

**Good start to the 1<sup>st</sup> quarter // Forecast for financial year 2021 significantly raised**

## **DMG MORI increases order intake by +34%**

- Order intake rises significantly to € 589.8 million (previous year's quarter: € 440.2 million)
- Sales revenues reach € 421.6 million (previous year's quarter: € 458.0 million)
- EBIT amounts to € 11.8 million (previous year's quarter: € 25.3 million)
- EBIT margin is 2.8% (previous year's quarter: 5.5%)
- Free cash flow clearly positive at € 39.6 million (previous year's quarter: € -36.7 million)

Bielefeld // DMG MORI AKTIENGESELLSCHAFT recorded a dynamic course of business in the 1<sup>st</sup> quarter 2021 – in particular due to the favorable development in order intake. At € 589.8 million (+34%), DMG MORI recorded significantly more orders than in the comparable quarter of the previous year. Sales revenues in the first three months reached € 421.6 million. EBIT amounted to € 11.8 million under continued difficult conditions. EBIT margin was 2.8%. Free cash flow improved significantly and was already clearly positive in the 1<sup>st</sup> quarter at € 39.6 million (+208%).

Chairman of the Executive Board Christian Thönes: "We started the year well and look forward with confidence to the further course of business. We continue to innovate and invest and are focusing on our strategic fit of automation, digitization and sustainability. It is already clear that our strategy is paying off. For 2021, we have a lot of tailwind and are therefore raising our forecast significantly."

### **Order intake // Demand increases worldwide in all industries**

The global machine tool market showed signs of recovery in the 1<sup>st</sup> quarter 2021. At DMG MORI, orders increased favorably in almost all industries. Order intake rose to € 589.8 million and was thus +34% above the previous year's quarter (€ 440.2 million). DMG MORI also recorded strong product interest in holistic automation and end-to-end digitization solutions. Domestic orders increased to € 174.6 million (previous year: € 143.3 million). International orders rose to € 415.2 million (previous year: € 296.9 million). The share of international orders was 70% (previous year: 67%).

**Sales revenues // Service business influenced by continued travel restrictions**

Sales revenues in the first three months reached € 421.6 million (-8%; previous year: € 458.0 million). The decline is due particularly to the lower order backlog at the beginning of the year and the continued travel restrictions, which continue to influence the service business. In addition, the recovery in order intake will only be reflected in sales revenues time delayed. The export ratio was 68% (previous year: 64%).

**Results of Operations, Financial Position and Net Worth // Free cash flow clearly positive in the 1<sup>st</sup> quarter**

The earnings situation continued to develop positively under persistent difficult conditions due to stringent and sustainable cost and liquidity management. EBITDA amounted to € 27.7 million (previous year: € 43.2 million). EBIT reached € 11.8 million (previous year: € 25.3 million). The EBIT margin was 2.8% (previous year: 5.5%). EBT amounted to € 11.5 million (previous year: € 24.8 million). The group reported EAT of € 8.0 million as of 31 March 2021 (previous year: € 17.2 million). Especially the financial position was further strengthened: Free cash flow improved significantly and was already clearly positive in the 1<sup>st</sup> quarter at € 39.6 million (+208%; previous year: € -36.7 million).

**Employees // Strong team spirit at DMG MORI**

As of 31 March 2021, the group had 6,642 employees, including 223 trainees (31 December 2020: 6,672). Personnel expenses amounted to € 126.6 million (previous year: € 141.0 million).

**Research and Development // Focus on automation, digitization, sustainability**

Expenses for research and development remained stable at a high level of € 16.3 million, (previous year: € 17.6 million). With dynamic and excellence, we are systematically developing from a machine builder into an integrated solution provider in the manufacturing environment. The focus is on the strategic triad of automation, digitization and sustainability.

At DMG MORI, technology leadership and sustainability belong together. As one of the first industrial companies, DMG MORI has had a climate-neutral "**Product Carbon Footprint**" since January 2021. From raw material to delivery, all machines delivered worldwide are completely CO<sub>2</sub> neutral.

The **DMG MORI Digital Event** Pfronten was a success with over 8,000 participants and three world premieres. In mid-February, DMG MORI received the "**Intelligent Manufacturing Award 2020**" from Microsoft for **CELOS Next** – a prestigious award for digital excellence.

## Forecast 2021 // Expansion through innovations and investments

2021 will remain challenging. Market recovery is impacted globally by rising raw material prices, longer delivery times and more difficult material supply. Global consumption for machine tools is expected to increase by +15.2% to € 66.6 billion in 2021 (October forecast: +17.7%), according to the latest April forecast by the Association of German Machine Tool Builders (VDW) and the British economic research institute Oxford Economics.

DMG MORI is starting the financial year 2021 with confidence and expects a sustained upturn in demand – provided there are no significant effects from the corona mutations. Due to the good business development in the 1<sup>st</sup> quarter, we are raising the 2021 forecast significantly: Order intake is now expected to reach around € 2.0 billion (previously: around € 1.7 billion). We now assume sales revenues of around € 1.8 billion (previously: around € 1.7 billion). We currently expect EBIT of around € 60 million, compared with around € 30 million previously. Free cash flow is assumed to be around € 70 million (previously: around € 20 million).

In the course of the year, we will focus on the future with further innovations. One example is the new subscription business model: We are pushing ahead with the same model in the machine building sector that can no longer be imagined without for movies and music. With **PAYZR – PAY** with **Zero Risk** – and the new 3-axis universal milling machine M1, DMG MORI customers can accelerate innovation cycles and at the same time avoid investment costs by subscribing to the M1 instead of purchasing it.

In addition, we continue to invest. Due to the increasing importance of the fast-growing Chinese market, we are planning to build a highly automated and consistently digitized 35,000 m<sup>2</sup> production plant for 5-axis machines in Pinghu near Shanghai and to open it at the end of 2022. The total investment of around € 75 million underlines DMG MORI's growth plans in China. As a result of this expansion, investments in property, plant and equipment and intangible assets will increase to around € 80 million for 2021 (previously: around € 60 million).

DMG MORI is strategically and financially well positioned thanks to high innovative strength, consistent cost management and stringent liquidity securing. The strategic fit is more suitable than ever. Our comprehensive machine and automation portfolio is unique in the industry. With our global footprint, far-reaching service offerings and digitization solutions, we offer everything integrated, end-to-end and sustainable from a single source – worldwide! We are ready to start off with full power and are strengthening the strategic future fields of automation, digitization and sustainability in particular. Our worldwide presence, size and strength as "Global One Company" offer us and our customers clear advantages!

## Key figures on business development

	2021		2020		Changes	
	31 March	€ million	31 March	€ million	€ million	%
Order Intake	589.8		440.2		149.6	34
Sales Revenues	421.6		458.0		-36.4	-8
EBITDA	27.7		43.2		-15.5	-36
EBIT	11.8		25.3		-13.5	-53
EBT	11.5		24.8		-13.3	-54
EAT	8.0		17.2		-9.2	-53
Free cash flow	39.6		-36.7		76.3	208

**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](#).

### 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 CO<sub>2</sub> balance (Company Carbon Footprint). All machines delivered since January 2021 are produced worldwide – along the entire value chain – completely CO<sub>2</sub>-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.

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

Local Court Bielefeld: HRB 7144

### Financial Calendar //

**07 May 2021**

119<sup>th</sup> Annual General Meeting  
(virtually)

**23 July 2021**

Interim Report for the  
1<sup>st</sup> half year 2021  
(1 January to 30 June)

**26 October 2021**

Quarterly Release for the  
3<sup>rd</sup> quarter 2021  
(1 January to 30 September)

**15 March 2022**

Annual Press Conference  
Publication Annual Report 2021

**06 May 2022**

120<sup>th</sup> Annual General Meeting

Subject to alteration