

Mutares SE & Co. KGaA on track: Private equity investor with new guidance - Targets for revenues and net result until 2023

- Holding revenues (dividends + other income from the portfolios) should increase to more than EUR 100 million by 2023, with a simultaneous growth target of consolidated Group revenues of EUR 3 billion
- Holding result (EBT) to be tripled by 2023 from EUR >20 million in 2019
- Management and Supervisory Board of Mutares Management SE propose basic dividend of EUR 1.00 with performance-based growth potential for fiscal year 2020
- Management and Supervisory Board of Mutares Management SE sees great buying and selling opportunities in times of Corona

Munich, 20 October 2020 – Mutares SE & Co. KGaA (ISIN: DE000A2NB650) („Mutares“) unanimously approved, at today's joint meeting of the Management and Supervisory Board of its general partner Mutares Management SE, the strategic earnings targets of Mutares proposed by the Management Board. In view of the opportunities presented by the economic challenges and given the additional financial flexibility provided by the successful increase of the bond issued in August 2020 from EUR 50 million to EUR 70 million, the Management sees great opportunities to considerably expand the investment portfolio in the coming years and to offer reliable, independent revenue streams similar to a growth-oriented private equity fund.

The Management is maintaining its aggressive growth strategy and expects an increase in annualized consolidated revenues to around EUR 1.8 billion in 2020 and around EUR 3.0 billion by 2023. For 2020, the Management expects a net return, independent from exit realizations, on consolidated revenue of 1%. The basis for this is provided by annual inflows of the holding company's revenues, so-called management fees to Mutares from portfolio companies. The own revenues of Mutares as a holding company are expected to amount to EUR 40 to 50 million in 2020.

This current sustainable return on sales of Mutares SE & Co. KGaA allows Mutares to continue its distribution-oriented dividend policy. The Management and Supervisory Board of Mutares Management SE expect a permanent basic dividend of EUR 1.00 per share of Mutares SE & Co. KGaA from the financial year 2020 onwards, which can be additionally increased by special dividends in case of strong growth and larger successful exits. Including the expected exit proceeds, the target for the net result of Mutares Holding until 2023 is at least 2% of consolidated revenues. This corresponds to an expected dividend-related net result of the Mutares-Holding in the financial year 2023 of EUR around 60 million. This return on revenue, which is based on the return target of 7 to 10 times ROIC (Return on Invested Capital) on total investments, would then result in a significant increase in the planned annual total dividend of Mutares SE & Co. KGaA.

“We aim to further expand our position in the TOP Group of leading private equity investors for turnaround investments. Due to the impact of the Corona crisis, combined with Mutares' strong reputation in the industry, our buy and sell pipeline is well filled. We strive to further strengthen the Holding Company and plan, among other things, to

expand our operational advisory team from 70 today to 140 employees in 2023," said Robin Laik, CEO and major shareholder of Mutares SE & Co. KGaA.

During the Capital Markets Day, which will take place today, Tuesday, 20 October 2020, the Management Board of the general partner of Mutares SE & Co. KGaA will provide a detailed insight into the Group strategy and the defined medium-term goals.

Capital Markets Day will also be broadcast as livestream event. Please click the following link to participate: <https://mutares.de/investor-relations/capital-markets-day-2020/>.

Company profile Mutares SE & Co. KGaA

Mutares SE & Co. KGaA, Munich (www.mutares.com), acquires medium-sized companies and parts of groups with headquarter in Europe that are being sold in the course of a repositioning process at their owners and show a clear potential for operational improvement. Mutares actively supports and develops its portfolio companies with its own investment and consulting teams as well as through acquisitions of strategic add-ons. The aim is to achieve a clear value increase with a focus on sustainable, long-term growth of the portfolio company. In 2019, Mutares' portfolio companies generated consolidated revenues of EUR 1,016 million and employed more than 6,500 people worldwide. The shares of Mutares SE & Co. KGaA are listed on Frankfurt Stock Exchange under the ticker symbol "MUX" (ISIN: DE000A2NB650).

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