafo.de
- Germany's most popular club according to the current "2017 Football Study by TU Braunschweig
- Social media presence is monetized among others by cross advertising

Total 29.8 Million Follower



INVESTMENT HIGHLIGHTS

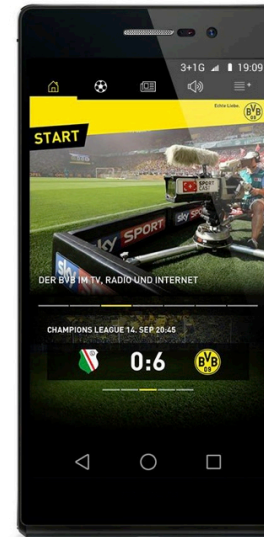
Digital Landscape



WEB

SEASONAL VIEW

10 Million Users
28 Million Sessions
57 Million Page Impressions
English, German, Japanese, Spanish,
French, Chinese (to be launched)



APP

SEASONAL VIEW

1.8 Million Downloads
1 Million Users
54.3 Million Sessions
287.5 Million Page Impressions
English & German

INVESTMENT HIGHLIGHTS

Borussia Dortmund group

KEY FINANCIAL INDICATORS

EUR '000	2016/2017		2015/2016	
	KGaA	Group	KGaA	Group
Revenue	352,591	405,692	324,320	376,259
Gross revenue	356,390	409,936	327,117	379,767
Operating result (EBITDA)	61,040	74,073	74,147	86,668
Result from operating activities (EBIT)	51	10,658	26,400	36,430
(Consolidated)net income for the year	6,339	8,209	28,262	29,436
Cash flows from				
operating activities	784	4,795	29,275	35,228
investing activities	1,205	984	-27,947	-29,125
financing activities	-6,311	-8,204	-4,665	-8,120
Equity as at 30 June	348,307	312,302	347,481	309,452
Earnings per share (in EUR)	0.07	0.09	0.31	0.32

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 Jadon Sancho (17), Alexander Isak (18), Dan-Axel Zagadou (18), Christian Pulisic (19) or Mahmoud Dahoud (21) and signing high-quality players such as Marco Reus (28), Pierre-Emerick Aubameyang (28), Andriy Yarmolenko (27) or Mario Götze (25); 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 total!" / "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: 65.3 % (as of 30 June 2017)

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.

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**

Appendix – Borussia Dortmund Group

REVENUE

EUR '000	2016/2017	2015/2016	Delta
Match operations	43,915	46,768	-2,853
Advertising	87,350	84,644	2,706
TV Marketing	125,750	82,564	43,186
Transfer deals	77,317	94,998	-17,681
Merchandising	39,452	39,805	-353
Conference, catering, miscellaneous	31,908	27,480	4,428
	405,692	376,259	29,433

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR '000	2016/2017	2015/2016	Delta
Revenue	405,692	376,259	29,433
Other operating income	4,244	3,508	736
Gross revenue	409,936	379,767	30,169
Cost of materials	-25,929	-25,676	-253
Personnel expenses	-177,949	-140,215	-37,734
Other operating expenses	-131,985	-127,208	-4,777
Operating result (EBITDA)	74,073	86,668	-12,595
Deprecation, amortisation and write-downs	-63,415	-50,238	-13,177
Result from operating activities (EBIT)	10,658	36,430	-25,772
Financial result	-1,539	-2,096	557
Profit before income taxes	9,119	34,334	-25,215
Income taxes	-910	-4,898	3,988
Consolidated net income for the year	8,209	29,436	-21,227

Appendix – Borussia Dortmund Group

OTHER OPERATING EXPENSES

EUR '000	2016/2017	2015/2016	Delta
Match operations	42,065	40,948	1,117
Advertising	27,337	24,091	3,246
Transfer deals	31,535	31,926	-391
Retail	7,728	7,843	-115
Administration	19,116	17,497	1,619
Other	4,204	4,903	-699
	131,985	127,208	4,777

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

EUR '000	30/06/2017	30/06/2016	Delta
Non-current assets	354,858	302,765	52,093
Intangible assets	141,521	65,278	76,243
Property, plant and equipment	184,664	188,423	-3,759
Investments accounted for using the equity method	296	302	-6
Financial assets	109	107	2
Trade and other financial receivables	10,256	34,378	-24,122
Deferred tax assets	1,136	1,136	0
Prepaid expenses	16,876	13,141	3,735
Current assets	123,739	121,780	1,959
Inventories	8,978	10,158	-1,180
Trade and other financial receivables	48,776	51,072	-2,296
Current tax assets	170	257	-87
Cash and cash equivalents	49,297	51,722	-2,425
Prepaid expenses	16,518	8,571	7,947
Total balance sheet	478,597	424,545	54,052

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

EUR '000	30/06/2017	30/06/2016	Delta
Equity	312,302	309,542	2,760
Subscribed capital	92,000	92,000	0
Reserves	220,415	217,655	2,760
Treasury shares	-113	-113	0
Non-current liabilities	25,383	36,192	-10,809
Non-current liabilities from finance leases	8,695	18,990	-10,295
Trade payables	496	3,420	-2,924
Other non-current liabilities	8,192	1,782	6,410
Deferred income	8,000	12,000	-4,000
Current liabilities	140,912	78,811	62,101
Provisions	1,178	1,372	-194
Current liabilities from finance leases	10,295	2,640	7,655
Trade payables	63,565	14,635	48,930
Other current liabilities	43,264	34,435	8,829
Tax liabilities	732	5,212	-4,480
Deferred income	21,878	20,517	1,361
Total balance sheet	478,597	424,545	54,052

Appendix – Borussia Dortmund Group

CONSOLIDATED STATEMENT OF CASH FLOW

EUR '000	2016/2017	2015/2016	Delta
Cash flows from operating activities	4,795	35,228	-30,433
Payments for investments in intangible assets	9,091	-20,038	29,129
investments in property, plant and equipment	-8,139	-9,442	1,303
investments in financial assets	32	355	-323
Cash flows from investing activities	984	-29,125	30,109
Proceeds from the sale of treasury shares	0	1	-1
Distributions to minority shareholders	0	-525	525
Acquisition of minority interests	-45	-500	455
Dividend payments	-5,519	-4,599	-920
Repayment of liabilities under finance leases	-2,640	-2,497	-143
Cash flows from financing activities	-8,204	-8,120	-84
Change in cash and cash equivalents	-2,425	-2,017	-408
Cash and cash equivalents at the beginning of the period	51,722	53,739	-2,017
Cash and cash equivalents at the end of the period	49,297	51,722	-2,425

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 747.8 m.** (as of 28/9/2017). Share price currently trending between EUR 8.00 and EUR 8.20; avg. XETRA turnover per day: 4 weeks = 440,908; 52 weeks = 260,787 (as of 28/9/2017).

- Research report by Bankhaus Lampe KG, Düsseldorf, dated 5 September 2017 issued "Buy" recommendation (previously: "Buy")
- Research report by ODDO BHF AG, Frankfurt a.M., dated 29 August 2017 issued "Buy" recommendation (previously: „Buy“)
- Research report by GSC Research GmbH, Düsseldorf, dated 16 March 2017 issued "Hold" recommendation (previously: "Hold")
- Edison Research Investment Ltd., London (UK), published a "research update" on 16 March 2017 (n/a).

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 presently (28/9/2017) as follows:

- **Evonik Industries AG: 14.78%**
- **Bernd Geske: 9.01%**
- **BV. Borussia 09 e.V. Dortmund: 5.53%**
- **SIGNAL IDUNA: 5.43%**
- **PUMA SE: 5.00%**
- **Free float: 60.25%**



Appendix – financial calendar

- 05.10.2017
Edison Roadshow, London (UK) – Company presentation
- 14.11.2017
disclosure of the quarterly financial report – Q 1 fiscal year 2017/2018
- 27.11.2017
annual shareholder meeting

Appendix – IR contact details

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