



HALF-YEARLY FINANCIAL REPORT
H1 2017/2018



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BORUSSIA DORTMUND INTERIM MANAGEMENT REPORT

BUSINESS DEVELOPMENT

LOOKING BACK ON THE FIRST SIX MONTHS OF FINANCIAL YEAR 2017/2018

BUNDESLIGA

Borussia Dortmund headed into the 2017/2018 Bundesliga winter break in third place with 28 points, just two points behind second place and in position to qualify directly for the UEFA Champions League during the upcoming season.

UEFA CHAMPIONS LEAGUE

Borussia Dortmund finished third in Group H of the UEFA Champions League following two losses against both Tottenham Hotspur FC (3:1 and 1:2) and Real Madrid (1:3 and 3:2) and two 1:1 draws against Apoel FC. This qualified the team for the competition's knock-out round in the UEFA Europa League, where it will face Serie A side Atalanta Bergamo.

DFB CUP

The team's DFB Cup campaign began with a 0:4 win against 1. FC Rielasingen-Arlen, followed by a 0:5 win over 1. FC Magdeburg. Borussia Dortmund was then eliminated in the round of 16 following the team's 2:1 loss at FC Bayern Munich on 20 December 2017.

DFL SUPER CUP

As the winners of the DFB Cup, Borussia Dortmund hosted Bundesliga champions FC Bayern Munich in the DFL Super Cup on 5 August 2017, ultimately losing the thrilling match 4:5 on penalties.



DFL-Supercup
05 August 2017
BVB - Bayern München 6:7 (n. E.)



DFB cup 1st round
12 August 2017
1. FC Rielasingen-Arlen - BVB 0:4

FINANCIAL PERFORMANCE**Financial indicators****Borussia Dortmund KGaA (HGB)**

EUR '000	H1 2017/2018 31/12/2017	H1 2016/2017 30/06/2017
Equity	380,912	348,307
Capital expenditure	135,509	89,130
Gross revenue	288,304	185,655
Operating result (EBITDA)	77,375	41,724
Result from operating activities (EBIT)	42,401	11,286
Financial result (investment income and net interest expense)	1,481	5,345
Net profit/net loss for the year	38,124	14,539
Cash flows from operating activities	-39,832	-19,117
Free cash flow	-17,709	-7,228
Number of shares (in thousands)	92,000	92,000
Earnings per share (in EUR)	0.41	0.16



1st match day
19 August 2017
VfL Wolfsburg - BVB 0:3



2nd match day
26 August 2017
BVB - Hertha BSC 2:0

Borussia Dortmund Group (IFRS)

EUR '000	H1 2017/2018 31/12/2017	H1 2016/2017 30/06/2017
Equity	347,248	312,302
Capital expenditure	127,707	89,257
Gross revenue	314,624	215,881
Operating result (EBITDA)	83,880	49,853
Result from operating activities (EBIT)	47,665	18,211
Financial result (investment income and net interest expense)	-2,606	-697
Consolidated net profit/loss for the year	39,406	15,578
Cash flows from operating activities	-38,806	-17,156
Free cash flow	-8,895	-5,942
Number of shares (in thousands)	92,000	92,000
Earnings per share (in EUR)	0.43	0.17

PERFORMANCE INDICATORS

Various financial and non-financial indicators are used to measure performance. Borussia Dortmund uses these internally-defined performance indicators to guide its entrepreneurial actions and to select the focus of its internal reporting.



3rd match day
9 September 2017
Sport-Club Freiburg - BVB 0:0



1st match day UCL
13 September 2017
Tottenham Hotspur - BVB 3:1

Financial performance indicators

Of the numerous financial indicators that are always presented at the beginning of its financial reports, Borussia Dortmund focuses on those specific indicators that in the past few years were primarily used to steer the Company.

First and foremost is revenue. Management uses this indicator to internally manage the Company, knowing full well that – due particularly to one-time transfer effects – this indicator alone is not sufficiently meaningful. Nevertheless, it provides a clear indication of the Company's economic strength, especially when compared against that of competitors or when monitoring the Company's long-term revenue trend.

The result from operating activities (EBIT) and net profit or loss for the year are also used to manage the Company. These financial performance indicators play a key role in preparing the budget for the coming financial year(s), in interim controlling with respect to the earnings performance and when looking back on a particular financial year.

Another key performance indicator is the operating result (EBITDA). This is due to the high level of investment activity and the associated increase in depreciation, amortisation and write-downs. As a result, EBITDA (EBIT adjusted for depreciation, amortisation and write-downs) has been selected to better benchmark the Company's annual performance.

These indicators are rounded out by cash flows from operating activities, another component used for the Company's internal planning that forms the basis of the Company's strategic alignment. This allows the Company to identify future negative developments and leverage investment potential stemming from current budget surpluses at an early stage.

In the financial year 2017/2018 Borussia Dortmund's free cash flow is now also a financial indicator for the first time. Free cash flow is defined as cash flows from operating activities plus cash flows from investing activities.

Cash flows from operating activities do not include transfer deals, even though these have become an important revenue stream on account of recent transfer market developments. Taken in isolation, cash flows from operating activities can thus distort the presentation of current liquidity since significant surpluses from transfer deals could certainly be used to cover ongoing obligations.



4th match day
17 September 2017
BVB - 1. FC Köln 0:5



5th match day
20 September 2017
Hamburger SV - BVB 0:3

Non-financial performance indicators

Borussia Dortmund's only non-financial performance indicator is the reach of its brand.

While it is impossible to measure the reach of Borussia Dortmund's brand, it is determined by a number of criteria that, when taken together, are representative of the brand's reach.

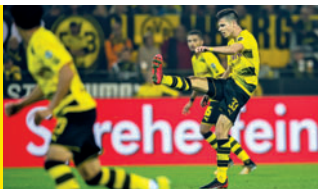
Some of these criteria are measurable, while others are not. Nevertheless, they are a reflection of the company's appeal.

The number of criteria varies and they are thus exchangeable. While any one factor may be of relevance during a given season, this may not necessarily be the case in subsequent years. New media in particular constantly provides new value drivers: for instance, the number of Facebook fans or page impressions represent relatively new indicators.

Measurable criteria include, for example, the number of season tickets sold, attendance figures and television broadcast hours.

Awards, surveys and studies represent possible criteria that cannot be measured quantitatively. Another "soft" criterion is the deliberate selection of sponsors whose products and brand images are aligned with the Borussia Dortmund brand.

Borussia Dortmund's decision-makers receive reports about all criteria on a regular basis. Furthermore, taken as a whole, these are an indicator of the success of the Company's strategic alignment.



6th match day
23 September 2017
BVB - Bor. M'gladbach 6:1



2nd match day UCL
26 September 2017
BVB - Real Madrid 1:3

DEVELOPMENT OF THE MARKET AND COMPETITIVE ENVIRONMENT

in the first six months of financial year 2017/2018

SPONSORSHIPS

Borussia Dortmund signed a long-term sleeve sponsorship deal with Opel Automobile GmbH at the beginning of the 2017/2018 season. The Opel logo will adorn the sleeves of Borussia Dortmund's shirts until 30 June 2022. In addition to being a Champion Partner, the club's official car sponsor will also carry the title of "Strategic Partner".

A new Champion Partner was also found for the 2017/2018 season and beyond. bwin's logo will become a common sight until the end of the 2020/2021 season, and Borussia Dortmund fans can access up-to-the-minute odds and information via the online sports betting company's app and website.

Furthermore, Borussia Dortmund's partnership with Unitymedia NRW GmbH, which dates back to 2013, was extended by two additional years until 30 June 2019. Hankook Reifen Deutschland GmbH, another Champion Partner, also extended its partnership with Borussia Dortmund by a further two years.

The club also struck new Partner-level deals for the coming years. Borussia Dortmund entered into partnerships, among other, with IKK classic Körperschaft des öffentlichen Rechts (until 30 June 2022), Fit GmbH (until 30 June 2019) and Infor (Deutschland) GmbH (until 30 June 2019).

Borussia Dortmund also gained new advertising partners at the international level, entering into a partnership with, among others, Shandong Luneng Taishan Football Club Co. Ltd., Jinan, China, until 30 June 2022.

In its own right, this selection of Champion Partners and Partners demonstrates that the interest in becoming one of Borussia Dortmund's advertising partners continues unabated in the current season.



7th match day
30 September 2017
FC Augsburg - BVB 1:2



8th match day
14 October 2017
BVB - Rasenballsport Leipzig 2:3

BIG NAMES IN DORTMUND

Peter Stöger took the helm as Borussia Dortmund's new head coach in December 2017. The former Cologne head coach replaced Peter Bosz and signed a fixed-term contract until 30 June 2018. Peter Stöger's assistants are Manfred Schmid and Jörg Heinrich, who himself is a former Borussia Dortmund player.

On the first day of training camp, Michael Zorc announced that Shinji Kagawa had agreed to and signed an early contract extension until 2020.

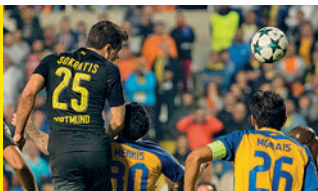
The club also extended its contract early with Felix Passlack. He will gain match experience while on loan at TSG Hoffenheim for two years before returning to Borussia Dortmund on 1 July 2019. Dženis Burnić also left Borussia Dortmund on loan to VfB Stuttgart.

The club signed defender Jeremy Toljan on a contract that runs through 30 June 2022. On the final day of the transfer window, Borussia Dortmund signed Jadon Sancho, another talented outfield player.

In addition to new signings and loan deals, however, there were also four departures. At his own request, Sven Bender transferred to Bundesliga rivals Bayer 04 Leverkusen at the beginning of the 2017/2018 season.

Borussia Dortmund also reached an agreement with FC Barcelona on the immediate transfer of Ousmane Dembélé. After a one-year stay, offensive winger Emre Mor left Borussia Dortmund for Spain's Real Club Celta de Vigo S.A.D. In addition, in July 2017, Mikel Merino Zazón was loaned to English Premier League club Newcastle United. Under the original agreement, the loan became a permanent transfer in September 2017.

BVB legend Dieter "Hoppy" Kurrat passed away on 27 October 2017 at the age of 75. The Dortmund native played a total of 612 matches for Borussia Dortmund, winning the German championship, the DFB Cup and the UEFA Cup Winners' Cup.



3rd match day UCL
17 October 2017
APOEL Nikosia - BVB 1:1



9th match day
21 October 2017
Eintracht Frankfurt - BVB 0:0

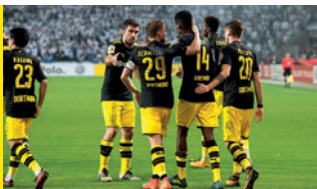
OTHER BUSINESS

Borussia Dortmund and its longstanding partner Lagardère Sports Germany GmbH extended their agency licencing agreement early until 30 June 2026. Lagardère Sports Germany GmbH will continue to market Borussia Dortmund's advertising, media and hospitality rights in Germany and abroad.

In November 2017, Borussia Dortmund launched an initiative to provide financial aid to the region's sports clubs. The club pledged EUR 200 thousand for infrastructure projects for amateur football clubs. Of that amount, BV. Borussia 09 e.V. Dortmund will contribute EUR 50 thousand. The clubs had until mid-December 2017 to submit their applications and a detailed description of their project.

Borussia Dortmund published its inaugural Sustainability Report shortly before Christmas 2017. The report, which Borussia Dortmund prepared voluntarily in advance of what will become mandatory CSR reporting requirements during the current financial year, presents both the potential and the challenges of the social and environmental issues facing the club.

Borussia Dortmund was once again named Germany's leading brand manager. For the sixth year running, Borussia Dortmund was ranked first in Braunschweig Technical University's annual representative survey of football clubs. Conducted between July and August 2017, the survey provides a comprehensive view of the Bundesliga's brand landscape.



DFB cup 2nd round
24 October 2017
1. FC Magdeburg - BVB 0:4



10th match day
28 October 2017
Hannover 96 - BVB 4:2

GROUP STRUCTURE AND BUSINESS OPERATIONS

The interim Group management report refers to the unchanged consolidated group of Borussia Dortmund GmbH & Co. KGaA.

In addition to its core activities of playing football and marketing SIGNAL IDUNA PARK, Borussia Dortmund has established football-related lines of business.

The list of shareholdings as at 31 December 2017 was as follows:

Shareholdings

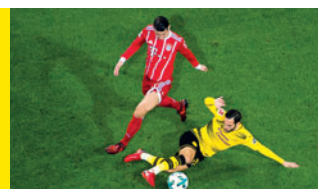
	Registered office	Share capital (EUR '000)	Shareholding %	Equity (EUR '000)	Ergebnis TEUR
		as at 31/12/2017		as at 31/12/2017	01/07/2017 to 31/12/2017
Fully consolidated companies					
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	29
besttravel Dortmund GmbH*	Dortmund	50	100.00	533	389
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	2,447
Sports & Bytes GmbH*	Dortmund	200	100.00	2,510	-72
BVB Event & Catering GmbH*	Dortmund	25	100.00	25	1,210
BVB Asia Pacific Pte. Ltd.	Singapore	66	100.00	118	16
Investments accounted for using the equity method					
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	811	84

* Profit and loss transfer agreements are in force. Profit/loss of the Company prior to transfer to/absorption by the consolidated tax group parent.

** Included in the consolidated financial statements as at 31 December 2016 as an associate.



4th match day UCL
1 November 2017
BVB - APOEL Nicosia 1:1



11th match day
4 November 2017
BVB - Bayern München 1:3

THE SHARES OF BORUSSIA DORTMUND GmbH & Co. KGaA

SHARE PRICE PERFORMANCE IN THE FIRST SIX MONTHS OF FINANCIAL YEAR 2017/2018

During the reporting period for the first six months of the 2017/2018 financial year (1 July to 31 December 2017), the performance of BVB shares was influenced not only by positive business announcements but also mixed sport-related announcements by the Company (unless indicated otherwise, the following data is based on the closing price of shares in XETRA trading in Borussia Dortmund shares; where necessary, figures have been rounded up to the nearest hundredth).

The shares of Borussia Dortmund GmbH & Co. KGaA kicked off the new 2017/2018 financial year at EUR 6.05 on 3 July 2017. In July 2017, the shares initially trended sideways at the EUR 6.00 mark due to the summer break. Despite losing the DFL Super Cup to FC Bayern Munich on 5 August 2017, euphoria at the beginning of the season and positive financial news, driven primarily by transfer rumours surrounding Ousmane Dembélé, resulted in a significant share price increase in the month of August 2017. BVB shares traded at EUR 6.00 on 2 August 2017, EUR 6.11 on 3 August 2017, EUR 6.26 on 4 August 2017 and EUR 6.45 on 7 August 2017. On 10 August 2017, the club confirmed that it was in discussions with FC Barcelona regarding the potential transfer of Ousmane Dembélé to FC Barcelona but that no agreement on the economic terms had yet been reached and that as such a transfer was not highly probable at that time (see ad hoc disclosure from the same date). Shares in Borussia Dortmund traded at EUR 6.57 on the same date. The nevertheless persistent transfer rumours in the media as well as the positive start to the season on the heels of wins in the DFB Cup and Bundesliga continued to bolster the share price. BVB shares traded at EUR 6.59 on 14 August 2017, EUR 6.76 on 15 August 2017, EUR 6.82 on 17 August 2017, EUR 6.87 on 21 August 2017, EUR 6.96 on 22 August 2017, EUR 7.14 on 23 August 2017 and EUR 7.35 on 24 August 2017. On 25 August 2017, the Company presented its preliminary figures for the 2016/2017 financial year (see ad hoc disclosure from the same date), reporting a 7.82% increase in consolidated revenue, amounting to EUR 405.7 million; adjusted for transfers, consolidated revenue even rose by 16.8% to a new record high of EUR 328.4 million (previous year: EUR 281.3 million). Consolidated net profit after taxes amounted to EUR 8.2 million (previous year: EUR 29.4 million). The capital market took a positive view of this report and the announcement of an intended dividend payment. The share price increased on this day with the late-afternoon confirmation that Ousmane Dembélé would



12th match day
17 November 2017
VfB Stuttgart - BVB 2:1



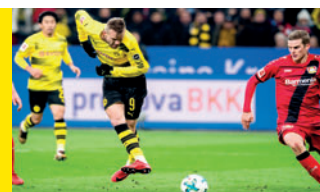
5th match day UCL
21 November 2017
BVB - Tottenham Hotspur 1:2

transfer from Borussia Dortmund to FC Barcelona. The shares closed at EUR 7.56 on 25 August 2017. Knock-on effects then led to a consolidation of the share price in the short term until early September 2017. BVB shares traded at EUR 6.97 on 29 August 2017, EUR 7.22 on 30 August 2017, EUR 7.37 on 31 August 2017, EUR 7.41 on 1 September 2017, EUR 7.47 on 5 September 2017 and EUR 7.57 on 6 September 2017. The team delivered mixed performances in September 2017. It got off to a record-breaking start in the Bundesliga, remaining undefeated with a goal difference of 25:1 as it occupied first place in the standings. However, the team was defeated in its first two group stage matches in the UEFA Champions League, losing away at Tottenham Hotspur and at home to Real Madrid. Despite these mixed performances, the share price continued to trend upward toward a new 16-year high. BVB shares traded at EUR 8.03 on 11 September 2017, EUR 7.90 on 13 September 2017, EUR 8.06 on 20 September 2017, EUR 8.18 on 25 September 2017, and EUR 8.20 on 29 September 2017.

On 2 October 2017, BVB shares traded at EUR 8.28, not only reaching its peak for the reporting period but also a 16-year high. The share price was then weighed down significantly in the second quarter of the 2017/2018 financial year following an unexpected losing streak in the Bundesliga, the team's elimination from the UEFA Champions League and the DFB Cup, and the club's – ultimately logical – decision to part ways with Peter Bosz and his coaching staff. The loss against RB Leipzig on 14 October 2017 ushered in this unexpected series of subpar performances and missed opportunities. On 16 October 2017, BVB shares were listed at EUR 7.86 and on 23 October 2017 at EUR 7.33. As it became increasingly clear that the team might be eliminated from the UEFA Champions League after a second disappointing draw against Apoel FC on 1 November 2017, shares in Borussia Dortmund GmbH & Co. KGaA slipped further, trading at EUR 6.85 on the following day. On 6 November 2017, Borussia Dortmund GmbH & Co. KGaA released the preliminary first quarter figures for financial year 2017/2018 (see ad hoc disclosure from the same date). The Company announced a 77.3% increase in revenue to EUR 224.8 million and consolidated earnings of EUR 52.6 million for the quarter. Nevertheless, the share price remained under pressure. Shares in Borussia Dortmund traded at EUR 6.77 on 6 November 2017, EUR 6.58 on 10 November 2017, EUR 6.41 on 20 November 2017 and EUR 6.11 on 23 November 2017. BVB shares were listed at EUR 6.10 on 27 November 2017, the date of the Annual General Meeting (21 November 2016: EUR 5.79). On that same day, the Annual General Meeting resolved a dividend distribution of EUR 0.06 per share. Shares traded at EUR 6.00 on the following day (28 November 2017). The shares reached their low for the reporting period on 6 December 2017, trading at EUR 5.91. That same evening, the team lost again, this



13th match day
25 November 2017
BVB - FC Schalke 04 4:4

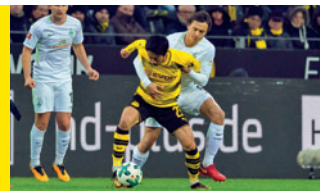


14th match day
2 December 2017
Bayer Leverkusen - BVB 1:1

time to Real Madrid in the UEFA Champions League match. However, Borussia Dortmund qualified for the UEFA Europa League on account of their third place finish in the group, and the shares recovered slightly on the following day (7 December 2017), closing at EUR 6.11. On 10 December 2017, the Company then parted ways with Peter Bosz and hired Peter Stöger as the new head coach. The share price then levelled out on the heels of this announcement and two Bundesliga wins. Shares traded at EUR 6.25 on 11 December 2017, EUR 6.40 on 13 December 2017 and EUR 6.23 on 18 December 2017. However, FC Bayern Munich eliminated the team from the DFB Cup on 20 December 2017 and the shares suffered another setback, closing at EUR 6.09 on the following day. The 2017 calendar year and the reporting period ended with shares in Borussia Dortmund GmbH & Co. KGaA trading at EUR 6.13 on 29 December 2017 (previous year: EUR 5.26).

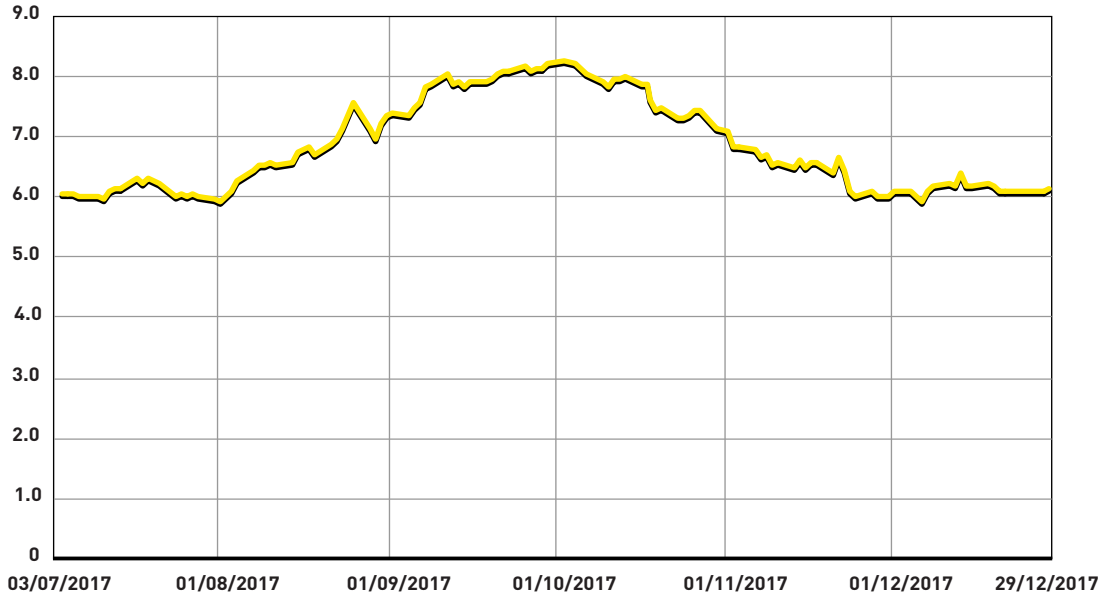


6th match day UCL
6 December 2017
Real Madrid - BVB 3:2

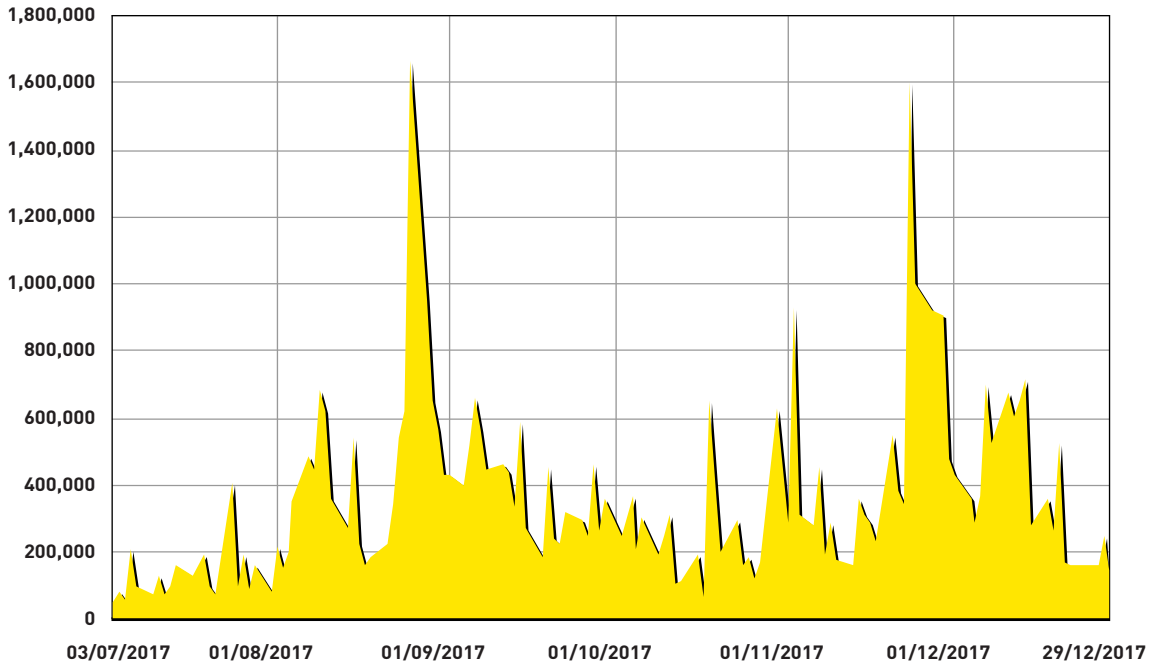


15th match day
9 December 2017
BVB - SV Werder Bremen 1:2

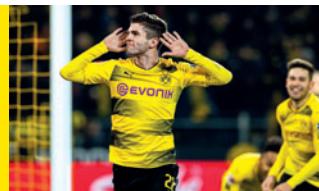
Share price performance (in EUR) Juli - December (in EUR)



Revenue Juli - December (Shares)



16th match day
12 December 2017
1. FSV Mainz 05 - BVB 0:2



17th match day
16 December 2017
BVB - TSG 1899 Hoffenheim 2:1

SHARE CAPITAL AND SHAREHOLDER STRUCTURE

As at 31 December 2017, Borussia Dortmund GmbH & Co. KGaA's share capital amounted to EUR 92,000,000.00 and was 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 was as follows as at 31 December 2017:

- Evonik Industries AG: 14.78%
- Bernd Geske: 9.19%
- Ballspielverein Borussia 09 e.V. Dortmund: 5.53%
- SIGNAL IDUNA: 5.43%
- PUMA SE: 5.0%
- Free float: 60.07%

SHAREHOLDINGS BY MEMBERS OF GOVERNING BODIES

As at 31 December 2017, one member of management held 7,045 no-par value shares in the Company. As at the same date, the members of the Supervisory Board held a total of 8,452,009 no-par value shares. Members of management and the Supervisory Board hold a total of 8,459,054 no-par-value shares, which corresponds to more than 1% of the shares issued by Borussia Dortmund GmbH & Co. KGaA.

INVESTOR RELATIONS

The aim of our Company's Investor Relations organisation is to obtain an appropriate valuation of BVB shares on the capital market. This is achieved by pursuing ongoing and open communication with all market participants. Investor Relations forms an ideal interface between institutional investors, financial analysts and private investors. The Company seeks to justify the confidence placed in it by investors and the public through immediate and transparent communication of its financial results, business transactions, strategy, and risks and opportunities. We are committed to communications principles such as openness, continuity, equal treatment and credibility, which make it possible to develop a long-term rapport based on trust with market participants and to ensure a true and fair view of the Company.

We therefore use online communication as our main form of communications, as this offers the best basis for providing all interested parties with equal access to up-to-date information. Because this information is highly pertinent, Borussia Dortmund maintains an investor relations webpage, "BVB



DFB cup round of 16
20 Dezember 2017
FC Bayern München - BVB 2:1

Share" which is available online at www.bvb.de/aktie and <http://aktie.bvb.de/eng>. All annual and interim financial reports are available for download at this site. Mandatory disclosures and announcements under capital market law, such as ad hoc disclosures, corporate news, and manager transactions (formerly directors' dealings) are published here in a timely manner. At the same time, our service provider, EQS Group AG (DGAP), Munich, ensures that these notices are distributed throughout Europe. Further detailed information, such as investor presentations and in-depth information on implementing the recommendations of the German Corporate Governance Code, is provided on our website. The information is available in German and, for the most part, in English as well.

Another objective of ours in financial year 2017/2018 is to continue to foster communication with the capital markets. The Annual Press Conference on the preliminary figures of the 2016/2017 financial year was held in Dortmund on 25 August 2017. The Company also held an analyst conference on the same day in Frankfurt am Main. Furthermore, conference calls and one-on-one telephone calls were held with capital market representatives during the reporting period and a roadshow was organised on 5 October 2017 in London (UK). Lastly, Borussia Dortmund also gave a company presentation and held several one-on-one meetings at the German Equity Forum in Frankfurt am Main on 28 November 2017.

The Company is also pleased to be included in the research coverage of the following firms:

- Bankhaus Lampe KG, Düsseldorf
Most recent research update: 1 February 2018, Recommendation: "Buy" (previously: "Buy")
- Edison Research Investment Ltd., London, UK
Most recent research update: 19 December 2017, Recommendation: "n/a"
- GSC Research GmbH, Düsseldorf
Most recent research update: 5 December 2017, Recommendation: "Buy" (previously: "Hold")
- ODDO BHF AG, Frankfurt am Main
Most recent research update: 23 November 2017, Recommendation: "Neutral" (previously: "Buy")

Individual studies and research updates are available online at www.bvb.de/aktie and <http://aktie.bvb.de/eng> under "BVB Share", sub-heading "Capital Market View".

ODDO BHF AG, Frankfurt am Main, was our Company's designated sponsor during the reporting period.

POSITION OF THE COMPANY

DEVELOPMENT OF PERFORMANCE INDICATORS

DEVELOPMENT OF FINANCIAL PERFORMANCE INDICATORS

In the first half of the 2017/2018 financial year, Borussia Dortmund's financial performance indicators – revenue, result from operating activities (EBIT), operating result (EBITDA), net profit/net loss for the year, cash flows from operating activities and free cash flow – were as follows:

Revenue

Revenue amounted to EUR 311,832 thousand in the reporting period. In the Annual Report as at 30 June 2017, Borussia Dortmund forecast revenue of EUR 365,000 thousand for the full current financial year.

In light of the Company's current performance, management presently expects total revenue for the full 2017/2018 financial year to significantly exceed EUR 500,000 thousand.

Operating result (EBITDA)

H1 EBITDA amounted to EUR 83,880 thousand; the forecast for the full financial year in the Annual Report dated 30 June 2017 had projected EBITDA to exceed the result from operating activities (EBIT) by approximately EUR 61,000 thousand.

Result from operating activities (EBIT)

The H1 result from operating activities (EBIT) amounted to EUR 47,665 thousand and the consolidated net profit for the year totalled EUR 39,406 thousand.

The report on expected developments dated 30 June 2017 forecast net profit and a positive result from operating activities (EBIT) in the low seven-figure range for the full financial year. In light of the Company's current performance, management expects a net profit and a result from operating activities (EBIT) in the mid-eight-figure range for the full 2017/2018 financial year.

Cash flows

The H1 Cash flows from operating activities amounted to EUR -38,806 thousand (previous year: EUR -17,156 thousand).

Borussia Dortmund forecasted as at 30 June 2017 that it would generate cash flows from operating activities in the low seven-figure range for the full financial year. In light of the Company's current performance, management does not expect to reach this target.

Free cash flow

Free cash flow in the first half of the 2017/2018 financial year amounted to EUR -8,895 thousand (previous year: EUR -5,942 thousand).

Overview of financial performance indicators:

Borussia Dortmund Group (IFRS)

EUR '000	H1 2017/2018	H1 2016/2017
Revenue	311,832	214,194
Operating result (EBITDA)	83,880	49,853
Result from operating activities (EBIT)	47,665	18,211
Net profit/net loss for the year	39,406	15,578
Cash flows from operating activities	-38,806	-17,156
Free cash flow	-8,895	-5,942

DEVELOPMENT OF NON-FINANCIAL PERFORMANCE INDICATORS

The economic viability of Borussia Dortmund can be measured in non-financial terms on the basis of the club's following on social media, which reflects the steadily rising interest in the Borussia Dortmund brand.

Social media allows Borussia Dortmund to remain in constant contact with its followers and to quickly respond to fans' suggestions, questions and demands.

In H1 2017/2018, Borussia Dortmund's followers on Twitter and Instagram increased as against 1 July 2017. As at 31 December 2017, Borussia Dortmund has 3.1 million followers on Twitter. The club's Instagram account saw the largest increase in followers over the past six months, rising by just under 600,000 and amounting to approximately 4.8 million as at 31 December 2017.

The number of Facebook users decreased, which was attributable to the removal of fake profiles. As at the reporting date, Borussia Dortmund had 15,382,781 fans on Facebook.

The Chinese microblogging website SinaWeibo is one of the five fastest growing social media platforms for European football clubs. Borussia Dortmund's followers on this platform also increased by approximately 25.26%.

In total, Borussia Dortmund now has 1.2 million more followers than on it did on 30 June 2017.

Borussia Dortmund's own app also continues to be a success. During the reporting period, the app was accessed 11,954,029 more times than in the period from 1 January to 30 June 2017, representing an increase of 6.5%.

Borussia Dortmund's community is growing organically, without the need for additional media budget funds.

The Asia tour is a key component of advancing Borussia Dortmund's internationalisation strategy. Some 25,000 Japanese fans alone watched the public training session via the BVB live account. All sales kiosks in Japan were sold out and the management and players gave more than 50 interviews.

The success of the tour meant that in addition to gaining a large number of new fans, Borussia Dortmund also strengthened existing and announced new partnerships.

RESULTS OF OPERATIONS

Borussia Dortmund closed out the first half of the year with a consolidated net profit of EUR 39,406 thousand, an improvement of EUR 23,828 thousand over the previous year.

During the reporting period (1 July to 31 December 2017), Borussia Dortmund generated revenue of EUR 311,832 thousand (previous year: EUR 214,194 thousand) and gross revenue of EUR 314,624 thousand (previous year: EUR 215,881 thousand), a further increase of EUR 98,743 thousand.

The result from operating activities (EBIT) amounted to EUR 47,665 thousand (previous year: EUR 18,211 thousand). The EUR 29,454 thousand improvement is due primarily to the increase in the results of the transfer deals. The operating result (EBITDA) amounted to EUR 83,880 thousand, up significantly on the prior-year figure of EUR 49,853 thousand.

REVENUE TREND

Borussia Dortmund once again increased revenue during the first half of the 2017/2018 financial year, generating EUR 311,832 thousand during the first six months of the financial year (previous year: EUR 214,194 thousand). The 45.58% increase is due primarily to positive developments in transfer deals.

In the first half of the 2017/2018 financial year, the EUR 91,018 thousand increase in transfer income included the transfers of the player Sven Bender, Ousmane Dembélé, Mikel Merino Zazón and Emre Mor as well as transfer compensation stemming from transfer deals in previous financial years. In the previous year, the club sold the transfer rights for Henrikh Mkhitaryan, Jakub Błaszczykowski and Moritz Leitner.

In addition to the increase in income from transfer deals, other revenue items also increased. Income from TV marketing improved by EUR 5,910 thousand, income from advertising by EUR 5,192 thousand and income from match operations by EUR 1,500 thousand. By contrast, merchandising revenue decreased by EUR 3,779 thousand and conference, catering and miscellaneous income declined by EUR 2,203 thousand year on year.

The 8.66% increase in income from TV marketing was due primarily to the 33.67% increase in the distribution of funds from the pot for domestic TV marketing. By contrast, the TV income from competing in the UEFA Champions League decreased by 18.35% since Borussia Dortmund qualified for the competition on account of its third-place Bundesliga finish in the 2016/2017 season, but only managed only two draws in its six matches in the group stage. Borussia Dortmund's third place finish in the group meant that the team was eliminated from the UEFA Champions League, but qualified for the round of 32 of the UEFA Europa League. The income from the DFB Cup and DFL Super Cup doubled year on year. In addition to the increased distribution from the DFL Super Cup, three rounds of the DFB Cup have already been played in the first half of the current financial year.

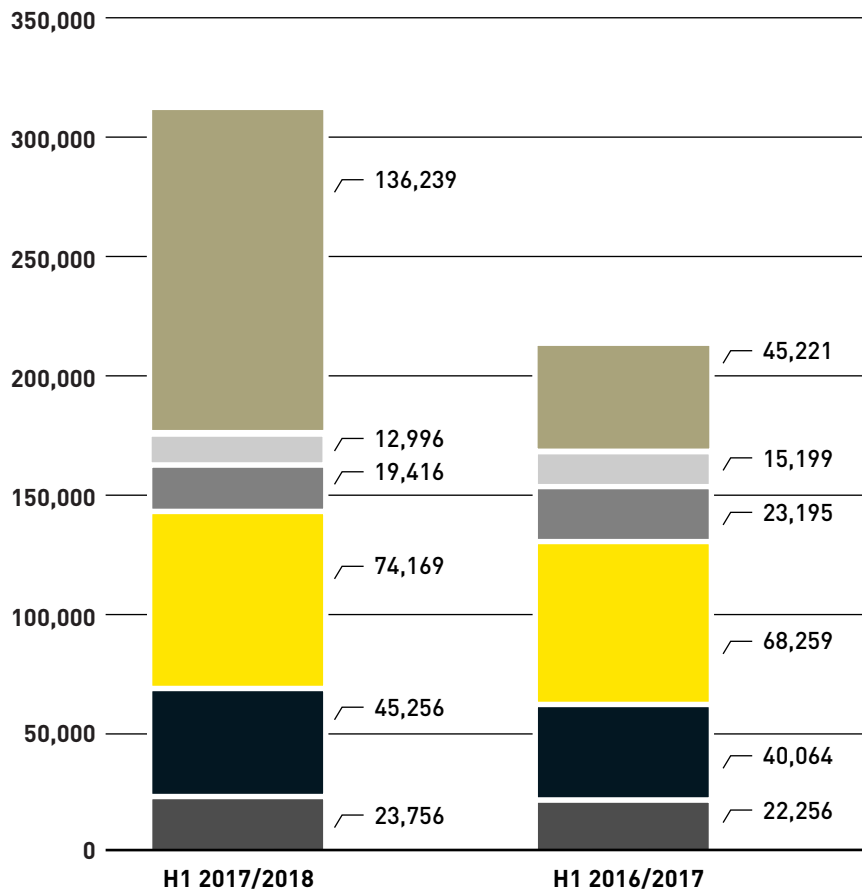
Income from match operations increased, due among other factors to higher proceeds from friendlies. Income from advertising improved on account of the expanded advertising agreement with Opel Automobile GmbH and the addition of new marketing partners.

The opposite held true for conference, catering and miscellaneous income, which includes release fees for national team players. Merchandising revenue also continued to decline and missed the prior-year figure of EUR 23,195 thousand, amounting instead to EUR 19,416 thousand.

Other operating income amounted to EUR 2,792 thousand (previous year: EUR 1,687 thousand) and included primarily insurance reimbursements.

Gross revenue amounted to EUR 314,624 thousand in the period under review (previous year: EUR 215,881 thousand).

Borussia Dortmund Group – Revenue in EUR '000



- Transfer deals
- Conference, catering, miscellaneous
- Merchandising
- TV Marketing
- Advertising
- Match operations

CHANGES IN SIGNIFICANT OPERATING EXPENSES

COST OF MATERIALS

Cost of materials decreased by EUR 2,151 thousand to EUR 12,241 thousand in the first quarter of financial year 2017/2018. The decline in cost of materials was due primarily to the decrease in merchandising revenue.

PERSONNEL EXPENSES

Personnel expenses amounted to EUR 94,286 thousand in the first six months of financial year 2017/2018, up EUR 11,996 thousand from the previous year. The increase was primarily due to personnel expenses for the professional squad and took into account the suspension of Peter Bosz and his coaching staff from 10 December 2017 onwards.

DEPRECIATION, AMORTISATION AND WRITE-DOWNS

In the period under review, depreciation, amortisation and write-downs increased by EUR 4,573 thousand to EUR 36,215 thousand as compared to the first six months of the previous year. This increase was attributable primarily to investments in the professional squad.

OTHER OPERATING EXPENSES

During the reporting period, other operating expenses amounted to EUR 124,217 thousand (previous year: EUR 69,346 thousand). The EUR 54,871 thousand increase was attributable primarily to expenses resulting from transfer deals involving the players Sven Bender, Ousmane Dembélé, Mikel Merino Zazón and Emre Mor and their residual carrying amounts.

FINANCIAL RESULT

The financial result declined by EUR 1,909 thousand to EUR -2,606 thousand (previous year: EUR -697 thousand). The termination of a hedge due to the elimination of the corresponding hedged item led to the cash flow hedge reserve amounting to EUR 1,090 thousand being reclassified under finance costs. This also included the EUR 790 thousand change in discounting effects as against the first half of the previous year.

TAX EXPENSE

The tax expense amounted to EUR -5,653 thousand in the reporting period (previous year: EUR -1,936 thousand) and related almost entirely to provisions for earnings in the half-year period from 1 July to 31 December 2017.

ANALYSIS OF CAPITAL STRUCTURE

DEVELOPMENT AND PERFORMANCE OF THE BUSINESS

At the end of the reporting period total assets amounted to EUR 495,841 thousand, up EUR 17,244 thousand as compared to 30 June 2017 (EUR 478,597 thousand).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

ASSETS	31/12/2017		30/06/2017	
	EUR '000	in %	EUR '000	in %
Non-current assets				
Intangible assets	184,646	37.3	141,521	29.6
Property, plant and equipment	181,861	36.7	184,664	38.6
Investments accounted for using the equity method	296	0.1	296	0.1
Financial assets	88	0.0	109	0.0
Trade and other financial receivables	11,197	2.3	10,256	2.1
Deferred tax assets	1,136	0.2	1,136	0.2
Prepaid expenses	20,923	4.2	16,876	3.5
	400,147	80.8	354,858	74.1
Current assets				
Inventories	8,041	1.6	8,978	1.9
Trade and other financial receivables	33,313	6.7	48,776	10.2
Tax assets	179	0.0	170	0.0
Cash and cash equivalents	23,878	4.8	49,297	10.3
Prepaid expenses	30,283	6.1	16,518	3.5
	95,694	19.2	123,739	25.9
	495,841	100.0	478,597	100.0

Changes in current and non-current assets were as follows:

As at 31 December 2017, fixed assets increased by EUR 40,301 thousand and amounted to EUR 366,891 thousand. Additions amounting to EUR 103,326 thousand (of which EUR 100,181 in intangible assets) were offset by disposals amounting to EUR 26,810 thousand and depreciation, amortisation and write-downs amounting to EUR 36,215 thousand.

Non-current trade and other financial receivables increased by EUR 941 thousand on account of transfer agreements.

This was offset by the change in current trade and other financial receivables, which decreased by EUR 15,463 thousand in the reporting period due to payments received for transfer receivables.

As at the reporting date, cash and cash equivalents amounted to EUR 23,878 thousand, below the 30 June 2017 figure of EUR 49,297 thousand.

In the reporting period, current and non-current prepaid expenses increased by a total of EUR 17,812 thousand. This increase was due to recognised agent fees and salary payments and by prepayments for marketing activities recognised during the course of the reporting period.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EQUITY AND LIABILITIES	31/12/2017		30/06.2017	
	EUR '000	in %	EUR '000	in %
Equity				
Subscribed capital	92,000	18.5	92,000	19.2
Reserves	255,361	51.5	220,415	46.1
Treasury shares	-113	0.0	-113	0.0
Equity attributable to the owners of the parent company	347,248	70.0	312,302	65.3
Non-current liabilities				
Liabilities from finance leases	7,722	1.6	8,695	1.8
Trade payables	3,271	0.7	496	0.1
Other financial liabilities	1,800	0.4	8,192	1.7
Deferred income	6,000	1.2	8,000	1.7
	18,793	3.9	25,383	5.3
Current liabilities				
Provisions	1,154	0.2	1,178	0.2
Liabilities from finance leases	1,917	0.4	10,295	2.1
Trade payables	59,851	12.1	63,565	13.3
Other financial liabilities	35,369	7.1	43,264	9.0
Tax liabilities	5,797	1.1	732	0.2
Deferred income	25,712	5.2	21,878	4.6
	129,800	26.1	140,912	29.4
	495,841	100.0	478,597	100.0

The Group's share capital remained level at EUR 92,000 thousand as at 31 December 2017. The equity ratio amounted to 70.03% (30 June 2017: 65.25%).

As at 31 December 2017, Borussia Dortmund's reported total liabilities of EUR 148,593 thousand, a decline of EUR 17,702 thousand as against 30 June 2017.

Changes in current and non-current liabilities were as follows:

Non-current liabilities from finance leases decreased as planned by EUR 973 thousand. Current liabilities from finance leases decreased from EUR 10,295 thousand to EUR 1,917 thousand due primarily to the payment of the purchase price for the administration building located at the Rheinlanddamm address.

Non-current trade payables increased by EUR 2,775 thousand as against 30 June 2017 due to the club's transfer activities during the reporting period. By contrast, current trade payables decreased by EUR 3,714 thousand. This was attributable primarily to the payment of transfer liabilities as at 30 June 2017.

Non-current other financial liabilities decreased by EUR 6,392 thousand due in particular to the elimination of future employee obligations.

Tax liabilities increased by EUR 5,065 thousand due primarily to the expected tax expense for the reporting period.

Current and non-current deferred income totalled EUR 31,712 thousand, EUR 1,834 thousand above the 30 June 2017 figure, due in particular to the planned deferred income from the agency licencing agreement with Lagardère Sports Germany GmbH.

ANALYSIS OF CAPITAL EXPENDITURE

In the first half of the current financial year, Borussia Dortmund invested EUR 127,707 thousand. Of this amount, EUR 124,627 thousand was invested in intangible assets. Nearly the entirety of this amount was invested in the player base.

During the same period, EUR 3,080 thousand was invested in property, plant and equipment, which related primarily to fixtures and expansion work in and around SIGNAL IDUNA PARK and the training centre in Brackel.

ANALYSIS OF LIQUIDITY

As at 31 December 2017, Borussia Dortmund held unrestricted cash funds of EUR 23,878 thousand. Borussia Dortmund also had access to an additional EUR 15,000 thousand in overdraft facilities which had not been drawn down as at the end of the reporting period.

Proceeds from the sale of player registrations amounted to EUR 157,549 thousand in the past first half of the financial year.

Payments for investments in the professional squad amounted to EUR 124,460 thousand.

Cash flows from financing activities amounted to EUR -16,524 thousand. This includes primarily the dividend distribution in November 2017 and the payment of liabilities from finance leases.

Cash flows from operating activities amounted to EUR -38,806 thousand.

OPPORTUNITIES AND RISKS

The entrepreneurial actions of Borussia Dortmund invariably expose it to risks which have the ability to exert a positive or a negative influence on its business activities. The Company's risk management system is designed to identify, assess and manage such risks. This ensures the Company's ability to continue as a going concern and detects any developments jeopardising its existence early on so that appropriate countermeasures can be taken to remedy the situation. Management monitors the risk management system and reports regularly to the Supervisory Board.

For details, please refer to the notes on opportunities and risks in the Group management report for the past 2016/2017 financial year.

There are no risks that jeopardise Borussia Dortmund's ability to continue as a going concern.

REPORT ON EXPECTED DEVELOPMENTS

EXPECTED DEVELOPMENT OF THE COMPANY

After earning just two points in Group H of the UEFA Champions League, Borussia Dortmund failed to qualify for the competition's knock-out round and will instead face Serie A side Atalanta Bergamo in the round of 32 of the UEFA Europa League.

Peter Stöger's team was also eliminated from the DFB Cup following its 2:1 loss in Munich.

In what is a hotly contested field behind first place, Borussia Dortmund headed into the Bundesliga winter break in third place with 28 points, which qualifies the team for the UEFA Champions League in the 2018/2019 season.

EXPECTED GENERAL ECONOMIC ENVIRONMENT

Please see the Group management report dated 30 June 2017 for a summary of the expected general economic environment.

DFL Deutsche Fußball Liga GmbH secured new, record-high revenue streams for the coming years, attributable primarily to TV marketing.

The national TV rights for the 2017/2018 to 2020/2021 cycle were sold for a record EUR 4.64 billion. Together with the international TV rights, the revenue could exceed EUR 6 billion. The price paid for the national TV rights is an 85% increase on the deal.

A majority of the advertising revenue in the coming years is already fixed due to the club's long-term partnerships with the primary sponsor, the equipment supplier, the holder of the stadium's naming rights, Champion Partners and other partners. Moreover, there is every indication that the club will again sell out its tickets for the hospitality areas.

Attendance at SIGNAL IDUNA PARK has also continued to improve during the past five seasons and stands at nearly 100%. The number of advance tickets that fans can order has to be partially regimented on account of the high number of season tickets and the steady rise in demand for match tickets.

Commercially successful professional football operations are no longer limited to just regional or national levels. In order to create new business segments, the focus is increasingly shifting to growing brand awareness on a global scale and tapping the corresponding foreign markets. In order to be financially successful on the international stage, Borussia Dortmund's focus rests squarely on the squad's footballing success, including in international competitions. Qualifying for the group stage of the UEFA Champions League alone continues to place Borussia Dortmund in a better financial position.

Generally, Borussia Dortmund does not plan on transfer income; however, given Borussia Dortmund's sustained success, its players are piquing the interest of other top clubs. Based on the current financial strength of foreign clubs in particular, it is possible that value-driven transfers will be concluded contrary to the Company's sporting interests.

OVERALL ASSESSMENT OF EXPECTED PERFORMANCE

On account of the aforementioned expected economic conditions, paired with the appeal of the Borussia Dortmund brand, the club continues to expect that its economic performance will remain positive in the coming years.

DISCLAIMER

This interim Group management report contains forward-looking statements. Such statements are based on current estimates and are by nature subject to risks and uncertainties. Actual results may differ from the statements made in this report.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	31/12/2017	30/06/2017
ASSETS		
Non-current assets		
Intangible assets	184,646	141,521
Property, plant and equipment	181,861	184,664
Investments accounted for using the equity method	296	296
Financial assets	88	109
Trade and other financial receivables	11,197	10,256
Deferred tax assets	1,136	1,136
Prepaid expenses	20,923	16,876
	400,147	354,858
Current assets		
Inventories	8,041	8,978
Trade and other financial receivables	33,313	48,776
Tax assets	179	170
Cash and cash equivalents	23,878	49,297
Prepaid expenses	30,283	16,518
	95,694	123,739
	495,841	478,597
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	92,000	92,000
Reserves	255,361	220,415
Treasury shares	-113	-113
Equity attributable to the owners of the parent company	347,248	312,302
Non-current liabilities		
Liabilities from finance leases	7,722	8,695
Trade payables	3,271	496
Other financial liabilities	1,800	8,192
Deferred income	6,000	8,000
	18,793	25,383
Current liabilities		
Provisions	1,154	1,178
Liabilities from finance leases	1,917	10,295
Trade payables	59,851	63,565
Other financial liabilities	35,369	43,264
Tax liabilities	5,797	732
Deferred income	25,712	21,878
	129,800	140,912
	495,841	478,597

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	H1 2017/2018	H1 2016/2017	Q2 2017/2018	Q2 2016/2017
Revenue	311,832	214,194	87,009	87,406
Other operating income	2,792	1,687	2,287	693
Cost of materials	-12,241	-14,392	-6,673	-8,591
Personnel expenses	-94,286	-82,290	-50,392	-43,844
Depreciation, amortisation and write-downs	-36,215	-31,642	-17,277	-15,582
Other operating expenses	-124,217	-69,346	-29,769	-25,933
Profit from operating activities	47,665	18,211	-14,815	-5,851
Finance income	256	663	44	8
Finance costs	-2,862	-1,360	-396	-324
Financial result	-2,606	-697	-352	-316
Profit before income taxes	45,059	17,514	-15,167	-6,167
Income taxes	-5,653	-1,936	2,015	1,056
Consolidated net profit/loss for the year	39,406	15,578	-13,152	-5,111
Items that were subsequently reclassified to profit or loss				
Cash flow hedge				
- effective portion of the change in fair value	-31	76	0	117
- reclassification to profit or loss	1,090	0	0	0
Other gains/losses incurred during the period, after taxes	1,059	76	0	117
Total comprehensive income	40,465	15,654	-13,152	-4,994
Consolidated net profit/loss for the year attributable to:				
- Owners of the parent:	39,406	15,578	-13,152	-5,111
- Minority interests:	0	0	0	0
Total comprehensive income attributable to:				
- Owners of the parent:	40,465	15,654	-13,152	-4,994
- Minority interests:	0	0	0	0
Earnings per share (EUR) (basic/diluted)	0.43	0.17	-0.14	-0.05

CONSOLIDATED STATEMENT OF CASH FLOWS

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	H1 2017/2018	H1 2016/2017
Profit before income taxes	45,059	17,514
Depreciation, amortisation and write-downs of non-current assets	36,215	31,642
Loss on disposals of non-current assets	-109,496	-37,488
Other non-cash income	-956	-1,339
Interest income	-256	-663
Interest expense	2,862	1,360
Changes in other assets not classified as from investing or financing activities	-23,400	-30,980
Changes in other liabilities not classified as from investing or financing activities	14,555	9,191
Interest received	3	1
Interest paid	-2,553	-1,360
Income taxes paid	-839	-5,034
Cash flows from operating activities	-38,806	-17,156
Payments for investments in intangible assets	-124,627	-84,275
Proceeds from disposals of intangible assets	157,549	100,434
Payments for investments in property, plant and equipment	-3,080	-4,977
Proceeds from disposals of property plant and equipment	48	30
Proceeds from financial assets	21	-5
Payments for investments in financial assets	0	7
Cash flows from investing activities	29,911	11,214
Acquisition of minority interests	0	-45
Payment for settlement of derivatives	-1,654	0
Dividend payments	-5,519	-5,519
Repayment of liabilities under finance leases	-9,351	-1,300
Cash flows from financing activities	-16,524	-6,864
Change in cash and cash equivalents	-25,419	-12,806
Cash and cash equivalents at the beginning of the period	49,297	51,722
Cash and cash equivalents at the end of the period	23,878	38,916

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000 <i>see note (8)</i>	Subscribed capital	Reserves			Equity attributable to the owners of the parent company			Consolidated equity
		Capital reserves	Other revenue reserves	Cash flow hedge	Treasury shares	Minority interests		
1 July 2016	92,000	142,888	75,938	-1,171	-113	309,542	0	309,542
Distributions to shareholders	0	0	-5,519	0	0	-5,519	0	-5,519
Acquisition of non-controlling interests without change of control	0	-45	0	0	0	-45	0	-45
Sale of treasury shares	0	0	0	0	0	0	0	0
Transactions with shareholders	0	-45	-5,519	0	0	-5,564	0	-5,564
Consolidated net profit for the year	0	0	15,578	0	0	15,578	0	15,578
Other gains/losses incurred during the period, after taxes	0	0	0	76	0	76	0	76
Total comprehensive income	0	0	15,578	76	0	15,654	0	15,654
31 December 2016	+92,000	+142,843	+85,997	-1,095	-113	+319,632	+0	+319,632
01. Juli 2017	92,000	142,843	78,628	-1,056	-113	312,302	0	312,302
Distributions to shareholders	0	0	-5,519	0	0	-5,519	0	-5,519
Acquisition of non-controlling interests without change of control	0	0	0	0	0	0	0	0
Sale of treasury shares	0	0	0	0	0	0	0	0
Transactions with shareholders	0	0	-5,519	0	0	-5,519	0	-5,519
Consolidated net profit for the year	0	0	39,406	0	0	39,406	0	39,406
Other gains/losses incurred during the period, after taxes	0	0	0	1,059	0	1,059	0	1,059
Total comprehensive income	0	0	39,406	1,059	0	40,465	0	40,465
Other reclassifications	0	0	3	-3	0	0	0	0
31 December 2017	+92,000	+142,843	+112,518	+0	-113	+347,248	0	+347,248

NOTES to the consolidated financial statements for the first six months of financial year
2017/2018 of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

GENERAL DISCLOSURES

Borussia Dortmund GmbH & Co. KGaA (hereinafter also "Borussia Dortmund" or the "Group") has its registered office at Rheinlanddamm 207-209, 44137 Dortmund, and is listed in the commercial register of the Local Court (Amtsgericht) of Dortmund under the number HRB 14217. These condensed interim consolidated financial statements for Borussia Dortmund GmbH & Co. KGaA for the period from 1 July to 31 December 2017 include the parent entity and its subsidiaries and one associate.

ACCOUNTING POLICIES

The condensed interim consolidated financial statements for the period from 1 July to 31 December 2017 were prepared in accordance with International Financial Reporting Standards (IFRSs) relating to interim reporting (IAS 34), as adopted by the European Union.

The same accounting policies are applied in the interim financial statements as in the consolidated financial statements as at 30 June 2017.

More detailed information on the accounting policies applied can be found in the notes to the consolidated financial statements as at 30 June 2017.

SCOPE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated group has not undergone any changes since the publication of the consolidated financial statements as at 30 June 2017.

TRADE AND OTHER FINANCIAL RECEIVABLES

Trade and other financial receivables decreased by EUR 14,522 thousand to EUR 44,510 thousand, primarily due to payments received for player transfer receivables.

PREPAID EXPENSES

Prepaid expenses increased by a total of EUR 17,812 thousand.

Non-current prepaid expenses rose by EUR 4,047 thousand to EUR 20,923 thousand, while current prepaid expenses were up EUR 13,765 thousand to EUR 30,283 thousand. These increases were due in particular to higher recognised consulting and salary payments as well as marketing commissions recognised during the course of the reporting period.

CONSOLIDATED EQUITY

Subscribed capital as at 31 December 2017 was EUR 92,000 thousand and is divided into the same number of no-par value shares, each representing a notional share in the share capital of EUR 1.00. Reserves amounted to EUR 255,361 thousand (previous year: EUR 220,415 thousand).

Changes in equity are presented in the consolidated statement of changes in equity.

OPERATING SEGMENTS

The Group has four reportable segments, which are responsible for the main activities of the overall Group. The first segment consists of Borussia Dortmund GmbH & Co. KGaA, which operates a football club including a professional football squad and leverages the associated revenue potential arising from transfer deals, catering, TV marketing, advertising and match operations. The second segment consists of the separate merchandising business, which is carried out by BVB Merchandising GmbH, a legally independent entity.

The wholly owned Group subsidiaries BVB Event & Catering GmbH and besttravel dortmund GmbH were also classified as reportable segments in financial year 2016/2017 due to their contribution to earnings at that time. In the interest of consistent reporting, these subsidiaries continue to be classified as reportable segments.

BVB Event & Catering GmbH is responsible for conducting stadium tours, providing and arranging for event staffing services and planning, organising, catering, steering and conducting events of all types in its own name and on behalf of third parties.

besttravel dortmund GmbH is responsible for arranging travel by air, rail and ship, as well as package tours offered to private customers by travel agents. It also organises and conducts events such as sports travel, conferences and incentive trips, and arranges hotel and car hire bookings.

Internal reporting is based on the provisions of the German Commercial Code (*Handelsgesetzbuch*, "HGB") applicable to each company.

EUR '000	Borussia Dortmund KGaA		BVB Merchandising GmbH		BVB Event & Catering GmbH		besttravel dortmund GmbH		Total	
	H1 2017/2018	H1 2016/2017	H1 2017/2018	H1 2016/2017	H1 2017/2018	H1 2016/2017	H1 2017/2018	H1 2016/2017	H1 2017/2018	H1 2016/2017
External revenue	285,217	183,647	19,416	23,195	6,266	6,355	436	381	311,335	213,578
Internal revenue	758	744	698	647	2,786	2,779	328	244	4,570	4,414
Segment profit before income taxes*)	39,759	11,096	2,447	3,874	1,210	1,135	389	267	43,805	16,372
Segment assets	513,067	488,937	21,853	25,001	4,529	3,452	1,980	1,680	541,429	519,070
Segment liabilities	132,155	132,430	10,972	14,120	4,504	3,427	1,447	1,269	149,078	151,246

*) before profit or loss transfer

Reconciliation of disclosures on reportable segments to consolidated figures		
EUR '000	H1 2017/2018	H1 2016/2017
Earnings before taxes – reportable segments	43,805	16,372
Earnings before taxes – other segments	-28	143
Change in Group earnings	1,282	999
Consolidated net profit before taxes	45,059	17,514

The changes in the Group's earnings as reported in the reconciliation were due primarily to adjustments made when translating HGB accounting to IFRS accounting as well as the elimination of transactions between Group entities.

Income from centralised national marketing amounted to EUR 47,071 thousand (previous year: EUR 36,012 thousand), and thus exceeded the 10% threshold for a single customer set forth in IFRS 8.34. The reason for this was the centralised marketing strategy used by DFL Deutsche Fußball Liga GmbH.

CONSOLIDATED STATEMENT OF CASH FLOWS

The Group's statement of cash flows was prepared in accordance with IAS 7 (Statement of Cash Flows). Cash and cash equivalents reported in the statement of financial position amounted to EUR 23,878 thousand (30 June 2017: EUR 49,297 thousand).

MATERIAL INVESTMENTS

In the first half of the current financial year, Borussia Dortmund invested EUR 127,707 thousand. Of this amount, EUR 124,627 thousand was invested in intangible assets. Nearly the entirety of this amount was invested in the player base.

During the same period, EUR 3,080 thousand was invested in property, plant and equipment, which related primarily to fixtures and expansion work in and around SIGNAL IDUNA PARK and the training centre in Brackel.

FINANCE LEASE

The amount to be recognised as an asset under the finance lease corresponds to the lower of the fair value of the asset at the beginning of the finance lease or the present value of future minimum lease payments. That amount is reduced by cumulative depreciation and amortisation and, where appropriate, write-downs and impairment losses.

The corresponding liabilities to the lessor are reported as current and non-current liabilities from finance leases, minus payments already made.

The change in current liabilities from finance leases was due primarily to the purchase price paid for acquiring the administrative building.

FINANCIAL INSTRUMENTS

Borussia Dortmund concluded an interest rate swap with a German Landesbank in connection with the exercise in 2014 of an option to purchase a leased administration building and plot of land, and the corresponding financing planned for calendar year 2017. A bank approved a credit facility with a term extending until 2028 for the swap.

On 30 September 2017, Borussia Dortmund decided that it would not make use of the aforementioned bank financing for the purchase. The elimination of the hedged item led to the termination of the hedge as at the reporting date and a remeasurement of the hedge as at 30 September 2017 in line with the bank's supporting documentation. The hedge (EUR -1,090 thousand), taking into account deferred taxes, was then reclassified from other comprehensive income to the income statement and reported under finance costs.

Interest rate swaps

EUR '000	31/12/2017	
	Notional amount	Fair value
Pay-fixed swaps	0	0

Interest rate swaps

EUR '000	30/06/2017	
	Notional amount	Fair value
Pay-fixed swaps	8,000	-1,592

In order to limit currency risks, BVB Merchandising GmbH's pending foreign-currency cash flows from operating activities were hedged.

Currency forwards were used to hedge the purchase of materials in foreign currencies. During the reporting period, the hedges related exclusively to US dollars. The value of currency forwards is determined by discounting the future value to the valuation date using the yield curve (net present value method). The valuation is substantiated by the banks calculations. In accordance with IFRS 13.72 et seq., currency forwards are classified in Level 2 of the fair value hierarchy since the input parameters used for measurement (yield curves as well as forward rates in US dollars) are observable on the market. The Group does not make its own estimates or assumptions for fair value measurement.

Hedge accounting within the meaning of IAS 39 is not applied to economic hedges for future purchase transactions, meaning that fair value changes in the derivatives are recognised in profit or loss. The fair value as at 31 December 2017 amounting to EUR -74 thousand was recognised under other financial liabilities (30 June 2017: EUR -90 thousand).

The carrying amounts of financial assets and liabilities to which IFRS 7 applies are generally identical to their fair values. The only deviations related to non-current liabilities from finance leases whose carrying amount was EUR 7,722 thousand (30 June 2017: EUR 8,695 thousand) as compared to their fair value of EUR 8,624 thousand (30 June 2017: EUR 7,514 thousand).

DIVIDEND

On 27 November 2017, the Annual General Meeting of the Company resolved the following:

The net retained profits of EUR 6,338,926.62 reported in the Company's annual financial statements for the 2016/2017 financial year were used as follows:

- EUR 5,518,866.00 was used to distribute to the limited liability shareholders a dividend of EUR 0.06 per share carrying dividend rights.
- the remaining EUR 820,060.62 was transferred to other revenue reserves.

The dividend was paid on 29 November 2017.

OTHER FINANCIAL OBLIGATIONS

The following financial obligations were reported as at 31 December 2017:

31/12/2017 (EUR '000)	Total	Due after		
		less than 1 year	1-5 years	more than 5 years
Rental and lease payments (operating leases)	17,257	3,624	11,687	1,946
Marketing fees	95,365	20,728	45,133	29,504
Other obligations	3,193	861	874	1,458
	115,815	25,213	57,694	32,908
Purchase commitments	0	0	0	0

30/06/2017 (EUR '000)	Total	Due after		
		less than 1 year	1-5 years	more than 5 years
Rental and lease payments (operating leases)	7,280	2,494	3,208	1,578
Marketing fees	83,826	26,307	57,519	0
Other obligations	2,933	786	666	1,481
	94,039	29,587	61,393	3,059
Purchase commitments	62,574	42,100	20,474	0

EMPLOYEES

At the Group level, Borussia Dortmund employed an average of 813 people during the first half of the 2017/2018 financial year, of which 17 were trainees, 261 salaried employees in the Sporting segment and 535 administrative employees (first half of the previous year: 756 employees, of which 10 trainees, 235 salaried employees in the Sporting segment and 511 administrative employees).

SUPERVISORY BOARD

The following table provides an overview of the composition of the Supervisory Board as at 31 December 2017:

SUPERVISORY BOARD of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

Gerd Pieper	Peer Steinbrück	Bernd Geske	Christian Kullmann	Dr. Werner Müller	Ulrich Leitermann	Bjørn Gulden	Dr. Reinhold Lunow	Silke Seidel
Chairman				Deputy Chairman				

Occupations

Managing shareholder of Stadt-Parfümerie Pieper GmbH, Herne	Senior Advisor to the Management Board of ING-DiBa AG, Frankfurt a. M.	Managing partner of Bernd Geske Lean Communication, Meerbusch	Chairman of the Executive Board of Evonik Industries AG, Essen	Chairman of the Board of Executives of the RAG Foundation, Essen	Chairman of the Board of the SIGNAL IDUNA Group, Dortmund	Chief Executive Officer of PUMA SE, Herzogenaurach	Medical Director of Praxisklinik Bornheim, Bornheim	Senior Executive at Dortmunder Stadtwerke AG and Managing Director of Hohenbuscher Beteiligungsgesellschaft mbH, Westfalentor 1 GmbH and Dortmund Logistik GmbH, all in Dortmund
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Other functions on statutory supervisory boards and comparable German or foreign supervisory bodies of commercial enterprises

Chairman of the Supervisory Board of ClearVAT Aktiengesellschaft, Berlin	Chairman of the Supervisory Board of Evonik Industries AG, Essen	Member and Chairman of the Supervisory Board of Dortmund Volksbank eG, Dortmund	Member of the Supervisory Board of Dansk Supermarked A/S, Højbjerg, Denmark	Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund
	Chairman of the Supervisory Board of RAG Aktiengesellschaft, Herne	Member and Chairman of the Supervisory Board of Sana Kliniken AG, Ismaning	Member of the Supervisory Board of Tchibo GmbH, Hamburg	
	Chairman of the Supervisory Board of RAG Deutsche Steinkohle AG, Herne		Member of the Supervisory Board of Pandora A/S, Copenhagen, Denmark	
	Member of the Supervisory Board of Contilia GmbH, Essen			
	Member of the Board of Directors of Stadler Rail AG, Bussnang, Switzerland			
	Chairman of the Supervisory Board of Entwicklungsgesellschaft Zollverein mbH, Essen			

EVENTS AFTER THE END OF THE REPORTING PERIOD

Athletic development

Borussia Dortmund started the second half of the 2017/2018 Bundesliga season with three draws and three wins. After 23 match days, Peter Stöger's team is currently in second place with 40 points, which would qualify the team directly for international club competitions in the upcoming 2018/2019 season.

On 15 February, Borussia Dortmund played Serie A side Atalanta Bergamo in the round of 32 of the UEFA Europa League. The match ended 3:2.

Atalanta Bergamo will host the second leg on 22 February 2018.

Big names in Dortmund

Borussia Dortmund signed the 17-year-old Sergio Gómez during the winter transfer window. The U17 Spanish international transferred from FC Barcelona to Borussia Dortmund and signed a contract through to 30 June 2020.

Borussia Dortmund also secured the immediate services of Swiss international Manuel Akanji, who will join the club from FC Basel on a contract until 30 June 2022.

Michy Batschuayi joined Peter Stöger's team on loan from Premier League heavyweights FC Chelsea. The 24-year-old striker will play for Borussia Dortmund until the end of the season.

Striker Pierre-Emerick Aubameyang transferred to Arsenal FC.

Defender Neven Subotić also left Borussia Dortmund after almost ten years and now plies his trade in France's Ligue 1 with AS Saint-Étienne. In addition, Marc Bartra also asked that his contract be annulled and moved back to Spain where he now plays for Real Betis.

Jacob Bruun Larsen will gain match experience while on loan to Bundesliga rivals VfB Stuttgart until 30 June 2018.

Other business

On 13 February 2018, the service agreement with managing director Hans-Joachim Watzke was extended early until 31 December 2022. It had originally been due to expire on 31 December 2019. Hans-Joachim Watzke will continue to serve as CEO and remains responsible for setting the Company's strategic course, as well as for the areas of "Sports", "Communications" and "Human Resources".

The service agreement with managing director Thomas Treß was also extended early until 30 June 2022. This had originally been due to expire on 30 June 2020. Thomas Treß remains responsible for the "Finance & Facilities" and "Organisation" areas.

In addition, Carsten Cramer was appointed as a further managing director with effect as at 1 March 2018. To date, he has served as commercial attorney in fact (*Prokurist*). His service agreement as a managing director runs until 30 June 2022. Mr Cramer holds joint power of representation and will be responsible for the "Sales & Marketing" and "Digitisation" areas.

Dortmund, 28 February 2018

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in accordance with German principles of proper accounting, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Dortmund, 28 February 2018

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director

CONFIRMATION AFTER REVIEW BY THE AUDITORS

To Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund:

We have reviewed the condensed interim consolidated financial statements of the Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund, – comprising the consolidated balance sheet, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes – together with the interim group management report of the Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund, for the period from July 1 to December 31, 2017 that are part of the semi annual financial report according to § 37 w WpHG old version [„Wertpapierhandelsgesetz“: „German Securities Trading Act“]. The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Dortmund, February 28, 2018
KPMG AG
Wirtschaftsprüfungsgesellschaft

Fischer
German Public Auditor
(*Wirtschaftsprüfer*)

Huperz
German Public Auditor
(*Wirtschaftsprüfer*)

FINANCIAL CALENDAR

06/03/2018	Edison Roadshow, New York (USA) - Company presentation
07/03/2018	Edison Roadshow, New York (USA) - Company presentation
15/05/2018	Disclosure of the quarterly financial report – Q3 fiscal year 2017/2018

For more information visit our website www.bvb.de/aktie/eng

PUBLICATION DETAILS

Publisher:

Borussia Dortmund GmbH & Co. KGaA
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