



ANNUAL REPORT
2013/2014

Echte Liebe.



KEY FINANCIAL INDICATORS

BORUSSIA DORTMUND Kommanditgesellschaft auf Aktien, Dortmund (HGB)

EUR '000	2013/2014 30/06/2014	2012/2013 30/06/2013
Equity	186,830	182,406
Investments	57,857	26,668
Gross revenue	228,820	274,738
Operating profit (EBIT)	11,062	58,708
Financial result	1,364	2,756
Profit of the year	10,558	53,258
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	40,845	73,225
Cash flows from operating activities	19,329	22,410
Number of shares (in thousands)	61,425	61,425
Earnings per share (in EUR)	0.17	0.87

BORUSSIA DORTMUND Group (IFRS)

EUR '000	2013/2014 30/06/2014	2012/2013 30/06/2013
Equity	145,249	140,618
Capital expenditure	62,374	27,511
Gross revenue	265,962	307,817
Operating profit (EBIT)	18,453	65,117
Financial result (investment income and net interest expense)	-3,862	-5,081
Consolidated net profit for the year	11,970	51,193
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	49,132	87,531
Cash flows from operating activities	26,426	28,595
Number of shares (in thousands)	61,425	61,425
Earnings per share (in EUR)	0.19	0.83





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Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director

Dear Shareholders,

The 2013/2014 Annual Report provides a look back on a year that was highly successful in sporting and economic terms and for the Borussia Dortmund brand.

On the pitch, the squad continuously worked hard. Winning the DFL Super Cup, finishing as runner-up in the Bundesliga, reaching the DFB Cup final and advancing to the quarter-finals of the UEFA Champions League were the fruits of that labour. As in the past, the squad created quite the stir far beyond Dortmund's city limits.

Off the pitch, we remained true to our values, staying calm and collected while conducting our day-to-day business activities. The Group has set long-term goals that it plans to achieve with the help of its ongoing internal HR measures and its close, long-term collaborations with outside partners.

We are proud to work with sponsors, partners and employees who remained calm and level-headed even while the professional squad was hit with a string of injuries. All of this is rounded out by the support of our wonderful fans – the best in the world!

On the whole, this represents a solid foundation for sustainable footballing and financial success and will fuel our passionate black-and-yellow fan base. Therefore, this year, together with the Supervisory Board, we will recommend to the Annual General Meeting that the Company once again distribute a dividend of ten cents per share.

Given all of this and that the club will contest four domestic and international competitions, we are already extremely excited for the next season to arrive.



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director

REPORT OF THE SUPERVISORY BOARD

Borussia Dortmund GmbH & Co. KGaA can yet again look back on a successful 2013/2014 financial year, both from an athletic and a financial perspective. The club once again advanced to the quarter-finals of the UEFA Champions League, losing the incredibly close tie to eventual champions Real Madrid C.F. but at the same time emphatically demonstrating that it is here to stay in European club competition. Borussia Dortmund finished second in the 2013/2014 Bundesliga season, thus automatically qualifying once again for the 2014/2015 UEFA Champions League season. The 2014 DFB Cup final in Berlin marked another highlight this past season. Despite losing the final, Borussia Dortmund once again won the hearts of fans. From a financial perspective, financial year 2013/2014 was also a success. The Group significantly increased its revenue in certain areas and for the third year in a row it reported a net profit in the double-digit millions. The Supervisory Board is therefore extremely pleased that the Company's earnings position once again provides justification for the Supervisory Board and the general partner to propose to the Annual General Meeting in November 2014 to distribute a dividend using the net profit.

Supervisory Board activity, meetings

In the 2013/2014 financial year, the Supervisory Board closely monitored the status and development of the Company and the Group. It exercised all of the rights and duties incumbent upon it by virtue of the law and the Articles of Association.

The Supervisory Board met five times during the 2013/2014 financial year (on 24 September 2013, 25 November 2013, 11 March 2014, 20 May 2014 and 27 June 2014). Given the fact that the Supervisory Board only has six members, it has not formed any committees; all issues are deliberated and all resolutions are passed by the full Supervisory Board. Resolutions are adopted in accordance with the provisions of the Articles of Association and the relevant law.

During the reporting period, the Supervisory Board received regular, timely and comprehensive oral and written reports from the management within the meaning of § 90 of the German Stock Corporation Act (Aktiengesetz, "AktG"). These reports focused on the development of the business, the Company's and the Group's liquidity, earnings and financial position, corporate planning (specifically, financial, investment and personnel planning), the risk position and risk management within the Company and the Group, measures initiated to streamline the Group structure (acquisition of hereditary building right to the stadium and the merger of Group companies with Borussia Dortmund GmbH & Co. KGaA), the implementation of a capital increase under the exclusion of existing shareholders' pre-emptive subscription rights in a partial utilisation of Authorised Capital 2010 (representing the reason for and focus of the meeting on 27 June 2014), as well as strategic issues. Moreover, the Supervisory Board received written reports in the intervals between its meetings. These reports and the subsequent discussion and verification thereof also dealt with the interim financial reports (i.e., the half-yearly financial report and quarterly financial reports). Moreover, the Chairman of the Supervisory Board was in regular contact with the management outside of meetings; he was kept regularly apprised of current developments in the business and major business transactions and advised on strategic and budgetary issues as well as the Company's business development, risk position, risk management and compliance issues. The management fulfilled its duty to keep the Supervisory Board informed in a complete, continuous and timely manner.

The Supervisory Board advised and monitored the general partner and its managing director on the management of the Company. The reports of the management and the Supervisory Board's enquiries and deliberations formed a basis for this function. The Supervisory Board considers the management of the Company to be in compliance with the law and in proper order, it deems the internal control system, risk management system and internal audit system to be effective, and attests to the Company's

corporate organisation and economic viability. Reports and consultations also concerned issues relating to athletic performance.

In addition, the Supervisory Board reviewed the accounting and financial reporting for financial year 2013/2014 and the preparations for the Annual General Meeting in the previous year. Part of this review involved ascertaining the independence of the auditor prior to resolving to propose it for election. Moreover, the Supervisory Board reviewed the terms of engagement and the engagement of the auditor, which had been elected in the previous year's Annual General Meeting.

2013/2014 Annual and Consolidated Financial Statements

The annual financial statements for Borussia Dortmund GmbH & Co. KGaA and the consolidated financial statements as at 30 June 2014 and the management report for the Company and the Group management report (each of which comprising the explanatory report on disclosures made pursuant to § 289 (4) and § 315 (4) of the German Commercial Code (Handelsgesetzbuch, "HGB")) were prepared and submitted in due time by the management and were audited, along with the bookkeeping system by the auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Dortmund, in accordance with the statutory provisions, and were each issued an unqualified audit opinion. With respect to the risk early warning system, the auditor found that the management had taken the appropriate measures as required under § 91 (2) AktG, particularly with respect to establishing a monitoring system suited towards identifying risks early on which may jeopardise the Company as a going concern.

The annual and consolidated financial statements, the management report for the Company and the Group management report containing the risk report and the corresponding audit reports were submitted to all members of the Supervisory Board in due time. These documents were discussed in detail, explained and reviewed by the Supervisory Board at a meeting

on 9 September 2014, with the management and the auditors attending. At that meeting, the auditors reported on and discussed the key findings of their audit, including those relating to the accounting-related internal control and risk management system. The auditor and the management responded to questions raised by the Supervisory Board.

The Supervisory Board concurred with the auditors' findings and, subsequent to its own review work, did not raise any objections. At its meeting on 9 September 2014, the Supervisory Board approved the annual financial statements of Borussia Dortmund GmbH & Co. KGaA as at 30 June 2014 as well as the consolidated financial statements as at 30 June 2014.

Moreover, the Supervisory Board performed its own review of the report on relationships with affiliated companies (dependent company report) for the 2013/2014 financial year prepared by the general partner pursuant to § 312 AktG. The dependent company report was also audited by the auditor, who issued the following opinion:

"Having conducted a proper audit and assessment, we hereby confirm that

1. the factual information in the report is correct
2. the consideration paid by or to the Company in connection with the legal transactions listed in the report was not inappropriately high."

The auditor's report on the audit of the dependent company report had also been submitted to the Supervisory Board. These documents were discussed and reviewed by the Supervisory Board at the aforementioned meeting, with the auditor and the management in attendance. Upon concluding its review, the Supervisory Board did not raise any objections to the declaration by the general partner at the conclusion of the dependent company report. The Supervisory Board noted with approval the findings of the audit of the dependent company report by the auditor.

The Supervisory Board proposes to the Annual General Meeting that the annual financial statements as at 30 June 2014 be adopted. At its meeting on 9 September 2014, the Supervisory Board discussed and reviewed the proposal for the appropriation of net profits by the general partner, taking into account the interests of the limited liability shareholders and the position of the Company, namely the financial and capital structure; the Supervisory Board approved the management's proposal to the Annual General Meeting that it resolve to use the net retained profits of EUR 10,558,169.13 for financial year 2013/2014 to distribute a dividend of EUR 0.10 per share (ISIN DE0005493092) carrying dividend rights (totalling EUR 6,140,570.00) and to transfer the remainder (EUR 4,417,599.13) to other revenue reserves.

Moreover, the Supervisory Board proposes ratifying the actions of the general partner, Borussia Dortmund Geschäftsführungs-GmbH, for the 2013/2014 financial year.

Corporate governance

The Supervisory Board and the management of the general partner also dealt with issues of corporate governance during the reporting period. The Supervisory Board also assessed the efficiency of its work, namely the frequency of its meetings and their preparation and conduct, as well as the flow of information. The current Declaration of Conformity was

adopted at the same time as the resolution on this report and relates to the German Corporate Governance Code in the currently applicable version dated 13 May 2013, which has as of yet not been amended in calendar year 2014. The full declaration is permanently available online at www.bvb.de/aktie, under "Corporate Governance". Additional disclosures and explanations in this regard are made in accordance with section 3.10 of the Code in connection with the corporate governance declaration.

Personnel matters

Mr Friedrich Merz, having resigned his mandate, left the Supervisory Board with effect from the expiry of 30 June 2014.

In August 2014, the Executive Committee of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH and the Chairman of the management, Mr Hans-Joachim Watzke agreed to renew his service agreement early; the agreement was set to expire on 31 December 2016 and was extended until 31 December 2019. Mr Thomas Treß's term is currently set to expire on 30 June 2016.

The Supervisory Board would like to express its gratitude to the management, the Works Council and all employees for their enduring commitment and hard work. It also wishes to thank Borussia Dortmund's business partners, shareholders and fans for their trust.

Dortmund, September, 9th 2014
The Supervisory Board



Gerd Pieper
Chairman

Executive bodies

BV. BORUSSIA 09 e.V. DORTMUND**Chairman**

Dr. Reinhard Rauball	President
Gerd Pieper	Vice President
Dr. Reinhold Lunow	Treasurer

BORUSSIA DORTMUND GmbH & Co. KGaA**Supervisory Board**

Gerd Pieper	Chairman
Managing shareholder of Stadt-Parfümerie Pieper GmbH, Herne	
Harald Heinze	Deputy Chairman
Chairman of the Board (ret.) of Dortmunder Stadtwerke AG	
Peer Steinbrück	
Member of German Bundestag	
Bernd Geske	
Managing partner of Bernd Geske Lean Communication, Meerbusch	
Friedrich Merz	until 30 June 2014
Attorney; partner (until 31/12/2013); senior counsel (since 1/1/2014) Mayer Brown LLP, Düsseldorf	
Christian Kullmann	
Executive Vice President and head of the General Secretariat of Evonik Industries AG, Essen (from 1/7/2014: member of the Executive Board of Evonik Industries AG, Essen)	

BORUSSIA DORTMUND GESCHÄFTSFÜHRUNGS-GmbH

Hans-Joachim Watzke	Managing Director (Chairman)
Thomas Treß	Managing Director

Corporate structure

BORUSSIA DORTMUND GmbH & Co. KGaA

100.00%	BVB Stadionmanagement GmbH
100.00%	BVB Merchandising GmbH
100.00%	BVB Event & Catering GmbH
100.00%	Sports & Bytes GmbH
51.00%	besttravel dortmund GmbH
33.33%	Orthomed Medizinisches Leistungs-und Rehabilitationszentrum GmbH

THE SHARES of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

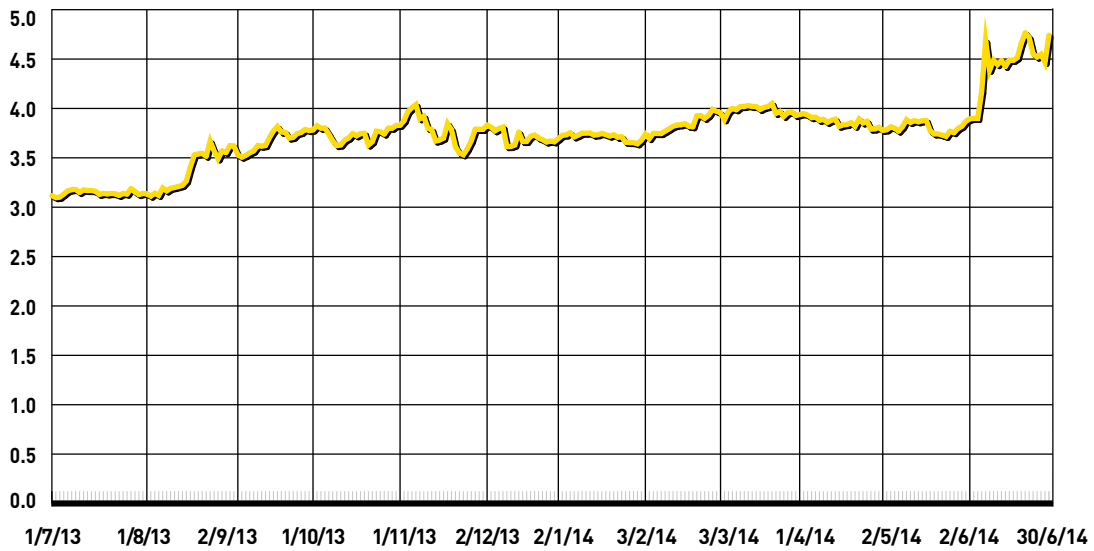
SHARE PRICE PERFORMANCE IN FINANCIAL YEAR 2013/2014

During the reporting period for the 2013/2014 financial year (1 July 2013 to 30 June 2014), the performance of BVB shares was influenced primarily by highly positive sport-related and business announcements by the Company, including a dividend distribution resolved by the Company's Annual General Meeting; the team qualifying once again for the group stage of the 2014/2015 UEFA Champions League season; and the admission of BVB shares to trading in the Prime Standard segment of the Frankfurt Stock Exchange followed by the SDAX listing; as well as the positive reaction to the announcement of two capital increases expected to enter into effect or be implemented in the course of the first quarter of financial year 2014/2015. (Unless indicated otherwise, the following data is based on the closing price of shares in XETRA trading in the shares of Borussia Dortmund GmbH & Co. KGaA; where necessary, figures have been rounded up to the nearest hundredth.)

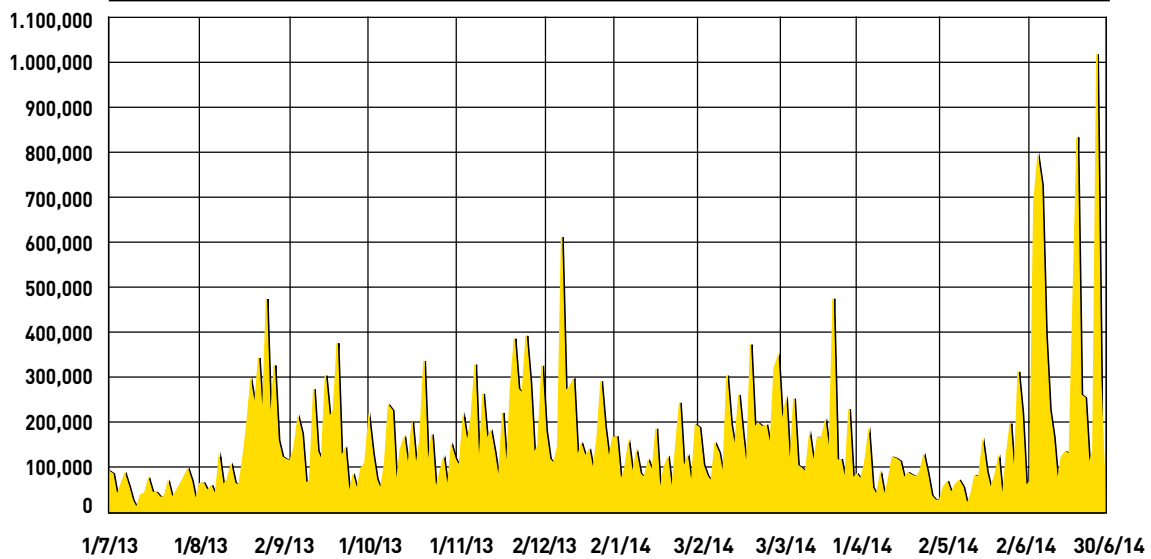
The shares of Borussia Dortmund GmbH & Co. KGaA kicked off the new financial year 2013/2014 at EUR 3.11 on 1 July 2013. The share price remained fairly flat during the month of July 2013 as preparations for the new season got underway. Shares traded at EUR 3.16 on 9 July 2013, EUR 3.12 on 18 July 2013, EUR 3.10 on 24 July 2013 and EUR 3.17 on 29 July 2013. The share price rose significantly in August, buoyed by initial exuberance at the start of the season as season ticket sales of 55,000 set a new record, followed by an opening match win against SV Wilhelmshaven in the DFB Cup, wins against FC Augsburg and Eintracht Braunschweig in the Bundesliga and the release of the Company's preliminary figures for the 2012/2013 financial year. Shares traded at EUR 3.12 on 6 August 2013, EUR 3.17 on 12 August 2013 and EUR 3.39 on 19 August 2013. On 22 August 2013, the Company announced its preliminary figures for financial year 2012/2013 (see ad

hoc disclosure from the same date), posting record-high revenue of EUR 305.0 million (previous year: EUR 215.2 million) for the Group and record-high net profit of EUR 51.2 million (previous year: EUR 27.5 million) for financial year 2012/2013. The capital market reacted positively to the disclosure – BVB shares closed at EUR 3.53 on 22 August 2013 and would stabilise at that level through the end of August 2013. September 2013 was then influenced by a sustained winning streak in the Bundesliga. The share price continued to rise despite a loss to SSC Neapel in the opening match in the group stage of the UEFA Champions League. On 2 September 2013, BVB shares traded at EUR 3.60. On 16 September 2013, the trading day following the big home win against Hamburger SV (6:2), shares traded at EUR 3.69. On 18 September 2013, the day of the away match in Naples, the shares traded at EUR 3.80, recording their highest price in about ten years. On 2 October 2013, the share price was quoted at EUR 3.81, but suffered a setback after the loss to Borussia Mönchengladbach on 5 October 2013. The shares traded at EUR 3.65 on 8 October 2013 and at EUR 3.60 on 9 October 2013, but recovered quickly to EUR 3.66 on 11 October 2013 and EUR 3.73 on 18 October 2013, where the share price would remain stable through the end of October. November then kicked off with another jump in the share price. On 1 November 2013, the shares were quoted at EUR 3.86 and on 6 November 2013 broke the EUR 4.00 barrier for the first time in more than ten years to list at EUR 4.02. After the loss at home to Arsenal London in the UEFA Champions League on 6 November 2013, the share price fell to EUR 3.88 the next day, 7 November 2013. The share price was EUR 3.77 on 12 November 2013. On 13 November 2013, Borussia Dortmund GmbH & Co. KGaA released the first quarter figures for financial year 2013/2014, reporting additional Group revenue growth (see ad hoc disclosure from the same date). On that date,

Development of share price July 2013 – June 2014 (EURO)



Sales volume July 2013 – June 2014 (Shares)



BVB shares traded at EUR 3.65, climbing to EUR 3.66 on 14 November 2013, advancing again to EUR 3.68 on 15 November 2013 and to EUR 3.83 on 18 November 2013. The share price fell again in the week leading up to the match against FC Bayern Munich on 23 November 2013. The shares then traded at EUR 3.51 on 22 November 2013. Despite a loss, the share price recorded a gain the very next trading day, trading at EUR 3.57 on 25 November 2013, which was also the date of the Annual General Meeting. On that same day, the Annual General Meeting resolved a dividend distribution of EUR 0.10 per share. On the following day, 26 November 2013, BVB shares traded at EUR 3.65, and would climb to EUR 3.77 in response to the home win against SSC Neapel in the UEFA Champions League on 27 November 2013. BVB shares held their ground until early December 2013, thanks in part to the squad having advanced to the next round of the DFB Cup after defeating 1. FC Saarbrücken on 3 December 2013. After the loss to Bayer 04 Leverkusen, the share price retreated to EUR 3.59 on 9 December 2013. Shares climbed to EUR 3.74 on 12 December 2013, the day after the club advanced to the round of 16 with a win in the final game of the UEFA Champions League group stage in Marseille, stabilising at EUR 3.65 on 13 December 2013. The share price then remained flat at this level during December 2013. The shares closed out the 2013 calendar year at EUR 3.64 on 30 December 2013.

The shares kicked off the 2014 calendar year at EUR 3.64 on 2 January 2014 and then remained flat in January. Shares traded at EUR 3.66 on 31 January 2014. The share price rose in February following a successful start to the second leg of the season on the heels of a draw and three consecutive Bundesliga wins as well as the squad's qualification for the DFB Cup semi-final. Shares traded at EUR 3.72 on 3 February 2014, at EUR 3.80 on 12 February 2014, the day after the squad defeated Eintracht Frankfurt in the DFB Cup quarter-final, and at EUR 3.91 on 20 February 2014. The day after the dominant away win in St. Petersburg in the UEFA Champions League,

26 February 2014, the share price rose further to EUR 3.97. On 28 February 2014, the day the semi-annual figures were released (see ad hoc disclosure from the same date), the share price was at EUR 3.94. On this date, Borussia Dortmund announced that it had, among other things, once again posted record-high consolidated revenue for the first half of the year (EUR 136.6 million; previous year: EUR 125.9 million). Due to the positive sport-related and business announcements by the Company, the share price once again exceeded the EUR 4.00 mark on 7 March 2014, reaching EUR 4.03 on 19 March 2014. On this date, Borussia Dortmund also advanced to the quarter-final stage of the UEFA Champions League, and shortly thereafter drew Real Madrid as its opponent. On 26 March 2014, the day after drawing against FC Schalke 04 in the local derby, the share closed at EUR 3.94. The BVB shares listed at EUR 3.93 on 31 March 2014.

The fourth quarter of the 2013/2014 financial year, which the BVB shares kicked off at EUR 3.90 on 1 April 2014, would prove to be an eventful one. On 2 April 2014, BVB suffered a 0:3 loss to Real Madrid in the first leg of the quarter-final UEFA Champions League. The next day, on 3 April, the shares traded at EUR 3.89. After BVB was eliminated from this season's UEFA Champions League competition by a razor-thin margin in the second leg on 8 April 2014 after a 2:0 home win, the shares were trading at EUR 3.86 on 9 April 2014. After a spectacular away win against FC Bayern Munich (0:3) on 12 April 2014 and defeating VfL Wolfsburg in the DFB Cup quarter-final on 15 April 2014, BVB advanced to the DFB Cup final in Berlin on 17 May 2014. On 14 April 2014, the shares traded at EUR 3.81 and on 16 April at EUR 3.84. With only minor setbacks, the share price would stabilise at that level through the end of April. On 10 May 2014, BVB was able to close the 2013/2014 season with a second-place finish in the Bundesliga, thus qualifying once again for the group stage of the 2014/2015 UEFA Champions League season. Shares traded at EUR 3.84 on 12 May 2014. On 15 May 2014, the day the third-quarter figures

for the 2013/2014 financial year were published (see ad hoc disclosure from the same date), BVB shares traded at EUR 3.86. After the loss in extra time in the DFB Cup final, BVB shares listed at EUR 3.75 that following trading day on 19 May 2014.

On 27 May 2014, the Company announced (see Corporate News from the same date) that in response to its application, the shares of Borussia Dortmund GmbH & Co. KGaA had been admitted to trading in the Prime Standard segment of the Frankfurt Stock Exchange, thus fulfilling the requirement for a performance index listing. In response, BVB shares traded at EUR 3.78 on 28 May 2014, at EUR 3.80 on 29 May 2014, at EUR 3.85 on 30 May 2014 and at EUR 3.88 on 3 June 2014. On 5 June 2014, the Company announced (see Corporate News from the same date) that BVB shares would be listed in the SDAX performance index effective as at 23 June 2014. The capital market again reacted favourably to the news, with the shares closing out the trading day at EUR 4.15. The share price was also fuelled by rumours that Deutsche Bank AG would be coming on board as a BVB shareholder, closing the trading day at EUR 4.67 on 6 June 2014. That very evening (see ad hoc disclosure from the same date), the Company denied the rumours about Deutsche Bank AG becoming an investor in Borussia Dortmund, but did not disclaim exploratory talks with companies interested in (strategic) partnerships. On 9 June 2014, BVB shares were listed at EUR 4.37 and on 13 June 2014 at EUR 4.41. The share price rose again in anticipation of the upcoming SDAX listing on 23 June 2014. Shares traded at EUR 4.49 on 18 June 2014, EUR 4.64 on 19 June 2014 and EUR 4.75 on 20 June 2014, which also marked the high for the reporting period. Shares traded at EUR 4.70 on 23 June 2014, EUR 4.53 on 24 June 2014 and EUR 4.50 on 25 June 2014. On 27 June 2014 (see ad hoc disclosure from the same date) the Company announced that Evonik Industries AG, Essen, would acquire a 9.06% interest in the Company's share capital increased subsequent to being recorded in the commercial register (which happened after the reporting period) by way of a ca-

pital increase excluding subscription rights and partially utilising the Authorised Capital 2010, and that the primary (kit) sponsorship agreement would be extended to 30 June 2025. The Company also announced its plans to utilise what remained of Authorised Capital 2010 to execute another capital increase in the first quarter of the 2014/2015 financial year, this time granting existing shareholders pre-emptive subscription rights, and that it was in exploratory talks with companies interested in (strategic) partnerships in this regard. On 27 June 2014, BVB shares closed the trading day at EUR 4.45. The 2013/2014 financial year and the reporting period ended with a share price of EUR 4.72 on 30 June 2014.

SHARE CAPITAL AND SHAREHOLDER STRUCTURE

As at 30 June 2014, Borussia Dortmund GmbH & Co. KGaA's share capital amounted to EUR 61,425,000 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 30 June 2014:

- Bernd Geske: 11.87 %
- BV. Borussia 09 e.V. Dortmund: 7.24 %
- Odey Asset Management LLP: 5.06 %
- Free float: 75.83 %

SHAREHOLDINGS BY MEMBERS OF GOVERNING BODIES

As at 30 June 2014, 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 7,292,363 no-par value shares. Members of management and the Super-

visory Board hold a total of 7,299,408 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 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, directors' dealings and/or advance notices are published here in a timely manner. At the same time, our service provider, Deutsche Gesellschaft für Ad-hoc-Publizität mbH, 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 2013/2014 was to continue to foster communication with the capital markets.

On 17 October 2013, Borussia Dortmund GmbH & Co. KGaA participated in an Investors' Day in Stuttgart at the invitation of Süddeutsche Aktienbank AG and hosted an investors' symposium at SIGNAL IDUNA PARK with Bankhaus Lampe KG on 6 November 2013. Borussia Dortmund also gave a company presentation at the German Equity Forum sponsored by Deutsche Börse Group AG in Frankfurt am Main on 13 November 2013. As part of its roadshow the Company also presented itself to international capital market participants at group events and in individual discussions held during the reporting period as follows: 28 January 2014 London (UK), 13 March 2014 Zurich (CH), 3 June 2014 London (UK), 12 June 2014 London (UK) and 17 June 2014, Copenhagen (DK).

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

- Close Brothers Seydler Research AG, Frankfurt a.M.
Most recent research update: 16 June 2014,
Recommendation: "Buy" (previously: "Buy")
- Edison Research Investment Ltd., London, UK
Most recent research update: 6 June 2014,
Recommendation: "n/a"
- Bankhaus Lampe KG, Düsseldorf
Most recent research update: 14 March 2014,
Recommendation: "Buy" (previously: "Buy")
- GSC Research GmbH, Düsseldorf
Most recent research update: 12 March 2014,
Recommendation: "Buy" (previously: "Buy")

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

Close Brothers Seydler AG, Frankfurt am Main, was our Company's designated sponsor during the reporting period.

CORPORATE GOVERNANCE DECLARATION pursuant to § 289a of the German Commercial Code

Pursuant to § 289a of the German Commercial Code, exchange-listed companies are required to prepare a corporate governance declaration. Such statement includes the declaration of compliance with the German Corporate Governance Code, an explanation of relevant corporate governance

practices and a description of the working principles of the management and the Supervisory Board and its committees. The corporate governance declaration does not constitute a part of the management report, but rather is published on our website at <http://aktie.bvb.de/eng>.

CORPORATE GOVERNANCE REPORT

Borussia Dortmund GmbH & Co. KGaA (the "Company") believes it is essential for corporate governance to be clearly structured and effective. Corporate governance embodies a responsible and transparent system of checks and balances designed to ensure a continued focus on sustainable value creation. Efficient cooperation between the management and the Supervisory Board, the pre-

servation of shareholder interests, and open and transparent corporate communications are vital aspects of sound corporate governance. This is the guiding principle for the Company's Supervisory Board and for the management of Borussia Dortmund Geschäftsführungs-GmbH in its capacity as the general partner of Borussia Dortmund GmbH & Co. KGaA.

GENERAL INFORMATION ON CORPORATE GOVERNANCE AT BORUSSIA DORTMUND GMBH & CO. KGaA

German stock corporation law sets out the statutory framework of corporate governance. Pursuant to § 161 AktG, the executive board and the supervisory board of a listed company are required to submit each year a declaration as to whether and to what extent that company has complied (retrospective) or will comply (forward-looking) with the recommendations of the "Government Commission of the German Corporate Governance Code" contained in the German Corporate Governance Code ("Code") as published in the official section of the electronic Federal Gazette. Although companies may opt to deviate from the Code, they are then obligated to disclose this on an annual basis, providing an explanation for their non-compliance ("comply or explain"). This option exists to ensure that companies are able to meet industry- or company-specific requirements. A well-founded deviation from a recommendation of the Code may be in the interest of sound corporate governance.

The Code is generally reviewed once annually and amended as required. It reflects basic statutory guidelines concerning the management and supervision of listed German companies as well as internationally and nationally recognised standards for sound and responsible corporate governance. The Code is intended to ensure that corporate governance in Germany is transparent and open to scrutiny and to promote confidence in the management and supervision of listed German stock corporations amongst international and national investors, customers, employees and the public.

Although a large number of the Code's recommendations (expressed using the word "shall") are intended exclusively for German stock corporations (Aktiengesellschaft, "AG"), they may also be applied mutatis mutandis to partnerships limited by shares (Kommanditgesellschaft auf Aktien, "KGaA"), i.e., our Company as well.

A KGaA is a hybrid corporate form combining elements of a German stock corporation and a limited partnership (Kommanditgesellschaft). It is a separate legal entity whose share capital is divided into shares which are held by at least one shareholder (the general partner) that has unlimited liability against creditors of the Company and limited partners (Kommanditaktionäre) that are not personally liable for the debts of the company (§ 278 (1) AktG).

The key differences between a KGaA and a German stock corporation can be characterised as follows:

- Borussia Dortmund GmbH & Co. KGaA does not have an executive board. Instead, the general partner, Borussia Dortmund Geschäftsführungs-GmbH, is solely responsible for its management and representation. This German limited liability company (Gesellschaft mit beschränkter Haftung, "GmbH") is in turn represented by one or more managing directors; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.

- The rights and duties of the KGaA's Supervisory Board, which is appointed by the Annual General Meeting, are limited. Specifically, it has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements. Nor is the Supervisory Board authorised to adopt internal rules of procedure or a list of transactions requiring its consent on behalf of the general partner. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board.
- Additional features specific to the KGaA's Annual General Meeting are set forth primarily in §§ 285 and 286 (1) AktG and in the Company's Articles of Association.

As a consequence, a Declaration of Conformity in accordance with § 161 AktG must be submitted by the management of the general partner and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA, taking into account the specific characteristics of the KGaA's legal form and the provisions of the Articles of Association. The Declaration of Conformity must be made permanently available to shareholders on the Company's website. It is published on the investor relations website, <http://aktie.bvb.de/eng>, under "Corporate Governance". The Declaration of Conformity submitted in September 2014 is an integral component of the Corporate Governance Declaration, and is also printed in the Notes to this report.

The Company's Corporate Governance Report presented here is published in the Annual Report for the 2013/2014 financial year, which is available for download from our investor relations website <http://aktie.bvb.de/eng>, under "Publications".

Transparency

The Company provides the limited partners, shareholders' associations, financial analysts and the general public regular notifications regarding the position of the Company and on material business developments.

In particular, we publish ad hoc disclosures and corporate news on our website, as well as directors' dealings notifications submitted to us, information on the shareholder structure, the current version of the Articles of Association and the financial calendar.

The financial calendar includes the dates for key Company events, and can be accessed online at <http://aktie.bvb.de/eng>, under "Financial Calendar".

As in previous years, the Annual Press Conference on the "preliminary" figures of the previous financial year will be streamed live so that the general public may watch the conference online in real time.

The previous year's Annual General Meeting was convened in due and proper form and held on 25 November 2013. In compliance with the German Corporate Governance Code, the reports and documents required by law were made available for inspection; these were given to the limited liability shareholders upon request and were published on the Company's website together with the agenda. The resolutions on all agenda items were approved, with votes in favour ranging between 92.6% and 99.9% of the votes cast.

The next Annual General Meeting of Borussia Dortmund GmbH & Co. KGaA will take place on 24 November 2014 in Dortmund.

The interim financial reports shall be published at the intervals recommended in the Code. The Company will provide further details via ad hoc announcements. The consolidated financial statements and the interim financial reports are prepared in accordance with

International Financial Reporting Standards (IFRSs) as adopted by the member states of the EU. The annual financial statements of Borussia Dortmund GmbH & Co. KGaA were and will continue to be prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch, "HGB") and the German Stock Corporation Act (Aktiengesetz, "AktG").

Publications on our website have been and will continue to be made available in English.

Moreover, we publish analysts' recommendations and research studies on our website <http://aktie.bvb.de/eng>, under "BVB Share", sub-heading "Capital Market View", in order to facilitate communication with market participants. Furthermore, we also publish a great deal more information about the Company on this website. Customers, fans and the public alike can find additional information on the Company at www.bvb.de/aktie.

The Notes to the financial statements and the management report contain disclosures on the remuneration of the general partner and the members of the Supervisory Board, as well as on the ownership of Company shares by the general partner and mem-

bers of its management and by the members of the Supervisory Board. Due to the specific characteristics of the KGaA legal form, there exists no obligation to disclose the remuneration of individual Managing Directors of the general partner of the Company, Borussia Dortmund Geschäftsführungs-GmbH, as would normally be the case for the members of the executive boards of listed German stock corporations. Nonetheless, we have presented the remuneration of individual Managing Directors in the notes to the annual and consolidated financial statements on a voluntary basis.

Disclosures on the ownership of Company shares by members of management and by members of the Supervisory Board

As at 30 June 2014, 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 7,292,363 no-par value shares. Members of management and the Supervisory Board hold a total of 7,299,408 no-par value shares, which corresponds to more than 1% of the shares issued by Borussia Dortmund GmbH & Co. KGaA.

Dortmund, September, 9th 2014

On behalf of the Supervisory Board



Gerd Pieper
Chairman

On behalf of Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director

DECLARATION OF CONFORMITY BY THE MANAGEMENT AND BY THE SUPERVISORY BOARD OF BORUSSIA DORTMUND GMBH & CO. KGaA IN ACCORDANCE WITH § 161 AKTG DATED 9 SEPTEMBER 2014

In accordance with § 161 AktG, the management of the general partner (Borussia Dortmund Geschäftsführungs-GmbH) and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA declare that since the last Declaration of Conformity was submitted on 24 September 2013 (published in the Federal Gazette (Bundesanzeiger) on 10 June 2013), Borussia Dortmund GmbH & Co. KGaA has complied with the recommendations of the GCGC as amended on 13 May 2013, and that it will comply with the recommendations of the GCGC as amended on 13 May 2013, with the exception of the following deviations due to certain specific characteristics of the KGaA legal form and the provisions of the Articles of Association of the Company:

Re section 3.8 (3): The D&O policy does not include a deductible; there is no intention to change this because, to our understanding, the negotiation of a deductible will neither influence the behaviour of the members of the executive bodies nor would it provide appropriate motivation.

Re section 4.2.1 sentence 2: The Supervisory Board of Borussia Dortmund GmbH & Co. KGaA has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements; this is incumbent upon the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH. The management has been the responsibility of Hans-Joachim Watzke (Chairman) and Thomas Treß (Managing Director) since January 2006. Their areas of responsibility have been sufficiently defined in their service agreements; moreover, the Managing Directors exercise the authority granted to them by law and the Articles of Association jointly and in close cooperation with each other. Therefore, the relevant executive bodies of Borussia Dortmund Geschäftsführung-GmbH have considered and continue to consider it unnecessary to stipulate additional rules of procedure for the management.

Re section 4.2.2 (2) sentence 3: Article 7 of Borussia Dortmund GmbH & Co. KGaA's Articles of Association stipulates that the general partner has a right to reimbursement of the staff and materials expenses incurred by it in the course of managing the Company, plus a commission amounting to 3 percent of the net profit for the year generated by the Company. Mo-

reover, as in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH (deviation from Supervisory Board responsibility as stipulated in section 4.2.2 (2) sentence 3 due to the Company's legal form) will continue to adopt and regularly review the remuneration and the remuneration system for the Managing Directors.

Re section 4.2.3 (2) sentences 4 and 6 as well as section 4.2.3 (2) sentence 8: The remuneration structure for the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH is adopted by the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH. As in the past, this will continue to be adopted without considering negative developments when structuring the Managing Directors' variable remuneration components and without limiting the sum of the variable remuneration components to a maximum amount; in addition, the Executive Committee will not exclude the possibility of retroactive modifications to performance targets and/or comparison parameters. Given the specific features of the legal form KGaA, the relevant recommendations appear irrelevant to and impracticable for the Company.

Re section 4.2.3 (4) and (5): The Code recommends that German stock corporations stipulate severance caps in executive board members' service agreements in the event of early termination of executive board activity or due to early termination of executive board activity due to a change of control. As in the past, the Executive Committee will continue to have decision-making power in relation to the (re-)appointment of the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH, generally without stipulating severance caps as such, given that due to the specific features of the legal form KGaA and the provisions of the Articles of Association of the Company, the aforementioned recommendations do not appear practicable. However, the Executive Committee does consider the recommendation not to pay members of the executive board in the event of the termination of their service agreements for good cause analogously applicable to the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH.

Re section 4.2.3 (6): As in the past, the Chairman of the Supervisory Board will not report to the Annual General Meeting on the fundamentals of the remuneration system or changes thereto because – as men-

tioned above – the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements.

Re section 4.2.5 (3) sentences 1 and 2: The Code recommends that the remuneration report for financial years beginning after 31 December 2013 include specific, detailed disclosures on each member of the executive board and that the table templates now attached to the Code be used for this information. Our Company will not follow this recommendation, which would have been applicable for the first time on the financial year beginning on 1 July 2014. Due to the specific characteristics of the KGaA legal form, there exists no obligation to disclose the remuneration of individual Managing Directors of the general partner of the Company, Borussia Dortmund Geschäftsführungs-GmbH, as would normally be the case for the members of the executive boards of listed German stock corporations. Nonetheless, we have presented the remuneration of individual Managing Directors in the notes to the annual and consolidated financial statements on a voluntary basis; this appears to be sufficient and appropriate from the perspective of the usefulness of information.

Re section 4.3.4 sentence 3: Material transactions between the general partner and certain related parties on the one hand, and the Company on the other within the meaning of §§ 89, 112 in conjunction with §§ 278 (3), 283 no. 5 AktG (e.g., the granting of loans) require the consent of the Supervisory Board. In this sense, the Company has complied with the recommendation. Furthermore, the Supervisory Board is not authorised to adopt a list of transactions requiring its prior consent for the general partner or its Managing Directors.

Re section 4.3.5: Given that the Supervisory Board has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements, not it but rather the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH is responsible for consenting to sideline activities of the Managing Directors of the general partner.

Re section 5.1.2 (1) sentences 2 and 3: Long-term succession planning is the responsibility of the Managing Directors of the Company and – given that the Su-

pervisory Board has no authority to appoint and dismiss personnel – the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH. The latter also acts to ensure sufficient diversity when staffing the management. However, given the fact that the Company has two Managing Directors, which is currently considered sufficient, and the fact that these positions have been filled for the foreseeable future, the recommendation in the Code to include women in the management does not appear practicable in the immediate future.

Re section 5.1.2 (2) sentence 2: As in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH will continue to decide on the reappointment of its Managing Directors, including, even in the absence of special circumstances, prior to the end of one year before the end of the existing term of appointment. Given the specific features of the KGaA legal form and due to the desire for greater flexibility, it is not considered practicable to make any staffing decision based solely on timing and circumstances.

Re section 5.1.2 (2) sentence 3: As in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH will continue to make decisions as to age limits for the Managing Directors of the general partner for upcoming (re-)appointments of Managing Directors, without generally stipulating an age limit to that extent. It is not considered practicable to set any age limits.

Re sections 5.2 (2), 5.3.1 sentence 1, 5.3.2 and 5.3.3: As in the past, the Supervisory Board will not set up committees, specifically an audit committee, because the Supervisory Board only consists of six persons and voting committees must consist of three persons. Going forward, the full Supervisory Board will continue its existing practice of discussing all issues as they arise, specifically with regard to monitoring the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, specifically the independence of the statutory auditor and additional services rendered, the engagement of the statutory auditor, setting audit foci and the fee agreement, as well as compliance. This applies mutatis mutandis to the Supervisory Board's decision not to establish a nominating committee as recommended in the Code. Moreover, this committee already consists exclusively of shareholder representatives, as required of a nominating committee by the Code.

Re section 5.4.1 (2) and (3): As in the past, the Supervisory Board will not specify concrete objectives regarding its composition that consider specific issues addressed in the Code pertaining to "age limits for supervisory board members", "diversity" or "appropriate degree of female representation" and "the number of independent supervisory board members within the meaning of section 5.4.2". The Supervisory Board believes that such limitations are not appropriate vis-à-vis other Supervisory Board member nomination criteria and prefers to decide on proposals relating to its composition in light of specific situations as they arise.

Re section 5.4.1 (4): As in the past, when submitting nominations to the Annual General Meeting, the Supervisory Board will not disclose the personal or business relationships between each candidate with the Company, the executive bodies of the Company or any material limited liability shareholder in the Company (i.e., one holding more than 10% of voting shares), because, in its opinion, no secure legal practice exists with respect to this recommendation and the legal certainty of Supervisory Board elections takes a higher priority than any effort to make legally unnecessary disclosures in connection with nominations.

Re section 5.4.3 sentence 3: No proposed candidates for the office of Chairman of the Supervisory have been or will be disclosed because the Supervisory Board considers the individual election of its members to be sufficient and a vote at the Annual General Meeting for or against a candidate with respect to their position on the Supervisory Board to be impracticable.

Re section 5.4.6 (3) sentence 1: No individualised disclosures relating to the remuneration of Supervisory Board members have been or will be made in the financial reports because it is easy to calculate the remuneration (pursuant to Article 13 (1) of the Articles of Association members of the Supervisory Board receive EUR 7,000 per year, with the Chairman receiving the double of that amount and the Deputy Chairman receiving one-and-a-half times that amount).

Re section 5.5.3 sentence 1: As in the past, the Company will continue to reserve the right to not comply with the recommendation that the Supervisory Board reports to the Annual General Meeting on conflicts of interest as they arise and how these are managed. As in the past, the principle of confidentiality of deliberations within the Supervisory Board (see § 116 sentence 2 AktG and section 3.5 (1) sentence 2 GCGC) will generally continue to take precedence.

Re section 7.1.2 sentence 2: The Company has not and will not comply with the recommendation that the management and the Supervisory Board discuss any half-yearly and quarterly financial reports prior to their publication because the objective of publishing interim financial reports without delay following their preparation by the management takes precedence. Regardless, the Supervisory Board has discussed and monitored such financial reports, and will continue to do so in the future.

Dortmund, September, 9th 2014

On behalf of the Supervisory Board



Gerd Pieper
Chairman

On behalf of Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Trefß
Managing Director



MANAGEMENT REPORT

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund



Echte Liebe.



MANAGEMENT REPORT Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund for the 2013/2014 financial year
 (hereinafter "Borussia Dortmund" or "Borussia Dortmund GmbH & Co. KGaA")

BUSINESS TREND AND FRAMEWORK CONDITIONS

LOOKING BACK ON FINANCIAL YEAR 2013/2014

Bundesliga

During the 2013/2014 season, Borussia Dortmund was once again one of the top teams of the Bundesliga, firmly establishing itself at the domestic and international level. Borussia Dortmund started the year with a win against FC Bayern Munich in the DFL Super Cup and, despite a rash of injury concerns, finished second in the Bundesliga and advanced to the final of the DFB Cup and the quarter-finals of the UEFA Champions League. Right from match day 1 of the season, Borussia Dortmund contended for the top spot in the Bundesliga. During the course of the entire season, the squad was always within reach of qualifying for the upcoming UEFA Champions League season, and from match day 23 to the end of the season, Borussia Dortmund never relinquished its grasp on second place.

The squad's footballing performance in the fourth quarter of the 2013/2014 financial year was particularly impressive. Of the final six Bundesliga matches, the squad won five and tied one, scoring an average of three goals per match in the process and besting its average of 2.4 goals per match for

the season. With a goal differential of 80:38 as at match day 34, a second-place finish in the Bundesliga was never in doubt. Despite finishing 19 points behind the Bundesliga champions, Borussia Dortmund's 71 points at the end of the season put the club nine points ahead of the third place finishers, thus directly qualifying the squad for the 2014/2015 season of the UEFA Champions League.

UEFA Champions League

Jürgen Klopp's men advanced to the quarter-finals of the UEFA Champions League, the premier club football tournament in Europe. Following a 0:3 loss to eventual champions Real Madrid in the first leg of the quarter-final, the club's 2:0 victory at home in the second leg of the tie was not enough to advance to the semi-finals.

DFB Cup

The squad's successful run in the DFB Cup culminated with the final in Berlin. The DFB Cup was a rematch of the DFL Super Cup against FC Bayern Munich at the start of the season, only this time Borussia Dortmund conceded a 0:2 defeat.

KEY FINANCIAL INDICATORS

Overview of the key financial figures

Borussia Dortmund Kommanditgesellschaft auf Aktien (HGB)		
EUR '000	2013/2014 30/06/2014	2012/2013 30/06/2013
Equity	186,830	182,406
Investments	57,857	26,668
Gross revenue	228,820	274,738
Operating profit (EBIT)	11,062	58,708
Financial result	1,364	2,756
Profit of the year	10,558	53,258
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	40,845	73,225
Cash flows from operating activities	19,329	22,410
Number of shares (in thousands)	61,425	61,425
Earnings per share (in EUR)	0.17	0.87

PERFORMANCE INDICATORS

Various financial and non-financial indicators are used to measure performance. Examples of financial performance indicators include sales, cash flows from operating activities, earnings before interest and taxes (EBIT) and net profit for the year. The most important non-financial performance indicator is the "Borussia Dortmund" brand. The brand is easily recognisable through a variety of indicators, and these can even be used to measure it. These indicators range from renowned industry awards

presented on the basis of representative surveys and analyses to statistics quantifying Borussia Dortmund's fan base: season ticket sales, stadium attendance, national and international television broadcast hours, Facebook friends and page impressions at www.bvb.de. Another "soft" indicator is the deliberate selection of sponsors whose products and brand images are aligned with the "Borussia Dortmund" brand.

DEVELOPMENT OF THE MARKET AND COMPETITIVE ENVIRONMENT

Spectators/fans/new media

Borussia Dortmund broke its own attendance record during the 2013/2014 season. A record 1,855,156 spectators attended the 24 home matches hosted at SIGNAL IDUNA PARK. Of these 24 matches, the stadium hosted 17 Bundesliga matches, five UEFA Champions League matches, one DFB Cup match and one DFL Super Cup match. This topped the previous year's record of 1,841,258 spectators by almost 14,000 visitors. The club now has more than nine million Facebook fans, making Borussia Dortmund the second-most popular team on Facebook in Germany.

Borussia Dortmund's popularity on the microblogging site Twitter also grew rapidly. Borussia Dortmund is now only the second German club to have more than one million followers on Twitter. This versatile social networking service is used to disseminate news and messages as well as to answer questions posed by fans. The fact that two-thirds of the club's Twitter followers reside outside of Germany reflects the remarkable impact Twitter has had on the club's brand internationally.

The "Borussia Dortmund" brand

For the third time running, Borussia Dortmund has been named Germany's leading brand manager. In its latest study on football in Germany, the renowned research team at the Technische Universität Braunschweig reported that Borussia Dortmund "continued to be the most likeable club in Germany". Another impressive accolade was the prestigious SignsAward, which was awarded to Borussia Dortmund in Munich for authentically communicating its brand. The SignsAward is one of the most coveted awards in the field of communications. The award is a collaboration between Journal International, the W&V trade journal, Medientage München and rheingold salon.

Sponsorships

The existing long-term agreement with the club's primary sponsor, Evonik Industries AG, was extended by eleven years until 2025. While such an investment and long-term partnership is new for both parties, this will make it even easier for them to implement their joint objectives on an ongoing basis. Borussia Dortmund also extended its partnership with its Champion Partner Sparda-Bank West. Both parties agreed to extend the existing eight-year sponsorship agreement for an additional three years until summer 2017.

Big names in Dortmund

As in previous years, Borussia Dortmund once again signed outstanding players to its squad. This includes Italy international **Ciro Immobile**. The 24-year-old star striker led Italy's Serie A in goals scored (22) and made the move from FC Turin to Dortmund. In keeping with the club's long-term vision for the squad, Immobile signed a five-year contract.

The move for Columbia international **Adrian Ramos**, who joins Dortmund from Hertha BSC Berlin, is much shorter. The 28-year-old forward scored 16 times last season and signed a four-year contract until summer 2018. South Korean striker **Dong-Won Ji** from Sunderland AFC signed a contract until 30 June 2018.

In addition to signing new players, the club also extended contracts with some of its key players. Squad captain **Sebastian Kehl** signed an early contract extension until summer 2015. He has 31 national team caps and next summer will look back on 13 years in the black-and-yellow kit.

Germany international **Ilkay Gündogan** also signed an early contract extension. Borussia Dortmund and the 23-year-old midfielder agreed to extend his contract until summer 2016.

Borussia Dortmund also extended midfielder **Oliver Kirch**'s contract by two years until summer 2016. At 31, Kirch impressed in particular with his development during the second half of the season.

Borussia Dortmund also signed **Nuri Sahin**. Having previously played many years for Borussia Dortmund, the midfielder returned on loan from Real Madrid to don the black-and-yellow kit in 2013.

The German national team's roster also reflects the

quality of Dortmund's squad. With four players from Dortmund included on **Joachim Löw's** World Cup squad in Brazil, Dortmund laid claim to the second-largest contingent of players on the team.

This is also thanks to the work of Borussia Dortmund trainer **Jürgen Klopp**. The 46-year-old extended his contract and was voted coach of the year on "bundesliga.de". The vote was a landslide, with Jürgen Klopp earning 57% of the votes and his closest competitors each winning a mere 15% and 14% of the votes.

Dortmund's player of year distinction went to Germany international **Marco Reus**. He was presented with the coveted trophy, which is awarded annually in cooperation with BVB's primary sponsor, **Evonik**, after the readers of **Ruhr Nachrichten** and the listeners of **Radio 91.2** voted him the best player.

For the fourth time in the history of the Bundesliga, the annual prize for the league's top scorer went to a Borussia Dortmund player: **Robert Lewandowski** secured the title with 20 goals.

Other business

As at 1 July 2014, **BVB Event & Catering GmbH**, managed by **Arne Brüggemann** and **Marcus Knipping**, will assume all marketing activities for the stadium, including the event areas, on non-match days. This business was previously conducted on non-match days by **stadion live! Event Management GmbH** and includes activities such as stadium tours. **SIGNAL IDUNA PARK** is more than just a football mecca – it is also one of the most popular event locations in Germany.

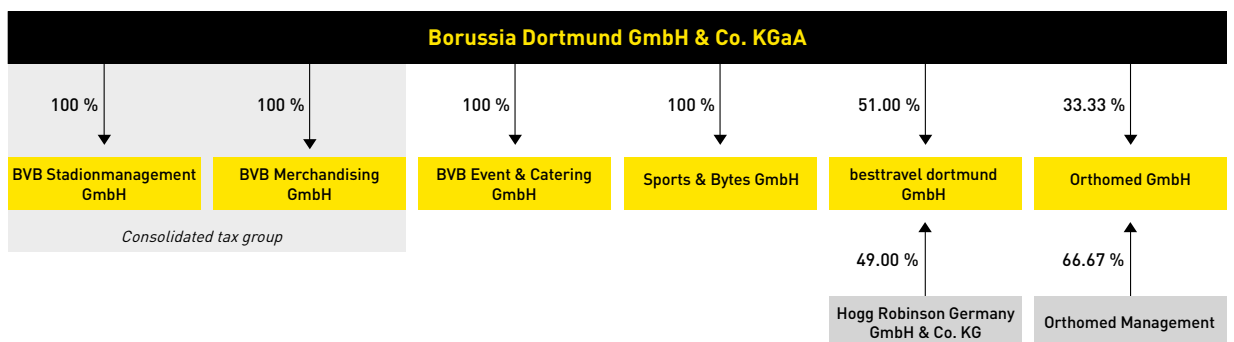
GENERAL INFORMATION ABOUT THE COMPANY

GROUP STRUCTURE AND BUSINESS OPERATIONS

In addition to its core activities of playing football and marketing SIGNAL IDUNA PARK, Borussia Dortmund has established football-related lines of business. The Company currently holds indirect and direct equity investments in the following companies: BVB Stadionmanagement GmbH (100.00%), Sports & Bytes GmbH (100.00%), BVB

Merchandising GmbH (100.00%), BVB Event & Catering GmbH (100.00%), besttravel dortmund GmbH (51.00%) and Orthomed GmbH (33.33%).

Some of these companies have concluded mutual control and/or profit and loss transfer agreements.



In order to simplify the previous Group structure, Borussia Dortmund GmbH & Co. KGaA completed the following reorganisational measures during the 2013/2014 financial year:

- Merger of BVB Stadion Holding GmbH
- Merger of BVB Beteiligungs-GmbH
- Merger of BVB Stadion GmbH

The date of the mergers in each case was 1 July 2013. Borussia Dortmund recognised the mergers directly in equity at the intermediate value of the eliminated interests.

ORGANISATION OF MANAGEMENT AND CONTROL

Borussia Dortmund Geschäftsführungs-GmbH, the general partner of Borussia Dortmund GmbH & Co. KGaA, is responsible for management and representation of the latter. Borussia Dortmund Geschäftsführungs-GmbH is in turn represented by its Managing Directors Hans-Joachim Watzke and Thomas Treß; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.

The following chart shows the structures and responsibilities as between Ballspielverein Borussia 09 e.V. Dortmund, Borussia Dortmund GmbH & Co. KGaA and Borussia Dortmund Geschäftsführungs-GmbH.



The Supervisory Board of Borussia Dortmund GmbH & Co. KGaA, which is appointed by the Annual General Meeting, has limited rights and duties. Specifically, it has no authority with respect to matters involving personnel, i.e., no authority to appoint and dismiss managing directors at Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their contracts. Nor is the

Supervisory Board authorised to adopt internal rules of procedure or a list of transactions requiring its consent on behalf of the general partner. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board.

The names of the current members of the Company's Supervisory Board, their occupations and their further responsibilities on other management bodies are listed below:

Supervisory Board of Borussia Dortmund KGaA GmbH & Co. KGaA

Gerd Pieper (Chairman)	Harald Heinze (Deputy Chairman)	Peer Steinbrück	Bernd Geske	Friedrich Merz (until 30 June 2014)	Christian Kullmann
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Occupations

Managing shareholder of Stadt-Parfümerie Pieper GmbH, Herne	Chairman of the Board (ret.) of Dortmunder Stadtwerke AG	Member of German Bundestag	Managing partner of Bernd Geske Lean Communication, Meerbusch	Attorney; partner (until 31/12/2013); senior counsel (since 1/1/2014) Mayer Brown LLP, Düsseldorf	Executive Vice President and head of the General Secretariat of Evonik Industries AG, Essen (from 1/7/2014: member of the Executive Board of Evonik Industries AG, Essen)
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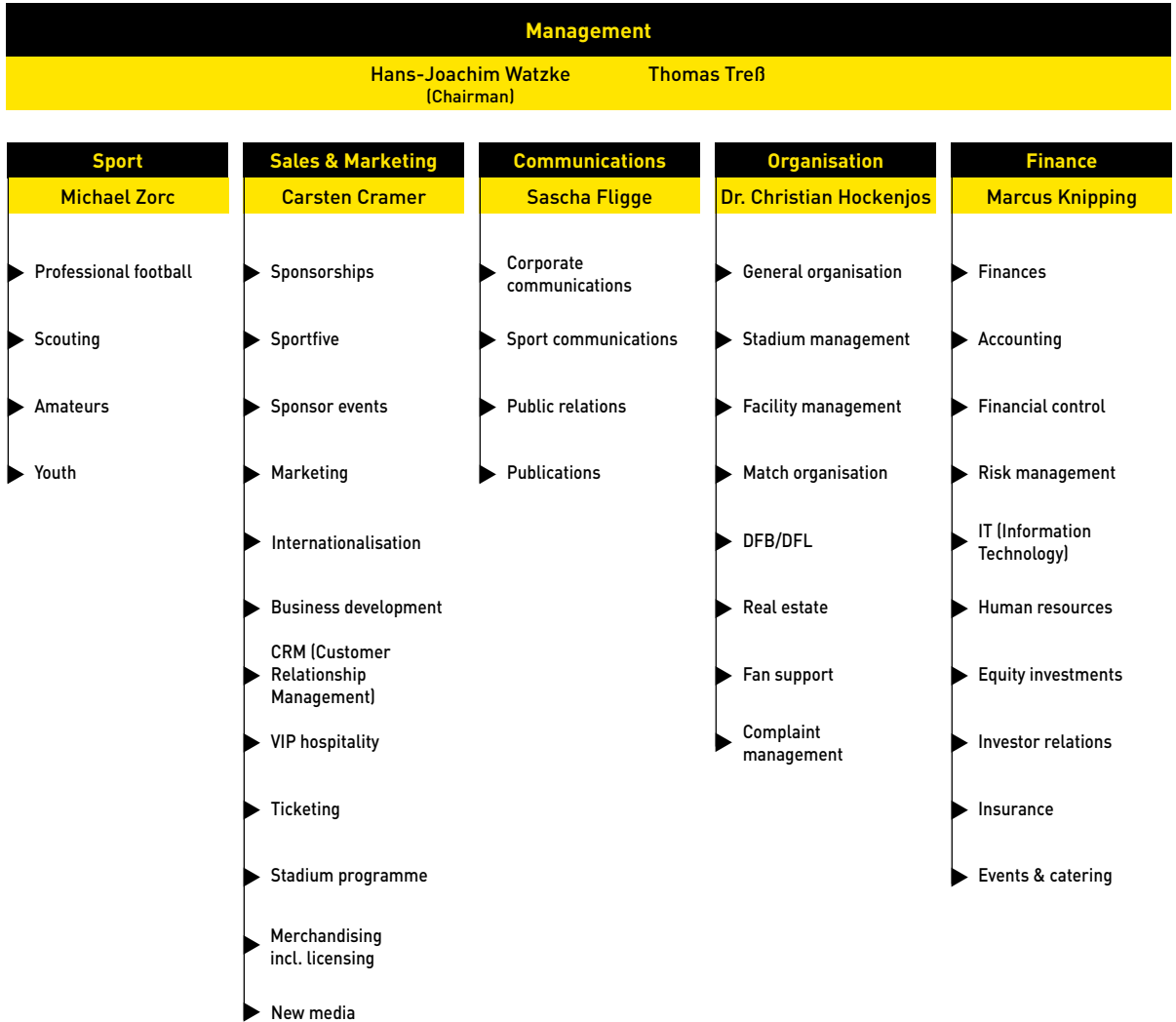
Other responsibilities

Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of the SIGNAL IDUNA Group, Dortmund			Member of the Supervisory Board of the AXA Konzern AG, Cologne (until 30/6/2014)	Member of the Board of Directors of BASF Antwerpen N.V., Antwerp, Belgium (until 30/6/2014)
				Member of the Supervisory Board of Deutsche Börse AG, Frankfurt am Main	Member of the Supervisory Board and Chairman of the Board of Directors of HSBC Trinkaus & Burkhardt AG, Düsseldorf
					Member of the Board of Directors of Stadler Rail AG, Bussnang, Switzerland
					Chairman of the Supervisory Board of WEPA Industrieholding SE, Arnsberg

Within Borussia Dortmund GmbH & Co. KGaA there are five independent functional areas below the management level, namely, "Sport", "Sales & Marketing", "Communications", "Organisation"

and "Finance". The responsible employees and the functional organisational areas of which they are in charge are shown in the chart below.

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



INTERNAL MANAGEMENT/CONTROL SYSTEM

Sports management

Despite our financially stable results, we will continue to focus on achieving success on the pitch in future under a budget tuned for performance. To accomplish this objective, Borussia Dortmund will continue to put together a competitive team in future with an emphasis on young, promising players.

Our sporting objectives will be aligned with our financial circumstances, meaning that the makeup of the squad and its cost structure will continue to depend on calculable variables on the income side. Qualifying for and participating in international competitions has provided the financial flexibility to reinforce the squad – with the goal of establishing a presence in European competitions.

Financial management

A key goal of the management of Borussia Dortmund is to achieve a lasting increase in profitability along with bolstering its financial strength. In addition to steadily improving the operating result, the generation of positive cash flows from operating activities is therefore the most important financial objective of our Company. We seek to optimise these cash flows by concentrating on the "operating result" and "investments" as impacting factors.

The operating result – which at the Borussia Dortmund refers to earnings before interest and taxes (EBIT) – is a key indicator for measuring success. For this reason, we constantly monitor our segments' operating results using monthly comparisons of budgeted and actual situations. To optimise the operating result, the main factors to be leveraged are sales revenues, which can be additionally improved in the major revenue categories of ticketing, sponsorship and TV marketing, and operating expenses, which can be lowered through disciplined management.

In the coming years we will concentrate on generating steady sales growth while limiting operating expenditures. The decisive factor in this respect will be qualifying for international competitions.

Capital management

The capital management responsibilities of the Company's management involve stabilising and increasing the equity of Borussia Dortmund as calculated in accordance with the German Commercial Code (HGB). One of the main ways in which we will reach these objectives is by improving the operating result and making effective investments.

CORPORATE STRATEGY

Borussia Dortmund pursues the objective of defending its position in the top flight of the Bundesliga and sees itself well on the way to accomplishing that goal.

As the first and thus far only listed German football company, we have expanded our financial base by exclusively marketing the rights to SIGNAL IDUNA PARK as well as by utilising and maintaining the "Borussia Dortmund" brand more effectively. The Company will continue to focus heavily on its core business of professional football and the sport's classic revenue pillars: TV advertising, sponsorships, ticketing and merchandising. Borussia Dortmund is confident that it will be able to further stabilise and expand its position for the following reasons:

- Borussia Dortmund is in sporting terms one of the most successful, well known and popular German football clubs with an outstanding fan base that gives it one of the highest average spectator numbers in Europe.
- A football enterprise can be financially successful only if it enjoys sporting success over the long term. In order to make its financial performance less dependent on short-term sporting success in the future, Borussia Dortmund will push ahead further with the national and international marketing of its brand name.
- Germany continues to be one of Europe's largest football markets, although it lags behind certain other European markets, such as the UK, in terms of media exploitation rights. This means that Germany has major growth potential.

All financial activities of Borussia Dortmund are geared towards the target groups relevant to a football club: its fans, members and business

partners. Products and services should be tailored to these groups as closely as possible. Borussia Dortmund intends to use the brand potential at its disposal to take full advantage of the commercial opportunities inherent in professional club football at an international level.

Its current business strategy can principally be summarised as follows:

- Sustainably adjusting athletic prospects
- Intensifying the promotion of up-and-coming talent
- Increasing fan involvement
- Utilising and maintaining the "Borussia Dortmund" brand

Financial performance and business development are largely dependent on footballing success. Since footballing success is difficult to plan, the best that management can do is to create a solid foundation for success. Investments, particularly in the professional squad, are therefore a necessary prerequisite for achieving footballing objectives such as qualifying for the UEFA Champions League. However, in order to meet financial objectives, planned investments and decisions must under certain circumstances be postponed to the extent these would only be possible by incurring new debt. Moreover, a player might be sold based on financial considerations in cases where this would not have happened had the decision been made purely on the basis of sporting criteria.

Thus a conflict arises between the pursuit of financial interests and sporting interests, i.e., a situation in which sporting considerations and financial considerations may be at odds with each other, parti-

cularly if the club continually falls short of its sporting goals. In such cases, management weighs the opportunities and risks to find a solution that does adequate justice to the Company's strategic objectives.

Sponsorships play a key role in this context. Over the years, sponsorships has grown to become one of the Company's largest income categories. In contrast to central TV marketing, where distribution is already clearly defined in advance, Company management is itself able to determine the requirements for and direction of sponsoring activities and, if necessary, modify the strategy implemented as circumstances change. The key figures for the sponsoring segment were already budgeted for the coming years based on commitments from SIGNAL IDUNA Group (ending 2021), Evonik Industries AG (ending 2026) and PUMA SE (ending 2020), the Company's chief partners.

Income from international competitions is more difficult to budget for, since it depends solely on the squad's footballing success.

Achieving positive operating results and making the investments that depend on such results, mainly in the professional squad, should enable cash flows to stabilise at a positive level on a lasting basis.

POSITION of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

POSITION OF THE COMPANY

During the 2013/2014 financial year, Borussia Dortmund finished second in the Bundesliga and advanced to the final of the DFB Cup and the quarter-final of the UEFA Champions League, establishing itself as one of the top clubs in Germany as well as Europe. The positive trend continued in the non-sports segment, with Borussia Dortmund generating net income for the fourth consecutive year, and that despite the absence of any considerable transfer income.

During the reporting period (1 July 2013 to 30 June 2014), Borussia Dortmund generated sales of EUR 223,785 thousand (previous year: EUR 272,436 thousand) and gross revenue of EUR 228,820 thousand, a decrease of EUR 45,918 thousand (16.71%) on the previous financial year.

In its report on expected developments dated 30 June 2013 for the financial year from 1 July 2013 to 30 June 2014, management had raised the possibility that sales could be increased in the absence of transfer income.

Sales adjusted for transfer income amounted to EUR 219,330 thousand, missing the previous year mark by just EUR 1,506 thousand, even though the club was not as successful this past UEFA Champions League season. This development generally confirms the trend stated in the aforementioned forecast.

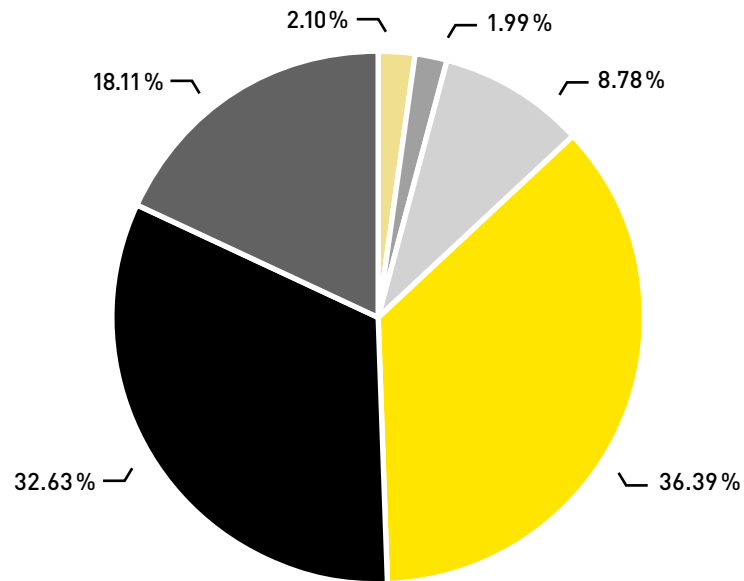
Borussia Dortmund generated net income of EUR 10,558 thousand during the 2013/2014 financial year (previous year: EUR 53,258 thousand).

In its report on expected developments dated 30 June 2013 for the financial year from 1 July 2013 to 30 June 2014, management had forecast net income in the seven-figure range. The forecast was based on conservative expectations of the club's footballing performance and these expectations were easily surpassed. Thus, the Company generated profit in the eight-figure range.

Borussia Dortmund ended the reporting period from 1 July 2013 to 30 June 2014 with earnings before taxes of EUR 12,426 thousand (previous year: EUR 61,464 thousand). The 2013/2014 result from operating activities (EBIT) amounted to EUR 11,062 thousand, down EUR 47,646 thousand on the previous year's figure.

The aforementioned development of net income for the year also applies to EBIT.

Borussia Dortmund – Sales in %



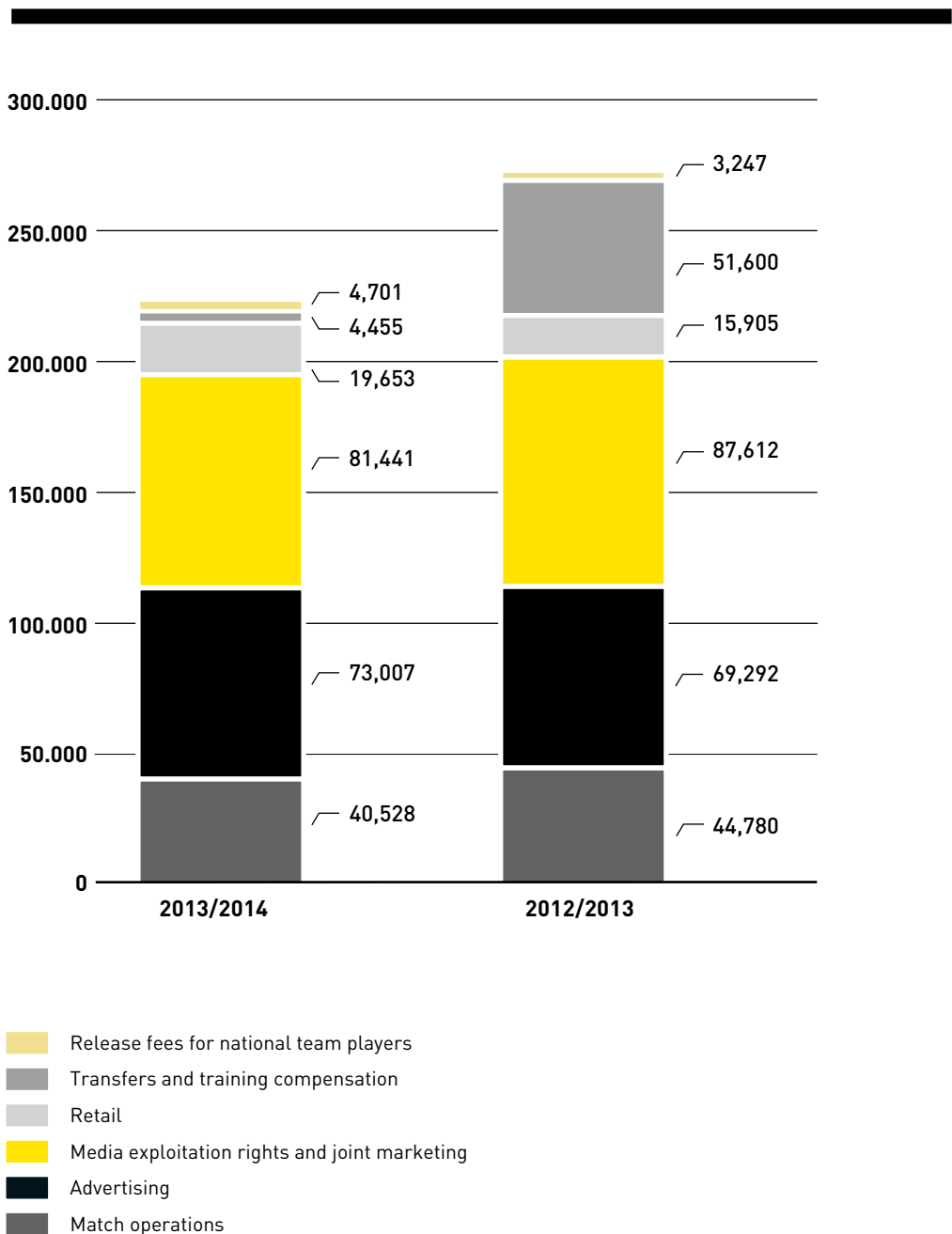
- Release fees for national team players
 - Transfers and training compensation
 - Retail
 - Media exploitation rights and joint marketing
 - Advertising
 - Match operations
-

SALES TREND

Borussia Dortmund generated sales of EUR 223,785 thousand in the 2013/2014 financial year. The 17.86% decrease in sales is due pri-

marily to the decline in transfer income and the squad's elimination in the quarter-finals of the UEFA Champions League.

Sales in EUR '000



The performance of the individual sales items is described in the following:

Income from match operations

Income from match operations in financial year 2013/2014 amounted to EUR 40,528 thousand. This represents a decline of EUR 4,252 thousand.

This year's average attendance of approximately 79,900 – again filling SIGNAL IDUNA PARK almost to capacity – in addition to slight price increases and additional hospitality seats in the Turkish Airlines Lounge all contributed to an increase of EUR 415 thousand in revenue from Bundesliga ticket sales, which amounted to EUR 26,019 thousand.

The club did not match its UEFA Champions League success of the previous season in which it qualified for the final in Wembley, and instead was eliminated during this season's quarter-final round. This also led to lower sales as compared to the previous reporting period. EUR 9,960 thousand was generated from the five home matches, corresponding to a decrease of EUR 6,228 thousand.

Income from the sale of tickets for domestic cup competitions increased by EUR 1,285 thousand to EUR 3,673 thousand, which was attributable to Borussia Dortmund hosting and winning the Super Cup against FC Bayern Munich at the start of the season and then reaching the final of the DFB Cup in Berlin.

Income from advertising

Although it did not win the Bundesliga title, Borussia Dortmund still generated EUR 73,007 thousand in advertising income (previous year: EUR 69,292 thousand). Advertising income thus corresponded to almost one-third (32.63%) of total sales in financial year 2013/2014. This income, which is generated almost exclusively by the sales and marketing efforts of Borussia Dortmund and its partner Sportfive GmbH, reflects the interest

companies show in advertising and partnering with Borussia Dortmund.

In addition to the primary sponsor Evonik Industries AG, the holder of the stadium's naming rights SIGNAL IDUNA Group, and the kit supplier PUMA SE, Borussia Dortmund's Champion Partners alone generated 20.75% of the advertising income. During financial year 2012/2013, the following companies were already Borussia Dortmund Champion Partners: Adam Opel AG, flyeralarm GmbH, Hankook Reifen Deutschland GmbH, ODS ODDSET Deutschland Sportwetten GmbH, Radeberger Gruppe KG, SIGNAL Krankenversicherung a.G., SPREHE Geflügel- u. Tiefkühlfeinkost Handels GmbH & Co. KG, Turkish Airlines INC. and WILO SE. In 2013/2014, two additional companies joined the ranks of the Champion Partners: HUAWEI TECHNOLOGIES Deutschland GmbH and Unitymedia NRW GmbH.

Advertising income also included bonuses from sponsors for advancing to the quarter-finals of the UEFA Champions League and the final of the DFB Cup, as well as for finishing the season in second place in the standings, thus qualifying directly for the group stage of the 2014/2015 UEFA Champions League season.

Income from TV marketing

Income from TV marketing once again represented the largest component of sales in the 2013/2014 financial year for Borussia Dortmund. Income from domestic and international TV marketing totalled EUR 81,441 thousand (previous year: EUR 87,612 thousand).

Borussia Dortmund brought in domestic TV marketing income of EUR 39,122 thousand, an increase of EUR 9,417 thousand on the previous year. The team's number-two ranking in the four-year evaluation, its number-two finish in the tables, an improved UEFA co-efficient and a higher pay-out stipulated in the TV agreement for 2013/2014 were all reasons behind the rise.

By contrast, international TV marketing income decreased by EUR 19,214 thousand to EUR 36,221 thousand. While the group stage of the 2012/2013 UEFA Champions League season included three German teams, with Borussia Dortmund as the number one Bundesliga seed, the group stage of the 2013/2014 UEFA Champions League season included four German teams, this time with Borussia Dortmund as the number two Bundesliga seed. As in the previous year, Borussia Dortmund topped its group to advance to the knockout stage. The squad won a total of six games before unfortunately being eliminated by Real Madrid after losing the first leg of the quarter-final tie and putting up a tough fight in the second leg.

The UEFA revenue distribution consisted of the market pool share as well as bonuses based on participation, matches and performance-related factors. The market pool itself was composed of Part A, which is based on the past season's Bundesliga table standings, and Part B, which is calculated using a ratio comparing the number of matches a given team played to the total number of matches played by all German teams.

Income from marketing domestic cup competitions increased by EUR 3,610 thousand (previous year: EUR 2,469 thousand), which was attributable to Borussia Dortmund winning the Super Cup against FC Bayern Munich at the start of the 2013/2014 season and then reaching the final of the DFB Cup.

Transfer income

In the 2012/2013 financial year, EUR 51,600 thousand in transfer income was generated primarily from the sale of Mario Götze to FC Bayern Munich. Borussia Dortmund's transfer income for the reporting period from 1 July 2013 to 30 June 2014 amounted to EUR 4,455 thousand. This was primarily attributable to the transfers of Koray Günter to Galatasaray Istanbul and Lasse Sobiech to Hamburger SV.

Retail, conference, catering and miscellaneous income

Retail, conference, catering and miscellaneous income, which also included sales from advance booking fees and rental and lease income, increased by EUR 3,748 thousand to EUR 19,653 thousand in the past financial year. Advance booking fees increased to EUR 4,802 thousand due primarily to the processing of season ticket sales for the 2013/2014 season and the processing of season ticket sales for the 2014/2015 season at the end of June. This represents an increase of EUR 2,142 thousand.

Additional income of EUR 1,099 thousand (previous year: EUR 10,319 thousand) was generated from catering services on the circulation levels and in the hospitality areas and from events held at SIGNAL IDUNA PARK outside of match operations.

Income from release fees for national team players

Income from release fees for national team players called up for the German national team's matches came to EUR 4,701 thousand (previous year: EUR 3,247 thousand). This increase was due primarily to Erik Durm, Kevin Großkreuz, Mats Hummels and Roman Weidenfeller being included on Germany's roster for the 2014 World Cup in Brazil. During the financial year, Sven Bender, Ilkay Gündogan, Marco Reus and Marcel Schmelzer were also called up for qualifying and test matches in the lead up to the World Cup. Additional income from release fees was also generated from non-German national team players who also participated in the World Cup.

Other operating income

Other operating income improved by EUR 2,733 thousand year on year to EUR 5,035 thousand and include insurance compensation amounting to TEUR 1,202 as well as revenues not related to the accounting period amounting to TEUR 1,726.

DEVELOPMENT OF SIGNIFICANT OPERATING EXPENSES

Personnel expenses

Personnel expenses amounted to EUR 101,333 thousand in financial year 2013/2014, up EUR 1,486 thousand from the previous year.

Personnel expenses for the professional squad and for the coaching and support staff increased by 1.01% year on year. In addition to the budget for the professional squad, personnel expenses includes bonuses based on the club's success in the UEFA Champions League, for advancing to the final of the DFB Cup in Berlin and for securing a second place finish in the Bundesliga with 71 points.

Personnel expenses related to retail and administration areas were nearly level with the previous year, amounting to EUR 8,476 thousand (down EUR 26 thousand from 2012/2013).

Personnel expenses related to amateur and youth football also increased by EUR 624 thousand year on year.

Depreciation, amortisation and write-downs

Depreciation, amortisation and write-downs rose by EUR 15,266 thousand to EUR 29,783 thousand in the reporting period.

During the period from 1 July 2013 to 30 June 2014, intangible fixed assets – which consist primarily of Borussia Dortmund's professional squad – were amortised in the amount of EUR 22,619 thousand. This had amounted to EUR 11,676 thousand in the previous year. The increase is due almost exclusively to investments in the player base.

Depreciation and write-downs of tangible fixed assets rose by EUR 2,841 thousand to EUR 7,164 thousand. This was due primarily to the 1 July 2013 merger of the subsidiary BVB Stadion GmbH and Borussia Dortmund GmbH & Co. KGaA. Accordingly, all of BVB Stadion GmbH's fixed assets – SIGNAL IDUNA PARK, including the associated hereditary building rights – were transferred in full to the fixed assets of Borussia Dortmund GmbH & Co. KGaA. The stadium is depreciated over a useful life of 40 years.

Other operating expenses

Other operating expenses amounted to EUR 86,642 thousand in the reporting period, corresponding to a year-on-year decrease of EUR 15,024 thousand (previous year: EUR 101,666 thousand)

In addition to the decline in expenses for match operations – which was due primarily to the merger of the subsidiary BVB Stadion GmbH and Borussia Dortmund GmbH Co. KGaA on 1 July 2013 and the elimination of stadium rent as a result – administrative, advertising and transfer expenses also decreased significantly.

Financial result

The financial result for the past financial year amounted to EUR 1,364 thousand, as compared to EUR 2,756 thousand in the previous year.

FINANCIAL POSITION

Analysis of capital structure

Taking into account net income for the year, Borussia Dortmund's equity amounted to EUR 186,830 thousand as at 30 June 2014. This corresponds to an equity ratio of 61.69% (previous year: 62.91%).

Liabilities rose by EUR 13,826 thousand as against the figures as at the previous year's balance sheet date. The breakdown of the increase is described in the following:

Financial liabilities increased by EUR 25,188 thousand and now amount to EUR 39,463 thousand. The merger of Group subsidiary BVB Stadion GmbH and Borussia Dortmund GmbH & Co. KGaA increased financial liabilities by EUR 28,751 thousand. This increase is offset by repayments of EUR 3,563 thousand on loan principals.

Trade payables grew moderately by EUR 2,811 thousand to EUR 13,060 thousand, due in particular to liabilities from transfer activities not yet due.

Liabilities to affiliated companies amounted to EUR 898 thousand. The previous year balance had totalled EUR 3,577 thousand.

Other liabilities decreased by EUR 11,494 thousand, due in particular to the decline in tax liabilities from wage and sales tax.

Deferred income increased by EUR 2,699 thousand. The decline due to the annual decrease in advance payments for agency and marketing rights was offset by higher proceeds as at the balance sheet date from the sale of season tickets for the 2014/2015 season.

Analysis of capital expenditure

In the past financial year, Borussia Dortmund invested EUR 51,436 thousand in intangible fixed assets. The entirety of this amount was invested in the player base.

Cash payments for tangible fixed assets during the same period amounted to EUR 6,186 thousand and primarily included fixtures and expansions at SIGNAL IDUNA PARK.

Analysis of liquidity

As at 30 June 2014, Borussia Dortmund held unrestricted cash funds of EUR 16,858 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 balance sheet date.

Proceeds from the sale of player registrations amounted to EUR 53,495 thousand in the past financial year. Payments for investments in the professional squad amounted to EUR 51,357 thousand.

Cash flows from operating activities (EUR 19,329 thousand) developed as expected.

NET ASSETS

Borussia Dortmund's total assets increased from EUR 289,960 thousand to EUR 302,840 thousand.

In addition to significant investments of EUR 55,620 thousand in player registrations, the EUR 60,894 thousand increase in fixed assets also primarily included the changes from the merger of the Group subsidiary with Borussia Dortmund GmbH & Co. KGaA on 1 July 2013. The carrying amount of the developed hereditary building right, which had ultimately been transferred by BVB Stadion GmbH as part of the merger, amounted to EUR 56,173 thousand as at 30 June 2013. Accordingly,

Borussia Dortmund increased the carrying amount of the developed hereditary building right by EUR 98,546 thousand and recognised the hereditary building right at its intermediate value directly in equity.

Taking into account incidental costs, purchase costs amounted to EUR 155,130 thousand.

This was offset by the impact of the merger on long-term financial assets, which decreased by EUR 126,221 thousand.

Trade receivables decreased by EUR 54,110 thousand, due primarily to proceeds from transfer receivables.

OVERALL ASSESSMENT OF FINANCIAL POSITION AND PERFORMANCE AND BUSINESS DEVELOPMENT

Borussia Dortmund ended the financial year with net income for the year of EUR 10,558 thousand, marking the second consecutive year that net income was in the eight-figure range.

Taking into account the net income for the year, the equity ratio is approximately 62%. As at 30 June 2014, Borussia Dortmund held unrestricted cash

and funds of EUR 16,858 thousand. As at the balance sheet date, Borussia Dortmund had access to an additional EUR 15,000 thousand in overdraft facilities which had not been drawn down.

Overall, business development during financial year 2013/2014 was positive.

REMUNERATION REPORT

The structure of the management remuneration system is defined and regularly reviewed by the Executive Committee of the Advisory Board. The Executive Committee of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH is also responsible for setting the remuneration of the individual executives and for defining the appropriate amount of remuneration. The appropriate remuneration level is defined in particular on the basis of the specific executive's responsibilities and performance, as well as on the basis of Borussia Dortmund's financial position, performance and future prospects.

Executive remuneration consists of two components: a fixed amount and a variable component. The fixed component is stipulated by contract and is paid out in twelve equal monthly instalments. The variable component is based on the business trend and is dependent on net income for the year

before tax and the managing directors' remuneration. Any additional non-cash or ancillary benefits granted relate primarily to insurance benefits at standard market conditions and the provision of a company car. The Company does not offer any stock option plans or similar incentive plans. The remuneration components provided are reasonable both in and of themselves and taken as a whole.

Remuneration of the Supervisory Board is governed by Article 13 of the Articles of Association, pursuant to which each member of the Supervisory Board receives fixed remuneration amounting to EUR 7 thousand; the Chairman receives twice that amount and the Deputy Chairman one and a half times that amount. Value added tax is reimbursed to the members of the Supervisory Board.

The disclosures required by § 285 no. 9 HGB are included in the notes to the financial statements.

THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM AS IT RELATES TO THE ACCOUNTING PROCESS

The key features of the accounting process-related internal control and risk management system employed by Borussia Dortmund can be described as follows:

- Borussia Dortmund distinguishes itself through its clear organisational and corporate structures as well as its control and monitoring structures;
- the internal control and risk management systems as they relate to the accounting process form an integral part of operational and strategic planning processes;
- responsibilities have been clearly assigned in all areas of the accounting process (such as financial accounting and management cost accounting);
- reporting is carried out in monthly, quarterly, semi-annual and annual intervals, whereby a distinction is made between matters requiring immediate action by the Company and those involving Company strategy;
- the computer systems used in accounting are protected against unauthorised access;
- an adequate system of internal guidelines has been established and is updated as needed;
- the departments involved in the accounting process fulfil quantitative and qualitative requirements;
- the completeness and accuracy of the accounting data is checked regularly by reviewing samples and conducting plausibility tests, both manually and by means of software employed for this purpose;
- the principle of dual control is adhered to at all points in the Company's accounting-related processes;
- the management receives reports at scheduled intervals throughout the process or more frequently if necessary;
- the Supervisory Board deals with the key accounting issues, risk management and the audit assignment, among other things.

The accounting process-related internal control and risk management system, the key features of which are described above, ensures that transactions can be correctly recorded, prepared and accounted for in the financial statements.

OPPORTUNITY AND RISK REPORT

RISK MANAGEMENT

Borussia Dortmund's divisions are exposed to a wide variety of risks that are inseparably linked to the conduct of business. A functioning control and monitoring system is essential to the early identification and assessment of and systematic response to these risks. It is the responsibility of the internal risk management system to monitor and control such potential risks.

The risk management system is based on principles and guidelines laid out by the management. These principles and guidelines are designed to facilitate the early identification of any irregularities so that appropriate countermeasures can be taken. In order to ensure the highest possible level of transparency, risk management has been incorporated into the organisational structure of the Group as a whole. All departments and divisions are required to immediately report any market-relevant changes in the risk portfolio to the management. The risk management system is also

an integral component of the overarching planning, steering and reporting process.

This year, the risk inventory procedure implemented with the objective of cataloguing and assessing all risks has again proven effective as a management tool. Risks are identified, discussed and reviewed in consideration of current circumstances in one-on-one meetings or plenary sessions in order to assess the current likelihood of their occurring and the extent of the losses they might entail. In so doing, particular emphasis is placed on high priority risks that could significantly jeopardise the ability of Borussia Dortmund to continue as a going concern. Thus the organisational groundwork has been laid to enable the Group to identify any changes to the risk situation that may emerge early on.

Regular risk reports to the governing bodies of Borussia Dortmund keep them informed of Borussia Dortmund's current risk profile, enabling them to monitor and manage risk.

SPECIFIC RISKS

Strategic risk

The economic trend of a football company depends on its athletic performance. However, this can only be planned to a certain extent, meaning that financial and corporate planning must be aimed at maintaining the profitability of the company – even in the face of setbacks – so as to avoid risks to the Company's future existence. Long-term affiliations and partnerships ensure a certain level of planning security, independently of sporting success. Moreover, it is important to reconcile the conflict between pursuing athletic objectives – including taking the measures ne-

cessary to achieve such objectives on the one hand and meeting financial requirements such as assuring adequate liquidity on the other.

In addition, in order for its team to participate in Bundesliga matches, Borussia Dortmund requires a licence, which is issued for each season by DFL Deutsche Fußball Liga GmbH. Issue of this licence has a significant impact on the Company's financial position and financial performance by its very nature. As in previous years, Borussia Dortmund has been issued a licence for the coming season without any conditions or requirements.

Personnel risk

The importance of human resources to companies is growing. Thus, personnel risk represents a central risk category in a company's risk management organisation.

The core business of Borussia Dortmund – participating in Bundesliga matches – is largely dependent on the Company's human resources. Athletic success, which forms the basis for economic success, is heavily dependent on the professional sports squad and the quality of the players. Intensive scouting and medical examinations are intended to help the Company avoid making ill-advised investments in signing new players. However, absences of key players, for example due to injury, cannot be foreseen and, as a result, may jeopardise the ability of the Company to meet internally defined objectives.

Yet in the non-sports segments as well, the use of qualified specialists and executives is essential for Borussia Dortmund; thus it is important that the Company retain such personnel over the long term.

Macroeconomic risk

The trend in future funding through sponsorship is difficult to foresee. Borussia Dortmund has laid the groundwork for the coming years through the conclusion of long-term contracts with major sponsors. Since many companies – primarily SMEs – are currently employing caution in waiting to see how the market will develop, we cannot reliably forecast whether last years' total volume in sponsorship can be achieved again this year.

It is impossible to plan and manage the risk of interruptions to match operations, for example due to outbreak of an epidemic. Nor is it possible to foresee the potential financial ramifications of such a situation.

Borussia Dortmund has been subject to tax audits and audits by social security carriers in the past. Borussia Dortmund is of the opinion that its tax returns were submitted completely and correctly

and that its social security contributions were paid in full and on time. However, should the tax or social security authorities view the situation differently due to a diverging assessment of the facts, it is possible that they could later make additional claims that could impact the Company's financial position and performance.

Competitive risk

The UEFA regulations on club licensing and financial fair play were adopted in May 2010. The regulations aim

- to introduce more discipline and rationality in club football finances
- to encourage clubs to operate on the basis of their own revenues
- to protect the integrity and smooth running of UEFA club competitions
- to encourage responsible spending for the long-term benefit of football
- to ensure that clubs settle their liabilities punctually
- to protect the long-term viability and sustainability of European club football.

The process was introduced gradually starting with the 2011/2012 season. Starting with the reports on liabilities and future financial information, the most important factor in receiving permission to play from UEFA in the future will be the break-even requirement, which took effect at the end of the 2012 reporting year, and will be reviewed during the 2013/2014 UEFA club competition season and result in sanctions in cases of non-adherence. The club monitoring procedure will be supervised by UEFA's Club Financial Control Panel, which may request additional information from the license applicant and/or the licensing body at any time during this process.

FINANCIAL RISK

Interest rate risk

Borussia Dortmund is exposed to interest rate risks due to its variable-rate credit agreements. Management has entered into interest rate swap transactions with German financial institutions in order to lock in low interest rates over the medium to long term and hedge the risk of changes in cash flows due to changing interest rates.

Credit risk

Borussia Dortmund conducts business exclusively with third parties of high credit standing. Credit risk may arise in the context of player transfers and long-term sponsorship agreements as well as from centralised marketing agreements.

Two loans, each with a principal amount of EUR 5,000 thousand and which mature in May 2021, are subject to covenants with respect to the Group's equity ratio and interest coverage ratio (EBITDA/interest expense) as stated in the consolidated financial statements. In addition, an overdraft facility in the amount of EUR 5,000 thousand is subject to covenants

relating to the equity ratio, net debt/EBITDA and the interest coverage ratio. These covenants are reviewed on an annual basis; all covenants were complied with during the year under review.

Liquidity risk

Liquidity risk refers to the risk of being unable at any point in time to meet regular payment obligations on time and in the full amount.

Regular reporting and strict controls aimed at adherence to target figures, approved budgets and KPIs ensure that the Company's liquidity remains a transparent variable. Liquidity is constantly monitored through liquidity planning, which takes expected cash flows into consideration. As with any planning, an inherent risk exists in that current estimates are subject to risks and uncertainties. Actual results may differ from the planning statements. However, there is a general risk that budgeted proceeds may not be realised due, for example, to agreements not being able to be honoured as entered into due to the poor economic climate and/or insolvency of the customer.

OPPORTUNITIES

Borussia Dortmund signed an eleven-year agreement with its primary sponsor, Evonik Industries AG, thus laying the foundation for a long-term partnership. As part of this partnership, the energy group also acquired a direct equity investment in Borussia Dortmund.

By qualifying for the UEFA Champions League, Borussia Dortmund secured itself income from international activities. However, the amount of such income will depend on the team's footballing performance. The expansion of merchandising would

benefit from the club's success at domestic and international competitions. Long-term contracts with players and the successful coaching staff as well as the signing of new, outstanding professionals also form the basis of the club's long-term sporting and economic activities. While the professional squad is the centre of attention, many players and officials play important roles in those teams that are developing the players of tomorrow, thus ensuring that Borussia Dortmund is not dependent on a single source for its footballing success.

OVERALL ASSESSMENT OF THE RISKS AND OPPORTUNITIES

With regard to the risks discussed in this report and the review of the overall risk position, no risks were identified in the financial year under review that would contribute to a permanent or material deterioration in the financial position or financial performance of either the Group or its individual companies. Thanks to its risk management system, Borussia

Dortmund is in a position to comply with the statutory provisions on control and transparency in the Company.

A review of the risk situation revealed that none of the individual risks defined within the risk areas jeopardise the continued existence of Borussia Dortmund.

REPORT ON EXPECTED DEVELOPMENTS

EXPECTED DEVELOPMENT OF THE COMPANY

Borussia Dortmund is primed to build on its ongoing success in the upcoming financial year.

During the next season, the squad will again contest the DFL Super Cup and will compete domestically in the DFB Cup and internationally in the UEFA

Champions League in addition to competing in the Bundesliga. As was the case this year, the club can deliver excellent results in the upcoming season by participating in these high-level club competitions – even if it does not win any silverware.

EXPECTED GENERAL ECONOMIC ENVIRONMENT

The environment for commercial success in professional football is optimal. In order to generate sales comparable to those of the previous year, the squad will have to see the same kind of success it did this past season. Thus, while it is possible to match the previous year's sales, doing so will depend on the club's footballing success, which is difficult to predict. An alternative to footballing success in order to meet the sales target would be transfer deals, although none have been planned to date. Therefore, sales are expected to develop as they did in the previous year.

In addition to the existing long-term agreements with the primary sponsors, kit suppliers and holders of naming rights, new partners were added to list of the Company's sponsors. The long-term agreements signed with these new partners pro-

vide a certain level of planning and reliability that extend beyond the club's sporting success in a given season and will increase the income from sponsors by approximately 10% in the upcoming year.

The club's standing as Germany's leading brand manager and its SignsAward reflect the success of the Borussia Dortmund brand. These are important milestones and make the Group even more attractive for sponsors and partners going forward. Fan interest in football at the domestic and international levels in general and in Borussia Dortmund specifically was unmatched during the World Cup year. Season ticket sales and the expected sold-out matches across four competitions at SIGNAL IDUNA PARK ensure that income in this segment will remain level with the previous year

and also highlights the loyalty fans have for their club. This loyalty is not only reflected in the growing interest in Borussia Dortmund on Facebook, but it also promises to generate steady merchandising income.

Therefore, Borussia Dortmund is strengthening its multidimensional strategy based on footballing success, long-term financial planning, branding and the development of talented players in its youth, amateur and professional squads.

The fascination with the Borussia Dortmund brand is based in particular on the emotional values, likeability and authenticity of the club. Borussia Dortmund expects its brand awareness to continue to grow steadily, which will be reflected by more awards in the future and a continuing high level of season ticket sales, stadium attendance, domestic and international television broadcast hours, sponsors, Facebook friends and page impressions at www.bvb.de.

EXPECTED RESULTS OF OPERATIONS

Expected earnings trend

Based on conservative estimates, the management of Borussia Dortmund expects to generate net income in financial year 2014/2015 in the seven-figure range. However, the exact result depends to a large extent on the club's sporting success and is therefore difficult very difficult to plan.

The same applies to the forecast for EBIT, which is also expected to be in the seven-figure range and dependent on the club's sporting success.

Overall, taking into account significant investments, including the signings of Adrian Ramos, Ciro Immobile, Nuri Sahin and Matthias Ginter, net income for the year is expected to miss the previous year's mark.

Expected sales trend

Based on conservative estimates, Borussia Dortmund expects the sales trend to be level with that of the previous year. The qualification for the UEFA Champions League has already ensured that the club will receive proceeds from international television broadcasts. The partnership that was extended with the club's primary sponsor, Evonik Industries AG, as well as the partnership agreements signed with the new partners will generate additional sales. However, the club's footballing success will have to be stellar

in order to substantially increase income across all areas and thus significantly surpass the previous year's sales.

Expected trend for significant operating expenses

Risk management continues to be Borussia Dortmund's highest priority. The objective is to specifically manage and continually monitor risks in order to avoid or minimise these.

Operating expenses are linked directly to the number of matches played, meaning that these are always contingent upon the club's footballing success.

Personnel expenses are also largely dependent upon the club's sporting success, because the professional squad is primarily compensated on the basis of its performance, meaning that only those expenditures commensurate with the club's success are expected.

Borussia Dortmund expects personnel expenses for the upcoming financial year to be level with those of the previous year, but wishes to highlight the highly elastic costs of the professional squad and the associated difficulty of making forecasts, particularly with respect to planning the club's footballing success.

EXPECTED DIVIDENDS

In light of the club's economic and footballing success in the past financial year, Borussia Dortmund will propose a dividend distribution of EUR 0.10

per share carrying dividend rights (totalling EUR 6,141 thousand) to its shareholders at the Annual General Meeting in November 2014.

EXPECTED FINANCIAL POSITION

Capital expenditure and financial planning

The highest priorities for developing the club's core business will be making the club more competitive and improving its infrastructure. Therefore, the Group will invest in particular in the professional squad as well as SIGNAL IDUNA PARK, the adjoining infrastructure and the training ground. However, in order to mitigate and avoid financial risk, Borussia Dortmund will pursue a conservative and extremely prudent capital expenditure strategy and will not count on any uncertain sporting successes.

Expected liquidity trend

Borussia Dortmund generated positive cash flow of EUR 19,329 thousand in 2013/2014. This positive cash flow and the expected increase in income will enable the Group to pay dividends and continue to invest in its professional squad and make infrastructure investments.

Borussia Dortmund expects cash flows from operating activities in financial year 2014/2015 to be level with those of the previous year.

OVERALL ASSESSMENT OF EXPECTED PERFORMANCE

Borussia Dortmund competed at a high level in domestic and international competitions and impressed many far beyond the borders of Germany with its performances. In the upcoming year, the club will again be in a position to impress at four competitions.

Overall, the departure of key players was quickly forgotten as the club signed new players and purposefully extended the contracts of existing players, thus giving Borussia Dortmund reason to look to the coming season with optimism.

REPORT ON POST-BALANCE SHEET DATE EVENTS

DFL Super Cup

Borussia Dortmund and FC Bayern Munich contested the DFL Super Cup on 13 August 2014 at SIGNAL IDUNA PARK. The match was sold out three weeks in advance.

Bundesliga

The opening match of the 52nd Bundesliga season between FC Bayern Munich and VfL Wolfsburg on 22 August 2014 will be broadcast worldwide in 194 countries. In its first match of the season on 23 August 2014, Borussia Dortmund will play against Bayer 04 Leverkusen at SIGNAL IDUNA PARK.

DFB Cup

Borussia Dortmund will play the first round of the 2014/2015 DFB Cup against Stuttgarter Kickers. The match will be held at the Mercedes-Benz Arena in Bad Cannstatt on 16 August 2014.

Capital increase

The management of Borussia Dortmund Geschäftsführungs-GmbH, as the general partner of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, has, with the consent of the Supervisory Board and on the basis of the authorisation granted to it by the Annual General Meeting on 30 November 2010, resolved to increase its capital against cash contributions and by partially utilising the existing Authorised Capital 2010 and to exclude the subscription rights of the limited liability shareholders (*Kommanditaktionäre*).

The share capital of the Company, which amounts to EUR 61,425,000.00 and is divided into 61,425,000 no-par value ordinary bearer shares, was increased by a notional amount of EUR 6,120,011.00 by issuing 6,120,011 new no-par value ordinary bearer shares at an issue amount of EUR 4.37 per new share. The new shares shall carry dividend rights as at the start of the Company's 2014/2015 financial year, meaning that they hold no dividend rights up to 30 June 2014 (inclusive). Evonik Industries AG was permitted to subscribe and

acquire the new shares. The capital increase went into effect upon being recorded in the commercial register on 3 July 2014. The Company's share capital now amounts to EUR 67,545,011.00. This makes Evonik Industries AG the second-largest single shareholder.

As a limited liability shareholder of the Company, Evonik Industries AG wants to strengthen and overall promote its status as the Company's primary sponsor as well as to expand the existing brand partnership.

The issue proceeds of gross EUR 26,744,448.07 will strengthen the Company's equity base. After implementation of the capital increase, the Company's Authorised Capital 2010 will amount to EUR 24,592,489.00. The Company plans, with the consent of its limited liability shareholders and by way of corporate action, to utilise part or all of the remaining Authorised Capital 2010 to acquire new shares in the first quarter of the 2014/2015 financial year, and to continue its exploratory talks with companies interested in strategic partnerships in this regard.

Directors Dealings

In July 2014 Bernd Geske purchased 10,000 non-par value shares. His percentage share of voting rights is now 10,81 percent.

Big names in Dortmund

Germany's World Cup-winning team in Brazil included four Dortmund players. Upon landing in Berlin, Mats Hummels, Roman Weidenfeller, Kevin Großkreutz and Erik Durm celebrated their World Cup victory by raising the world's most coveted trophy high in the air.

Matthias Ginter, one of Dortmund's newest signings, was also a part of the World Cup squad in Brazil. The 20-year-old defender transferred from SC Freiburg and signed a contract until 30 June 2019.

Forward Julian Schieber moved from Borussia Dortmund to Hertha BSC Berlin during the summer break.

Preparations for the new season

The squad once again began preparing for the new season in the Kitzbühel Alps of Austria.

BVB's popular summer tour this year, which features various fan programmes and test matches against domestic clubs, included stops in Kassel, Heidenheim, Osnabrück and Essen. Borussia Dortmund went undefeated, winning three high-scoring matches and settling for one tie.

After missing eight months due to injury, Neven Subotic participated in the squad's preparations for the new season and marked his return with a goal in a test match.

Marco Reus and Jakub Blaszczykowski have returned from their injuries and started conditioning training.

As in the previous year, the squad spent a week training in Bad Ragaz, Switzerland, in order to be well-prepared for the new season.

The last game before the "Supercup" brought Borussia Dortmund to England. At the legendary Anfield Road Borussia Dortmund played against FC Liverpool and lost 4:0.

BVB FanWelt

The club's fan and family day has been a popular event for many years, and it was only fitting that the BVB FanWelt service centre opened its doors for the first time during that event at the start of the season on 9 August 2014.

The new centre located directly adjacent to SIGNAL IDUNA PARK now offers all fan-related services under one roof. Spanning 2,000 square metres, it is the largest of the BVB fan shops and offers everything a black-and-yellow fan could desire. The centre also includes a ticketing booth, a cafe with a sun deck, a children's play area, an information booth as well as other exciting attractions for BVB fans of all ages.

Employment contract of CEO Hans-Joachim Watzke prematurely renewed until 2019

The Executive Committee of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH has prematurely renewed the employment contract of the CEO Hans-Joachim Watzke. The employment contract that was due to expire on December 31st, 2016 was extended now until December 31st, 2019.

Hans-Joachim Watzke remains as hitherto chief executive officer (CEO) of Borussia Dortmund Geschäftsführungs-GmbH and primarily responsible for company's strategy and the business divisions "sports", "communication" and "sponsoring".

OTHER DISCLOSURES

REPORT IN ACCORDANCE WITH § 289 (4) OF THE HGB

The following information has been provided by the Company in response to the requirements of § 289 (4) nos. 1 to 9 HGB:

1. As at 30 June 2014, the share capital of Borussia Dortmund GmbH & Co. KGaA amounts to EUR 61,425,000.00 and is divided into 61,425,000 no-par value ordinary bearer shares. All of the shares have been admitted to trading on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange and to the over-the-counter markets (Open Market) in Berlin, Bremen, Stuttgart, Munich, Hamburg and Düsseldorf. Each no-par value share entitles the holder to one vote at the Annual General Meeting. The Company has only one class of shares, and all shares carry the same rights and obligations. All other rights and responsibilities attaching to the Company's shares are determined in accordance with the German Stock Corporation Act (*Aktengesetz*, "AktG").
2. Restrictions affecting the voting rights or transfer of the shares, and
3. Interests in the share capital of Borussia Dortmund GmbH & Co. KGaA exceeding 10% of the voting rights as at 30 June 2014:
 - 1) Ballspielverein Borussia 09 e.V. Dortmund, Dortmund, Germany: 19.11% of the voting rights (of which 7.24% held directly and 11.87% held indirectly by including the voting rights of Bernd Geske, Germany, pursuant to §22 (2) WpHG)
 - 2) Bernd Geske, Meerbusch, Germany: 19.11% of the voting rights (of which 11.87% held directly and 7.24% held indirectly by including the voting rights of Ballspielverein Borussia 09 e.V. Dortmund, Dortmund, Germany, pursuant to §22 (2) WpHG)
4. There are no shares with special rights conferring powers of control.
5. There is no control of voting rights in cases in which employees are shareholders.
6. Because of its legal form as a partnership limited by shares, Borussia Dortmund GmbH & Co. KGaA does not have a management board. Instead, management and representation of the Company is the responsibility of the general partner. The provisions of § 6 No. 1 of the Articles of Association stipulate that Borussia Dortmund Geschäftsführungs-GmbH, with registered offices in Dortmund, is to act as such an executive body on a permanent basis and not for a limited period of time by virtue of its status as a shareholder. The appointment and removal of managing directors of Borussia Dortmund Geschäftsführungs-GmbH is governed by § 8 no. 6 of its shareholders' agreement and is the responsibility of the Executive Committee of its Advisory Board, and therefore not of the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA.

In principle, changes may be made to the Articles of Association of Borussia Dortmund GmbH & Co. KGaA only by a resolution of its General Shareholders' Meeting, which, in accordance with § 133 (1) of the AktG, must be passed by a simple majority of votes and also, in accordance with § 15 No. 3 of the Articles of Association of the Company in conjunction with § 179 (1) and (2) of the AktG, by a simple majority of the capital represented on the date of the resolution, except to the extent that mandatory statutory provisions or the Articles of Association stipulate otherwise. A mandatory provision of statute requires that a resolution of the General Shareholders' Meeting be passed by a majority of three-quarters of the share capital represented on the date of the resolution in the event of changes to the Articles of Association relating to the object of the Company (§ 179 (2) sentence 2 AktG), the issuance of non-voting preferred shares (§ 182 (1) sentence 2 AktG), capital increases involving the disapplication of pre-emptive subscription rights (§ 186 (3) AktG), the creation of conditional capital (§ 193 (1) AktG), the creation of authorised capital (§ 202 (2) AktG) – where appropriate with authorisation to disapply pre-emptive subscription rights (§ 203 (2) sentence 2 in conjunction with § 186 (3) AktG) –, the ordinary or simplified reduction of share capital (§ 222 (1) sentence 2 and § 229 (3) AktG) or a change of legal form (§ 233 (2) and § 240 (1) of the German Reorganisation and Transformation Act (*Umwandlungsgesetz*, "UmwG")). In addition, capital increases, other changes to the Articles of Association and other decisions of a fundamental nature may only be resolved with the approval of the general partner in accordance with § 285 (2) sentence 1 of the AktG. The Supervisory Board is authorised in accordance with § 12 No. 5 of the Articles of Association to resolve changes to the Articles of Association which relate only to the wording thereof, in particular in connection with the amount of capital increases from authorised and conditional capital.

7. The general partner is authorised until 29 November 2015, with the approval of the Supervisory Board, to increase the share capital by a maximum of EUR 30,712,500.00 in total by issuing new no-par value ordinary bearer shares against cash and/or in-kind contributions on one or more occasions (Authorised Capital 2010). The limited liability shareholders have a statutory pre-emptive right over new shares issued by the Company. Such new shares may also be subscribed by a bank or a company in accordance with § 53 (1) sentence 1 or § 53b (1) sentence 1 or (7) of the German Banking Act (*Kreditwesengesetz*, "KWG") if it agrees to offer them to the limited liability shareholders for subscription. However, the general partner is authorised, with the approval of the Supervisory Board, to decide to disapply the statutory pre-emptive subscription rights of the limited liability shareholders. Pre-emptive subscription rights may be disapplied

- a) with respect to fractional amounts arising as a consequence of subscription ratios;
- b) in the event of capital increases against cash contributions up to a total amount of 10% of the share capital existing on the date of registration of the Authorized Capital 2010 or, if lower, 10% of the share capital existing on the date of exercise of the authorisation (in each case taking into account any other authorisations made use of during the effective period of this authorisation for the disapplication of pre-emptive subscription rights pursuant to or through the corresponding application of § 186 (3) sentence 4 of the AktG), provided the issue amount of the new shares does not fall significantly below the market price;
- c) in the event of capital increases against in-kind contributions, particularly for the purpose of acquiring companies, equity investments, real estate, rights and claims against the Company.

The general partner is authorised, with the approval of the Supervisory Board, to determine the further details of the capital increase and the terms and conditions of the share issue.

In the event of a takeover bid for shares issued by the Company and admitted to trading on a regulated market, the general statutory responsibilities and powers apply to the general partner in other respects. For example, if a takeover bid were to be received, the general partner and the Supervisory Board would be required to issue and publish a response to the bid, giving their reasons, in accordance with § 27 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, "WpÜG") to enable the limited liability shareholders to make a decision on the bid on an informed basis. Moreover, in accordance with § 33 WpÜG, once a takeover bid has been announced, the general partner may not take any actions outside the ordinary course of business that could frustrate the success of the bid, unless those actions have

been authorised by the General Shareholders' Meeting, or the Supervisory Board has given its approval of the actions or the actions relate to obtaining a competing bid. In making their decisions, the general partner and the Supervisory Board are bound to have regard to the interests of the Company, its employees and its shareholders. At the end of the reporting period, the Articles of Association did not contain any provisions within the meaning of §§ 33a – 33c WpÜG (European prohibition on frustrating action, European breakthrough rule, reservation of reciprocity).

8. The Company is not a party to any material agreements which are conditional on a change of control following a takeover bid for the issued shares of Borussia Dortmund GmbH & Co. KGaA.
9. The Company is not a party to any compensation agreements that would apply in the event of a takeover bid.

STATEMENT BY THE GENERAL PARTNER ON RELATIONS WITH AFFILIATED COMPANIES

The Dependent Company Report prepared by Borussia Dortmund GmbH & Co. KGaA pursuant to § 312 AktG sets out the relations with Ballspielverein Borussia 09 e.V. Dortmund as the controlling entity and its affiliated companies. The general partner – represented by its Managing Directors – has issued the following concluding declaration: "Based on the circumstances known to us at the time the transactions were entered into, the Com-

pany received appropriate consideration for each of the transactions set out in the report on relations with affiliated companies in the financial year. In all other cases, the Company has been compensated for any disadvantages having arisen. No other measures within the meaning of § 312 (1) of the AktG were either undertaken or omitted during the financial year."

DISCLAIMER

This 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.

Dortmund, August, 14th 2014
Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien
Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



ANNUAL FINANCIAL STATEMENTS

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund



Echte Liebe.



ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	30/06/2014	30/06/2013
ASSETS		
A. FIXED ASSETS		
I. Intangible fixed assets		
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	61,917	28,871
2. Prepayments	34	0
	61,951	28,871
II. Tangible fixed assets		
1. Land, land rights and buildings including buildings on third-party land	176,094	24,248
2. Other equipment, operating and office equipment	11,821	11,140
3. Prepayments and assets under construction	1,650	341
	189,565	35,729
III. Long-term financial assets		
1. Shares in affiliated companies	12,994	139,190
2. Equity investments	96	96
3. Other loans	1,255	1,081
	14,345	140,367
	265,861	204,967
B. CURRENT ASSETS		
I. Inventories		
Merchandise	47	47
II. Receivables and other assets		
1. Trade receivables	10,873	64,983
2. Receivables from affiliated companies	1,493	1,726
3. Other assets	3,389	1,975
	15,755	68,684
III. Cash-in-hand, bank balances		
	16,858	11,539
	32,660	80,270
C. PREPAID EXPENSES		
	4,319	4,723
	302,840	289,960

ANNUAL FINANCIAL STATEMENTS
for the financial year from 1 July 2013 to 30 June 2014

EUR '000	30/06/2014	30/06/2013
EQUITY AND LIABILITIES		
A. EQUITY		
I. Subscribed capital	61,425	61,425
less nominal value of treasury shares	-19	-20
Issued capital	61,406	61,405
II. Capital reserves	34,204	34,199
III. Revenue reserves		
1. Reserve for treasury shares	19	20
2. Other revenue reserves	80,643	33,524
	80,662	33,544
IV. Net retained profits	10,558	53,258
	186,830	182,406
B. PROVISIONS		
1. Provisions for taxes	398	3,956
2. Other provisions	4,912	9,423
	5,310	13,379
C. LIABILITIES		
1. Liabilities to banks	39,463	14,275
2. Trade payables	13,060	10,249
3. Liabilities to affiliated companies	898	3,577
4. Other liabilities	16,475	27,969
of which from taxes: EUR 10,323 thousand (previous year: EUR 18,340 thousand)		
of which in relation to social security: EUR 16 thousand (previous year: EUR 8 thousand)		
	69,896	56,070
D. DEFERRED INCOME	40,804	38,105
	302,840	289,960

INCOME STATEMENT

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	01/07/2013 – 30/06/2014	01/07/2012 – 30/06/2013
1. Sales	223,785	272,436
2. Other operating income	5,035	2,302
	228,820	274,738
3. Personnel expenses		
a) Wages and salaries	-98,225	-96,908
b) Social security, post-employment and other employee benefit costs of which for post-employment: EUR 256 thousand (previous year: EUR 226 thousand)	-3,108	-2,939
	-101,333	-99,847
4. Amortisation and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets	-29,783	-14,517
5. Other operating expenses	-86,642	-101,666
6. Income from other long-term equity investments of which from affiliated companies EUR 397 thousand (previous year: EUR 133 thousand)	397	166
7. Income from profit and loss transfer agreements -all of which from affiliated companies-	3,557	4,470
8. Income from long-term loans	5	7
9. Other interest and similar income of which from the reversal of discounting: EUR 143 thousand (previous year: EUR 0 thousand)	205	87
10. Interest and similar expenses of which from discounting: EUR 327 thousand (previous year: EUR 143 thousand)	-2,800	-1,974
11. Result from ordinary activities	12,426	61,464
12. Taxes on income	-1,681	-8.143
13. Other taxes	-187	-63
14. Net income for the year/Net retained profits	10,558	53,258

**NOTES Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund
for the 2013/2014 financial year**

(hereinafter also "Borussia Dortmund" or "Borussia Dortmund GmbH & Co. KGaA")

GENERAL DISCLOSURES TO THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements of Borussia Dortmund GmbH & Co. KGaA for the 2013/2014 financial year have been prepared in accordance with the requirements of the German Commercial Code (*Handelsgesetzbuch*, "HGB") and the particular accounting requirements of the German Stock Corporation Act (*Aktiengesetz*, "AktG"). There is an additional obligation in accordance with § 315a (1) HGB to prepare consolidated financial statements applying international financial reporting standards (IFRS) as adopted by the EU.

The balance sheet classifications comply with the classification format under commercial law in accordance with § 266 HGB, while the income statement has been prepared in the vertical format using the nature of expense method in accordance with § 275 HGB. In some instances, the additional information

to be provided in accordance with the statutory requirements is presented in the notes for reasons of clarity and accessibility.

As a result of the fact that Ballspielverein Borussia 09 e.V. Dortmund (hereinafter "BV. Borussia 09 e.V. Dortmund") holds 100% of the shares in Borussia Dortmund Geschäftsführungs-GmbH and is therefore regarded indirectly as a controlling company, Borussia Dortmund GmbH & Co. KGaA qualifies as a dependent company within the meaning of § 17 AktG and accordingly is required to prepare a Dependent Company Report in accordance with § 312 AktG. This report must also contain the statutory concluding statement required in accordance with § 312 AktG which must be included in the management report.

The accounting policies applied in the previous year were carried over completely into the current year.

COMPARABILITY WITH THE PRIOR-YEAR ANNUAL FINANCIAL STATEMENTS

In order to simplify the previous Group structure, Borussia Dortmund GmbH & Co. KGaA completed the following reorganisational measures during the 2013/2014 financial year:

- Merger of BVB Stadion Holding GmbH
- Merger of BVB Beteiligungs-GmbH
- Merger of BVB Stadion GmbH

The date of the mergers in each case was 1 July 2013.

Borussia Dortmund recognised the mergers directly in equity at the intermediate value of the eliminated interests.

The fair value of the developed hereditary building right (SIGNAL IDUNA PARK) was appraised in an expert opinion and as at the 30 June 2013 valuation date amounted to EUR 159,000 thousand. The carrying amount of the developed hereditary building right,

which had ultimately been transferred by BVB Stadion GmbH as part of the merger, amounted to EUR 56,173 thousand as at 30 June 2013. Accordingly, BVB KGaA increased the carrying amount of the developed hereditary building right by EUR 98,546 thousand and recognised the hereditary building right at its intermediate value directly in equity.

Taking into account incidental costs, purchase costs amounted to EUR 155,130 thousand.

Based on the useful lives of similar properties, a residual useful life of 40 years for the stadium (from the 30 June 2013 valuation date) was also assumed in the opinion.

Accordingly, the stadium property is depreciated over a useful life of 40 years starting from 1 July 2013.

The comparability of the annual financial statements as at 30 June 2014 to those of the previous year is limited on account of the reorganisational measures.

These impacted the following in particular:

- Tangible fixed assets
- Long-term financial assets
- Receivables to and liabilities from affiliated companies
- Depreciation and write-downs of tangible fixed assets
- Other operating expenses
- Income from profit and loss transfer agreements

ACCOUNTING POLICIES

Fixed assets

Intangible fixed assets are measured at cost less amortisation based on their expected useful lives or at the lower fair value. Player registrations reported in these financial statements are measured at cost, taking into account the decisions of the Federal Court of Finance (*Bundesfinanzhof*, "BFH") of 26 August 1992, I R 24/91 and of 14 December 2011 I R 108/10 and the FIFA Regulations on the "Status and Transfer of Players" contained in circular no. 769 of 24 August 2001 which came into force on 21 September 2001, and are amortised on a straight-line basis in accordance with the term of the individual contracts for professional players.

Tangible fixed assets are measured at cost less accumulated depreciation. Items with a value between EUR 150.00 to EUR 1,000.00 were recognised as an omnibus item and will be written down over a period of five years. Depreciation and amortisation are based on the economic useful lives of assets.

Long-term financial assets were measured at cost or the lower fair value in case of permanent impairment.

Inventories

Inventories are measured at cost less any discounts, subject to the strict lower of cost or market principle.

Receivables and other assets

Receivables and other assets are measured at their nominal amounts. A general valuation allowance was made for the overall credit and interest-rate risk while separate allowances are recognised for identifiable individual risks.

Cash-in-hand and bank balances

Cash-in-hand and bank balances are recognised at their nominal amounts.

Prepaid expenses

Prepaid expenses consist principally of advance payments relating to the professional squad and insurance premiums. The amounts are reversed rateably over the terms/lives of the individual items.

Provisions

Provisions are recognised for all identifiable uncertain liabilities. They are carried at the settlement amounts deemed necessary as dictated by prudent business judgement.

Liabilities

Liabilities are recognised at the settlement amount.

Deferred income

In addition to the license fee received in the course of a true sale of receivables in 2007/2008 from the marketing company Sportfive GmbH & Co. KG for the entire term of the agreement, deferred income also includes payments received from ticketing, catering and sponsoring for the 2014/2015 season. The amounts are reversed rateably over the periods to which they relate.

Foreign currency translation

Assets and liabilities denominated in foreign currency are translated at the mean spot rate on the balance sheet date.

NOTES TO THE BALANCE SHEET

Fixed assets

The breakdown of fixed assets is as follows:

EUR '000	30/06/2014	30/06/2013
Intangible fixed assets	61,951	28,871
Tangible fixed assets	189,565	35,729
Long-term financial assets	14,345	140,367
	265,861	204,967

Intangible fixed assets consist of purchased player registrations, trademark rights and computer software. In financial year 2013/2014, additions increased this balance sheet item by a total of EUR 55,699 thousand. This was primarily attributable to player registrations (EUR 55,620 thousand) purchased for Pierre-Emerick Aubameyang, Sokratis Papastathopoulos, Henrikh Mkhitaryan, Julian Derstroof and Milos Jojic. Transfer fees were paid for these new player signings.

Amortisation in connection with the professional squad amounted to EUR 22,485 thousand. This includes an impairment loss of EUR 569 thousand as at 30 June 2014 for the player Julian Schieber.

Additions to Borussia Dortmund's tangible fixed assets amounted to EUR 161,016 thousand. This related primarily to the 1 July 2013 merger of the subsidiary BVB Stadion GmbH and Borussia Dortmund GmbH & Co. KGaA. Accordingly, all of BVB Stadion GmbH's fixed assets – the stadium, including the associated hereditary building rights – were transferred to the fixed assets of Borussia Dortmund GmbH & Co. KGaA. The stadium is depreciated over a useful life of 40 years.

Other components of tangible fixed assets include the old commercial premises constructed on land subject to hereditary building rights, other buildings and athletic facilities at the training ground, the catering extensions and other movable components of the stadium.

In addition, investments were made in SIGNAL IDUNA PARK and the training ground in Dortmund-Brackel was expanded, which increased tangible fixed assets.

This includes expansions to the stadium's public address system, a new entry system for the stadium and the expansion of the VIP areas in the west terrace.

In addition to the direct equity investments described in more detail in the list of direct shareholding of BVB Stadionmanagement GmbH, BVB Merchandising GmbH, BVB Event & Catering GmbH, Sports & Bytes GmbH, besttravel dortmund GmbH and Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH, long-term financial assets largely comprise a tenant's loan relating to the administration building reported under other loans.

The Company has entered into a profit and loss transfer agreement with its subsidiary, BVB Stadionmanagement GmbH, and a control and profit and loss transfer agreement with BVB Merchandising GmbH.

The development of gross fixed assets and of accumulated depreciation and amortisation for the individual items of fixed assets are shown in the following analysis:

FIXED ASSETS

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	Cost				As at 30/06/2014
	As at 01/07/2013	Additions	Reclassifications	Disposals	
I. Intangible fixed assets					
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	60,814	55,665	0	2,990	113,489
2. Prepayments	0	34	0	0	34
	60,814	55,699	0	2,990	113,523
II. Tangible fixed assets					
1. Land, land rights and buildings including buildings on third-party land	32,598	156,224	663	0	189,485
2. Other equipment, operating and office equipment	26,165	2,820	0	23	28,962
3. Prepayments and assets under construction	341	1,972	-663	0	1,650
	59,104	161,016	0	23	220,097
III. Long-term financial assets					
1. Shares in affiliated companies	139,190	25	0	126,221	12,994
2. Equity investments	96	0	0	0	96
3. Other loans	1,081	210	0	36	1,255
	140,367	235	0	126,257	14,345
	260,285	216,950	0	129,270	347,965

Current assets

Current assets are made up as follows:

EUR '000	30/06/2014	30/06/2013
Inventories	47	47
Receivables and other assets	15,755	68,684
Cash-in-hand, bank balances	16,858	11,539
	32,660	80,270

ANNUAL FINANCIAL STATEMENTS
for the financial year from 1 July 2013 to 30 June 2014

Depreciation, amortisation and write-downs				Residual carrying amounts	
As at 01/07/2013	Additions	Disposals	As at 30/06/2014	As at 30/06/2014	As at 30/06/2013
31,943	22,619	2,990	51,572	61,917	28,871
0	0	0	0	34	0
31,943	22,619	2,990	51,572	61,951	28,871
8,350	5,041	0	13,391	176,094	24,248
15,025	2,123	7	17,141	11,821	11,140
0			0	1,650	341
23,375	7,164	7	30,532	189,565	35,729
0	0	0	0	12,994	139,190
0	0	0	0	96	96
0	0	0	0	1,255	1,081
0	0	0	0	14,345	140,367
55,318	29,783	2,997	82,104	265,861	204,967

Inventories represent the material value of decorative shares in the form of printed physical share certificates, measured at cost.

Other receivables mainly include prepayments, tax receivables and payment claims against Ballspielverein Borussia 09 e.V. Dortmund.

Trade receivables with a term of more than one year amounted to EUR 1,256 thousand.

No bank balances have been pledged as security for loans.

Prepaid expenses

In addition to prepayments for personnel expenses relating to the professional squad of EUR 876 thousand and prepayments of EUR 1,155 thousand for equipment from the equipment supplier

for financial year 2014/2015, prepaid expenses primarily include prepayments for other services and insurance.

Equity

EUR '000	30/06/2014	30/06/2013
Issued/subscribed capital	61,406	61,405
Capital reserves	34,204	34,199
Revenue reserves	80,662	33,544
Net retained profits	10,558	53,258
	186,830	182,406

The Company's subscribed capital amounts to EUR 61,425 thousand and is divided into 61,425,000 no-par value shares, each representing a notional share in the share capital of EUR 1.00, less the notional value of treasury shares of EUR 19 thousand. Equity contains a presentation of treasury shares in which the nominal amount of the treasury shares is deducted from equity under subscribed capital on the face of the balance sheet; furthermore, a reserve for treasury shares is also presented.

Pursuant to a resolution by the Annual General Meeting on 16 November 2004, the Company was authorised to acquire own shares amounting to 10% of the share capital on or before 30 April 2006. The Company was also authorised to sell its treasury shares either on or off the stock market. Off-market sales are permitted, among other

purposes, for the sale of shares in the form of printed physical share certificates which are freely transferable and tradable. In such cases, shareholders' subscription rights are excluded in accordance with § 71 (1) No. 8 AktG. In the period between the date of admission of the Company's shares to trading (31 October 2000) and the balance sheet date, the Company acquired a total of 34,000 no-par value shares and sold 14,231 no-par value shares off-market in the form of printed physical share certificates. The gain on disposal has been reported separately under other operating income. At the balance sheet date, the Company's holding of its own securities consisted of 19,300 no-par value shares.

Further disclosures required in accordance with § 160 AktG are given in the following overview. The income from the sale of shares has been included in the profit from operating activities:

Month	Transactions in own/treasury shares	Total treasury shares	Total share capital EUR	Share in total capital in %	Selling price EUR
07/2013 – 12/2013	-233		-233	0.000	2,563.00
As at 31/12/2013		19,536	19,536	0.032	
01/2014 – 06/2014	-236		-236	0.000	2,596.00
As at 30/06/2014		19,300	19,300	0.031	

Furthermore, by resolution of the Annual General Meeting on 30 November 2010, the general partner was authorised, with the approval of the Supervisory Board, to increase the share capital on one or more occasions by or before 29 November 2015 by issuing new no-par value shares against cash or non-cash contributions, by no more than a total of EUR 30,712,500.00 (Authorised Capital 2010).

The management of Borussia Dortmund Geschäftsführungs-GmbH, as the general partner of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, has, with the consent of the Supervisory Board and on the basis of the authorisation granted to it by the Annual General Meeting on 30 November 2010, resolved to increase its capital as at 1 July 2014 against cash contributions and by partially utilising the existing Authorised Capital 2010 and to exclude the subscription rights of the limited liability shareholders (*Kommanditaktionäre*).

The share capital of the Company, which amounts to EUR 61,425,000.00 and is divided into 61,425,000 no-par value ordinary bearer shares, shall be increased by a notional amount of EUR 6,120,011.00 by issuing 6,120,011 new no-par value ordinary bearer shares at an issue amount of EUR 4.37 per new share.

The new shares shall carry dividend rights as at the start of the 2014/2015 financial year (1 July 2014), meaning that they hold no dividend rights for the 2013/2014 financial year.

Evonik Industries AG was permitted to subscribe and acquire the new shares. Evonik Industries AG agreed to subscribe the new shares. The Company's share capital after implementation of the capital increase will be increased to EUR 67,545,011.00.

After implementation of the capital increase, the Company's Authorised Capital 2010 will amount to EUR 24,592,489.00.

The change in reserves was as follows:

Change in reserves

EUR '000	As at 01/07/2013	Additions	30.06.2014
Capital reserves	34,199	5	34,204
Revenue reserves	33,544	47,118	80,662
	67,743	47,123	114,866

The annual financial statements for the 2012/2013 financial year were adopted at the Annual General Meeting on 25 November 2013, which resolved to use a portion of the net retained profits to distribute a dividend of EUR 0.10 per share carrying dividend rights (totalling EUR 6,140,539.90) to the limited

liability partners and to transfer the remainder (EUR 47,117,823.52) to revenue reserves.

The other changes in the capital reserves and revenue reserves resulted from the sale of treasury shares.

Changes in equity were as follows:

Changes in equity

EUR '000	01/07/2013	Additions/ withdrawals	Dividend	Net income for the year	30/06/2014
Subscribed/ issued capital	61,405	1	0	0	61,406
Capital reserves	34,199	5	0	0	34,204
Revenue reserves	33,544	47,118	0	0	80,662
Net retained profits	53,258	-47,118	-6,140	10,558	10,558
	182,406	6	-6,140	10,558	186,830

Provisions

EUR '000	30/06/2014	30/06/2013
Provisions for taxes	398	3,956
Other provisions	4,912	9,423
	5,310	13,379

Provisions for taxes amounted to EUR 398 thousand and include the tax obligations from the past financial year.

Other provisions primarily include staff-related obligations and provisions for outstanding invoices.

Deferred taxes

Deferred tax assets and liabilities based on differences in the carrying amounts of tangible fixed assets in the financial accounts and the tax accounts are netted against each other. There are no deferred tax liabilities in excess of the amount netted. In

exercising the option set forth under § 274 (1) sentence 2 HGB, the Company does not recognise deferred tax assets from tax loss carry-forwards. Deferred taxes are measured using the average tax rate of 32.81% (previous year: 32.81%).

Liabilities

The maturities and security granted in respect of liabilities reported at 30 June 2014 are shown in the following overview.

EUR '000	Total 30/06/2014	of which with a residual term of		
		less than 1 year	1 – 5 years	more than 5 years
Liabilities to banks	39,463	8,143	16,073	15,247
Trade payables	13,060	13,010	50	0
Liabilities to affiliated companies	898	898	0	0
Other liabilities	16,475	15,656	819	0
– of which from taxes EUR 10,323 thousand (previous year: EUR 18,340 thousand)				
– of which social security EUR 16 thousand (previous year: EUR 8 thousand)				
	69,896	37,707	16,942	15,247

Liabilities to banks are secured in full by real property liens, assignments and transfer rights.

In addition to loans in the amount of EUR 1,565 thousand (previous year: EUR 2,297 thousand), other liabilities consisted mainly of wage and value

added tax not yet due as well as payments received on account of orders.

They also include liabilities to the general partner amounting to EUR 708 thousand (previous year: EUR 744 thousand).

Deferred income

Deferred income includes licence fees received in financial year 2007/2008 from the Sportfive GmbH & Co. KG marketing company for the 12-year term of the agency licensing agreement, as well as pay-

ments received from ticketing, catering and sponsoring for the 2014/2015 season. The amounts are reversed rateably over the periods to which they relate.

Other financial obligations

As at the balance sheet date, there were financial obligations including rental, leasing, hereditary lease, licensing and loss assumption obligations

resulting from inter-company agreements. The classification by maturity is shown in the following table:

EUR '000	Total 30/06/2014	of which with a residual term of		
		less than 1 year	1 – 5 years	more than 5 years
Marketing fees	130,780	20,604	87,850	22,326
Rental and leasing	28,840	4,763	16,028	8,049
Other financial obligations	2,850	446	677	1,727
Purchase commitments	40,465	34,579	5,886	0
	202,935	60,392	110,441	32,102

Furthermore, there are contingent liabilities from guarantees related to BVB Merchandising GmbH totalling EUR 182 thousand (previous year: EUR

143 thousand). Based on past experience, it is unlikely that claims on these guarantees will be asserted.

Derivative financial instruments

Management entered into six interest rate swap transactions with German financial institutions with respect to credit facilities having fixed-interest rates expiring in 2013 and 2016 in order to lock in the low interest rates over the medium to long term and hedge the risk of changes in cash flows

due to changing interest rates. In addition, an interest rate swap was entered into with a German financial institution for the upcoming exercise of the option to purchase a leased administration building and plot of land in 2014. The notional amount and the related fair value are as follows:

Interest rate swaps

EUR '000	30/06/2014	
	Notional amount	Fair value
of which pay-fixed swaps	36,043	-3,701

The negative market values as at the balance sheet date are not recognised since the prerequisites for hedge accounting pursuant to § 254 HGB have been met. Provisions are only recognised for the inef-

fective portion of the hedge in the amount of EUR 86 thousand (previous year: EUR 77 thousand) for expected losses from executory contracts.

NOTES TO THE INCOME STATEMENT

The following table shows the items of the income statement generally classified by area of activity as required by the German Football League (*Deutsche Fußball Liga GmbH*, "DFL") for the licensing procedure.

Sales

EUR '000	2013/2014	2012/2013
Match operations	40,528	44,780
Advertising	73,007	69,292
Media rights of exploitation and joint marketing	81,441	87,612
Transfer fees	4,455	51,600
Retail, Conference, Catering, Misc.	19,653	15,905
Release fees for national team players	4,701	3,247
	223,785	272,436

Borussia Dortmund generated sales of EUR 223,785 thousand in the 2013/2014 financial year. The 17.86% decrease in sales is due primarily to the decline in transfer income and the squad's elimination in the quarter-finals of the UEFA Champions League.

Income from Borussia Dortmund's match operations decreased by EUR 4,252 thousand to EUR 40,528 thousand in financial year 2013/2014. This is primarily due to the club's earlier exit from the UEFA Champions League and the associated decline in ticket sales.

Borussia Dortmund generated advertising sales of EUR 73,007 thousand (previous year: EUR 69,292 thousand). In the 2013/2014 financial year, advertising accounted for 32.63% of total sales, once more making it a core component of sales alongside TV marketing.

The three key sponsors alone (the primary sponsor, Evonik Industries AG, the holder of the stadium's naming rights, SIGNAL IDUNA Group, and the kit supplier, PUMA SE) as well as the 11 Champion Partners increased income by EUR 3,897 thousand. Advertising income also included sponsor bonuses paid for the club's success in the UEFA Champions League and for directly qualifying for the 2014/2015 season.

Income from media exploitation rights and joint marketing once again represented the largest component of sales in financial year 2013/2014. Borussia Dortmund's TV marketing sales decreased by EUR 6,171 thousand over the previous year to EUR 81,441 thousand.

Transfer income amounted to EUR 4,455 thousand (previous year: EUR 51,600 thousand), due primarily to the transfers of Lasse Sobiech and Koray Günter.

Personnel expenses

The breakdown of personnel expenses is as follows:

EUR '000	2013/2014	2012/2013
Match operations	54,361	52,860
Retail and Administration	8,476	8,502
Amateur and youth football	4,303	3,679
	67,140	65,041

Furthermore, in financial year 2013/2014 the professional squad received performance-based bonu-

ses of EUR 34,193 thousand (previous year: EUR 34,806 thousand).

Other operating expenses

EUR '000	2013/2014	2012/2013
Match operations	37,138	41,530
Advertising and marketing	21,793	22,720
Transfer fees	6,821	13,418
Retail	2,203	2,031
Administration	15,707	19,722
Other	2,980	2,245
	86,642	101,666

Other operating expenses amounted to EUR 86,642 thousand in the reporting period compared with EUR 101,666 thousand in the previous year.

In addition to the decline in expenses for match operations (EUR 4,392 thousand) – which was due primarily to the mergers of the subsidiaries and Borussia Dortmund GmbH Co. KGaA on 1 July 2013 and the elimination of stadium rent as a result –, administrative (EUR 4,015 thousand), advertising (EUR 927 thousand) and transfer expenses (EUR 6,597 thousand) also decreased significantly.

Prior-period income of EUR 3,305 thousand (previous year: EUR 1,942 thousand) from prior-year settlements was received during the current financial year. Prior-period expenses amounted to EUR 129 thousand (previous year: EUR 147 thousand).

Taxes on income

Taxes on income amounted to EUR 1,681 thousand (previous year: EUR 8,143 thousand) and consisted primarily of tax expenses relating to the financial year ended.

OTHER DISCLOSURES

Corporate Governance

The management and Supervisory Board of Borussia Dortmund GmbH & Co. KGaA issued the Declaration of Conformity with the German Corporate Governance Code required by § 161 of the German Stock Corpo-

ration Act (*Aktiengesetz*) on 24 September 2013 and made it permanently available to shareholders on the website at www.borussia-aktie.de.

EXECUTIVE BODIES

General partner

The general partner is Borussia Dortmund Geschäftsführungs-GmbH, whose registered office is in Dortmund and which does not have an interest in the Company's share capital. Its share capital amounts to EUR 30 thousand. It is exempt from the restrictions contained in § 181 of the German Civil Code (*Bürgerliches Gesetzbuch*, "BGB") and is listed in the commercial register of the Local Court

of Dortmund, HRB No. 14206. The Managing Directors of this company are Mr. Hans-Joachim Watzke (Chairman) and Mr. Thomas Treß, each of whom has sole power of representation.

In the most recent financial year, the members of management received the following amounts for their activities, including responsibilities relating to subsidiary companies:

EUR '000	2013/2014	2012/2013
Dipl.-Kfm. Hans-Joachim Watzke (Chairman)		
Fixed components		
Fixed remuneration	900	900
Other remuneration	22	21
Dipl.-Kfm. Thomas Treß		
Fixed components		
Fixed remuneration	460	460
Other remuneration	60	59
	1,442	1,440

Based on the net income for the year and the footballing success of the team, Mr. Hans-Joachim Watzke furthermore received EUR 543 thousand in performance-based remuneration (previous year: EUR 2,156 thousand), and Mr. Thomas Treß also received EUR 299 thousand in performance-based remuneration (previous year: EUR 1,371 thousand).

Supervisory Board of Borussia Dortmund KGaA GmbH & Co. KGaA

Gerd Pieper (Chairman)	Harald Heinze (Deputy Chairman)	Peer Steinbrück	Bernd Geske	Friedrich Merz (until 30 June 2014)	Christian Kullmann
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Occupations

Managing shareholder of Stadt-Parfümerie Pieper GmbH, Herne	Chairman of the Board (ret.) of Dortmunder Stadtwerke AG	Member of German Bundestag	Managing partner of Bernd Geske Lean Communication, Meerbusch	Attorney; partner (until 31/12/2013); senior counsel (since 1/1/2014) Mayer Brown LLP, Düsseldorf	Executive Vice President and head of the General Secretariat of Evonik Industries AG, Essen (from 1/7/2014: member of the Executive Board of Evonik Industries AG, Essen)
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Other responsibilities

Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of the SIGNAL IDUNA Group, Dortmund	Member of the Supervisory Board of the AXA Konzern AG, Cologne (until 30/6/2014)	Member of the Board of Directors of BASF Antwerpen N.V., Antwerp, Belgium (until 30/6/2014)	Member of the Supervisory Board of Deutsche Börse AG, Frankfurt am Main	Member of the Supervisory Board and Chairman of the Board of Directors of HSBC Trinkaus & Burkhardt AG, Düsseldorf	Member of the Board of Directors of Stadler Rail AG, Bussnang, Switzerland	Chairman of the Supervisory Board of WEPA Industrieholding SE, Arnsberg
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The names of the current members of the Company's Supervisory Board, their occupations and their further responsibilities on other management bodies are listed above. In the past financial year, the Supervisory Board received remuneration amounting to EUR 53 thousand.

Employees

The average number of employees during the year was 350 (previous year: 299).

Average number of employees	2013/2014	2012/2013
Total	350	299
Athletics department	214	178
Trainees	10	7
Other	126	114

List of shareholdings

The following table gives summarised information relating to companies in which the Company has a shareholding of more than 20%:

	Registered office	Share capital EUR '000	Shareholding %	Equity EUR '000	Net profit/loss EUR '000
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	88
besttravel dortmund GmbH	Dortmund	50	51.00	683	633
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	3,469
Sports & Bytes GmbH	Dortmund	200	100.00	2,516	747
BVB Event & Catering GmbH	Dortmund	25	100.00	25	-
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	700	81

* 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 2013 as an associate.

The companies are included in the consolidated financial statements of Borussia Dortmund GmbH & Co. KGaA, Dortmund.

The consolidated financial statements are published in the electronic Federal Gazette.

Related-party disclosures

The general partner in Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien is Borussia Dortmund Geschäftsführungs-GmbH. The latter is responsible for the management and legal representation of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien. The power to appoint and remove members of staff thus rests

with BV. Borussia 09 e.V., Dortmund, in its capacity as the sole shareholder in Borussia Dortmund Geschäftsführungs-GmbH. Both Borussia Dortmund Geschäftsführungs-GmbH and BV. Borussia 09 e.V. Dortmund, as well as all companies associated therewith hence are deemed to be related parties.

Auditors' fee

The total fee invoiced by the auditors for the 2013/2014 financial year is reported at the Group

level in the notes to the consolidated financial statements of Borussia Dortmund GmbH & Co. KGaA.

Notifiable shareholding under § 160 (1) no. 8 AktG in conjunction with § 21 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG")

We have been informed of the following reportable shareholdings:

Notification	Shareholder	Registered office	Threshold	Voting rights in %	Share in voting rights	Date on which threshold reached
Exceeded						
31/05/2012	BV. Borussia 09 e.V. Dortmund	Dortmund	10.00 & 15.00%	19.11	11,739,909	25/05/2012
31/05/2012	Bernd Geske		15.00%	19.11	11,739,909	25/05/2012
27/03/2014	Odey Asset Management LLP	London	5.00%	5.06	3,108,945	21/03/2014

Proposed appropriation of net profit

The management will recommend to the Annual General Meeting that it resolve to use the net retained profits of EUR 10,558 thousand for financial year 2013/2014 to distribute a dividend of EUR 0.10 per

share carrying dividend rights (totalling EUR 6,141 thousand) and to transfer the remainder (EUR 4,417 thousand) to other revenue reserves.


Dortmund, August, 14th 2014

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 reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report

includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Dortmund, August, 14th 2014

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Borussia Dortmund Geschäftsführungs-GmbH



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AUDITOR'S REPORT

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of the **Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien** for the business year from July, 1st 2013 to June, 30th 2014. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law and supplementary provisions of the constitution are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB „Handelsgesetzbuch“ and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and

the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and supplementary provisions of the constitution and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Dortmund, August, 14th 2014

KPMG AG
Wirtschaftsprüfungsgesellschaft

Blücher
Auditor
Wirtschaftsprüfer

Banke
Auditor
Wirtschaftsprüfer



GROUP MANAGEMENT REPORT

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund



Echte Liebe.



**GROUP MANAGEMENT REPORT Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund
for the 2013/2014 financial year**
(hereinafter "Borussia Dortmund" or the "Group")

BUSINESS TREND AND FRAMEWORK CONDITIONS

LOOKING BACK ON FINANCIAL YEAR 2013/2014

Bundesliga

During the 2013/2014 season, Borussia Dortmund was once again one of the top teams of the Bundesliga, firmly establishing itself at the domestic and international level. Borussia Dortmund started the year with a win against FC Bayern Munich in the DFL Super Cup and, despite a rash of injury concerns, finished second in the Bundesliga and advanced to the final of the DFB Cup and the quarter-final of the UEFA Champions League.

Right from match day 1 of the season, Borussia Dortmund contended for the top spot in the Bundesliga. During the course of the entire season, the squad was always within reach of qualifying for the upcoming UEFA Champions League season, and from match day 23 to the end of the season, Borussia Dortmund never relinquished its grasp on second place.

The squad's footballing performance in the fourth quarter of the 2013/2014 financial year was particularly impressive. Of the final six Bundesliga matches, the squad won five and tied one, scoring an average of three goals per match in the process

and besting its average of 2.4 goals per match for the season. With a goal differential of 80:38 as at match day 34, a second-place finish in the Bundesliga was never in doubt. Despite finishing 19 points behind the Bundesliga champions, Borussia Dortmund's 71 points at the end of the season put the club nine points ahead of the third place finishers, thus directly qualifying the squad for the 2014/2015 season of the UEFA Champions League.

UEFA Champions League

Jürgen Klopp's men advanced to the quarter-finals of the UEFA Champions League, the premier club football tournament in Europe. Following a 0:3 loss to eventual champions Real Madrid in the first leg of the quarter-final, the club's 2:0 victory at home in the second leg of the tie was not enough to advance to the semi-finals.

DFB Cup

The squad's successful run in the DFB Cup culminated with the final in Berlin. The DFB Cup was a rematch of the DFL Super Cup against FC Bayern Munich at the start of the season, only this time Borussia Dortmund conceded a 0:2 defeat.



DFB Cup: Round 1
3 August 2013
SV Wilhelmshaven – BVB 0:3



Match Day 1
10 August 2013
FC Augsburg – BVB 0:4

KEY FINANCIAL INDICATORS

Overview of the key financial figures

Borussia Dortmund Group (IFRS)		
EUR '000	2013/2014 30/06/2014	2012/2013 30/06/2013
Equity	145,249	140,618
Capital expenditure	62,374	27,511
Gross revenue	265,962	307,817
Operating profit (EBIT)	18,453	65,117
Financial result (investment income and net interest expense)	-3,862	-5,081
Consolidated net profit for the year	11,970	51,193
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	49,132	87,531
Cash flows from operating activities	26,426	28,595
Number of shares (in thousands)	61,425	61,425
Earnings per share (in EUR)	0.19	0.83

PERFORMANCE INDICATORS

Various financial and non-financial indicators are used to measure performance.

Examples of financial performance indicators include revenue, cash flows from operating activities, earnings before interest and taxes (EBIT) and net profit for the year.

The most important non-financial performance indicator is the "Borussia Dortmund" brand. The brand is easily recognisable through a variety of

indicators, and these can even be used to measure it. These indicators range from renowned industry awards presented on the basis of representative surveys and analyses to statistics quantifying Borussia Dortmund's fan base: season ticket sales, stadium attendance, national and international television broadcast hours, Facebook friends and page impressions at www.bvb.de. Another "soft" indicator is the deliberate selection of sponsors whose products and brand images are aligned with the "Borussia Dortmund" brand.



Match Day 2
18 August 2013
BVB – Braunschweig 2:1



Match Day 3
23 August 2013
BVB – Werder Bremen 1:0

DEVELOPMENT OF THE MARKET AND COMPETITIVE ENVIRONMENT

Spectators/fans/new media

Borussia Dortmund broke its own attendance record during the 2013/2014 season. A record 1,855,156 spectators attended the 24 home matches hosted at SIGNAL IDUNA PARK. Of these 24 matches, the stadium hosted 17 Bundesliga matches, five UEFA Champions League matches, one DFB Cup match and one DFL Super Cup match. This topped the previous year's record of 1,841,258 spectators by almost 14,000 visitors. The club now has more than nine million Facebook fans, making Borussia Dortmund the second-most popular team on Facebook in Germany.

Borussia Dortmund's popularity on the microblogging site Twitter also grew rapidly. Borussia Dortmund is now only the second German club to have more than one million followers on Twitter. This versatile social networking service is used to disseminate news and messages as well as to answer questions posed by fans. The fact that two-thirds of the club's Twitter followers reside outside of Germany reflects the remarkable impact Twitter has had on the club's brand internationally.

The "Borussia Dortmund" brand

For the third time running, Borussia Dortmund has been named Germany's leading brand manager. In its latest study on football in Germany, the renowned research team at the Technische Universität Braunschweig reported that Borussia Dortmund "continued to be the most likeable club in Germany".

Another impressive accolade was the prestigious SignsAward, which was awarded to Borussia Dortmund in Munich for authentically communicating its brand. The SignsAward is one of the most coveted awards in the field of communications. The award is a collaboration between Journal International, the W&V trade journal, Medientage München and rheingold salon.

Sponsorships

The existing long-term agreement with the club's primary sponsor, Evonik Industries AG, was extended by eleven years until 2025. While such an investment and long-term partnership is new for both parties, this will make it even easier for them to implement their joint objectives on an ongoing basis.

Borussia Dortmund also extended its partnership with its Champion Partner Sparda-Bank West e.G. Both parties agreed to extend the existing eight-year sponsorship agreement for an additional three years until summer 2017.

Big names in Dortmund

As in previous years, Borussia Dortmund once again signed outstanding players to its squad. This includes Italy international **Ciro Immobile**. The 24-year-old star striker led Italy's Serie A in goals scored (22) and made the move from FC Turin to Dortmund. In keeping with the club's long-term vision for the squad, Immobile signed a five-year contract.



Match Day 4
1 September 2013
Eintr. Frankfurt – BVB 1:2



Match Day 5
14 September 2013
BVB – Hamburger SV 6:2

The move for Columbia international Adrian Ramos, who joins Dortmund from Hertha BSC Berlin, is much shorter. The 28-year-old forward scored 16 times last season and signed a four-year contract until summer 2018. South Korean striker Dong-Won Ji from Sunderland AFC signed a contract until 30 June 2018.

In addition to signing new players, the club also extended contracts with some of its key players. Sebastian Kehl signed an early contract extension until summer 2015. He has 31 national team caps and next summer will look back on 13 years in the black-and-yellow kit.

Germany international Ilkay Gündogan also signed an early contract extension. Borussia Dortmund and the 23-year-old midfielder agreed to extend his contract until summer 2016.

Borussia Dortmund also extended midfielder Oliver Kirch's contract by two years until summer 2016. At 31, Kirch impressed in particular with his development during the second half of the season.

Borussia Dortmund also signed Nuri Sahin. Having previously played many years for Borussia Dortmund, the midfielder returned on loan from Real Madrid to don the black-and-yellow kit in 2013. The German national team's roster also reflects the quality of Dortmund's squad. With four players from Dortmund included on Joachim Löw's World Cup squad in Brazil, Dortmund laid claim to the second-largest contingent of players on the team.

This is also thanks to the work of Borussia Dortmund trainer Jürgen Klopp. The 46-year-old extended his contract and was voted coach of the year on "bundesliga.de". The vote was a landslide, with Jürgen Klopp earning 57% of the votes and his closest competitors each winning a mere 15% and 14% of the votes.

Dortmund's player of year distinction went to Germany international Marco Reus. He was presented with the coveted trophy, which is awarded annually in cooperation with BVB's primary sponsor, Evonik, after the readers of Ruhr Nachrichten and the listeners of Radio 91.2 voted him the best player.

For the fourth time in the history of the Bundesliga, the annual prize for the league's top scorer went to a Borussia Dortmund player: Robert Lewandowski secured the title with 20 goals.

Other business

As at 1 July 2014, BVB Event & Catering GmbH, managed by Arne Brüggemann and Marcus Knipping, will assume all marketing activities for the stadium, including the event areas, on non-match days. This business was previously conducted on non-match days by stadion live! Event Management GmbH and includes activities such as stadium tours. SIGNAL IDUNA PARK is more than just a football mecca – it is also one of the most popular event locations in Germany.



UCL: Match Day 1
18 September 2013
Napoli – BVB 2:1



Match Day 6
21 September 2013
1. FC Nürnberg – BVB 1:1

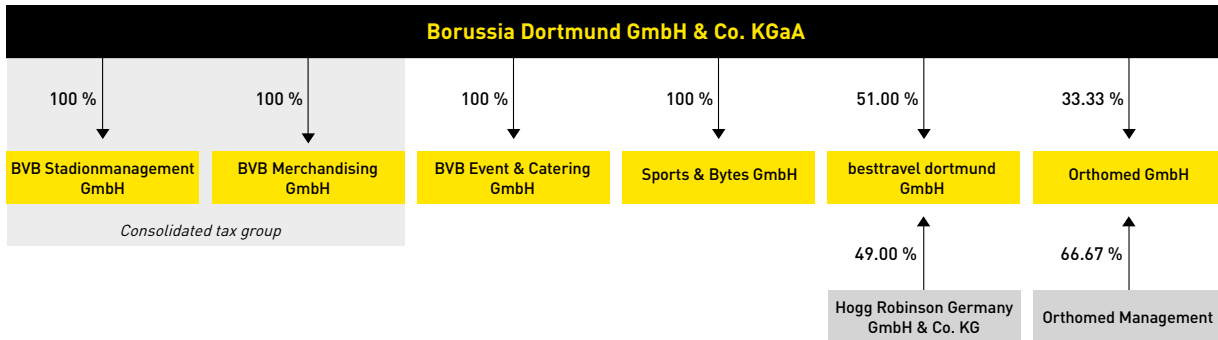
GENERAL INFORMATION ABOUT THE COMPANY

GROUP STRUCTURE AND BUSINESS OPERATIONS

In addition to its core activities of playing football and marketing SIGNAL IDUNA PARK, Borussia Dortmund has established football-related lines of business. The Company currently holds indirect and direct equity investments in the following companies: BVB Stadionmanagement GmbH (100.00%), Sports & Bytes GmbH (100.00%), BVB

Merchandising GmbH (100.00%), BVB Event & Catering GmbH (100.00%), besttravel dortmund GmbH (51.00%) and Orthomed GmbH (33.33%).

Some of these companies have concluded mutual control and/or profit and loss transfer agreements.



In order to simplify the previous Group structure, Borussia Dortmund GmbH & Co. KGaA completed the following reorganisational measures during the 2013/2014 financial year:

- Merger of BVB Stadion Holding GmbH
- Merger of BVB Beteiligungs-GmbH
- Merger of BVB Stadion GmbH

The date of the mergers in each case was 1 July 2013. Borussia Dortmund recognised the mergers directly in equity at the intermediate value of the eliminated interests.



DFB Cup: Round 2
 24 September 2013
 1860 München – BVB 0:2



Match Day 7
 28 September 2013
 BVB – SC Freiburg 5:0

ORGANISATION OF MANAGEMENT AND CONTROL

Borussia Dortmund Geschäftsführungs-GmbH, the general partner of Borussia Dortmund GmbH & Co. KGaA, is responsible for management and representation of the latter. Borussia Dortmund Geschäftsführungs-GmbH is in turn represented by its Managing Directors Hans-Joachim Watzke and Thomas Treß; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.

The following chart shows the structures and responsibilities as between Ballspielverein Borussia 09 e.V. Dortmund, Borussia Dortmund GmbH & Co. KGaA and Borussia Dortmund Geschäftsführungs-GmbH.



The Supervisory Board of Borussia Dortmund GmbH & Co. KGaA, which is appointed by the Annual General Meeting, has limited rights and duties. Specifically, it has no authority with respect to matters involving personnel, i.e., no authority to appoint and dismiss managing directors at Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their contracts. Nor is

the Supervisory Board authorised to adopt internal rules of procedure or a list of transactions requiring its consent on behalf of the general partner. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board.



UCL: Match Day 2
1 October 2013
BVB – Marseille 3:0



Match Day 8
5 October 2013
Bor. M'gladbach – BVB 2:0

The names of the current members of the Company's Supervisory Board, their occupations and their further responsibilities on other management bodies are listed below:

Supervisory Board of Borussia Dortmund KGaA GmbH & Co. KGaA

Gerd Pieper (Chairman)	Harald Heinze (Deputy Chairman)	Peer Steinbrück	Bernd Geske	Friedrich Merz (until 30 June 2014)	Christian Kullmann
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Occupations

Managing shareholder of Stadt-Parfümerie Pieper GmbH, Herne	Chairman of the Board (ret.) of Dortmunder Stadtwerke AG	Member of German Bundestag	Managing partner of Bernd Geske Lean Communication, Meerbusch	Attorney; partner (until 31/12/2013); senior counsel (since 1/1/2014) Mayer Brown LLP, Düsseldorf	Executive Vice President and head of the General Secretariat of Evonik Industries AG, Essen (from 1/7/2014: member of the Executive Board of Evonik Industries AG, Essen)
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Other responsibilities

Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of the SIGNAL IDUNA Group, Dortmund	Member of the Supervisory Board of the AXA Konzern AG, Cologne (until 30/6/2014)	Member of the Board of Directors of BASF Antwerpen N.V., Antwerp, Belgium (until 30/6/2014)	Member of the Supervisory Board of Deutsche Börse AG, Frankfurt am Main	Member of the Supervisory Board and Chairman of the Board of Directors of HSBC Trinkaus & Burkhardt AG, Düsseldorf	Member of the Board of Directors of Stadler Rail AG, Bussnang, Switzerland	Chairman of the Supervisory Board of WEPA Industrieholding SE, Arnsberg
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Match Day 9
19 October 2013
BVB – Hannover 96 1:0

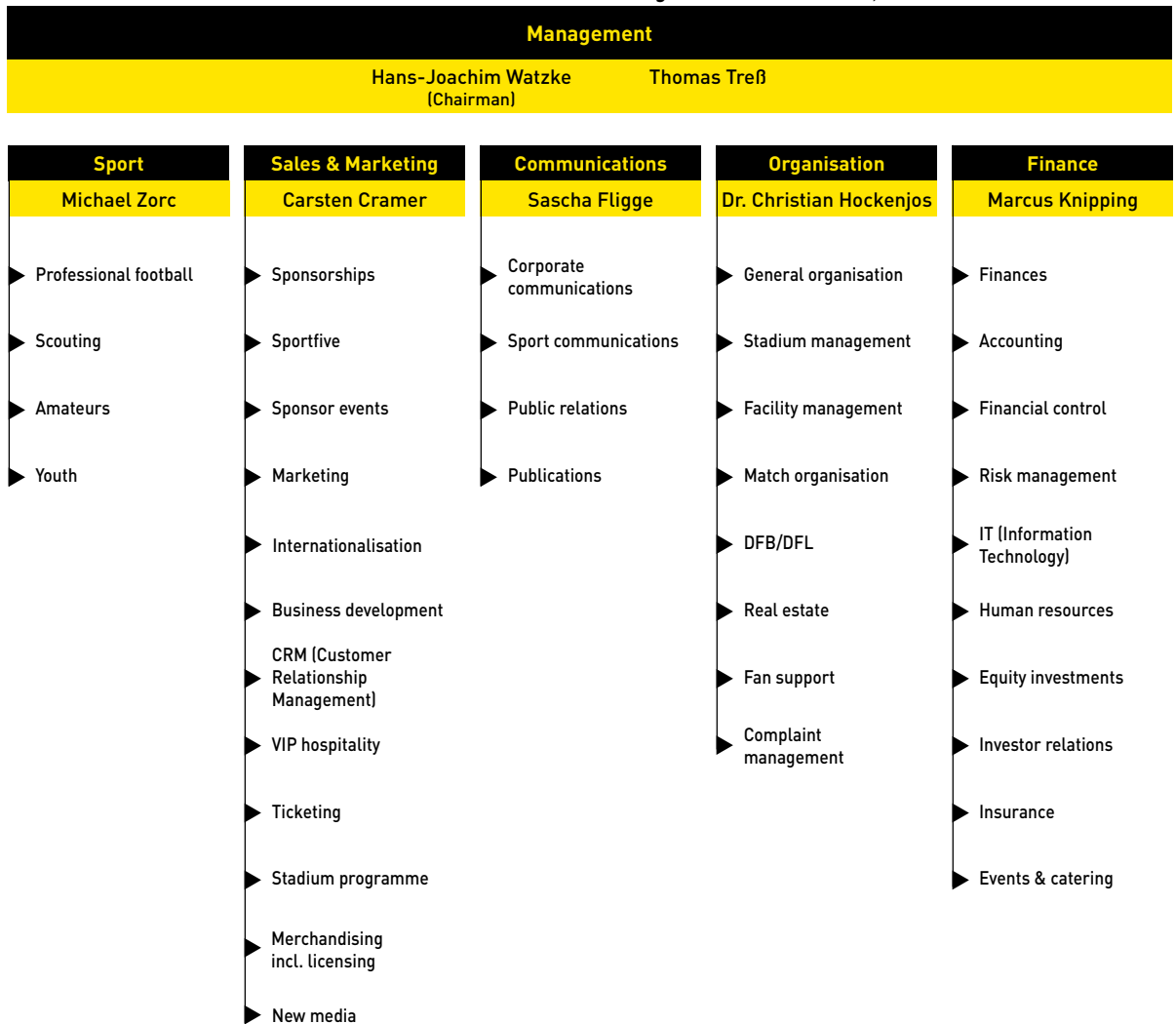


UCL: Match Day 3
22 October 2013
Arsenal – BVB 1:2

Within Borussia Dortmund GmbH & Co. KGaA there are five independent functional areas below the management level, namely, "Sport", "Sales & Marketing", "Communications", "Organisation" and

"Finance". The responsible employees and the functional organisational areas of which they are in charge are shown in the chart below.

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



Match Day 10
26 October 2013
FC Schalke 04 – BVB 1:3



Match Day 11
1 November 2013
BVB – VfB Stuttgart 6:1

INTERNAL MANAGEMENT/CONTROL SYSTEM

Sports management

Despite our financially stable results, we will continue to focus on achieving success on the pitch in future under a budget tuned for performance. To accomplish this objective, Borussia Dortmund will continue to put together a competitive team in the future with an emphasis on young, promising players.

Our sporting objectives will be aligned with our financial circumstances, meaning that the makeup of the squad and its cost structure will continue to depend on calculable variables on the income side. Qualifying for and participating in international competitions has provided the financial flexibility to reinforce the squad – with the goal of establishing a presence in European competitions.

Financial management

A key goal of the management of Borussia Dortmund is to achieve a lasting increase in profitability along with bolstering its financial strength. In addition to steadily improving the operating result, the generation of positive cash flows from operating activities is therefore the most important financial objective of our Company. We seek to optimise these cash flows by concentrating on the "operating result" and "investments" as impacting factors.

The operating result – which at Borussia Dortmund refers to earnings before interest and taxes (EBIT) – is a key indicator for measuring success. For this reason, we constantly monitor our segments' operating results using monthly comparisons of budgeted and actual situations. To optimise the operating result, the main factors to be leveraged are sales revenues, which can be additionally improved in the major revenue categories of ticketing, sponsorship, TV marketing and merchandising, and operating expenses, which can be lowered through disciplined management.

In the coming years we will concentrate on generating steady revenue growth while limiting operating expenditure. The decisive factor in this respect will be qualifying for international competitions.

Capital management

The capital management responsibilities of the Company's management involve stabilising and increasing the equity of Borussia Dortmund as calculated in accordance with the German Commercial Code (HGB). One of the main ways in which we will reach these objectives is by improving the operating result and making effective investments.

CORPORATE STRATEGY

Borussia Dortmund pursues the objective of defending its position in the top flight of the Bundesliga and sees itself well on the way to accomplishing that goal.

As the first and thus far only listed German football company, we have expanded our financial base by exclusively marketing the rights to SIGNAL IDUNA

PARK as well as by utilising and maintaining the "Borussia Dortmund" brand more effectively. The Company will continue to focus heavily on its core business of professional football and the sport's classic revenue pillars: TV advertising, sponsorships, ticketing and merchandising. Borussia Dortmund is confident that it will be able to further stabilise and expand its position for the following reasons:



UCL: Match Day 4
6 November 2013
BVB – Arsenal 0:1



Match Day 12
9 November 2013
VfL Wolfsburg – BVB 2:1

- Borussia Dortmund is in sporting terms one of the most successful, well known and popular German football clubs with an outstanding fan base that gives it one of the highest average spectator numbers in Europe.
- A football enterprise can only be financially successful if it enjoys sporting success over the long term. In order to make its financial performance less dependent on short-term sporting success in the future, Borussia Dortmund will push ahead further with the national and international marketing of its brand name.
- Germany continues to be one of Europe's largest football markets, although it lags behind certain other European markets, such as the UK, in terms of media exploitation rights. This means that Germany has major growth potential.

All financial activities of Borussia Dortmund are geared towards the target groups relevant to a football club: its fans, members and business partners. Products and services should be tailored to these groups as closely as possible. Borussia Dortmund intends to use the brand potential at its disposal to take full advantage of the commercial opportunities inherent in professional club football at an international level.

Its current business strategy can principally be summarised as follows:

- Sustainably adjusting athletic prospects
- Intensifying the promotion of up-and-coming talent
- Increasing fan involvement
- Utilising and maintaining the "Borussia Dortmund" brand

Financial performance and business development are largely dependent on footballing success. Since footballing success is difficult to plan, the best that management can do is to create a solid foundation

for success. Investments, particularly in the professional squad, are therefore a necessary prerequisite for achieving footballing objectives such as qualifying for the UEFA Champions League. However, in order to meet financial objectives, planned investments and decisions must under certain circumstances be postponed to the extent these would only be possible by incurring new debt. Moreover, a player might be sold based on financial considerations in cases where this would not have happened had the decision been made purely on the basis of sporting criteria.

Thus a conflict arises between the pursuit of financial interests and sporting interests, i.e., a situation in which sporting considerations and financial considerations may be at odds with each other, particularly if the club continually falls short of its sporting goals. In such cases, management weighs the opportunities and risks to find a solution that does adequate justice to the Company's strategic objectives.

Sponsorships play a key role in this context. Over the years, sponsorships has grown to become one of the Company's largest income categories. In contrast to central TV marketing, where distribution is already clearly defined in advance, Company management is itself able to determine the requirements for and direction of sponsoring activities and, if necessary, modify the strategy implemented as circumstances change. The key figures for the sponsoring segment were already budgeted for the coming years based on commitments from SIGNAL IDUNA Group (ending 2021), Evonik Industries AG (ending 2025) and PUMA SE (ending 2020), the Company's chief partners. Revenues from international competitions are more difficult to budget for, since they depend solely on the team's athletic performance.

Achieving positive operating results and making the investments that depend on such results, mainly in the professional squad, should enable cash flows to stabilise at a positive level on a lasting basis.



Match Day 13
23 November 2013
BVB – Bayern München 0:3



UCL: Match Day 5
26 November 2013
BVB – Napoli 3:1

POSITION OF THE COMPANY

RESULTS OF OPERATIONS

During the 2013/2014 financial year, Borussia Dortmund finished second in the Bundesliga and advanced to the final of the DFB Cup and the quarter-finals of the UEFA Champions League, establishing itself as one of the top clubs in Germany as well as Europe. The positive trend continued in the non-sports segment, with Borussia Dortmund generating net income for the fourth consecutive year, and that despite the absence of any considerable transfer income.

During the reporting period (1 July 2013 to 30 June 2014), Borussia Dortmund generated revenue of EUR 260,735 thousand (previous year: EUR 305,032 thousand) and gross revenue of EUR 265,962 thousand, a decrease of EUR 41,855 thousand (13.60%) on the previous financial year.

In its report on expected developments dated 30 June 2013 for the financial year from 1 July 2013 to 30 June 2014, management had raised the possibility that revenue could be increased in the absence of transfer income.

Revenue adjusted for transfer income amounted to EUR 256,280 thousand, surpassing the previous year mark by EUR 2,848 thousand, even though the club

was not as successful this past UEFA Champions League season. This development generally confirms the aforementioned forecast.

Borussia Dortmund generated net income of EUR 11,970 thousand during the 2013/2014 financial year (previous year: EUR 51,193 thousand). In its report on expected developments dated 30 June 2013 for the financial year from 1 July 2013 to 30 June 2014, management had forecast net income in the seven-figure range. The forecast was based on conservative expectations of the club's footballing performance and these expectations were easily surpassed. Thus, the Company generated profit in the eight-figure range.

Borussia Dortmund ended the reporting period from 1 July 2013 to 30 June 2014 with earnings before taxes of EUR 14,591 thousand. This had amounted to EUR 60,036 thousand in the previous year. The result from operating activities (EBIT) amounted to EUR 18,453 thousand, a year-on-year decrease of EUR 46,664 thousand.

The aforementioned development of net income for the year also applies to EBIT.

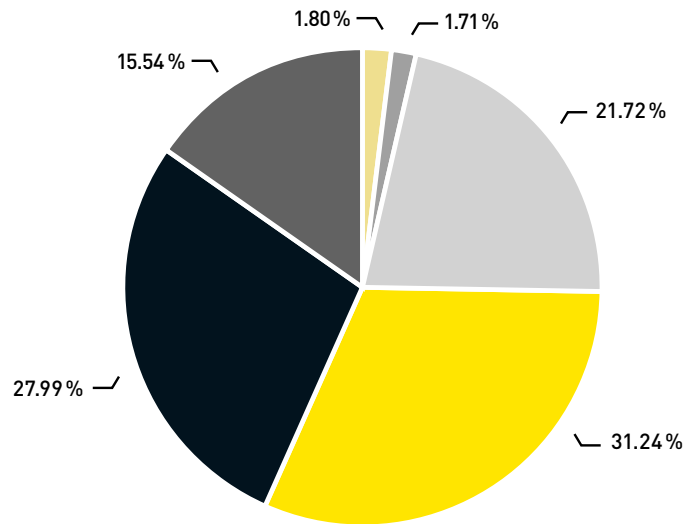


Match Day 14
30 November 2013
FSV Mainz 05 – BVB 1:3



DFB Cup: Round of 16
3 December 2013
1. FC Saarbrücken – BVB 0:2

Borussia Dortmund Group – Revenue in %



- Release fees for national team players
- Transfers and training compensation
- Retail
- Media exploitation rights and joint marketing
- Advertising
- Match operations



Match Day 15
7 December 2013
BVB – Bayer Leverkusen 0:1



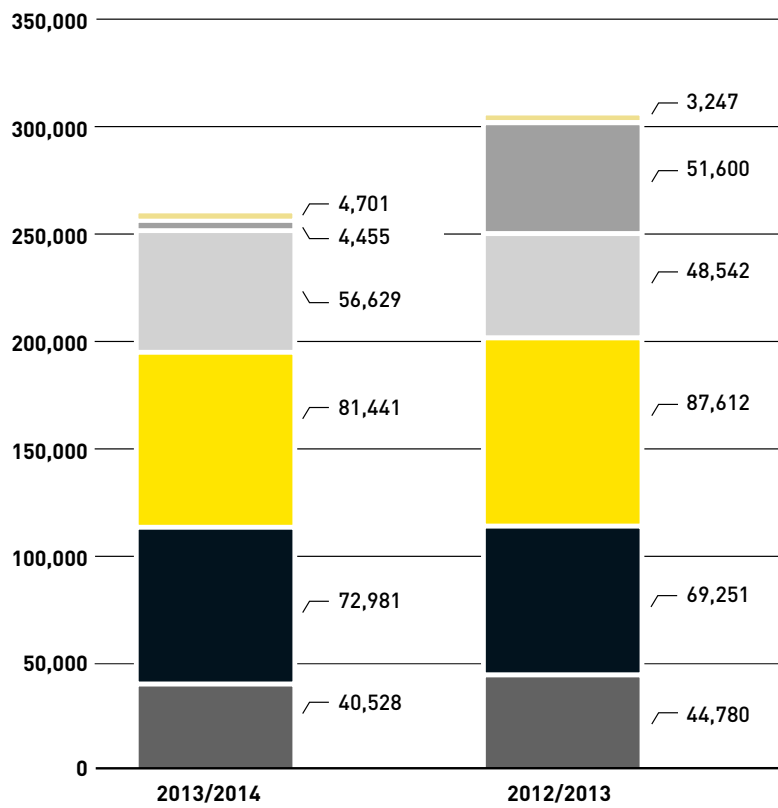
UCL: Match Day 6
11 December 2013
Marseille – BVB 1:2

REVENUE TREND

Borussia Dortmund generated revenue of EUR 260,735 thousand in the 2013/2014 financial year. The 14.52% decrease in revenue is due primarily

to the decline in transfer income and the squad's elimination in the quarter-finals of the UEFA Champions League.

Borussia Dortmund Group – Sales in EUR '000



- Release fees for national team players
- Transfers and training compensation
- Retail
- Media exploitation rights and joint marketing
- Advertising
- Match operations



Match Day 16
 14 December 2013
 1899 Hoffenheim – BVB 2:2



Match Day 17
 21 December 2013
 BVB – Hertha BSC 1:2

The performance of the individual revenue items is described in the following:

Income from match operations

Income from match operations in financial year 2013/2014 amounted to EUR 40,528 thousand. This represents a decline of EUR 4,252 thousand.

This year's average attendance of approximately 79,900 – again filling SIGNAL IDUNA PARK almost to capacity – in addition to slight price increases and additional hospitality seats in the Turkish Airlines Lounge all contributed to an increase of EUR 415 thousand in revenue from Bundesliga ticket sales, which amounted to EUR 26,019 thousand.

The club did not match its UEFA Champions League success of the previous season in which it qualified for the final in Wembley, and instead was eliminated during this season's quarter-final round. This also led to lower revenue as compared to the previous reporting period. EUR 9,960 thousand was generated from the five home matches, corresponding to a decrease of EUR 6,228 thousand.

Income from the sale of tickets for domestic cup competitions increased by EUR 1,285 thousand to EUR 3,673 thousand, which was attributable to Borussia Dortmund hosting and winning the Super Cup against FC Bayern Munich at the start of the season and then reaching the final of the DFB Cup in Berlin.

Income from advertising

Although it did not win the Bundesliga title, Borussia Dortmund still generated EUR 72,981 thousand in advertising income (previous year: EUR

69,251 thousand). Advertising income thus now corresponded to more than a quarter (27.99%) of total revenue in financial year 2013/2014. This income, which is generated almost exclusively by the sales and marketing efforts of Borussia Dortmund and its partner Sportfive GmbH, reflects the interest companies show in advertising and partnering with Borussia Dortmund.

In addition to the primary sponsor Evonik Industries AG, the holder of the stadium's naming rights SIGNAL IDUNA Group, and the kit supplier PUMA SE, Borussia Dortmund's Champion Partners alone generated 20.76% of the advertising income. During financial year 2012/2013, the following companies were already Borussia Dortmund Champion Partners: Adam Opel AG, flyeralarm GmbH, Hankook Reifen Deutschland GmbH, ODS ODDSET Deutschland Sportwetten GmbH, Radeberger Gruppe KG, SIGNAL Krankenversicherung a.G., SPREHE Geflügel- u. Tiefkühlfeinkost Handels GmbH & Co. KG, Turkish Airlines INC. and WILLO SE. In 2013/2014, two additional companies joined the ranks of the Champion Partners: HUAWEI TECHNOLOGIES Deutschland GmbH and Unitymedia NRW GmbH.

At the beginning of the financial year, Borussia Dortmund began transforming the former club room under the west terrace into the Turkish Airlines Lounge. The lounge's exceptional atmosphere, complete with an exquisite food and drink service, provides companies with the perfect setting to enjoy Borussia Dortmund's home matches and to network with colleagues from other companies.

Advertising income also included bonuses from sponsors for advancing to the quarter-finals of



Match Day 18
25 January 2014
BVB – FC Augsburg 2:2



Match Day 19
31 January 2014
Braunschweig – BVB 1:2

the UEFA Champions League and the final of the DFB Cup, as well as for finishing the season in second place in the standings, thus qualifying directly for the group stage of the 2014/2015 UEFA Champions League season.

Income from TV marketing

Income from TV marketing once again represented the largest component of revenue in the 2013/2014 financial year for Borussia Dortmund. Income from domestic and international TV marketing totalled EUR 81,441 thousand (previous year: EUR 87,612 thousand).

Borussia Dortmund brought in domestic TV marketing income of EUR 39,122 thousand, an increase of EUR 9,417 thousand on the previous year. The team's number-two ranking in the four-year evaluation, its number-two finish in the tables, an improved UEFA co-efficient and a higher payout stipulated in the TV agreement for 2013/2014 were all reasons behind the rise.

By contrast, international TV marketing income decreased by EUR 19,214 thousand to EUR 36,221 thousand. While the group stage of the 2012/2013 UEFA Champions League season included three German teams, with Borussia Dortmund as the number one Bundesliga seed, the group stage of the 2013/2014 UEFA Champions League season included four German teams, this time with Borussia Dortmund as the number two Bundesliga seed. As in the previous year, Borussia Dortmund topped its group to advance to the knockout stage. The squad won a total of six games before unfortunately being eliminated by Real Madrid after losing the first leg of the quarter-final tie and putting up a tough fight in the second leg.

The UEFA revenue distribution consisted of the market pool share as well as bonuses based on participation, matches and performance-related factors. The market pool itself was composed of Part A, which is based on the past season's Bundesliga table standings, and Part B, which is calculated using a ratio comparing the number of matches a given team played to the total number of matches played by all German teams.

Income from marketing domestic cup competitions increased by EUR 3,610 thousand (previous year: EUR 2,469 thousand), which was attributable to Borussia Dortmund winning the Super Cup against FC Bayern Munich at the start of the 2013/2014 season and then reaching the final of the DFB Cup.

Transfer income

In the 2012/2013 financial year, EUR 51,600 thousand in transfer income was generated primarily from the sale of Mario Götze to FC Bayern Munich. Borussia Dortmund's transfer income for the reporting period from 1 July 2013 to 30 June 2014 amounted to EUR 4,455 thousand. This was solely attributable to the transfers of Koray Günter to Galatasaray Istanbul and Lasse Sobiech to Hamburg SV.

Income from merchandising, catering and licences, including other income

Merchandising, catering, licences and miscellaneous income, which also included revenue from advance booking fees and rental and lease income, increased by EUR 8,087 thousand to EUR 56,629 thousand in the past financial year.



Match Day 20
8 February 2014
Werder Bremen – BVB 1:5



DFB Cup: Quarter-final
11 February 2014
Eintr. Frankfurt – BVB 0:1

Merchandising formed the largest item, with revenue once again improving. At EUR 35,040 thousand, this represented a year-on-year increase of EUR 3,556 thousand. By virtue of the income increases generated by merchandising, the revenue position has become a stable revenue-driver for the Group, making up 13.44% of Group revenue. During the past financial year, Borussia Dortmund also created new structures aimed at expanding the merchandising business. In July 2014, the logistics process for merchandise was outsourced to the logistics service provider RCL Dortmund GmbH, Holzwickede ("Rhenus"). From its Dortmund facility, Rhenus not only oversees product storage, but also supplies retail customers and end users in Germany as well as the Group's fan shops.

In order to better serve the needs of its growing number of international customers, Borussia Dortmund is working together with Kitbag Limited, an e-commerce specialist that will manage Borussia Dortmund's international online shop and process all international orders.

The increase in revenue is also attributable to the expansion of the B2B segment. In addition to acquiring new customers, the Group focussed on its partnerships with corporate groups and associations as a means to provide a comprehensive offering of black-and-yellow merchandise. After qualifying for the DFB Cup final in Berlin, Borussia Dortmund opened a temporary fan shop in the Potsdamer Platz Arkaden shopping centre. At just under 67 square metres, the fan shop provided tourists, the club's Berlin fans, and of course those faithful fans who had specifically made the trip to the final with enough room to don their favourite black-and-yellow merchandise.

Advance booking fees increased to EUR 4,899 thousand due primarily to the late processing of season ticket sales for the 2013/2014 season. This represents an increase of EUR 2,137 thousand. This was due to the squad contesting the final of the UEFA Champions League on 25 May 2013.

Additional income of EUR 1,099 thousand (previous year: EUR 10,319 thousand) was generated from catering services on the circulation levels and in the hospitality areas and from events held at SIGNAL IDUNA PARK outside of match operations.

Income from release fees for national team players

Income from release fees for national team players called up for the German national team's matches came to EUR 4,701 thousand (previous year: EUR 3,247 thousand). This increase was due primarily to Erik Durm, Kevin Großkreuz, Mats Hummels and Roman Weidenfeller being included on Germany's roster for the 2014 World Cup in Brazil. During the financial year, Sven Bender, Ilkay Gündogan, Marco Reus and Marcel Schmelzer were also called up for qualifying and test matches in the lead up to the World Cup. Additional income from release fees was also generated from non-German national team players who also participated in the World Cup.

Other operating income

Other operating income increased by EUR 2,442 thousand year on year to EUR 5,227 thousand and includes insurance reimbursements of EUR 1,202 thousand and prior-period income of EUR 1,476 thousand.



Match Day 21
15 February 2014
BVB – Eintr. Frankfurt 4:0



Match Day 22
22 February 2014
Hamburger SV – BVB 3:0

DEVELOPMENT OF SIGNIFICANT OPERATING EXPENSES

Cost of materials

The increase in the cost of materials by EUR 2,821 thousand to EUR 20,312 thousand is attributable primarily to the increase in revenue from the sale of merchandise.

Personnel expenses

Personnel expenses amounted to EUR 107,791 thousand in financial year 2013/2014, up EUR 1,575 thousand from the previous year.

Personnel expenses for the professional squad and for the coaching and support staff increased by 1.01% year on year. In addition to the budget for the professional squad, personnel expenses includes bonuses based on the club's success in the UEFA Champions League, for advancing to the final of the DFB Cup in Berlin and for securing a second place finish in the Bundesliga with 71 points.

Personnel expenses related to retail and administration areas were nearly level with the previous year, amounting to EUR 14,934 thousand (down EUR 64 thousand from 2012/2013).

Personnel expenses related to amateur and youth football also increased by EUR 624 thousand year on year.

Depreciation, amortisation and write-downs

Depreciation, amortisation and write-downs rose by EUR 8,265 thousand to EUR 30,679 thousand in the reporting period.

During the period from 1 July 2013 to 30 June 2014, intangible assets – which consist primarily

of Borussia Dortmund's professional squad – were amortised in the amount of EUR 22,523 thousand. This had amounted to EUR 11,576 thousand in the previous year. The increase is due almost exclusively to investments in the player base.

Depreciation and write-downs of property, plant and equipment decreased by EUR 10,838 thousand to EUR 8,156 thousand. This was due primarily to the 1 July 2013 merger of the subsidiary BVB Stadion GmbH and Borussia Dortmund GmbH & Co. KGaA. Accordingly, all of BVB Stadion GmbH's fixed assets – SIGNAL IDUNA PARK, including the associated hereditary building rights – were transferred in full to the fixed assets of Borussia Dortmund GmbH & Co. KGaA. The stadium is now depreciated over a useful life of 40 years.

Other operating expenses

Other operating expenses amounted to EUR 88,727 thousand in the reporting period, corresponding to a year-on-year decrease of EUR 7,852 thousand (previous year: EUR 96,579 thousand)

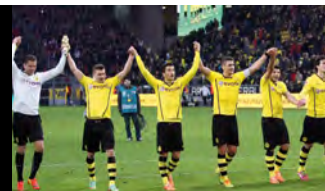
In addition to the decline in expenses for match operations, administrative, advertising and transfer expenses also decreased significantly. Performance-based remuneration (EUR 4,000 thousand) decreased significantly year on year.

Financial result

The financial result for the past financial year amounted to EUR -3,862 thousand, as compared to EUR -5,081 thousand in the previous year.



UCL: Round of 16, 1st Leg
25 February 2014
Zenit St. Petersburg – BVB 2:4



Match Day 23
1 March 2014
BVB – 1. FC Nürnberg 3:0

FINANCIAL POSITION

Analysis of capital structure

Taking into account net income for the year, Borussia Dortmund's equity amounted to EUR 145,249 thousand as at 30 June 2014 (previous year: EUR 140,618 thousand). This corresponds to an equity ratio of 49.69% (previous year: 46.50%).

Group liabilities increased by EUR 14,751 thousand. The breakdown of the increase is described in the following:

Financial liabilities declined in line with the budget by EUR 4,295 thousand due to ongoing repayments on loan principals. Other financial liabilities decreased by EUR 14,923 thousand. This was attributable to lower wage and value added tax obligations at the end of the reporting period.

Tax liabilities reported in the consolidated statement of financial position amounted to EUR 571 thousand (previous year: EUR 3,448 thousand).

Liabilities from finance leases increased by EUR 624 thousand. Scheduled repayments on loan principals were offset by the addition of the fifth construction phase in Brackel in the amount of EUR 2,078 thousand. Trade payables totalled EUR 18,165 thousand (previous year: EUR 14,200 thousand). Deferred income increased by EUR 2,755 thousand due to the accelerated sale of season ticket for the 2014/2015 season.

Analysis of capital expenditure

In the past financial year, Borussia Dortmund invested EUR 51,437 thousand in intangible assets. Nearly the entirety of this amount was invested in the player base.

Cash payments for property, plant and equipment during the same period amounted to EUR 10,937 thousand and primarily included fixtures and expansions at SIGNAL IDUNA PARK as well as prepayments for the BVB FanWelt service centre slated to open in financial year 2014/2015.

Analysis of liquidity

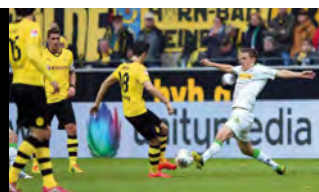
As at 30 June 2014, Borussia Dortmund held unrestricted cash funds of EUR 17,852 thousand. Borussia Dortmund also had access to an additional EUR 15,000 thousand in overdraft facilities which had not been drawn down as at the end of the reporting period.

Proceeds from the sale of player registrations amounted to EUR 53,495 thousand in the past financial year. Payments for investments in the professional squad amounted to EUR 51,357 thousand.

Cash flows from operating activities (EUR 26,426 thousand) developed as expected.



Match Day 24
9 March 2014
SC Freiburg – BVB 0:1



Match Day 25
15 March 2014
BVB – Bor. M'gladbach 1:2

NET ASSETS

Borussia Dortmund's total assets decreased from EUR 302,415 thousand to EUR 292,295 thousand. The EUR 39,302 thousand increase in assets was

offset by significantly lower claims from trade receivables and other financial receivables in the amount of EUR 52,541 thousand.

OVERALL ASSESSMENT OF FINANCIAL POSITION AND PERFORMANCE AND BUSINESS DEVELOPMENT

Borussia Dortmund ended the financial year with consolidated net profit for the year of EUR 11,970 thousand.

Taking into account the consolidated net profit for the year, the equity ratio is calculated at 49.69%. As at 30 June 2014, Borussia Dortmund held unrestricted cash funds of EUR 17,852 thousand. At

the end of the reporting period, Borussia Dortmund had access to an additional EUR 15,000 thousand in overdraft facilities which had not been drawn down.

Overall, business development during financial year 2013/2014 was positive.



UCL: Round of 16, 2nd Leg
19 March 2014
BVB – Zenit St. Peterburg 1:2



Match Day 26
22 March 2014
Hannover 96 – BVB 0:3

REMUNERATION REPORT

The structure of the management remuneration system is defined and regularly reviewed by the Executive Committee of the Advisory Board. The Executive Committee of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH is also responsible for setting the remuneration of the individual executives and for defining the appropriate amount of remuneration. The appropriate remuneration level is defined in particular on the basis of the specific executive's responsibilities and performance, as well as on the basis of Borussia Dortmund's financial position, performance and future prospects.

Executive remuneration consists of two components: a fixed amount and a variable component. The fixed component is stipulated by contract and is paid out in twelve equal monthly instalments. The variable component is based on the business trend and is dependent on net income for the year before tax and the managing directors' remuneration.

Any additional non-cash or ancillary benefits granted relate primarily to insurance benefits at standard market conditions and the provision of a company car. The Company does not offer any stock option plans or similar incentive plans. The remuneration components provided are reasonable both in and of themselves and taken as a whole.

Remuneration of the Supervisory Board is governed by Article 13 of the Articles of Association, pursuant to which each member of the Supervisory Board receives fixed remuneration amounting to EUR 7 thousand; the Chairman receives twice that amount and the Deputy Chairman one and a half times that amount. Value added tax is reimbursed to the members of the Supervisory Board.

The disclosures required by § 314 no. 6 HGB are included in the notes to the consolidated financial statements.



Match Day 27
25 March 2014
BVB – FC Schalke 04 0:0



Match Day 28
29 March 2014
VfB Stuttgart – BVB 2:3

THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM AS IT RELATES TO THE GROUP ACCOUNTING PROCESS

The key features of the Group accounting process-related internal control and risk management system employed by Borussia Dortmund can be described as follows:

- Borussia Dortmund distinguishes itself through its clear organisational and corporate structures as well as its control and monitoring structures;
- the internal control and risk management systems as they relate to the Group accounting process form an integral part of operational and strategic planning processes;
- responsibilities have been clearly assigned in all areas of the Group accounting process (such as financial accounting and management cost accounting);
- reporting is carried out in monthly, quarterly, semi-annual and annual intervals, whereby a distinction is made between matters requiring immediate action by the Company and those involving Company strategy;
- the computer systems used in accounting are protected against unauthorised access;
- an adequate system of internal guidelines has been established and is updated as needed;
- the departments involved in the Group accounting process fulfil quantitative and qualitative requirements;
- the completeness and accuracy of the accounting data is checked regularly by reviewing samples and conducting plausibility tests, both manually and by means of software employed for this purpose;
- the principle of dual control is adhered to at all points in the Company's accounting-related processes;
- the management receives reports at scheduled intervals throughout the process or more frequently if necessary;
- the Supervisory Board deals with the key accounting issues, risk management and the audit assignment, among other things.

The Group accounting process-related internal control and risk management system, the key features of which are described above, ensures that transactions can be correctly recorded, prepared and accounted for in the financial statements.



UCL: Quarter-final, 1st Leg
2 April 2014
Real Madrid – BVB 3:0



Match Day 29
5 April 2014
BVB – VFL Wolfsburg 2:1

OPPORTUNITY AND RISK REPORT

RISK MANAGEMENT

Borussia Dortmund's divisions are exposed to a wide variety of risks that are inseparably linked to the conduct of business. A functioning control and monitoring system is essential to the early identification and assessment of and systematic response to these risks. It is the responsibility of the internal risk management system to monitor and control such potential risks.

The risk management system is based on principles and guidelines laid out by the management. These principles and guidelines are designed to facilitate the early identification of any irregularities so that appropriate countermeasures can be taken. In order to ensure the highest possible level of transparency, risk management has been incorporated into the organisational structure of the Group as a whole. All departments and divisions are required to immediately report any market-relevant changes in the risk portfolio to the management. The risk management system is also an integral component of the overarching planning, steering and reporting process.

This year, the risk inventory procedure implemented with the objective of cataloguing and assessing all risks has again proven effective as a management tool. Risks are identified, discussed and reviewed in consideration of current circumstances in one-on-one meetings or plenary sessions in order to assess the current likelihood of their occurring and the extent of the losses they might entail. In so doing, particular emphasis is placed on high priority risks that could significantly jeopardise the ability of Borussia Dortmund to continue as a going concern. Thus the organisational groundwork has been laid to enable the Group to identify any changes to the risk situation that may emerge early on.

Regular risk reports to the governing bodies of Borussia Dortmund keep them informed of Borussia Dortmund's current risk profile, enabling them to monitor and manage risk.

SPECIFIC RISKS

Strategic risk

The economic trend of a football company depends on its athletic performance. However, this can only be planned to a certain extent, meaning that financial and corporate planning must be aimed at maintaining the profitability of the company – even in the face of setbacks – so as to avoid risks to the Company's future existence.

Long-term affiliations and partnerships ensure a certain level of planning security, independently of sporting success. Moreover, it is important to reconcile the conflict between pursuing athletic objectives – including taking the measures necessary to achieve such objectives on the one hand and meeting financial requirements such as assuring adequate liquidity on the other.



UCL: Quarter-final, 2nd Leg
8 April 2014
BVB – Real Madrid 2:0



Match Day 30
12 April 2014
Bayern München – BVB 0:3

In addition, in order for its team to participate in Bundesliga matches, Borussia Dortmund requires a licence, which is issued for each season by DFL Deutsche Fußball Liga GmbH. Issue of this licence has a significant impact on the Company's financial position and financial performance by its very nature. As in previous years, Borussia Dortmund has been issued a licence for the coming season without any conditions or requirements.

Personnel risk

The importance of human resources to companies is growing. Thus, personnel risk represents a central risk category in a company's risk management organisation.

The core business of Borussia Dortmund – participating in Bundesliga matches – is largely dependent on the Company's human resources. Athletic success, which forms the basis for economic success, is heavily dependent on the professional sports squad and the quality of the players. Intensive scouting and medical examinations are intended to help the Company avoid making ill-advised investments in signing new players. However, absences of key players, for example due to injury, cannot be foreseen and, as a result, may jeopardise the ability of the Company to meet internally defined objectives.

Yet in the non-sports segments as well, the use of qualified specialists and executives is essential for Borussia Dortmund; thus it is important that the Company retain such personnel over the long term.

Macroeconomic risk

The trend in future funding through sponsorship is difficult to foresee. Borussia Dortmund has laid the groundwork for the coming years through the conclusion of long-term contracts with major

sponsors. Since many companies – primarily SMEs – are currently employing caution in waiting to see how the market will develop, we cannot reliably forecast whether last years' total volume in sponsorship can be achieved again this year.

It is impossible to plan and manage the risk of interruptions to match operations, for example due to outbreak of an epidemic. Nor is it possible to foresee the potential financial ramifications of such a situation.

Borussia Dortmund has been subject to tax audits and audits by social security carriers in the past. Borussia Dortmund is of the opinion that its tax returns were submitted completely and correctly and that its social security contributions were paid in full and on time. However, should the tax or social security authorities view the situation differently due to a diverging assessment of the facts, it is possible that they could later make additional claims that could impact the Company's financial position and performance.

Competitive risk

The UEFA regulations on club licensing and financial fair play were adopted in May 2010. The regulations aim

- to introduce more discipline and rationality in club football finances
- to encourage clubs to operate on the basis of their own revenues
- to protect the integrity and smooth running of UEFA club competitions
- to encourage responsible spending for the long-term benefit of football
- to ensure that clubs settle their liabilities punctually
- to protect the long-term viability and sustainability of European club football.



DFB Cup: Semi-final
15 April 2014
BVB – VfL Wolfsburg 2:0



Match Day 31
19 April 2014
BVB – FSV Mainz 05 4:2

The process was introduced gradually starting with the 2011/2012 season. Starting with the reports on liabilities and future financial information, the most important factor in receiving permission to play from UEFA in the future will be the break-even requirement, which took effect at the end of the 2012 reporting year, and will be reviewed du-

ring the 2013/2014 UEFA club competition season and result in sanctions in cases of non-adherence. The club monitoring procedure will be supervised by UEFA's Club Financial Control Panel, which may request additional information from the license applicant and/or the licensing body at any time during this process.

FINANCIAL RISK

Interest rate risk

Borussia Dortmund is exposed to interest rate risks due to its variable-rate credit agreements. Management has entered into interest rate swap transactions with German financial institutions in order to lock in low interest rates over the medium to long term and hedge the risk of changes in cash flows due to changing interest rates.

Credit risk

Borussia Dortmund conducts business exclusively with third parties of high credit standing.

Credit risk may arise in the context of player transfers and long-term sponsorship agreements as well as from centralised marketing agreements.

Two loans, each with a principal amount of EUR 5,000 thousand and which mature in May 2021, are subject to covenants with respect to the Group's equity ratio and interest coverage ratio (EBITDA/interest expense) as stated in the consolidated financial statements. In addition, an overdraft facility in the amount of EUR 5,000 thousand

is subject to covenants relating to the equity ratio, net debt/EBITDA and the interest coverage ratio. These covenants are reviewed on an annual basis; all covenants were complied with during the year under review.

Liquidity risk

Liquidity risk refers to the risk of being unable at any point in time to meet regular payment obligations on time and in the full amount.

Regular reporting and strict controls aimed at adherence to target figures, approved budgets and KPIs ensure that the Company's liquidity remains a transparent variable. Liquidity is constantly monitored through liquidity planning, which takes expected cash flows into consideration. As with any planning, an inherent risk exists in that current estimates are subject to risks and uncertainties. Actual results may differ from the planning statements. However, there is a general risk that budgeted proceeds may not be realised due, for example, to agreements not being able to be honoured as entered into due to the poor economic climate and/or insolvency of the customer.



Match Day 32
26 April 2014
Bayer Leverkusen – BVB 2:2



Match Day 33
3 Mai 2014
BVB – TSG Hoffenheim 3:2

OPPORTUNITIES

Borussia Dortmund signed an eleven-year agreement with its primary sponsor, Evonik Industries AG, thus laying the foundation for a long-term partnership. As part of this partnership, the chemicals group also acquired a direct equity investment in Borussia Dortmund.

By qualifying for the UEFA Champions League, Borussia Dortmund secured itself income from international activities. However, the amount of such income will depend on the team's footballing performance. The expansion of merchandising would

benefit from the club's success at domestic and international competitions.

Long-term contracts with players and the successful coaching staff as well as the signing of new, outstanding professionals also form the basis of the club's long-term sporting and economic activities. While the professional squad is the centre of attention, many players and officials play important roles in those teams that are developing the players of tomorrow, thus ensuring that Borussia Dortmund is not dependent on a single source for its footballing success.

OVERALL ASSESSMENT OF THE RISKS AND OPPORTUNITIES

With regard to the risks discussed in this report and the review of the overall risk position, no risks were identified in the financial year under review that would contribute to a permanent or material deterioration in the financial position or financial performance of either the Group or its individual companies.

Thanks to its risk management system, Borussia Dortmund is in a position to comply with the statutory provisions on control and transparency in the Company.

A review of the risk situation revealed that none of the individual risks defined within the risk areas jeopardise the continued existence of Borussia Dortmund.



Match Day 34
10 Mai 2014
Hertha BSC – BVB 0:4



DFB Cup: Final
17 Mai 2014
BVB – Bayern München 0:2

REPORT ON EXPECTED DEVELOPMENTS

EXPECTED DEVELOPMENT OF THE COMPANY

Borussia Dortmund is primed to build on its ongoing success in the upcoming financial year.

During the next season, the squad will again contest the DFL Super Cup and will compete domestically in the DFB Cup and internationally in

the UEFA Champions League in addition to competing in the Bundesliga. As was the case this year, the club can deliver excellent results in the upcoming season by participating in these high-level club competitions – even if it does not win any silverware.

EXPECTED GENERAL ECONOMIC ENVIRONMENT

The environment for commercial success in professional football is optimal. In order to generate revenue comparable to that of the previous year, the squad will have to see the same kind of success it did this past season. Thus, while it is possible to match the previous year's revenue, doing so will depend on the club's footballing success, which is difficult to predict. An alternative to footballing success in order to meet the revenue target would be transfer deals, although none have been planned to date. Therefore, revenue expected to develop as they did in the previous year.

In addition to the existing long-term agreements with the primary sponsors, kit suppliers and holders of naming rights, new partners were added to list of the Company's sponsors. The long-term agreements signed with these new partners provide a certain level of planning and reliability that extend beyond the club's sporting success in a given season and will increase the income from sponsors by approximately 10% in the upcoming year.

The club's standing as Germany's leading brand manager and its SignsAward reflect the success of the Borussia Dortmund brand. These are important milestones and make the Group even more attractive for sponsors and partners going forward.

Fan interest in football at the domestic and international levels in general and in Borussia Dortmund specifically was unmatched during the World Cup year. Season ticket sales and the expected sold-out matches across four competitions at SIGNAL IDUNA PARK ensure that income in this segment will remain level with the previous year and also highlights the loyalty fans have for their club. This loyalty is not only reflected in the growing interest in Borussia Dortmund on Facebook, but it also promises to generate steady merchandising income.

Therefore, Borussia Dortmund is strengthening its multidimensional strategy based on footballing success, long-term financial planning, branding and the development of talented players in its youth, amateur and professional squads.

The fascination with the Borussia Dortmund brand is based in particular on the emotional values, likeability and authenticity of the club. Borussia Dortmund expects its brand awareness to continue to grow steadily, which will be reflected by more awards in the future and a continuing high level of season ticket sales, stadium attendance, domestic and international television broadcast hours, sponsors, Facebook friends and page impressions at www.bvb.de.

EXPECTED RESULTS OF OPERATIONS

Expected earnings trend

Based on conservative estimates, the management of Borussia Dortmund expects to generate net income in financial year 2014/2015 in the seven-figure range. Overall, taking into account significant investments, including the signings of Adrian Ramos, Ciro Immobile and Matthias Ginter, net income for the year is expected to miss the previous year's mark.

The Group, however, is expected to generate consolidated net income for the year.

However, the exact result depends to a large extent on the club's sporting success and is therefore difficult very difficult to plan.

Yet, an increase in revenue as part of net income for the year can be considered realistic only if the club's enjoys stellar footballing success and if its transfer income is unexpectedly high. The same applies to the forecast for EBIT, which is also expected to be in the seven-figure range and dependent on the club's sporting success.

Expected revenue trend

Based on conservative estimates, Borussia Dortmund expects the revenue trend to be level with that of the previous year. The qualification for the UEFA Champions League has already ensured that the club will receive proceeds from international television broadcasts. The partnership that was extended with the club's primary sponsor, Evonik

Industries AG, as well as the partnership agreements signed with the new partners will generate additional revenue. However, the club's footballing success will have to be stellar in order to substantially increase income across all areas and thus surpass the previous year's revenue.

Expected trend for significant operating expenses

Risk management continues to be the Group's highest priority. The objective is to specifically manage and continually monitor risks in order to avoid or minimise these.

Operating expenses are linked directly to the number of matches played, meaning that these are always contingent upon the club's footballing success.

Personnel expenses are also largely dependent upon the club's sporting success, because the professional squad is primarily compensated on the basis of its performance, meaning that only those expenditures commensurate with the club's success are expected.

Borussia Dortmund expects personnel expenses for the upcoming financial year to be level with those of the previous year, but wishes to highlight the highly elastic costs of the professional squad and the associated difficulty of making forecasts, particularly with respect to planning the club's footballing success.

EXPECTED DIVIDENDS

In light of the club's economic and footballing success in the past financial year, Borussia Dortmund will propose a dividend distribution of EUR 0.10

per share carrying dividend rights (totalling EUR 6,141 thousand) to its shareholders at the Annual General Meeting in November 2014.

EXPECTED FINANCIAL POSITION

Capital expenditure and financial planning

The development of Borussia Dortmund's core business continues to hinge on two priorities: improving the squad and the club's infrastructure. Therefore, the Group will invest in particular in the professional squad as well as SIGNAL IDUNA PARK, the adjoining infrastructure and the training ground. However, in order to mitigate and avoid financial risk, Borussia Dortmund will pursue a conservative and extremely prudent capital expenditure strategy and will not count on any uncertain sporting successes.

Expected liquidity trend

Borussia Dortmund generated positive cash flows from operating activities of EUR 26,426 thousand in 2013/2014. This positive cash flow and the expected increase in income will enable the Group to pay dividends and continue to invest in its professional squad and make infrastructure investments.

Borussia Dortmund expects cash flows from operating activities in financial year 2014/2015 to be level with those of the previous year.

OVERALL ASSESSMENT OF EXPECTED PERFORMANCE

Borussia Dortmund competed at a high level in domestic and international competitions and impressed many far beyond the borders of Germany with its performances. In the upcoming year, the club will again be in a position to impress at four competitions.

Overall, the departure of key players was quickly forgotten as the club signed new players and purposefully extended the contracts of existing players, thus giving the Group reason to look to the coming season with optimism.

EVENTS AFTER THE END OF THE REPORTING PERIOD

DFL Super Cup

Borussia Dortmund and FC Bayern Munich contested the DFL Super Cup on 13 August 2014 at SIGNAL IDUNA PARK. The match was sold out three weeks in advance.

Bundesliga

The opening match of the 52nd Bundesliga season between FC Bayern Munich and VfL Wolfsburg on 22 August 2014 will be broadcast worldwide in 194 countries. In its first match of the season on 23 August 2014, Borussia Dortmund will play Bayer 04 Leverkusen at SIGNAL IDUNA PARK.

DFB Cup

Borussia Dortmund will play the first round of the 2014/2015 DFB Cup against Stuttgarter Kickers. The match will be held at the Mercedes-Benz Arena in Bad Cannstatt on 16 August 2014.

Capital increase

The management of Borussia Dortmund Geschäftsführungs-GmbH, as the general partner of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, has, with the consent of the Supervisory Board and on the basis of the authorisation granted to it by the Annual General Meeting on 30 November 2010, resolved to increase its capital against cash contributions and by partially utilising the existing Authorised Capital 2010 and to exclude the subscription rights of the limited liability shareholders (*Kommanditaktionäre*).

The share capital of the Company, which amounts to EUR 61,425,000.00 and is divided into 61,425,000 no-par value ordinary bearer shares, was increased by a notional amount of EUR 6,120,011.00 by

issuing 6,120,011 new no-par value ordinary bearer shares at an issue amount of EUR 4.37 per new share. The new shares shall carry dividend rights as at the start of the Company's 2014/2015 financial year, meaning that they hold no dividend rights up to 30 June 2014 (inclusive). Evonik Industries AG was permitted to subscribe and acquire the new shares. The capital increase went into effect upon being recorded in the commercial register on 3 July 2014. The Company's share capital now amounts to EUR 67,545,011.00. This makes Evonik Industries AG the second-largest single shareholder.

As a limited liability shareholder of the Company, Evonik Industries AG wants to strengthen and overall promote its status as the Company's primary sponsor as well as to expand the existing brand partnership.

The issue proceeds of gross EUR 26,744,448.07 will strengthen the Company's equity base. After implementation of the capital increase, the Company's Authorised Capital 2010 will amount to EUR 24,592,489.00. The Company plans, with the consent of its limited liability shareholders and by way of corporate action, to utilise part or all of the remaining Authorised Capital 2010 to acquire new shares in the first quarter of the 2014/2015 financial year, and to continue its exploratory talks with companies interested in strategic partnerships in this regard.

Directors Dealings

In July 2014 Bernd Geske purchased 10,000 non-par value shares. His percentage share of voting rights is now 10,81 percent.

Big names in Dortmund

Germany's World Cup-winning team in Brazil included four Dortmund players. Upon landing in Berlin, Mats Hummels, Roman Weidenfeller, Kevin Großkreutz and Erik Durm celebrated their World Cup victory by raising the world's most coveted trophy high in the air.

Matthias Ginter, one of Dortmund's newest signings, was also a part of the World Cup squad in Brazil. The 20-year-old defender transferred from SC Freiburg and signed a contract until 30 June 2019.

Forward Julian Schieber moved from Borussia Dortmund to Hertha BSC Berlin during the summer break.

Preparations for the new season

The squad once again began preparing for the new season in the Kitzbühel Alps of Austria.

BVB's popular summer tour this year, which features various fan programmes and test matches against domestic clubs, included stops in Kassel, Heidenheim, Osnabrück and Essen. Borussia Dortmund went undefeated, winning three high-scoring matches and settling for one tie.

After missing eight months due to injury, Neven Subotic participated in the squad's preparations for the new season and marked his return with a goal in a test match.

Marco Reus and Jakub Blaszczykowski have returned from their injuries and started conditioning training.

As in the previous year, the squad spent a week training in Bad Ragaz, Switzerland, in order to be well-prepared for the new season.

The last game before the "Supercup" brought Borussia Dortmund to England. At the legendary Anfield Road Borussia Dortmund played against FC Liverpool and lost 4:0.

BVB FanWelt

The club's fan and family day has been a popular event for many years, and it was only fitting that the BVB FanWelt service centre opened its doors for the first time during that event at the start of the season on 9 August 2014.

The new centre located directly adjacent to SIGNAL IDUNA PARK now offers all fan-related services under one roof. Spanning 2,000 square metres, it is the largest of the BVB fan shops and offers everything a black-and-yellow fan could desire. The centre also includes a ticketing booth, a cafe with a sun deck, a children's play area, an information booth as well as other exciting attractions for BVB fans of all ages.

Employment contract of CEO Hans-Joachim Watzke prematurely renewed until 2019

The Executive Committee of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH has prematurely renewed the employment contract of the CEO Hans-Joachim Watzke. The employment contract that was due to expire on December 31st, 2016 was extended now until December 31st, 2019.

Hans-Joachim Watzke remains as hitherto chief executive officer (CEO) of Borussia Dortmund Geschäftsführungs-GmbH and primarily responsible for company's strategy and the business divisions "sports", "communication" and "sponsoring".

OTHER DISCLOSURES

REPORT IN ACCORDANCE WITH § 315 (4) OF THE HGB

The following information has been provided by the Company in response to the requirements of § 315 (4) nos. 1 to 9 HGB:

1. The share capital of Borussia Dortmund GmbH & Co. KGaA amounts to EUR 61,425,000.00 and is divided into 61,425,000 no-par value ordinary bearer shares. All of the shares have been admitted to trading on the Regulated Market (General Standard) of the Frankfurt Stock Exchange and to the over-the-counter markets (Open Market) in Berlin, Bremen, Stuttgart, Munich, Hamburg and Düsseldorf. Each no-par value share entitles the holder to one vote at the Annual General Meeting. The Company has only one class of shares, and all shares carry the same rights and obligations. All other rights and responsibilities attaching to the Company's shares are determined in accordance with the German Stock Corporation Act (*Aktiengesetz*, "AktG").
2. Restrictions affecting the voting rights or transfer of the shares, and
3. Interests in the share capital of Borussia Dortmund GmbH & Co. KGaA exceeding 10% of the voting rights as at 30 June 2014:
 - 1) Ballspielverein Borussia 09 e.V. Dortmund, Dortmund, Germany: 19.11% of the voting rights (of which 7.24% held directly and 11.87% held indirectly by including the voting rights of Bernd Geske, Germany, pursuant to §22 (2) WpHG).
 - 2) Bernd Geske, Germany: 19.11% of the voting rights (of which 11.87% held directly and 7.24% held indirectly by including the voting rights of Ballspielverein Borussia 09 e.V. Dortmund, Dortmund, Germany, pursuant to §22 (2) WpHG).
4. There are no shares with special rights conferring powers of control.
5. There is no control of voting rights in cases in which employees are shareholders.
6. Because of its legal form as a partnership limited by shares, Borussia Dortmund GmbH & Co. KGaA does not have a management board. Instead, management and representation of the Company is the responsibility of the general partner. The provisions of § 6 No. 1 of the Articles of Association stipulate that Borussia Dortmund Geschäftsführungs-GmbH, with registered offices in Dortmund, is to act as such an executive body on a permanent basis and not for a limited period of time by virtue of its status as a shareholder. The appointment and removal of managing directors of Borussia Dortmund Geschäftsführungs-GmbH is governed by § 8 no. 6 of its shareholders' agreement and is the responsibility of the Executive Committee of its Advisory Board, and therefore not of the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA.

In principle, changes may be made to the Articles of Association of Borussia Dortmund GmbH & Co. KGaA only by a resolution of its General Shareholders' Meeting, which, in accordance with § 133 (1) of the AktG, must be passed by a simple majority of votes and also, in accordance with § 15 No. 3 of the Articles of Association of the Company in conjunction with § 179 (1) and (2) of the AktG, by a simple majority of the capital represented on the date of the resolution, except to the extent that mandatory statutory provisions or the Articles of Association stipulate otherwise. A mandatory provision of statute requires that a resolution of the General Shareholders' Meeting be passed by a majority of three-quarters of the share capital represented on the date of the resolution in the event of changes to the Articles of Association relating to the object of the Company (§ 179 (2) sentence 2 AktG), the issuance of non-voting preferred shares (§ 182 (1) sentence 2 AktG), capital increases involving the disapplication of pre-emptive subscription rights (§ 186 (3) AktG), the creation of conditional capital (§ 193 (1) AktG), the creation of authorised capital (§ 202 (2) AktG) – where appropriate with authorisation to disapply pre-emptive subscription rights (§ 203 (2) sentence 2 in conjunction with § 186 (3) AktG) –, the ordinary or simplified reduction of share capital (§ 222 (1) sentence 2 and § 229 (3) AktG) or a change of legal form (§ 233 (2) and § 240 (1) of the German Reorganisation and Transformation Act \[Umwandlungsgesetz, "UmwG"). In addition, capital increases, other changes to the Articles of Association and other decisions of a fundamental nature may only be resolved with the approval of the general partner in accordance with § 285 (2) sentence 1 of the AktG. The Supervisory Board is authorised in accordance with § 12 No. 5 of the Articles of Association to resolve changes to the Articles of Association which relate only to the wording thereof, in particular in connection with the amount of capital increases from authorised and conditional capital.

7. The general partner is authorised until 29 November 2015, with the approval of the Supervisory Board, to increase the share capital by a maximum of EUR 30,712,500.00 in total by issuing new no-par value ordinary bearer shares against cash and/or in-kind contributions on one or more occasions (Authorised Capital 2010). The limited liability shareholders have a statutory pre-emptive right over new shares issued by the Company. Such new shares may also be subscribed by a bank or a company in accordance with § 53 (1) sentence 1 or § 53b (1) sentence 1 or (7) of the German Banking Act (*Kreditwesengesetz*, "KWG") if it agrees to offer them to the limited liability shareholders for subscription. However, the general partner is authorised, with the approval of the Supervisory Board, to decide to disapply the statutory pre-emptive subscription rights of the limited liability shareholders. Pre-emptive subscription rights may be disapplied
 - a) with respect to fractional amounts arising as a consequence of subscription ratios;
 - b) in the event of capital increases against cash contributions up to a total amount of 10% of the share capital existing on the date of registration of the Authorized Capital 2010 or, if lower, 10% of the share capital existing on the date of exercise of the authorisation (in each case taking into account any other authorisations made use of during the effective period of this authorisation for the disapplication of pre-emptive subscription rights pursuant to or through the corresponding application of § 186 (3) sentence 4 of the AktG), provided the issue amount of the new shares does not fall significantly below the market price;
 - c) in the event of capital increases against in-kind contributions, particularly for the purpose of acquiring companies, equity investments, real estate, rights and claims against the Company.

The general partner is authorised, with the approval of the Supervisory Board, to determine the further details of the capital increase and the terms and conditions of the share issue.

In the event of a takeover bid for shares issued by the Company and admitted to trading on a regulated market, the general statutory responsibilities and powers apply to the general partner in other respects. For example, if a takeover bid were to be received, the general partner and the Supervisory Board would be required to issue and publish a response to the bid, giving their reasons, in accordance with § 27 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, "WpÜG") to enable the limited liability shareholders to make a decision on the bid on an informed basis. Moreover, in accordance with § 33 WpÜG, once a takeover bid has been announced, the general partner may not take any actions outside the ordinary course of business that could frustrate the

success of the bid, unless those actions have been authorised by the General Shareholders' Meeting, or the Supervisory Board has given its approval of the actions or the actions relate to obtaining a competing bid. In making their decisions, the general partner and the Supervisory Board are bound to have regard to the interests of the Company, its employees and its shareholders. At the end of the reporting period, the Articles of Association did not contain any provisions within the meaning of §§ 33a – 33c WpÜG (European prohibition on frustrating action, European breakthrough rule, reservation of reciprocity).

8. The Company is not a party to any material agreements which are conditional on a change of control following a takeover bid for the issued shares of Borussia Dortmund GmbH & Co. KGaA.
9. The Company is not a party to any compensation agreements that would apply in the event of a takeover bid.

STATEMENT BY THE GENERAL PARTNER ON RELATIONS WITH AFFILIATED COMPANIES

The Dependent Company Report prepared by Borussia Dortmund GmbH & Co. KGaA pursuant to § 312 AktG sets out the relations with Ballspielverein Borussia 09 e.V. Dortmund as the controlling entity and its affiliated companies. The general partner – represented by its Managing Directors – has issued the following concluding declaration:

"Based on the circumstances known to us at the time the transactions were entered into, the Company received appropriate consideration for each of the transactions set out in the report on relations with affiliated companies in the financial year. In all other cases, the Company has been compensated for any disadvantages having arisen. No other measures within the meaning of § 312 (1) of the AktG were either undertaken or omitted during the financial year."

DISCLAIMER

This 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.

Dortmund, August, 14th 2014

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



CONSOLIDATED FINANCIAL STATEMENTS

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund



Echte Liebe.



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of Borussia Dortmund GmbH & Co. KGaA as at 30 June 2014

EUR '000	Note	30/06/2014	30/06/2013
ASSETS			
Non-current assets			
Intangible assets	(1)	61,602	28,425
Property, plant and equipment	(2)	184,502	178,382
Investments accounted for using the equity method	(3)	293	266
Financial assets	(4)	91	113
Trade and other financial receivables	(5)	1,256	2,786
Deferred tax assets	(20)	1,252	1,450
Prepaid expenses	(12)	496	793
		249,492	212,215
Current assets			
Inventories	(6)	5,921	7,543
Trade and other financial receivables	(5)	14,923	65,934
Current tax assets		187	0
Cash and cash equivalents	(7)	17,852	12,536
Prepaid expenses	(12)	3,920	4,187
		42,803	90,200
		292,295	302,415
EQUITY AND LIABILITIES			
Equity			
Subscribed capital		61,425	61,425
Reserves		83,606	78,719
Treasury shares		-116	-119
Equity attributable to the owners of the parent company		144,915	140,025
Minority interests	(8)	334	593
		145,249	140,618
Non-current liabilities			
Non-current financial liabilities	(9)	32,139	40,827
Non-current liabilities from finance leases	(10)	20,142	19,767
Trade payables		50	0
Other non-current financial liabilities	(11)	3,701	2,469
Deferred income	(12)	20,000	24,316
		76,032	87,379
Current liabilities			
Current financial liabilities	(9)	8,889	4,496
Current liabilities from finance leases	(10)	1,627	1,378
Trade payables		18,115	14,200
Other current financial liabilities	(11)	20,789	36,944
Current income tax liabilities	(20)	571	3,448
Deferred income	(12)	21,023	13,952
		71,014	74,418
		292,295	302,415

* The relevant sections in the notes to the consolidated statement of financial position can be found on the following pages:
(1) – p. 140, (2) – p. 141, (3) – p. 142, (4), (5) – p. 143, (6), (7) – p. 144, (8) – p. 145, (9) – p. 146, (10) – p. 147, (11) – p. 148, (12) – p. 149, (20) – p. 152.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
of Borussia Dortmund GmbH & Co. KGaA from 1 July 2013 to 30 June 2014

EUR '000	Note	2013/2014	2012/2013
Revenue	(13)	260,735	305,032
Other operating income	(14)	5,227	2,785
Cost of materials	(15)	-20,312	-17,491
Personnel expenses	(16)	-107,791	-106,216
Depreciation, amortisation and write-downs	(17)	-30,679	-22,414
Other operating expenses	(18)	-88,727	-96,579
Profit from operating activities		18,453	65,117
Income from investments in associates	(3)	27	-13
Finance income	(19)	210	94
Finance costs	(19)	-4,099	-5,162
Financial result		-3,862	-5,081
Profit before income taxes		14,591	60,036
Income taxes	(20)	-2,621	-8,843
Consolidated net profit for the year		11,970	51,193
Items that were subsequently reclassified to profit or loss			
Cash flow hedge		-821	-225
Other gains/losses incurred during the period, after taxes		-821	-225
Total comprehensive income		11,149	50,968
Consolidated net profit for the year attributable to:			
- Owners of the parent:		11,660	50,820
- Minority interests:		310	373
Total comprehensive income attributable to:			
- Owners of the parent:		10,839	50,595
- Minority interests:		310	373
Earnings per share (basic/diluted)	(25)	0.19	0.83

* The relevant sections in the notes to the consolidated statement of comprehensive income can be found on the following pages:
(3) – p. 142, (13), (14), (15), (16) – p. 150, (17), (18), (19) – p. 151, (20) – p. 152, (25) – p. 157.

CONSOLIDATED STATEMENT OF CASH FLOWS
of Borussia Dortmund GmbH & Co. KGaA for the 2013/2014 financial year

EUR '000	2013/2014	2012/2013
Profit before income taxes	+14,591	+60,036
Depreciation, amortisation and write-downs of non-current assets	+30,679	+22,414
Loss on disposals of non-current assets	-4,287	-44,421
Other non-cash income	-4,224	-3,969
Interest income	-210	-94
Interest expense	+4,099	+5,162
Income from investments in associates	-27	+13
Changes in other assets not classified as from investing or financing activities	+4,304	-10,838
Changes in other liabilities not classified as from investing or financing activities	-10,976	+14,146
Interest received	+67	+94
Interest paid	-3,711	-5,162
Income taxes paid	-3,879	-8,786
Cash flows from operating activities	+26,426	+28,595
Payments for investments in intangible assets	-51,437	-20,857
Proceeds from disposals of intangible assets	+53,495	+13,187
Payments for investments in property, plant and equipment	-10,937	-6,552
Proceeds from disposals of property plant and equipment	+14	+18
Proceeds from financial assets	+22	+27
Dividends received	+0	+33
Payments for investments in financial assets	+0	-102
Cash flows from investing activities	-8,843	-14,246
Proceeds from the sale of treasury shares	+5	+6
Distributions to minority shareholders	-382	-127
Proceeds from finance raised	+0	+18,550
Repayments of financial liabilities	-4,295	-20,543
Dividend payments	-6,141	-3,684
Repayment of liabilities under finance leases	-1,454	-1,286
Cash flows from financing activities	-12,267	-7,084
Change in cash and cash equivalents	+5,316	+7,265
Cash and cash equivalents at the beginning of the period	+12,536	+5,271
Cash and cash equivalents at the end of the period	+17,852	+12,536

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
of Borussia Dortmund GmbH & Co. KGaA for the 2013/2014 financial year

EUR '000	Subscribed capital	Reserves			Treasury shares	Equity attributable to the owners of the parent company	Minority interests	Consolidated equity
		Capital reserves	Other revenue reserves	Cash flow hedge				
see note (8)								
1 July 2012	61,425	33,792	-606	-1,381	-122	93,108	347	93,455
Distributions to shareholders	0	0	-3,684	0	0	-3,684	-127	-3,811
Sale of treasury shares	0	3	0	0	3	6	0	6
Transactions with shareholders	0	3	-3,684	0	3	-3,678	-127	-3,805
Consolidated net profit for the year	0	0	50,820	0	0	50,820	373	51,193
Other gains/losses incurred during the period, after taxes	0	0	0	-225	0	-225	0	-225
Total comprehensive income	0	0	50,820	-225	0	50,595	373	50,968
30/06/2013	+61,425	+33,795	+46,530	-1,606	-119	+140,025	+593	+140,618
1 July 2013	61,425	33,795	46,530	-1,606	-119	140,025	593	140,618
Distributions to shareholders	0	0	-6,141	0	0	-6,141	-382	-6,523
Sale of treasury shares	0	2	0	0	3	5	0	5
Transactions with shareholders	0	2	-6,141	0	3	-6,136	-382	-6,518
Consolidated net profit for the year	0	0	11,660	0	0	11,660	310	11,970
Other gains/losses incurred during the period, after taxes	0	0	0	-821	0	-821	0	-821
Total comprehensive income	0	0	11,660	-821	0	10,839	310	11,149
Acquisition of non-controlling interests without change of control	0	0	187	0	0	187	-187	0
Change in ownership interests at subsidiaries	0	0	187	0	0	187	-187	0
30/06/2014	+61,425	+33,797	+52,236	-2,427	-116	+144,915	+334	+145,249

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund, for the 2013/2014 financial year

(hereinafter also "Borussia Dortmund" or the "Group")

BASIC PRINCIPLES

Basis and methods of preparation

Borussia Dortmund GmbH & Co. KGaA (hereinafter also "Borussia Dortmund" or the "Group") has its registered office at Rheinlanddamm 207-209, 44137 Dortmund, Germany. Borussia Dortmund's professional squad has competed in the Bundesliga's first division for more than three decades. Borussia Dortmund also operates Group companies that sell merchandise and provide Internet and travel services. One Group company is a medical rehabilitation centre.

The general partner, BVB Geschäftsführungs-GmbH, is responsible for management and representation of Borussia Dortmund GmbH & Co. KGaA. Borussia Dortmund Geschäftsführungs-GmbH is for its part represented by Managing Directors Hans-Joachim Watzke (Chairman) and Thomas Treß; its sole shareholder is BV. Borussia 09 e.V. Dortmund.

These consolidated financial statements for the financial year from 1 July 2013 to 30 June 2014, including the prior-year information, were prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted in the European Union and in force at the end of the reporting period, and the supplementary provisions of German commercial law required to be observed in accordance with § 315a (1) HGB. The term "IFRS" includes the recent International Financial Reporting Standards (IFRSs) and the International Accounting Standards (IASs) issued by the International Accounting Standards Board (IASB) in London as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).

Borussia Dortmund applied the following Standards, Interpretations and amendments to existing Standards, as adopted by the European Union, for the first time in the 2013/2014 financial year:

Amendments to IFRS 7 – Offsetting Financial Assets and Financial Liabilities

The Amendment to IFRS 7 expands the disclosures related to the offsetting of financial instruments. The Amendment to IFRS 7 must be applied for the first time for financial years beginning on or after 1 January 2013.

The Amendment did not have any material impact on the consolidated financial statements.

IFRS 13 – Fair Value Measurement

This Standard governs the uniform application of fair value measurement in IFRS financial statements. Any and all fair value measurements required by other Standards must adopt the uniform requirements under IFRS 13 going forward. Separate rules will continue to exist only for IAS 17 and IFRS 2.

Fair value under IFRS 13 is defined as the exit price, i.e., the price that would be received to sell an asset or paid to transfer a liability. As is presently the case for the fair value measurement of financial assets, this Standard establishes a hierarchy system that is categorised into three levels based on observable market prices. Values calculated under the new fair value measurement system may deviate from the values of previous systems.

The new Standard must be applied for the first time for financial years beginning on or after 1 January 2013.

In accordance with the transitional provisions of IFRS 13, the Group prospectively applied the new fair value measurement requirements and did not provide any comparative information from prior years for new disclosures. Regardless, the Amendment did not have any material effect on the measurement of the Group's assets and liabilities.

Amendments to IAS 12 – Recovery of Underlying Assets

It is often difficult to determine whether existing temporary tax differences with respect to investment property will reverse in the course of the continued use or sale of such investment property. The Amendment to IAS 12 clarifies that deferred taxes must be measured on the basis of the rebuttable presumption that the tax differences are reversed in the course of the sale.

The Standard must be applied for the first time for financial years beginning on or after 1 January 2013.

The Amendment did not have any material impact on the consolidated financial statements.

IAS 19 – Employee Benefits (revised 2011)

In addition to extensive disclosure requirements concerning employee benefits, the revised Standard contains the following amendments in particular:

Entities currently have the option of recording unexpected fluctuations in pension obligations (actuarial gains and losses) in the financial statements either (a) as profit or loss in the statement of financial position, (b) in other comprehensive income (OCI), or (c) by deferring recognition in accordance with the corridor method. In order to enhance transparency and comparability of presentation, the revised version of IAS 19 eliminates this option, meaning that actuarial gains and losses may only be recognised directly and in full in other comprehensive income in future. Further-

more, past service costs must now be recognised directly in profit or loss in the year in which they are incurred.

In addition, the expected return on plan assets is currently calculated as at the beginning of the accounting period based on management's expectations as to performance of the investment portfolio. Only a standard interest rate in the amount of the discount rate of the pension obligations at the beginning of the period may now be applied to plan assets pursuant to IAS 19 (revised 2011).

Previously, the expected administrative costs for plan assets were factored into net interest expense. In accordance with the amendments, administrative costs for plan assets must be recognised as a part of the new measurement components in other comprehensive income, whereas other administrative costs are classified under operating income at the time they are incurred.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact because it does not have any such employee benefit obligations.

The amended definition of termination benefits will impact how benefit increases pledged under partial retirement plans are accounted for. Previously, benefit increases were classified as termination benefits. Accordingly, provisions were recognised in full for those termination benefits at the time the partial retirement plans were entered into. Due to the amended definition of termination benefits, benefit increases no longer meet the requirements of termination benefits under IAS 19 (revised 2011). Rather, these are generally other long-term employee benefits that accumulate pro rata over the respective employee's term of service.

The Amendment must be applied for the first time for financial years beginning on or after 1 January 2013.

The Amendment did not have any material impact on the consolidated financial statements.

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

This Interpretation is intended to standardise the accounting of stripping costs for surface mining operations. If it is anticipated that the subsequent benefit of the overburden will generate income, then the costs of that stripping activity must be recognised as inventories in accordance with IAS 2. In addition, an intangible asset is created that is capitalised together with the stripping activity asset if the benefit is improved access to mineral ore deposits and the requirements of the Interpretation are met. This asset shall be depreciated or amortised over its expected useful life.

IFRIC 20 must be applied for the first time for financial years beginning on or after 1 January 2013.

The Amendment did not have any impact on the consolidated financial statements.

Improvements to IFRS 2009 – 2011

Amendments were made to five Standards as part of the annual improvement project. The purpose of these amendments was to clarify existing rules by adapting the wording of individual IFRSs. In addition, some amendments impact the accounting, recognition, measurement and disclosures in the notes to financial statements. The scope of these amendments included IAS 1, IAS 16, IAS 32, IAS 34 and IFRS 1.

The Amendment must be applied for the first time for financial years beginning on or after 1 January 2013.

The Amendment did not have any material impact on the consolidated financial statements.

The following Standards, Interpretations and Amendments have been issued by the IASB and the IFRIC and adopted by the European Union, but were not applied in the consolidated financial statements as at 30 June 2014 because they were not yet applicable for the financial year beginning on 1 July 2013:

IFRS 10 – Consolidated Financial Statements

This Standard comprehensively redefines the term control. If an entity controls another entity, the parent entity must include the subsidiary in its consolidated financial statements. Under the new definition, an entity controls another entity if the potential parent has, on the basis of voting rights or other rights, the power to make decisions regarding the potential subsidiary, receives positive or negative variable returns from the subsidiary and has the ability to affect those returns through its decision-making powers.

This new Standard may impact the scope of the consolidated financial statements for, inter alia, special purpose entities.

The new Standard must be applied for the first time for financial years beginning on or after 1 January 2014. IFRS 10 must be applied retrospectively if the reasons for qualifying an investment as a subsidiary deviated between those stipulated in IAS 27/SIC-12 and IFRS 10. Earlier application is permitted only if an entity discloses that fact and applies IFRS 11 and IFRS 12 as well as IAS 27 and IAS 28 (as amended in 2011) at the same time.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

IFRS 11 – Joint Arrangements

IFRS 11 establishes new rules that are applicable to the accounting for all joint arrangements. Under the new Standard, it must be determined whether the joint arrangement is a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The individual rights and obligations are re-

cognised proportionately in the consolidated financial statements. By contrast, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. This right is recognised in the consolidated financial statements using the equity method, thereby precluding the option of proportionate consolidation in the consolidated financial statements.

The new Standard must be applied for the first time for financial years beginning on or after 1 January 2014. Specific transitional provisions are in place for the transition from proportionate consolidation to the equity method, for example. Earlier application is permitted only if an entity discloses that fact and applies IFRS 10 and IFRS 12 as well as IAS 27 and IAS 28 (as amended in 2011) at the same time.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact because it does not hold any equity investments in joint ventures.

IFRS 12 – Disclosure of Interests in Other Entities

This Standard governs the disclosure of interests in other entities. The disclosures required under this Standard are significantly greater than those required under IAS 27, IAS 28 and IAS 31.

The new Standard must be applied for the first time for financial years beginning on or after 1 January 2014.

Borussia Dortmund expects that the impact on its disclosures will be limited as the Group does not hold any considerable shareholdings in other entities.

Amendments to IFRS 10, IFRS 11 and IFRS 12 – Transition Guidance

The Amendments relate to clarifications and additional relief for transitioning to IFRS 10, IFRS 11 and IFRS 12. For instance, adjusted comparative information is assessed for the preceding comparative period only. Furthermore, in connection with the disclosures in the notes to the consolidated financial statements, non-consolidated structured entities are exempt from the obligation to disclose comparative information for periods prior to the first-time application of IFRS 12.

The Amendments to IFRS 10, IFRS 11 and IFRS 12 must be applied for the first time for financial years beginning on or after 1 January 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

Amendments to IAS 27 – Separate Financial Statements

As part of adopting IFRS 10 "Consolidated Financial Statements", the rules for the control principle and the requirements for preparing consolidated financial statements were transferred from IAS 27 and then addressed in IFRS 10 (see notes to IFRS 10). Consequently, IAS 27 will only contain rules governing the accounting of subsidiaries, joint ventures and associates in IFRS separate financial statements.

The Amendment must be applied for the first time for financial years beginning on or after 1 January 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

Amendments to IAS 28 – Investments in Associates and Joint Ventures

The adoption of IFRS 11 "Joint Arrangements" also included adjustments to IAS 28. As in the past, IAS 28 sets out requirements for the application of the equity method. However, the adoption of IFRS 11 expands the scope of application considerably, because equity investments in joint ventures and not just associates (see IFRS 11) will have to be measured using the equity method going forward. The proportionate consolidation method will no longer apply for joint ventures.

A further amendment relates to the accounting in accordance with IFRS 5 if only a portion of an equity investment in an associate or joint venture has been slated for sale. IFRS 5 shall be partially applied only if a portion or a part of an equity investment in an associate (or a joint venture) meets the "held for sale" criterion.

The Amendment must be applied for the first time financial years beginning on or after 1 January 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact because it does not hold any equity investments in joint ventures.

Amendments to IFRS 10, IFRS 12 und IAS 27 – Investment Entities

The Amendments include a definition of investment entities and remove such entities from the scope of application of IFRS 10 "Consolidated Financial Statements".

Accordingly, investment entities do not consolidate the entities they control in their IFRS consolidated financial statements. This exemption from the general principles is not an option. Instead of fully consolidating entities, equity investments held for investment purposes are periodically measured at fair value through profit or loss.

The Amendments do not have any impact on consolidated financial statements that include

investment entities, provided the group parent is itself not an investment entity.

The Amendment must be applied for the first time for financial years beginning on or after 1 January 2014.

Amendments to IAS 32 – Offsetting Financial Assets and Financial Liabilities

Amendment to IAS 32 clarifies the circumstances in which financial instruments should be offset. The Amendment explains the meaning of the current legal right to set-off and clarifies which gross settlement methods may be considered net settlement methods within the meaning of the Standard.

The Amendment to IAS 32 must be applied for the first time for financial years beginning on or after 1 January 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

Amendment to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets

New mandatory disclosures pertaining to goodwill impairment testing in accordance with IAS 36 were introduced as part of a consequential Amendment to 13 "Fair Value Measurement": the recoverable amount of a cash-generating unit must be disclosed regardless of whether or not it has been impaired. Since the introduction of this disclosure requirement was unintentional, this requirement was removed in the May 2013 Amendment.

On the other hand, this Amendment prescribes additional disclosures if an impairment has been recognised and the recoverable amount was determined on the basis of fair value.

The Amendment must be applied for the first time for financial years beginning on or after 1 January 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

Amendment to IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting

As a result of this Amendment, if certain preconditions are met, derivatives shall continue to be designated as hedging instruments in an existing hedging relationship even if a hedging instrument is required to be novated to a central counterparty as a result of statutory requirements.

The Amendment must be applied for the first time for financial years beginning on or after 1 January 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

IFRIC 21 – Levies

IFRIC 21 "Levies" is an Interpretation to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". In particular, it provides guidance on when a current obligation arises due to a levy imposed by a government and when to recognise a provision or liability. In particular fines and levies that are incurred as a result of agreements under public law or the scope of a different IFRS (e.g., IAS 12 "Income Taxes") are not covered by the Interpretation's scope of application. In accordance with IFRIC 21, a liability must be recognised for levies on the date of the event that triggers the obligation to pay a levy. In turn, the wording of the underlying Standard defines a triggering event that establishes the obligation. Its wording is insofar crucial for the accounting.

The Amendment must be applied for the first time for financial years beginning on or after 17 June 2014.

Borussia Dortmund currently does not expect the first-time application of this Amendment to have any impact.

Borussia Dortmund does not plan any early application of new Standards or Interpretations that will not become mandatory until later financial years.

The consolidated financial statements are presented in thousands of euros.

The subtotals contained in the consolidated statement of comprehensive income for operating profit/loss (EBIT) and the financial result are used internally to manage the Group.

By a resolution dated 14 August 2014, the consolidated financial statements and the Group management report were authorised by the Company's management for submission to the Supervisory Board.

Scope of consolidated financial statements

In addition to Borussia Dortmund GmbH & Co. KGaA, the consolidated financial statements include five fully consolidated subsidiary companies and one associated company accounted for using the equity method.

As a consequence of a merger between its Group subsidiaries BVB Beteiligungs-GmbH, BVB Stadion GmbH and BVB Stadion Holding GmbH and the Group parent, Borussia Dortmund will henceforth include five subsidiaries in its consolidated financial statements: BVB Stadionmanagement GmbH, besttravel dortmund GmbH, BVB Merchandising GmbH, Sports & Bytes GmbH, and as per the 10 June 2014 entry in the commercial register, the newly formed BVB Event & Catering GmbH.

Orthomed GmbH, in which the Group holds a 33.33 per cent interest and voting rights, is included in the consolidated financial statements as an associate using the equity method within the meaning of IAS 28.

In order to simplify the previous Group structure, Borussia Dortmund undertook the following measures during the 2013/2014 financial year:

- Acquisition of the non-controlling interests in BVB Beteiligungs-GmbH held by BV. Borussia 09 e.V. Dortmund
- Merger of BVB Stadion Holding GmbH
- Merger of BVB Beteiligungs-GmbH
- Merger of BVB Stadion GmbH

The date of the mergers in each case was 1 July 2013.

The acquisition of the non-controlling interests in BVB Beteiligungs-GmbH and non-controlling interests in BVB Stadion GmbH acquired as a result of the merger Borussia Dortmund with BVB Stadion GmbH were reported in the consolidated financial statements as transactions with the owners of the companies and were recognised directly in equity.

With the exception of the change in the useful life of the stadium described in Note 2, there were no other events that impacted the Group's financial position and performance.

The list of shareholdings as at 30 June 2014 was as follows:

Shareholdings

	Registered office	Share capital EUR '000	Shareholding %	Equity (EUR '000)	Net profit/loss EUR '000
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	88
besttravel Dortmund GmbH	Dortmund	50	51.00	683	633
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	3,469
Sports & Bytes GmbH	Dortmund	200	100.00	2,516	747
BVB Event & Catering GmbH	Dortmund	25	100.00	25	-
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	700	81

* 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 2013 as an associate.

No interim financial statements were prepared for Orthomed GmbH as at 30 June 2014 due to the fact that there would be no material impact on the consolidated financial statements.

Consolidation principles

The annual financial statements of the companies included in the consolidated financial statements are prepared in accordance with IFRS, as adopted by the EU, using consistent accounting policies.

The end of the reporting period for the consolidated financial statements is the end of the reporting period of the parent company.

Intercompany revenues, income and expenses, and all receivables and liabilities between companies included in the consolidated financial statements are eliminated on consolidation.

A subsidiary is generally any company over which the parent has the power to govern its financial and operating policies so as to obtain benefits from its activities (controlled entity). The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether one entity has control over another entity. Subsidiaries are generally included in the consolidated financial statements (full consolidation) from the date on which control is transferred.

Acquired subsidiaries are accounted for using the acquisition method. The acquisition cost is equal to the fair value of the assets given, the equity instruments issued and the liabilities incurred or assumed on the date of the transaction. The costs associated with the acquisition are recognised as an expense. When consolidated for the first time, the identifiable assets, liabilities and contingent liabilities acquired in a business combination are measured at their acquisition-date fair values, regardless of the size of the minority interest.

Any excess of the acquisition cost over the share of equity acquired at fair value is recognised as goodwill. If the acquisition costs are lower than the fair value of the net assets of the subsidiary acquired, the measurement of net assets is reviewed

and the difference is recognised directly in the consolidated statement of comprehensive income.

Minority interests represent the share of net assets that is not attributable to the Group. These are reported separately in consolidated equity and the consolidated statement of comprehensive income. Changes in interest where control is retained are accounted for as equity transactions between controlling and minority owners and recognised outside of profit or loss.

Associates over which the Group has a significant but not a controlling influence are accounted for using the equity method and initially recognised at cost. The Group's share of profits and losses of associates is recognised in the consolidated statement of comprehensive income from the date of acquisition, while the share of changes in reserves is reflected in consolidated reserves. The carrying amount of the investment is adjusted to reflect the cumulative changes since the date of acquisition. There were no unrealised gains at any date from transactions between Group companies and associates which would have been required to be eliminated on consolidation.

Foreign currency translation

The consolidated financial statements are presented in euros. The euro is the currency of the primary business environment (functional currency) of all companies included in the consolidated financial statements. In the single-entry financial statements of the parent and of the consolidated subsidiaries, business transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing on the date of the transaction. Gains and losses arising on the fulfilment of such transactions and on the translation of monetary assets and liabilities carried in foreign currencies using the exchange rate prevailing at the end of the reporting period are recognised in profit or loss.

Accounting policies

The significant accounting policies used in the preparation of these consolidated financial statements are presented below. The policies described were applied consistently for the reporting periods shown, unless otherwise indicated.

The consolidated financial statements were prepared based on amortised cost. However, derivative financial instruments are measured at fair value.

Intangible assets

Purchased intangible assets are measured at cost less amortisation based on their expected useful lives or at the lower recoverable amount. Player registrations reported in these financial statements are measured at cost, taking into account the FIFA Regulations for the Status and Transfer of Players contained in circular no. 769 of 24 August 2001 which came into force on 21 September 2001, and are amortised on a straight-line basis in accordance with the term of the individual contracts for professional players. The cost of player registrations includes transfer payments made and the costs of advisers directly attributable to the particular transfer.

Computer software for commercial and technical applications is amortised on a straight-line basis over three years.

Straight-line depreciation is based on the following useful lives:

	Useful life in years
Stadium	40
Other buildings	20 bis 50
Other equipment, operating and office equipment	7 bis 15

The useful life and the method of amortisation are reviewed at the end of each financial year at a minimum. Significant parts of the stadium building are depreciated over their respective specific useful lives (component approach).

The useful life and the method of amortisation are reviewed at the end of each financial year.

Property, plant and equipment

The SIGNAL IDUNA PARK stadium buildings were measured at their fair value amounting to EUR 177,200 thousand in the opening IFRS statement of financial position as at 1 July 2004, in accordance with the option permitted by IFRS 1.16. This valuation is based on the opinion of an independent external expert. The changes in accounting policies resulted as a consequence of an expert review of the remaining useful life of the stadium property, which henceforth will be depreciated over 40 years (previously: 19.5 years). Annual depreciation now amounts to EUR 3,034 thousand (previously: EUR 6,223 thousand).

Land is carried at amortised cost and impaired if necessary.

Buildings and the remaining items of property, plant and equipment are measured at cost less depreciation. Repair and maintenance costs are recognised in the statement of comprehensive income as expenses in the current period.

Impairment testing

The useful lives of intangible assets and items of property, plant and equipment are all finite. If there are specific indications of possible impairment, individual assets are tested for impairment. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of net realisable value and value in use. If the reason for an impairment write-down recognised in prior years no longer exists, the impairment loss is reversed until the carrying amount of the asset, net of depreciation and amortisation, equals the amount that would have been determined if an impairment loss had not been recognised. With the exception of Note 1, there were no indications of impairment in financial year 2013/2014.

Leases

The Group's leases relate in particular to developed land, operating and office equipment as the lessee.

Leased assets in respect of which substantially all the risks and rewards of ownership have been transferred to the Group (finance lease) are recognised at the present value of the minimum lease payments or at the lower fair value in accordance with IAS 17 and depreciated over the useful life or the shorter lease term. In the case of leases of land and buildings, the components of the land and buildings are considered separately for the purpose of the classification of the leases.

The payment obligations resulting from finance lease agreements are recognised as a liability. The lease payments are apportioned between the finance charges and the element representing the repayment of the remaining liability in such a way that a constant rate of interest is charged on the outstanding lease obligation over the period of

the lease (effective interest method). Interest charges are expensed immediately. If substantially all the risks and rewards of ownership remain with the lessor (operating lease), the lease payments are recognised as an expense in the financial year.

Financial instruments

Financial instruments under IFRS are classified in line with the format of the statement of financial position. The table under Note 24 provides a reconciliation of the individual classes and categories of IAS 39 to the items of the statement of financial position and the fair values of the financial instruments disclosed therein.

The financial assets within the scope of IAS 39 are allocated to one of the following categories, depending on their nature: "loans and receivables" or "available-for-sale financial assets". As a rule, financial assets are measured at fair value upon initial recognition. Transaction costs that are directly attributable to the acquisition of the financial asset are included in the initial recognition. Regular way purchases or sales of financial assets are accounted for at the trade date. The amount recognised in the statement of financial position is equal to the maximum exposure to credit risk. The subsequent measurement of financial assets depends on their classification:

a) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either directly allocated to this category or which cannot be allocated to any of the other categories. Available-for-sale financial assets are subsequently remeasured at fair value outside profit or loss. If there is no quoted price in an active market and fair value cannot be reliably measured, these financial assets are measured at amortised cost.

Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, taking into account deferred tax assets and liabilities. Gains and losses are not realised until the financial asset is derecognised or impaired. Interest calculated using the effective interest method is recognised in the consolidated statement of comprehensive income. The Company did not hold any such financial instruments as at the end of the reporting period.

b) Loans and receivables

Borrowings and receivables are classified as "loans and receivables". These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If their maturities are less than 12 months after the end of the reporting period, they are reported under current assets. Otherwise, they are reported as non-current assets. They are subsequently measured at amortised cost using the effective interest method.

For financial assets carried at amortised cost, a gain or loss is recognised in profit or loss when the financial asset is derecognised or impaired, and through the amortisation process.

Impairment of financial assets

At the end of every reporting period, it is assessed whether there is any objective evidence, such as non-payment or default, that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if their carrying amounts exceed their expected future recoverable amounts. For financial assets or groups of financial assets carried at amortised cost, the amount of the impairment to be recognised equals the difference between

the carrying amount of the asset or group of financial assets and the present value of the expected future cash flows discounted using the original effective interest rate. An impairment triggers a direct reduction of the carrying amounts of all financial assets affected, with the exception of trade receivables, whose carrying amounts are reduced via an allowance account. If a trade receivable is deemed to be uncollectible, this allowance account is used to recognise the impairment. Subsequent collections of amounts already written down are also booked against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss under "Other operating expenses".

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset is derecognised when the contractual rights to receive the cash flows from the asset expire or the financial asset is transferred to another party. The latter case is deemed to have occurred when all significant risks and rewards associated with ownership of the asset have been transferred or when the control over the asset has been relinquished.

Financial liabilities

A financial liability is derecognised when the obligation underlying this liability is discharged or cancelled or expires. In cases where an existing financial liability is exchanged against another financial liability of the same lender with substantially different terms and conditions or if the terms and conditions of an existing liability are materially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. Any difference between the relevant carrying amounts is recognised in profit or loss.

Financial assets and liabilities are offset against one another and the net balance is presented in the consolidated statement of financial position if an entity a) has a legally enforceable right to set off the recognised amounts, and b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred taxes

Deferred taxes are recognised for all temporary differences between the tax base of assets and liabilities and their carrying amounts in the IFRS financial statements (liability method). However, if in the course of a transaction which is not a business combination a deferred tax asset or liability arises from the initial recognition of an asset or liability which, at the time of the transaction, affects neither the accounting nor the taxable profit or loss, the deferred tax asset or liability is neither recognised at the date of initial recognition nor afterwards.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are also recognised for tax loss carry-forwards that can be utilised in subsequent periods, provided it is sufficiently probable that the deferred tax asset will be recoverable.

Deferred taxes relating to items recognised outside profit or loss are also recognised outside profit or loss.

Deferred tax assets and liabilities are netted against each other where the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets and liabilities are measured on the basis of the tax laws adopted by the Bundestag and Bundesrat as at the end of the reporting period using a rate of income tax of 32.81% (previous year: 32.81%).

Inventories

Inventories consist principally of merchandising articles and goods held by the subsidiary company BVB Merchandising GmbH. Inventories are measured at cost less any individual allowances for goods whose cost may not be recoverable.

Cash and cash equivalents

Cash includes cash on hand, cheques and balances with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash or convertible to a known amount of cash within a period of less than three months and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured initially at fair value and subsequently at amortised cost.

Treasury shares

The full amount paid for the purchase of treasury shares is reported as an item deducted from equity. The Company has the right to reissue treasury shares purchased by it at a later date. Proceeds of resale in excess of cost are added to capital reserves, while shortfalls are taken to retained earnings.

Provisions and contingent liabilities

In accordance with IAS 37, provisions are recognised where a present obligation exists to third parties arising from a past event, which is expected to result in an outflow of resources and whose amount can be reliably estimated. No provisions have been reported in these consolidated financial statements because it was possible to determine the amount and timing of all obligations

with sufficient certainty, with the result that these obligations have been reported under liabilities.

Contingent liabilities which do not meet the criteria for recognition as a provision are disclosed in the notes, unless the probability of an obligation occurring is remote.

Financial liabilities

Financial liabilities falling under the scope of IAS 39 are allocated to the category "other financial liabilities". These include borrowings and are recognised initially at fair value plus transaction costs directly attributable to the issue of the financial liability. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, where interest expense is measured in accordance with the effective interest rate. Please refer to Notes 9, 10 and 20 et seq. for information on the provision of collateral and further disclosures on financial liabilities.

Prepaid expenses and deferred income

Prepaid expenses and deferred income are recognised and apportioned on a straight-line basis over their term to allocate payments made on an accrual basis.

Recognition of income and expenses

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Revenue is measured at the fair value of the receivable or consideration received and represent amounts for goods delivered and services provided in the ordinary course of business, less rebates, VAT and other taxes arising in relation to revenue.

Admission fees and other match day-related income (such as income from catering) are recognised on the match day. Sponsorship and licensing income are apportioned on a straight-line basis over the term of the relevant agreements; TV income and other components of the DFL TV agreement are recognised over the duration of the football season. Income from merchandising

is recognised when the merchandise has been delivered, the risks and rewards incident to ownership have been transferred and it is likely that the economic benefits will flow to the acquirer.

Interest income and expenses are allocated to the period to which they relate, taking into account the outstanding amount of the loan and the effective interest rate to be applied. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Operating expenses are recognised when the goods or services are utilised or at the date the expenses are incurred.

Revenue

In accordance with the classification prescribed by the German Football League (DFL Deutsche Fußball Liga GmbH, "DFL") for the licensing procedure, income from the sale of transfer rights for player registrations is reported under revenue at the date on which the match authorisation expires. The expenses associated with the transfer activities such as the book values of assets sold and incidental costs of disposal are reported as other operating expenses.

In order to improve the presentation of financial performance, release fees for national team players are reported in revenue, analogously to the reporting as at 30 June 2013.

Management of financial risks

The Group finances itself primarily from long-term bank loans, finance leases, trade payables, season tickets paid for in advance and payments from sponsors. The related risks arising comprise interest-rate-related cash flow risks, market risks, liquidity risks and credit risks. On the other hand, the Group is not exposed to any significant currency risks. The methods of managing the individual types of risk are described in the following.

Interest rate risks

The Group's financial liabilities at the end of the reporting period consist of fixed-interest loans. The Group is exposed to interest rate risks from 2013 onwards based on variable-rate loans; appropriate interest rate hedges have been entered into to hedge these risks. Risk Control uses appropriate tools and methods to constantly monitor interest rate risk, and reports regularly to the management on current events. The objective of the risk strategy is to limit or eliminate interest rate risks. The strategy explicitly calls for the use of appropriate derivative financial instruments to hedge risks.

Sensitivity analysis (interest rate risk)

All interest rate swaps and variable-interest loans were included in the sensitivity analysis; by contrast, fixed-rate loans were not included in the analysis, since these did not result in interest rate risk exposure.

In the event the interest rate were to fall by 100 basis points (parallel shift in the yield curve), equity would decrease by EUR 1,780 thousand (previous year: decrease of EUR 1,964 thousand) and consolidated comprehensive income would fall by EUR 54 thousand (previous year: decrease of EUR 29 thousand).

In the event the interest rate were to rise by 100 basis points (parallel shift in the yield curve), equity would increase by EUR 1,617 thousand (previous year: increase of EUR 1,594 thousand) and consolidated comprehensive income would increase by EUR 43 thousand (previous year: increase of EUR 27 thousand).

Credit risk

The Group conducts business exclusively with third parties of high credit standing. Concentrations of credit risk can arise in the context of a player transfer and from long-term sponsorship agreements. Such concentrations of risk are monitored in the course of the Group's operating activities.

The maximum credit risk in the event of counterparty default is equal to the carrying amount of these instruments. Please refer to Note 22.

Liquidity risk

The Group constantly monitors the risk of possible liquidity bottlenecks, taking into account the probable maturities of its financial liabilities and the timing of the expected cash flows from operating activities. The Group counters potential liquidity risk by taking up largely long-term financing. Appropriate corporate planning is used to constantly monitor short-term financing components. Please refer to Note 22 for information on the maturities of contractual cash flows.

Significant decisions subject to judgement and estimates

The preparation of consolidated financial statements in accordance with IFRSs requires management to make significant decisions subject to judgement and estimates and assumptions concerning the application of financial accounting methods and the assets, liabilities, income and expenses recognised in those statements. Actual results may deviate from these estimates.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognised in the period in which the estimates were revised as well as in all subsequent periods concerned.

Information about significant decisions subject to judgment made while applying accounting methods that materially impact the amounts recognised in the consolidated financial statements must be disclosed in the notes to the consolidated financial statements below.

This section on accounting policies includes detailed disclosures about property, plant and equipment. Notes 2 and 10 include detailed disclosures on finance leases.

Disclosures on deferred taxes are included, inter alia, in Note 20 and the section on accounting policies.

The collectability of trade receivables is assessed based on the estimated probability of default. Specific valuation allowances are calculated for overdue receivables using individually determined percentages. In the event that the financial situations of our partners worsen, the amounts actually written down may exceed the amount of the valuation allowances recognised. This could negatively impact the results of operations. Please refer to Note 5 for information on carrying amounts.

Deferred tax assets are recognised in respect of tax loss carry-forwards to the extent that it is probable that taxable income will be available to enable the loss carry-forwards to actually be utilised. In order to determine the amount of the deferred tax assets required to be recognised in this context, management makes significant assumptions with respect to the expected timing and amount of future taxable income. The likelihood that these carry-forwards will be used is assessed on the basis of a four-year plan.

The preparation of financial statements in accordance with IFRS requires the use of judgement. All decisions requiring the use of judgement are reassessed on a permanent basis and are based on past experience and expectations as to future events that appear reasonable, given the current circumstances.

Operating segments

The Group applies IFRS 8, which calls for the use of the "management approach" for purposes of reporting on the economic development of segments. Segment information is determined and calculated in the same manner as is done for the purposes of internal reporting to the management ("chief operating decision maker").

An operating segment is a component of an entity that engages in business activities from which it may earn income and incur expenses whose operating results are reviewed regularly by the entity's chief operating decision makers to assess its performance and make decisions about resources to be allocated to the segment and for which discrete financial information is available through internal reporting.

The Group has two 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 the transfer of players, catering, TV marketing, sponsorship and ticketing. The second segment consists of the separate merchandising business, which is carried out by BVB Merchandising GmbH, a legally independent entity. Internal reporting is based on the provisions of the German Commercial Code (*Handelsgesetzbuch*, "HGB") applicable to each company.

CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1 July 2013 to 30 June 2014

EUR '000	Borussia Dortmund KGaA		BVB Merchandising GmbH		Total	
	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
External revenue	223,382	271,942	35,040	31,484	258,422	303,426
Internal revenue	403	494	555	551	958	1,045
Interest expense	-2,800	-1,974	0	0	-2,800	-1,974
Interest income	210	94	0	0	210	94
Depreciation, amortisation and write-downs	-29,783	-14,517	-945	-955	-30,728	-15,472
Segment profit before taxes *)	8,869	56,994	3,470	4,299	12,339	61,293
Capital expenditure	57,857	26,668	5,135	919	62,992	27,587
Segment assets	302,840	289,960	18,651	17,224	321,491	307,184
Segment liabilities	116,010	107,554	7,770	6,343	123,780	113,897
Investments accounted for using the equity method	293	266	0	0	293	266
Income from investments in associates	27	-13	0	0	27	-13

*) before profit or loss transfer

The table below provides a reconciliation of the revenue, profit or loss before taxes, assets, liabilities and other key items for each segment.

EUR '000	Total		Other adjustments		Consolidated net profit/loss	
	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
External revenue	258,422	303,426	2,313	1,606	260,735	305,032
Internal revenue	958	1,045	-958	-1,045	0	0
Interest expense	-2,800	-1,974	-1,299	-3,188	-4,099	-5,162
Interest income	210	94	0	0	210	94
Depreciation, amortisation and write-downs	-30,728	-15,472	49	-6,942	-30,679	-22,414
Segment profit before taxes *)	12,339	61,293	2,252	-1,257	14,591	60,036
Capital expenditure	62,992	27,587	-618	-76	62,374	27,511
Segment assets	321,491	307,184	-29,196	-4,769	292,295	302,415
Segment liabilities	123,780	113,897	23,266	47,900	147,046	161,797
Investments accounted for using the equity method	293	266	0	0	293	266
Income from investments in associates	27	-13	0	0	27	-13

*) before profit or loss transfer

Adjustments were made to interest expense due to borrowing costs recognised in the single-entity financial statements of BVB Stadion GmbH; depreciation charges were also primarily adjusted due to these single-entity financial statements and ad-

justments to the stadium's added value in accordance with IFRS. The table below provides a detailed reconciliation of segment profit or loss before taxes, segment assets and segment liabilities:

EUR '000	Segment profit or loss before taxes		Segment assets		Segment liabilities	
	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
Segments total	12,339	61,293	321,491	307,184	123,780	113,897
Profit from other companies	1,779	1,801	0	0	0	0
Excess stadium depreciation	0	-3,433	0	0	0	0
Other IFRS adjustments	300	-190	0	0	0	0
Consolidation of long-term financial assets	0	0	-12,994	-139,190	0	0
Stadium buildings plus other assets	0	0	-16,202	134,421	0	28,751
Other consolidation	173	565	0	0	23,266	19,149
	14,591	60,036	292,295	302,415	147,046	161,797

Income from TV marketing and release fees for national team players amounting to EUR 45,637 thousand (previous year: EUR 33,848 thousand) exceeds the 10% threshold stipulated in IFRS 8.34 for one customer, as did income from internatio-

nal TV marketing amounting to EUR 36,221 thousand (previous year: EUR 59,801 thousand). The reason for this was the centralised marketing strategy used by DFL Deutsche Fußball Liga GmbH and UEFA.

Derivative financial instruments

Management entered into six interest rate swap transactions with German financial institutions with respect to credit facilities having fixed-interest rates expiring in 2013 and 2016 in order to lock in the low interest rates over the medium to

long term and hedge the risk of changes in cash flows due to changing interest rates. In addition, an interest rate swap was entered into with a German financial institution for the upcoming exercise of the option to purchase a leased administration building and plot of land in 2014. The notional amount and the related fair value are as follows:

Interest rate swaps

EUR '000	30/06/2014	
	Notional amount	Fair value
Pay-fixed swaps	36,043	-3,701

Interest rate swaps

EUR '000	30/06/2013	
	Notional amount	Fair value
Pay-fixed swaps	36,043	-2,469

The fair values of the derivatives are determined using standard market valuation methods which factor in market data as at the valuation date. Under these methods, standard market interest rates are used to discount future cash inflows and outflows over the remaining term of the interest rate swaps to determine their value.

In accordance with IFRS 13.72 et seq., interest rate swaps are classified in Level 2 of the fair value hierarchy since the input parameters used for measurement (yield curves) are observable on the market. The Group does not make its own estimates or assumptions for fair value measurement.

The banks have already approved credit facilities with terms extending until 2021, 2026 and 2028; these financial liabilities will also be hedged. The interest rate swaps are measured at fair value by discounting the expected future cash flows. The measurement results are substantiated by bank calculations.

Highly probable forecast transactions and existing credit facilities as at the end of the reporting period are accounted for as cash flow hedges (micro hedging). The effective portion of the change in fair value of the derivatives is recognised directly

in other comprehensive income after deducting deferred taxes. The ineffective portion is recognised immediately in profit or loss. If existing hedges as at the end of the reporting period result in the recognition of a financial asset or financial liability, any gain or loss on the hedging instrument is reclassified from equity to profit or loss in the same period(s) in which the financial asset or liability (the hedged item) affects profit or loss. The hedging instrument parameters are established based on current loans or on the assumption that the forecast transaction will occur. The derivatives in the form of interest rate swaps employed by Borussia Dortmund for hedging purposes are economically effective hedges. Changes in the market values of the derivatives are offset by compensating changes in the value of the hedged underlyings, which are demonstrated through effectiveness calculations.

The ineffective portion of the hedges amounted to EUR -86 thousand during the reporting period (previous year: EUR -75 thousand).

During the reporting period, there were no reclassifications from other comprehensive income (OCI) to the consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(1) Intangible assets

EUR '000	30/06/2014	30/06/2013
Player registrations	61,485	28,350
Industrial property rights and similar rights	117	75
	61,602	28,425

Intangible assets consist of purchased player registrations and computer software. At the end of the reporting period, the weighted remaining contractual term of the significant player registrations

amounted to 3.25 years (30 June 2013: 3.38 years). On account of the lower net realisable value, impairment losses of EUR 569 thousand were recognised in the current financial year.

Changes in intangible assets were as follows:

EUR '000	Player registrations	Industrial property rights and similar rights	Total
Cost			
As at 30 June 2012	50,093	1,299	51,392
Additions	20,420	12	20,432
Disposals	11,513	0	11,513
As at 30 June 2013	59,000	1,311	60,311
Additions	55,620	80	55,700
Disposals	2,990	0	2,990
As at 30 June 2014	111,630	1,391	113,021
Depreciation, amortisation and write-downs			
As at 30 June 2012	24,438	1,205	25,643
Additions	11,545	31	11,576
Disposals	5,333	0	5,333
As at 30 June 2013	30,650	1,236	31,886
Additions	22,485	38	22,523
Disposals	2,990	0	2,990
As at 30 June 2014	50,145	1,274	51,419
Carrying amounts			
As at 30 June 2012	25,655	94	25,749
As at 30 June 2013	28,350	75	28,425
As at 30 June 2014	61,485	117	61,602

(2) Property, plant and equipment

EUR '000	30/06/2014	30/06/2013
Land, land rights and buildings including buildings on third-party land	155,116	158,115
Other equipment, operating and office equipment	29,386	20,267
	184,502	178,382

Property, plant and equipment consists principally of the stadium, the BVB FanWelt service centre (under construction) and items of operating and office equipment. This also includes the facilities at the administrative headquarters, the training ground in Dortmund-Brackel, the youth academy and the stadium's catering areas.

The remaining useful life of the stadium property was recalculated on the basis of an expert review. The stadium property will henceforth be depreciated over 40 years (previously: 19.5 years).

The BVB FanWelt service centre (under construction) is located directly adjacent to the stadium and will offer all fan-related services under one roof. It also contributed to the increase in property, plant and equipment.

Property, plant and equipment include the following assets not legally owned by the Group and subject to finance leases:

EUR '000	Net carrying amounts	
	30/06/2014	30/06/2013
Buildings	18,390	17,434
Operating and office equipment	1,817	2,239
	20,207	19,673

The items of property, plant and equipment recognised in the statement of financial position as a result of finance leases consist of buildings and other facilities (e.g., sport pitches and outdoor grounds) at the Dortmund-Brackel training ground; the lease in respect of the land at the training ground, on the other hand, is classified as an operating-lease.

The Company has an option to purchase the properties in Dortmund-Brackel and the administration building upon the expiry of the lease agreements in 2017 and 2023, respectively.

The opening of the youth academy signalled the fifth construction phase of the training ground in Dortmund-Brackel. The academy was opened in the third quarter of financial year 2013/2014.

As was the case for the previous construction phases, it was classified as a finance lease.

Due to the de facto exercise of an option to purchase a leased administration building and the plot of land, the corresponding lease agreement was classified as a finance lease. Essentially all of the risks and opportunities in connection with the leased assets have been transferred to Borussia Dortmund.

Changes in property, plant and equipment were as follows:

EUR '000	Land, land rights and buildings on third-party land	Other equipment, operating and office equipment	Total
Cost			
As at 30 June 2012	222,710	39,306	262,016
Additions	3,137	3,497	6,634
Disposals	0	1,487	1,487
As at 30 June 2013	225,847	41,316	267,163
Additions	1,759	13,195	14,954
Disposals	0	686	686
As at 30 June 2014	227,606	53,825	281,431
Depreciation, amortisation and write-downs			
As at 30 June 2012	60,004	19,410	79,414
Additions	7,728	3,110	10,838
Disposals	0	1,471	1,471
As at 30 June 2013	67,732	21,049	88,781
Additions	4,758	3,398	8,156
Disposals	0	8	8
As at 30 June 2014	72,490	24,439	96,929
Carrying amounts			
As at 30 June 2012	162,706	19,896	182,602
As at 30 June 2013	158,115	20,267	178,382
As at 30 June 2014	155,116	29,386	184,502

(3) Investments accounted for using the equity method

EUR '000	30/06/2014	30/06/2013
At the beginning of the year	266	313
Change	27	-47
At the end of the year	293	266

The net profit, revenue, assets and liabilities of the associate Orthomed GmbH are as follows:

EUR '000	30/06/2014	30/06/2013
Assets	945	877
Liabilities	245	257
Revenue	3,312	3,414
Net profit	81	-40

(4) Financial assets

Long-term financial assets relate to long-term, interest-bearing borrowings classified as loans and receivables.

Please refer to Note 24 for information on the fair values of financial assets.

(5) Trade and other financial receivables

Non-current

EUR '000	30/06/2014	30/06/2013
Trade receivables	1,256	2,786

Non-current trade receivables are discounted using the effective interest method and measured at

amortised cost. For information on the fair value of these items please refer to Note 24.

Current

EUR '000	30/06/2014	30/06/2013
Trade receivables	11,880	64,347
Less allowances	-381	-805
Net trade receivables	11,499	63,542
Other financial receivables	3,038	2,055
Receivables from related companies	386	337
	14,923	65,934

Trade receivables and other assets do not bear interest and mostly have a maturity of up to three months. For information on the fair value of these items please refer to Note 24.

Changes in the allowance account were as follows:

EUR '000	30/06/2014	30/06/2013
As at 1 July	805	797
Transfers recognised in profit or loss	351	338
Reversals	-775	-330
As at 30 June	381	805

(6) Inventories

EUR '000	30/06/2014	30/06/2013
Inventories/merchandise	6,807	7,849
- Less impairment	-886	-306
Net inventories	5,921	7,543

The carrying amount of inventories carried at fair value less costs to sell was EUR 360 thousand (previous year: EUR 1,462 thousand).

Impairments of inventories are carried in the cost of materials.

(7) Cash and cash equivalents

EUR '000	30/06/2014	30/06/2013
Bank balances and cash-in-hand	17,852	12,536

Bank balances bear interest at variable rates of interest applying to demand deposits.

(8) Equity

The annual financial statements for the 2012/2013 financial year were adopted at the Annual General Meeting on 25 November 2013, which resolved to use a portion of the net retained profits to distribute a dividend of EUR 0.10 per share carrying dividend rights (totalling EUR 6,141 thousand) to the limited liability shareholders and to transfer the remainder (EUR 47,118 thousand) to revenue reserves.

The management will recommend to the Annual General Meeting that it resolve to use the net retained profits of EUR 10,558 thousand for financial year 2013/2014 to distribute a dividend of EUR 0.10 (previous year: EUR 0.10) per share carrying dividend rights (totalling EUR 6,141 thousand,

previous year: EUR 6,141 thousand) and to transfer the remainder (EUR 4,417 thousand; previous year: EUR 47,118 thousand) to other revenue reserves. Changes in equity and non-controlling interests are presented in the consolidated statement of changes in equity.

Subscribed capital

The subscribed capital of Borussia Dortmund GmbH & Co. KGaA is divided into no-par value shares with a notional share in the share capital of EUR 1.00 per share, with each share bearing equal rights. The shares are fully paid-up; the number of shares issued and the number of shares outstanding changed as follows:

Number of shares	Issued	Treasury shares	Outstanding
Balance as at 01/07/2012	61,425,000	-20,307	61,404,693
Change in treasury shares 30/06/2013	61,425,000	538 -19,769	61,405,231
Change in treasury shares 30/06/2014	61,425,000	469 -19,300	61,405,700

In the period between the date of admission of the Company's shares to trading (31 October 2000) and the end of the reporting period, the Company acquired a total of 34,000 no-par value shares and sold 14,700 no-par value shares off-market in the form of printed physical share certificates. At the end of the reporting period, the Company's holding of its own securities consisted of 19,300

no-par value shares. This represented 0.031% of the share capital. The general partner is authorised until 29 November 2015, with the approval of the Supervisory Board, to increase the share capital by a maximum of EUR 30,712,500.00 in total by issuing new no-par value ordinary bearer shares against cash and/or in-kind contributions on one or more occasions (Authorised Capital 2010).

Reserves

Capital reserves consist exclusively of transfers in respect of premiums on the issue of new shares after deducting the net costs of the placement and the Company's share of revenues from the sale of treasury shares.

Other revenue reserves comprise profits generated and not distributed by Group companies in the current year and previous years and accumulated losses. In addition, the net effect, taking account of subsequent adjustments, of the remeasurement of SIGNAL IDUNA PARK in accordance with IFRS 1.16 is reported under this item (see Note 2).

Capital management

The objective of capital management is to ensure the Group's long-term ability to function on a going concern basis and to generate appropriate returns for shareholders. Debt management steers the raising of debt, particularly with regard to financing with matching maturities. The capital structure is managed in such a way that changes in macro-economic conditions and risks arising from the underlying assets are taken into account. Short-term target-performance comparisons and medium- and long-term financial planning are used in the capital structure management process.

The capital structure at the end of the reporting period was as follows:

EUR '000	30/06/2014	30/06/2013
Equity of shareholders	144,915	140,025
Share in total capital	49.6%	46.3%
Non-current financial liabilities	32,139	40,827
Current financial liabilities	8,889	4,496
Total financial liabilities	41,028	45,323
Share in total capital	14.0%	15.0%

(9) Financial liabilities

EUR '000	30/06/2014	30/06/2013
Non-current		
Bank loans	31,320	39,203
Other loans	819	1,624
	32,139	40,827
Current		
Bank loans	8,144	3,823
Other loans	745	673
	8,889	4,496
	41,028	45,323

Two loans, each with a principal amount of EUR 5,000 thousand and which mature in May 2021, are subject to covenants with respect to the Group's equity ratio and interest coverage ratio (EBITDA/interest expense) as stated in the consolidated financial statements.

In addition, an overdraft facility in the amount of EUR 5,000 thousand is subject to covenants relating to the equity ratio, net debt/EBITDA and the interest coverage ratio.

These covenants are reviewed on an annual basis; all covenants were complied with during the year under review.

The other current and non-current liabilities to banks consist of a number of loans repayable in instalments. The loans have terms expiring between 2020 and 2026.

Non-current financial liabilities have a weighted interest rate of 5.4% (previous year: 5.4%); current financial liabilities have a weighted interest rate of 6.1% (previous year: 6.1%).

As a result of the existing fixed-interest periods applying to all loans and interest hedges for non-current obligations, Borussia Dortmund is not exposed to any significant risk from changes in interest rates, even in the medium and long term.

Pledged collateral

Items of property, plant and equipment with a residual carrying amount of EUR 118,311 thousand (30 June 2013: EUR 121,345 thousand) have been mortgaged as collateral for financial liabilities.

As in the previous year, future claims, not reflected in the financial statements, from season ticket sales, transfer income and insurance receivables, were assigned to financial institutions.

(10) Liabilities from finance leases

The minimum lease payments from finance leases are due for payment as follows:

EUR '000	30/06/2014	30/06/2013
Less than 1 year	2,895	2,614
Between 1 and 5 years	17,564	10,380
More than 5 years	7,029	17,092
	27,488	30,086
Future finance charges from finance leases	-5,719	-8,941
Present value of liabilities from finance leases	21,769	21,145

The change in the maturity structure of the present values of liabilities from finance leases was as follows:

Liabilities from finance leases

EUR '000	30/06/2014	30/06/2013
Less than 1 year	1,627	1,378
Between 1 and 5 years	14,108	6,290
More than 5 years	6,034	13,477
	21,769	21,145

(11) Other financial obligations

EUR '000	30/06/2014	30/06/2013
Non-current		
Derivatives	3,701	2,469
	3,701	2,469
Current		
Other taxes	10,492	18,539
Other	10,297	18,405
	20,789	36,944
Total other financial liabilities	24,490	39,413

(12) Prepaid expenses and deferred income

Prepaid expenses

EUR '000	30/06/2014	30/06/2013
Non-current		
Advance payments relating to the professional squad	496	793
	496	793
Current		
Advance payments relating to the professional squad	380	2,167
Insurance premiums	721	229
Other advance payments	2,819	1,791
	3,920	4,187

Deferred income

EUR '000	30/06/2014	30/06/2013
Non-current		
Advance payments for agency and marketing rights	20,000	24,000
Other advance payments	0	316
	20,000	24,316
Current		
Advance payments for agency and marketing rights	4,000	4,000
Advance payments received from season ticket sales	15,367	6,705
Advance payments received from sponsors	724	2,303
Other advance payments	932	944
	21,023	13,952

Pursuant to an agency licensing agreement dated 18 June 2008, responsibility for the marketing of Borussia Dortmund was transferred to Sportfive GmbH & Co. KG, Hamburg. The license fee received

in advance is recognised as deferred income and will be carried in profit or loss on a straight-line basis over the 12-year term of the agreement.

NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(13) Revenue

EUR '000	2013/2014	2012/2013
Match operations	40,528	44,780
Advertising	72,981	69,251
TV Marketing	81,441	87,612
Transfer deals	4,455	51,600
Merchandising, catering, licences	52,337	45,360
Other	4,292	3,182
Release fees for national team players	4,701	3,247
	260,735	305,032

(14) Other operating income

Other operating income amounted to EUR 5,227 thousand (previous year: EUR 2,785 thousand) and includes insurance reimbursements of EUR 1,202 thousand and prior-period income of EUR 1,476 thousand.

(15) Cost of materials

The cost of materials during the current year amounted to EUR 20,312 thousand (previous year: EUR 17,491 thousand), and included the cost of goods sold (COGS) for BVB Merchandising GmbH.

(16) Personnel expenses

No defined-benefit pension entitlements have been granted to employees of the BVB Group. Payments to the state pension scheme are reported under social security contributions.

EUR '000	2013/2014	2012/2013
Wages and salaries	103,598	102,436
Social security contributions	4,193	3,780
	107,791	106,216

During the financial year, EUR 1,464 thousand was paid into the German statutory retirement pension system (previous year: EUR 1,367 thousand).

(17) Depreciation and amortisation

EUR '000	2013/2014	2012/2013
Amortisation of intangible assets	22,523	11,576
Depreciation of property, plant and equipment	8,156	10,838
	30,679	22,414

(18) Other operating expenses

EUR '000	2013/2014	2012/2013
Match operations	35,019	33,487
Advertising	21,327	22,315
Transfer deals	6,821	13,418
Media, printing, postage	7,068	5,040
Leasing	2,540	2,210
Administration	12,442	17,576
Other	3,510	2,533
	88,727	96,579

(19) Financial result

EUR '000	2013/2014	2012/2013
Income from investments in associates (see Note (3))	27	-13
Finance income		
Interest income from bank balances	143	77
Other interest income	67	17
	210	94
Finance costs		
Loans, overdraft facilities and other interest	-2,804	-3,850
Expenses from finance leases	-1,295	-1,312
	-4,099	-5,162
	-3,862	-5,081

(20) Income taxes and deferred taxes

Current tax liabilities amounted to EUR 571 thousand as at 30 June 2014 (previous year: EUR 3,448 thousand); as in the previous year, there were no non-current tax liabilities.

The deferred tax assets and liabilities reported in the consolidated statement of financial position relate to the following items:

EUR '000	30/06/2014		30/06/2013	
	Assets	Liabilities	Assets	Liabilities
Recognition and measurement of non-current assets	0	303	325	0
Other current financial liabilities	1,214	0	785	0
Trade receivables and other assets	24	0	0	0
Tax loss carryforwards	317	0	340	0
Offset	-303	-303	0	0
	1,252	0	1,450	0

Deferred taxes on trade receivables and other financial receivables and on trade payables and other financial liabilities arose primarily in con-

nection with the cash flow hedge, the changes to which are reported under other comprehensive income.

The changes in deferred taxes were as follows:

EUR '000	30/06/2014	30/06/2013
At the beginning of the year		
+ deferred tax assets	1,450	1,669
- deferred tax liabilities	0	0
Net deferred taxes as at the beginning of the year	1,450	1,669
Deferred taxes carried in other comprehensive income	401	118
Income/expense in the consolidated statement of comprehensive income	-599	-337
Net deferred taxes as at the end of the reporting period	1,252	1,450

The income tax expense was made up as follows:

EUR '000	2013/2014	2012/2013
Income taxes for the current period	-1,988	-8,518
Income taxes for prior periods	-34	12
Deferred tax benefit/expense in connection with the creation or reversal of temporary differences	-576	-354
Tax loss carryforwards not yet utilised	-23	17
	-2,621	-8,843

At the end of the reporting period, the Group had corporation tax loss carry-forwards amounting to EUR 86,439 thousand (previous year: EUR 102,098 thousand) and trade tax loss carry-forwards amounting to EUR 91,896 thousand (previous year: EUR 95,890 thousand) for which no deferred tax assets have been recognised.

The expected income tax expense which would theoretically result from applying the weighted average tax rate of 32.81% (previous year: 32.81%) can be reconciled with the actual income tax benefit reported in the consolidated statement of comprehensive income as follows:

EUR '000	2013/2014	2012/2013
Consolidated net profit before income taxes	14,591	60,036
Theoretical tax rate in %	32.8%	32.8%
Expected income tax payment/benefit	-4,787	-19,698
Effects of changes in tax rates	0	5
Effects from tax additions and subtractions	-559	-1,656
Effect of supplementary tax accounts	0	-63
Change in ability to utilise tax loss carry-forwards	3,358	12,894
Prior-year taxes	-34	12
Change in deferred tax assets	-599	-337
Tax implications of accounting using the equity method	0	0
Tax payment/benefit as reported in the consolidated statement of comprehensive income	-2,621	-8,843
Actual tax rate in %	18.0%	14.7%

(21) Consolidated statement of cash flows

Cash and cash equivalents reported in the statement of financial position amounted to EUR 17,852 thousand (previous year: EUR 12,536 thousand).

OTHER DISCLOSURES

FINANCIAL RISKS

(22) Credit risk and interest rate risk

The carrying amounts of the following financial instruments reflect the Group's maximum exposure to credit risk. At the end of the reporting period, the maximum exposure was as follows:

Carrying amounts of financial instruments

EUR '000	2013/2014	2012/2013
Loans, receivables and other financial receivables	16,457	68,833
Cash and cash equivalents	17,852	12,536

No collateral was called down on existing receivables because there were no indications of potential impairments as at the end of the reporting period.

The maturities of trade receivables as at the end of the reporting period were as follows:

Maturity analysis of receivables

EUR '000	30/06/2014	30/06/2013
Not yet due	13,821	67,001
Less than 30 days past due	2,205	1,433
Between 30 and 89 days past due	122	216
More than 90 days past due	31	70
	16,179	68,720

Carrying amounts of original interest-bearing financial instruments

EUR '000	30/06/2014		30/06/2013	
	Fixed interest	Variable interest	Fixed interest	Variable interest
Loans, receivables and other financial receivables	16,457	0	68,833	0
Financial liabilities and finance leases	62,797	0	66,468	0

The net gains and losses from financial instruments presented below comprise measurement gains and losses, premium and discount amorti-

sation, the recognition and reversal of impairment write-downs, interest and all other earnings impacts from financial instruments.

Net gains and losses from financial instruments

EUR '000	2013/2014	2012/2013
Loans and receivables	533	86
Of which net interest expense/income	210	94
Of which other operating expenses/income	323	-8
Financial liabilities measured at amortised cost	-4,099	-5,162
Of which net interest expense/income	-4,099	-5,162

(23) Liquidity risk

The following table shows the contractually arranged undiscounted payments of interest and principal in respect of financial liabilities. Whenever a right of termination exists, the figures are reported as at the earliest possible termination date.

Maturities of contractual cash flows from financial liabilities as at 30/6/2014

EUR '000	Financial liabilities	Liabilities from finance leases	Trade payables	Total
2014/2015	11,145	2,895	18,115	32,155
2015/2016	6,595	2,915	50	9,560
2016/2017	5,503	2,934	0	8,437
2017/2018	5,344	10,204	0	15,548
2018/2019	5,181	1,511	0	6,692
2019 and beyond	17,930	7,029	0	24,959
	51,698	27,488	18,165	97,351

Maturities of contractual cash flows from financial liabilities as at 30 June 2013

EUR '000	Financial liabilities	Liabilities from finance leases	Trade payables	Total
2013/2014	6,821	2,614	14,167	23,602
2014/2015	6,670	2,618	0	9,288
2015/2016	6,523	2,636	0	9,159
2016/2017	4,610	2,639	0	7,249
2017/2018	5,233	2,487	0	7,720
2018 and beyond	22,541	17,092	0	39,633
	52,398	30,086	14,167	96,651

(24) Fair values of financial instruments by class and category

EUR '000	Carrying amount 30/06/2014	Carrying amount 30/06/2013	Fair value 30/06/2014	Fair value 30/06/2013
Non-current financial assets				
Loans and receivables	91	113	91	113
Non-current trade and other receivables				
Loans and receivables	1,256	2,786	1,256	2,786
Current trade and other receivables				
Loans and receivables	15,110	65,934	15,110	65,934
Cash and cash equivalents				
Loans and receivables	17,852	12,536	17,852	12,536
	34,309	81,369	34,309	81,369

EUR '000	Carrying amount 30/06/2014	Carrying amount 30/06/2013	Fair value 30/06/2014	Fair value 30/06/2013
Non-current financial liabilities				
Other financial liabilities	32,139	40,827	29,753	38,734
Other non-current financial liabilities				
Derivatives	3,701	2,469	3,701	2,469
Non-current liabilities from finance leases				
Financing liabilities	20,142	19,767	17,974	18,010
Current financial liabilities				
Other financial liabilities	8,889	4,496	8,889	4,496
Current liabilities from finance leases				
Financing liabilities	1,627	1,378	1,627	1,378
Current trade payables				
Other financial liabilities	18,115	14,200	18,115	14,200
Other current financial liabilities				
Other financial liabilities	20,875	36,944	20,875	36,944
	105,488	120,081	100,934	116,231

Due to their short residual terms, the carrying amounts reported for current trade receivables and payables and cash are roughly equivalent to their fair values.

Non-current trade receivables and liabilities are discounted to present value and accrue interest. In these cases, the carrying amounts largely correspond to fair value.

The fair value of other financial assets and liabilities is measured using the discounted cash flow valuation technique. The discount rates used were taken from the "Yields on listed Federal securities" as published by the Bundesbank at the end of the reporting period, plus a risk premium.

The discount rates valid at the end of the reporting period had matching maturities and formed the basis of the valuation model.

(25) Earnings per share

Earnings per share are calculated in accordance with IAS 33 (Earnings Per Share) by dividing the net profit or loss for the period attributable to the shareholders of the parent by the weighted average number of

shares outstanding. Earnings per share relate only to shares in the parent company. Since there are no potential ordinary shares, basic and diluted earnings per share are the same.

(26) Transactions with related parties

The general partner in Borussia Dortmund GmbH & Co. KGaA is Borussia Dortmund Geschäftsführungs-GmbH. The latter is responsible for the management and legal representation of Borussia Dortmund GmbH & Co. KGaA. The power to appoint and remove members of staff thus rests with BV Borussia 09 e.V., Dortmund, in its capacity as the sole shareholder in Borussia Dortmund Geschäftsführungs-GmbH. Both Borussia Dortmund Ge-

schäftsführungs-GmbH and BV Borussia 09 e.V. Dortmund, as well as all companies associated therewith hence are deemed to be related parties in accordance with IAS 24.

Please refer to Notes 30 and 32 for further disclosures on the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA and the management of BVB Geschäftsführungs-GmbH.

Related party disclosures

EUR '000	2013/2014	2012/2013
Transactions with BV Borussia 09 e.V. Dortmund		
Rental income	163	128
Income from other services	321	774
Income from ticket sales	83	113
Interest income	11	10
Transactions with Borussia Dortmund Geschäftsführungs-GmbH		
Expense from costs recharged	-2,567	-6,528
of which from executive remuneration falling due	-2,284	-4,967
Transactions with Orthomed GmbH		
Expense from other services	-182	-243

EUR '000	30/06/2014	30/06/2013
Other current and non-current assets		
Intercompany account with BV Borussia 09 e.V. Dortmund	386	337
Other current liabilities		
Intercompany account with Borussia Dortmund Geschäftsführungs-GmbH	708	743

In addition, transactions were entered into with members of the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA and the management and Advisory Board of BVB Geschäftsführungs-

GmbH (merchandising, tickets and sponsorship) amounting to EUR 352 thousand. These transactions were conducted at arm's length.

(27) Other financial obligations

30/06/2014 EUR '000	Total	Due after		
		less than 1 year	1-5 years	more than 5 years
Rental and lease payments (operating leases)	11,414	2,804	6,809	1,801
Marketing fees	130,780	20,604	87,850	22,326
Other obligations	2,850	446	677	1,727
	145,044	23,854	95,336	25,854
Purchase commitments	42,765	36,879	5,886	0

30/06/2014 EUR '000	Total	Due after		
		less than 1 year	1-5 years	more than 5 years
Rental and lease payments (operating leases)	4,082	690	1,776	1,616
Marketing fees	103,317	17,934	57,549	27,834
Other obligations	2,855	685	381	1,789
	110,254	19,309	59,706	31,239
Purchase commitments	7,750	7,750	0	0

The minimum lease payments from operating leases relate mostly to lease agreements for offices and various motor vehicles.

The purchase commitments relate primarily to the acquisition of intangible assets.

(28) Events after the end of the reporting period

DFL Super Cup

Borussia Dortmund and FC Bayern Munich contested the DFL Super Cup on 13 August 2014 at SIGNAL IDUNA PARK. The match was sold out three weeks in advance.

Bundesliga

The opening match of the 52nd Bundesliga season between FC Bayern Munich and VfL Wolfsburg on 22 August 2014 will be broadcast worldwide in 194 countries. In its first match of the season on 23 August 2014, Borussia Dortmund will play Bayer 04 Leverkusen at SIGNAL IDUNA PARK.

DFB Cup

Borussia Dortmund will play the first round of the 2014/2015 DFB Cup against Stuttgarter Kickers. The match will be held at the Mercedes-Benz Arena in Bad Cannstatt on 16 August 2014.

Capital increase

The management of Borussia Dortmund Geschäftsführungs-GmbH, as the general partner of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, has, with the consent of the Supervisory Board and on the basis of the authorisation granted to it by the Annual General Meeting on 30 November 2010, resolved to increase its capital against cash contributions and by partially utilising the existing Authorised Capital 2010 and to exclude the subscription rights of the limited liability shareholders (*Kommanditaktionäre*).

The share capital of the Company, which amounts to EUR 61,425,000.00 and is divided into 61,425,000 no-par value ordinary bearer shares, was increased by a notional amount of EUR 6,120,011.00 by issuing 6,120,011 new no-par value ordinary bearer shares at an issue amount of EUR 4.37 per new share. The new shares shall carry dividend rights as at the start of the Company's 2014/2015

financial year, meaning that they hold no dividend rights up to 30 June 2014 (inclusive). Evonik Industries AG was permitted to subscribe and acquire the new shares. The capital increase went into effect upon being recorded in the commercial register on 3 July 2014. The Company's share capital now amounts to EUR 67,545,011.00. This makes Evonik Industries AG the second-largest single shareholder.

As a limited liability shareholder of the Company, Evonik Industries AG wants to strengthen and overall promote its status as the Company's primary sponsor as well as to expand the existing brand partnership.

The issue proceeds of gross EUR 26,744,448.07 will strengthen the Company's equity base. After implementation of the capital increase, the Company's Authorised Capital 2010 will amount to EUR 24,592,489.00. The Company plans, with the consent of its limited liability shareholders and by way of corporate action, to utilise part or all of the remaining Authorised Capital 2010 to acquire new shares in the first quarter of the 2014/2015 financial year, and to continue its exploratory talks with companies interested in strategic partnerships in this regard.

Directors Dealings

In July 2014 Bernd Geske purchased 10,000 non-par value shares. His percentage share of voting rights is now 10.81 percent.

Big names in Dortmund

Germany's World Cup-winning team in Brazil included four Dortmund players. Upon landing in Berlin, Mats Hummels, Roman Weidenfeller, Kevin Großkreutz and Erik Durm celebrated their World Cup victory by raising the world's most coveted trophy high in the air.

Matthias Ginter, one of Dortmund's newest signings, was also a part of the World Cup squad in Brazil. The 20-year-old defender transferred from SC Freiburg and signed a contract until 30 June 2019.

Forward Julian Schieber moved from Borussia Dortmund to Hertha BSC Berlin during the summer break.

Preparations for the new season

The squad once again began preparing for the new season in the Kitzbühel Alps of Austria.

BVB's popular summer tour this year, which features various fan programmes and test matches against domestic clubs, included stops in Kassel, Heidenheim, Osnabrück and Essen. Borussia Dortmund went undefeated, winning three high-scoring matches and settling for one tie.

After missing eight months due to injury, Neven Subotic participated in the squad's preparations for the new season and marked his return with a goal in a test match.

Marco Reus and Jakub Blaszczykowski have returned from their injuries and started conditioning training.

As in the previous year, the squad spent a week training in Bad Ragaz, Switzerland, in order to be well-prepared for the new season.

The last game before the "Supercup" brought Borussia Dortmund to England. At the legendary Anfield Road Borussia Dortmund played against FC Liverpool and lost 4:0.

BVB FanWelt

The club's fan and family day has been a popular event for many years, and it was only fitting that the BVB FanWelt service centre opened its doors for the first time during that event at the start of the season on 9 August 2014.

The new centre located directly adjacent to SIGNAL IDUNA PARK now offers all fan-related services under one roof. Spanning 2,000 square metres, it is the largest of the BVB fan shops and offers everything a black-and-yellow fan could desire. The centre also includes a ticketing booth, a cafe with a sun deck, a children's play area, an information booth as well as other exciting attractions for BVB fans of all ages.

Employment contract of CEO Hans-Joachim Watzke prematurely renewed until 2019

The Executive Committee of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH has prematurely renewed the employment contract of the CEO Hans-Joachim Watzke. The employment contract that was due to expire on December 31st, 2016 was extended now until December 31st, 2019.

Hans-Joachim Watzke remains as hitherto chief executive officer (CEO) of Borussia Dortmund Geschäftsführungs-GmbH and primarily responsible for company's strategy and the business divisions "sports", "communication" and "sponsoring".

In accordance with § 315a HGB, the following contains disclosures made due to specific requirements of German commercial law, to the extent that such disclosures are not contained in the Notes above.

(29) Average number of salaried employees

	2013/2014	2012/2013
Total	569	535
of which in the Athletics Department	214	178
of which trainees	15	11
Other	340	346

(30) Management

Management remuneration

EUR '000	2013/2014	2012/2013
Dipl.-Kfm. Hans-Joachim Watzke (Chairman)		
Fixed components		
Fixed remuneration	900	900
Other remuneration	22	21
Dipl.-Kfm. Thomas Treß		
Fixed components		
Fixed remuneration	460	460
Other remuneration	60	59
	1,442	1,440

Based on the net income for the year and the footballing success of the team, Mr Hans-Joachim Watzke furthermore received EUR 543 thousand in performance-based remuneration (previous year: EUR 2,156 thousand), and Mr Thomas Treß also received EUR 299 thousand in performance-based remuneration (previous year: EUR 1,371 thousand).

EUR 7 thousand in employer contributions to the German statutory retirement pension system were incurred (previous year: EUR 7 thousand).

(31) Auditors' fees

EUR '000	2013/2014	2012/2013
Audit of the financial statements	94	159
Other audit-related work	108	82
Other	62	17

(32) Supervisory Board

The members of the Supervisory Board of the Company, their occupations and further responsibilities in other management bodies are listed below. In the

past financial year, the Supervisory Board received remuneration amounting to EUR 53 thousand (previous year: EUR 53 thousand).

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

Gerd Pieper Chairman	Harald Heinze Deputy Chairman	Peer Steinbrück	Bernd Geske	Friedrich Merz (until 30 June 2014)	Christian Kullmann
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Occupations

Managing shareholder of Stadt-Parfümerie Pieper GmbH, Herne	Chairman of the Board (ret.) of Dortmunder Stadtwerke AG	Member of German Bundestag	Managing partner of Bernd Geske Lean Communication, Meerbusch	Attorney; partner (until 31/12/2013); senior counsel (since 1/1/2014) Mayer Brown LLP, Düsseldorf	Executive Vice President and head of the General Secretariat of Evonik Industries AG, Essen (from 1/7/2014: member of the Executive Board of Evonik Industries AG, Essen)
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Other responsibilities

Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of the SIGNAL IDUNA Group, Dortmund	Member of the Supervisory Board of the AXA Konzern AG, Cologne (until 30/06/2014)	Member of the Board of Directors of BASF Antwerpen N.V., Antwerp, Belgium (until 30/06/2014)	Member of the Supervisory Board of Deutsche Börse AG, Frankfurt am Main	Member of the Supervisory Board and Chairman of the Board of Directors of HSBC Trinkaus & Burkhardt AG, Düsseldorf	Member of the Board of Directors of Stadler Rail AG, Bussnang, Switzerland	Chairman of the Supervisory Board of WEPA Industrieholding SE, Arnsberg
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(33) Exercise of the exemption option pursuant to § 264 (3) HGB

The preparation of consolidated financial statements effectively exempts BVB Merchandising GmbH from the obligation to prepare annual financial statements within the meaning of § 264 (3) HGB.

(34) Notifiable shareholding under § 160 (1) No. 8 AktG in conjunction with § 21 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG")

We have been informed of the following reportable shareholdings:

Notification	Shareholder	Registered office	Threshold	Voting rights in %	Share in voting rights	Date on which threshold reached
Exceeded						
31/05/2012	BV. Borussia 09 e.V. Dortmund	Dortmund	10.00 & 15.00%	19.11	11,739,909	25/05/2012
31/05/2012	Bernd Geske		15.00%	19.11	11,739,909	25/05/2012
27/03/2014	Odey Asset Management LLP	London	5.00%	5.06	3,108,945	21/03/2014

(35) Corporate Governance

The management and Supervisory Board of Borussia Dortmund GmbH & Co. KGaA issued the Declaration of Conformity with the German Corporate Governance Code required by § 161 of the

German Stock Corporation Act (*Aktiengesetz*, "AktG") on 24 September 2013 and made it permanently available to shareholders on the BVB website at www.borussia-aktie.de.

Dortmund, August 14th, 2014
Borussia Dortmund GmbH & Co. KGaA
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 reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the 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 principal opportunities and risks associated with the expected development of the Group.

Dortmund, August 14th, 2014

Borussia Dortmund GmbH & Co. KGaA
Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director

AUDITORS' REPORT

We have audited the consolidated financial statements prepared by the

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

comprising consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and the notes to the consolidated financial statements together with the group management report for the business year from July 1st 2013 to June, 30th 2014. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB Handelsgesetzbuch and supplementary provisions of the constitution are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB Handelsgesetzbuch and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations

as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and supplementary provisions of the constitution and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Dortmund, August 14th, 2014

KPMG AG
Wirtschaftsprüfungsgesellschaft

Blücher
Auditor
Wirtschaftsprüfer

Banke
Auditor
Wirtschaftsprüfer

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For more information, go to: www.bvb.de/aktie/eng/

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<http://aktie.bvb.de/eng/>

