

New machine business increases significantly / Forecasts for 2021 raised again

DMG MORI with stable growth

- Order intake rises to € 1,928.6 million (+62%; previous year: € 1,187.8 million)
- Sales revenues increase to € 1,450.9 million (+11%; previous year: € 1,305.3 million)
- EBIT improves to € 83.7 million (+57%; previous year: € 53.4 million)
- EBIT margin of 5.8% above previous year (4.1%)
- Free cash flow reaches record level of € 149.0 million (+326%; previous year: € -65.8 million)

Bielefeld // DMG MORI AKTIENGESELLSCHAFT achieved high growth rates in the first nine months: Order intake rose by +62% to € 1,928.6 million (previous year: € 1,187.8 million). Sales revenues increased by +11% to € 1,450.9 million (previous year: € 1,305.3 million). The earnings and financial situation also continued to develop positively: EBIT rose to € 83.7 million (+57%; previous year: € 53.4 million). The EBIT margin improved to 5.8% (previous year: 4.1%). As at 30 September 2021 free cash flow reached a new record level of € 149.0 million (+326%; previous year: € -65.8 million).

Christian Thönes, Chairman of the Executive Board: "DMG MORI convinces with stable growth – and that with new challenges every day, such as material, logistics and delivery shortages. Our strategic fit of automation, digitization and sustainability is a complete success. This is also reflected in our key figures. The EBIT margin improved to 8.0% in the third quarter and free cash flow reached a record level as of September. We are therefore raising our forecasts for 2021 again."

Order intake // Demand in 3rd quarter above high pre-corona level 2019

The global market for machine tools continued to recover but was characterized by increasing material and supply shortages. DMG MORI achieved a significant increase in order intake by +68% in the third quarter 2021 (previous year: € 403.8 million). In particular, the new machine business grew notably by +84%. Overall, orders rose to € 679.9 million, even +14% above the high pre-corona level 2019 (€ 596.1 million).

As at 30 September 2021, order intake increased by +62% to € 1,928.6 million (previous year: € 1,187.8 million). Thus, the core business with machine tools and services in the first nine months was even above the high pre-crisis level of 2019 (+3%; € 1,875.7 million). Domestic orders increased by +70% to € 585.8 million (previous year: € 344.6 million). International orders were up by +59% to € 1,342.8 million (previous year: € 843.2 million). The share of international orders amounted to 70% (previous year: 71%).

Sales revenues // Material supply as a major challenge

Sales revenues increased to € 517.4 million in the third quarter (+11%; previous year: € 467.3 million). With continued high raw material prices, transport costs and a more difficult material supply, sales revenues in the first nine months reached € 1,450.9 million (+11%; previous year: € 1,305.3 million). The export ratio was 68% (previous year: 69%). The pressure on supply chains remains high worldwide and additionally intensified by logistics shortages. DMG MORI has so far been able to avoid severe production interruptions thanks to a stable and good network to partners and suppliers. DMG MORI recently honored five particularly outstanding partnerships with the "Partner Award 2021".

Order backlog // Focused measures for more efficiency and productivity

On 30 September 2021, the order backlog amounted to € 1,256.1 million (31 Dec. 2020: € 852.2 million) – a calculated production capacity of an average of seven months. We are countering the resulting longer delivery times with focused measures such as the expansion and optimization of assembly and production capacities.

Results of Operations, Financial Position, Net Worth // EBIT margin and free cash flow improved

The **earnings situation** recorded high growth rates: In the third quarter, EBITDA rose to € 57.5 million (+50%; previous year: € 38.4 million). EBIT doubled to € 41.5 million (+105%; previous year: € 20.2 million). The EBIT margin improved significantly to 8.0% (previous year: 4.3%). EBT amounted to € 41.2 million (+99%; previous year: € 20.7 million). EAT was € 29.0 million (+103%; previous year: € 14.3 million).

As at 30 September 2021, EBITDA reached € 131.7 million (+24%; previous year: € 106.4 million). EBIT increased to € 83.7 million (+57%; previous year: € 53.4 million). The EBIT margin reached 5.8% (previous year: 4.1%). EBT was € 81.8 million (+55%; previous year: € 52.9 million). As at 30 September 2020 the group reported EAT of € 57.3 million (+56%; previous year: € 36.7 million).

The **financial situation** also continued to develop pleasantly: free cash flow increased by +158% to € 35.8 million in the third quarter (previous year: € 13.9 million). As at 30 September 2021, free cash flow reached a new record level of € 149.0 million (+326%; previous year: € -65.8 million).

Employees // Stable growth with stable workforce

On 30 September 2021, the group had 6,718 employees, including 217 trainees (31 Dec. 2020: 6,672). Personnel expenses amounted to € 392.1 million (previous year: € 373.3 million). The personnel quota improved to 26.3% (previous year: 28.3%).

Research and Development // Sustainability belongs to DMG MORI's DNA

In the financial year 2021 we present 42 innovations together with DMG MORI COMPANY LIMITED – including 10 world premieres, 3 automation solutions, 23 digital innovations and 6 new DMG MORI Components. At the "Global Development Summit" in October, around 300 international experts came together digitally to develop and push forward future ideas for networked solutions of machine, automation, digitization and sustainability.

In the run-up to EMO in Milan, DMG MORI presented a total of 25 completely climate-neutral high-tech machines at a pre-EMO show at DECKEL MAHO Pfronten – live on site and also digitally. The focus was on **automation** with more than 10 holistic solutions for workpiece and pallet handling with cell controller technology as well as the driverless transport system TH-AGV for autonomous tool transport between machines and the central tool magazine. A highlight in the field of **digitization** was the new subscription business model PAYZR. With "PAY with Zero Risk", customers benefit from fast innovation cycles without risk – with maximum flexibility, cost and price transparency and thus maximum planning reliability. The PAYZR offer is continuously being expanded, as most recently with the CLX 450 TC turn-mill machining center for Equipment-as-a-Service or with up2parts for Software-as-a-Service.

Sustainability with a holistic approach belongs to DMG MORI's DNA. Both our "**Company Carbon Footprint**" and "**Product Carbon Footprint**" are already climate-neutral today. From raw material to delivery, all machines delivered worldwide are climate neutral – including the new, modular and flexible production lathe NZ QUATTRO. This is unique in the industry. Out of more than 1,000 applicants, DMG MORI is one of the TOP 17 companies nominated in the area of climate protection for Europe's largest sustainability award. Since September, DMG MORI has also been a certified member of the "Science Based Targets" initiative, whose goal is to limit global warming to a maximum of 1.5°C.

Forecast 2021 // Forecasts for the financial year 2021 raised again

The overall economy and the global market for machine tools are on the road to recovery. According to the October forecast of the VDW and British economic research institute Oxford Economics, the global machine tool consumption is expected to increase by +14.1% to € 67.1 billion in 2021. This development is increasingly being influenced by rising raw material prices, material and delivery shortages.

DMG MORI is well positioned and continues to align itself future-proof. We came out of the crisis well and are more innovative, digital and resilient than ever. Holistic sustainability in machine tool manufacturing from raw material to delivery as well as a unique future architecture for networked solutions of machine, automation, digitization and sustainability – with this, DMG MORI is setting new standards. We are expanding our global presence with new production plants in China and Egypt.

Due to the good business development in the first nine months, DMG MORI is once again increasing its forecasts: For the full year 2021, we are now planning order intake of around € 2.5 billion (previously: around € 2.25 billion). Sales revenues are now expected to be around € 2.0 billion (previously: around € 1.95 billion). We currently estimate EBIT of around € 120 million (previously: around € 100 million). Free cash flow is expected to be around € 150 million (previously: around € 140 million).

DMG MORI AKTIENGESELLSCHAFT
The Executive Board

Key Figures on Business Development

1 st -3 rd quarter	2021	2020	Changes	
	30 September	30 September	2021 against 2020	
	€ million	€ million	€ million	%
Order Intake	1,928.6	1,187.8	740.8	62
Sales Revenues	1,450.9	1,305.3	145.6	11
EBITDA	131.7	106.4	25.3	24
EBIT	83.7	53.4	30.3	57
EBT	81.8	52.9	28.9	55
EAT	57.3	36.7	20.6	56
Free cash flow	149.0	-65.8	214.8	326

3 rd quarter	2021	2020	Changes	
	3 rd quarter	3 rd quarter	2021 against 2020	
	€ million	€ million	€ million	%
Order Intake	679.9	403.8	276.1	68
Sales Revenues	517.4	467.3	50.1	11
EBITDA	57.5	38.4	19.1	50
EBIT	41.5	20.2	21.3	105
EBT	41.2	20.7	20.5	99
EAT	29.0	14.3	14.7	103
Free cash flow	35.8	13.9	21.9	158

Note: Up-to-date images can be found at <http://www.dmgmori-ag.com>. Further information on the DMG MORI group can also be found on Twitter at [@DMGMORIEU](https://twitter.com/DMGMORIEU).

Company Profile // DMG MORI

DMG MORI AKTIENGESELLSCHAFT is a worldwide leading manufacturer of machine tools with sales revenues of more than € 1.8 billion and around 6,700 employees. Together with DMG MORI COMPANY LIMITED, our sales revenues are around € 2.7 billion. Around 12,000 employees work for the "Global One Company". With 138 sales and service locations – including 15 production plants – we are present worldwide and deliver to more than 100,000 customers from 54 industries in 86 countries.

Our integrated automation and end-to-end digitization solutions enrich the company's core business with turning and milling machines, Advanced Technologies (Ultrasonic, Lasertec) and Additive Manufacturing. Our modular products allow quick, easy and scalable access to digital manufacturing and integrated digitization along the entire process chain – from planning and preparatory work to production and monitoring to service. **Our mission: Empower our customers in manufacturing and digitization.**

Our technology excellence is bundled within the main sectors of Aerospace and Automotive as well as Semiconductor, Medical, Die & Mold. The partner program DMG MORI Qualified Products (DMQP) allows us to offer perfectly matched peripheral products from a single source. Our customer-focused services covering the entire life cycle of a machine tool include training, repair, maintenance and spare parts service. The online customer portal "my DMG MORI" digitizes all service processes.

Already since May 2020 DMG MORI AKTIENGESELLSCHAFT has an equalized CO₂ balance (Company Carbon Footprint). All machines delivered since January 2021 are produced worldwide – along the entire value chain – completely CO₂-neutral (Product Carbon Footprint).

Forward-looking statements //

This press release contains forward-looking statements, which are based on current estimates of the management regarding future developments. Such statements are based on the management's current expectations and specific assumptions. They are subject to risks, uncertainties and other factors, as well as to the effects of the corona crisis, that could cause the actual circumstances including the results of operations, financial position and net worth of DMG MORI AKTIENGESELLSCHAFT to differ materially from or be more negative than those expressly or implicitly assumed or described in these statements. The business activities of DMG MORI AKTIENGESELLSCHAFT are subject to a range of risks and uncertainties, which may likewise render a forward-looking statement, estimate or forecast inaccurate. Should one of these factors of uncertainty or other unforeseeable event occur, or should the assumptions on which these statements are based prove incorrect, the actual results may differ materially from the results expressed, expected, anticipated, intended, planned, aimed at, estimated, projected or implied in these statements. Forward-looking statements must not be understood as a guarantee or assurance of the future developments or events contained therein.

There are two companies using the name "DMG MORI": DMG MORI AKTIENGESELLSCHAFT with registered office in Bielefeld, Germany, and DMG MORI COMPANY LIMITED with registered office in Nara, Japan. DMG MORI AKTIENGESELLSCHAFT is (indirectly) controlled by DMG MORI COMPANY LIMITED. This release refers exclusively to DMG MORI AKTIENGESELLSCHAFT. If reference is made in this release to "DMG MORI", this refers exclusively to DMG MORI AKTIENGESELLSCHAFT and its controlled companies within the meaning of Section 17 of the German Stock Corporation Act (Aktengesetz – AktG). If reference is made to "Global One Company", this refers to the joint activities of DMG MORI COMPANY LIMITED and DMG MORI AKTIENGESELLSCHAFT including all subsidiary companies.

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Supervisory Board: Dr.-Eng. Masahiko Mori, Chairman; Mario Krainhöfner, Deputy

Executive Board: Dipl.-Kfm. Christian Thönes, Chairman; Dipl.-Kfm. Björn Biermann; Michael Horn, M.B.A.

Local Court Bielefeld: HRB 7144

Financial calendar //

9 February 2022

Press Release on Preliminary
Figures for the Financial Year 2021

16 March 2022

Annual Press Conference
Publication Annual Report 2021
Analysts' Conference

27 April 2022

Quarterly Release for the
1st quarter 2022
(1 January to 31 March)

6 May 2022

120th Annual General Meeting

22 July 2022

Interim Report for the
1st Half Year 2022
(1 January to 30 June)

Subject to alteration