

# FINANCIAL SECTION

*Financial Information*

Key Financial Figures

Financial Highlights

Non-financial Highlights  
(Employee information)

Consolidated Financial Statements

Corporate Information

# Key Financial Figures

| FY  | Amount in JPY (Unit: JPY million) |          |          |          |          |
|---|-----------------------------------|----------|----------|----------|----------|
|   | 2019                              | 2020     | 2021     | 2022     | 2023     |
| <b>Profit or loss</b>                           |                                   |          |          |          |          |
| Sales revenues                                  | 485,778                           | 328,283  | 396,011  | 474,771  | 539,450  |
| Operating profit                                | 37,339                            | 10,674   | 23,067   | 41,213   | 54,150   |
| (Operating profit margin)                       | 7.7%                              | 3.3%     | 5.8%     | 8.7%     | 10.0%    |
| Profit before income taxes                      | 31,451                            | 5,106    | 19,609   | 36,528   | 47,927   |
| Net profit                                      | 18,861                            | 1,696    | 13,231   | 25,800   | 34,229   |
| Net profit attributable to owners of the parent | 17,995                            | 1,745    | 13,460   | 25,406   | 33,944   |
| <b>Cash flows</b>                               |                                   |          |          |          |          |
| Free cash flows (*1)                            | 20,101                            | △5,212   | 30,357   | 24,875   | 14,878   |
| <b>Financial position</b>                       |                                   |          |          |          |          |
| Shareholders' equity                            | 124,006                           | 185,420  | 213,139  | 245,897  | 267,990  |
| Total assets                                    | 524,606                           | 526,526  | 597,117  | 680,334  | 765,806  |
| Shareholders' equity ratio (*2)                 | 23.6%                             | 35.2%    | 35.7%    | 36.1%    | 35.0%    |
| <b>Per share information</b>                    |                                   |          |          |          |          |
| Shareholders' equity (JPY) (*3)                 | 1,008.36                          | 1,493.86 | 1,703.51 | 1,957.61 | 2,134.72 |
| Dividends per share (JPY)                       | 60                                | 20       | 40       | 70       | 90       |
| <b>Other key management indicators</b>          |                                   |          |          |          |          |
| Return on Equity (ROE) (*4)                     | 15.3%                             | 1.1%     | 6.8%     | 11.1%    | 13.2%    |
| Return on Assets (ROA) (*5)                     | 7.1%                              | 2.0%     | 4.1%     | 6.5%     | 7.5%     |

(Reference: translated into EUR)

| FY  | Amount translated into EUR (Unit: EUR million) |       |       |       |       |
|---|--|-------|-------|-------|-------|
|   | 2019   | 2020  | 2021  | 2022  | 2023  |
| <b>Profit or loss</b>                           |  |       |       |       |       |
| Sales revenues                                  | 3,979  | 2,695 | 3,049 | 3,438 | 3,549 |
| Operating profit                                | 306  | 88    | 178   | 298   | 356   |
| (Operating profit margin)                       | 7.7%   | 3.3%  | 5.8%  | 8.7%  | 10.0% |
| Profit before income taxes                      | 258  | 42    | 151   | 265   | 315   |
| Net profit                                      | 154  | 14    | 102   | 187   | 225   |
| Net profit attributable to owners of the parent | 147  | 14    | 104   | 184   | 223   |
| <b>Cash flows</b>                               |  |       |       |       |       |
| Free cash flows (*1)                            | 165  | △43   | 234   | 180   | 98    |
| <b>Financial position</b>                       |  |       |       |       |       |
| Shareholders' equity                            | 1,016  | 1,522 | 1,641 | 1,781 | 1,763 |
| Total assets                                    | 4,297  | 4,322 | 4,597 | 4,927 | 5,038 |
| Shareholders' equity ratio (*2)                 | 23.6%  | 35.2% | 35.7% | 36.1% | 35.0% |
| <b>Per share information</b>                    |  |       |       |       |       |
| Shareholders' equity (EUR) (*3)                 | 8.3  | 12.3  | 13.1  | 14.2  | 14.0  |
| Dividends per share (EUR)                       | 0.5  | 0.2   | 0.3   | 0.5   | 0.6   |

(\*1) Free cash flows = Cash flows from operating activities - Cash flows used in investing activities

(\*2) Equivalent to the ratio of equity attributable to owners of the parent company. The figure is calculated by dividing the equity attributable to owners of the parent company by total assets.

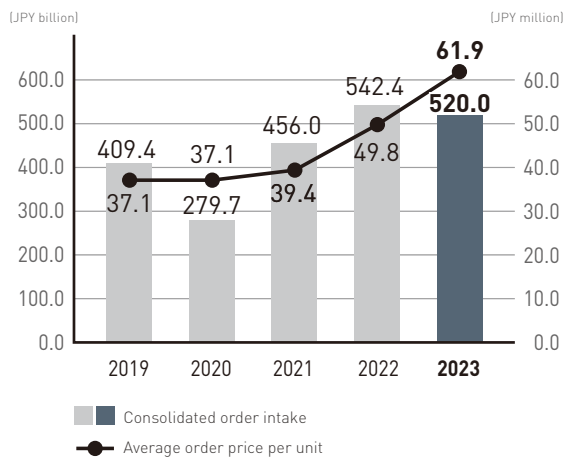
(\*3) Shareholders' equity per share (equity attributable to owners of the parent company) is calculated including hybrid capital.

(\*4) Calculated by dividing net profit or loss attributable to owners of the parent company by the average of equity attributable to owners of the parent company at the beginning and end of the period.

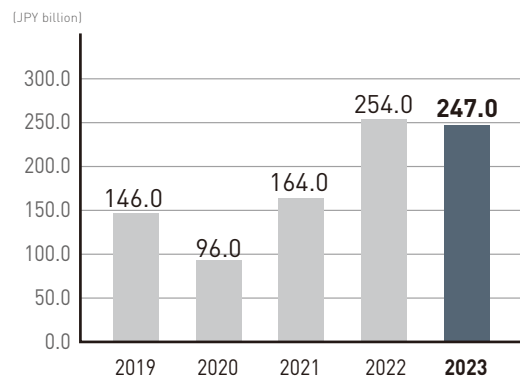
(\*5) Calculated by dividing operating profit by the average of total assets at the beginning and end of the period.

# Financial Highlights

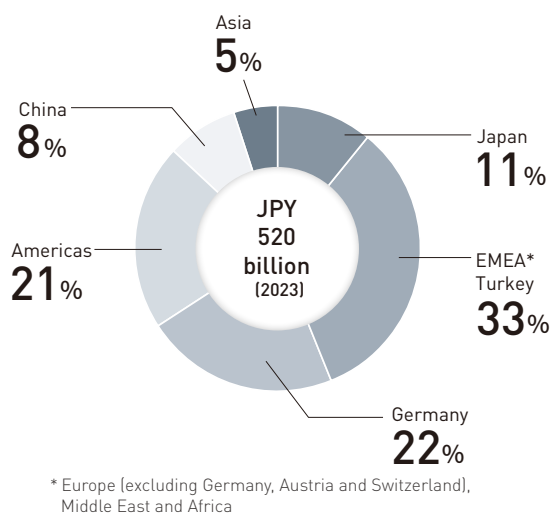
Consolidated order intake  
Average order price per unit



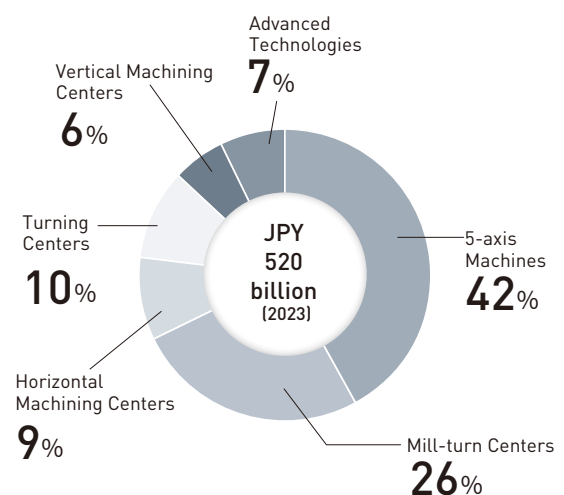
Machine order backlog



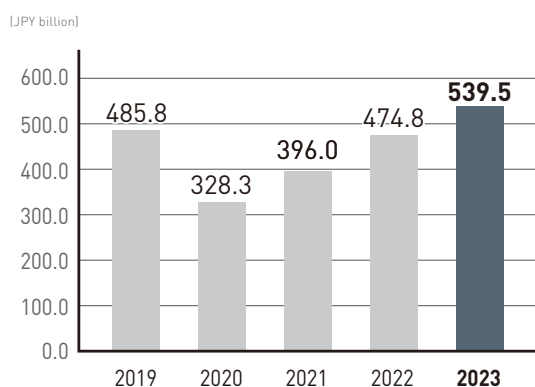
Order composition by region



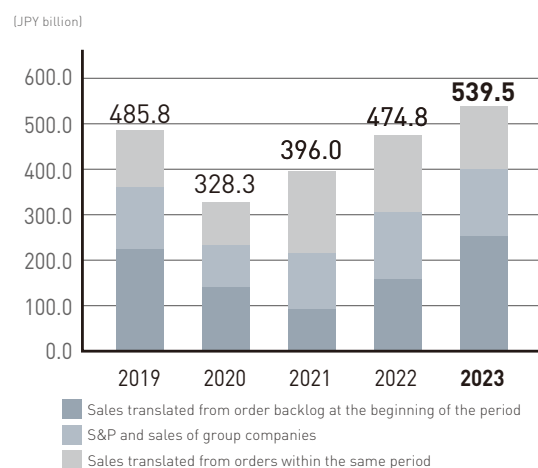
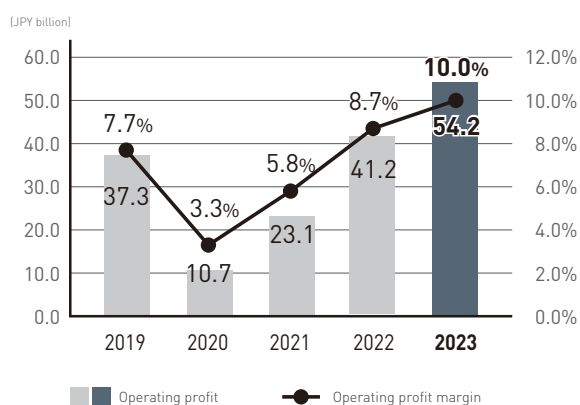
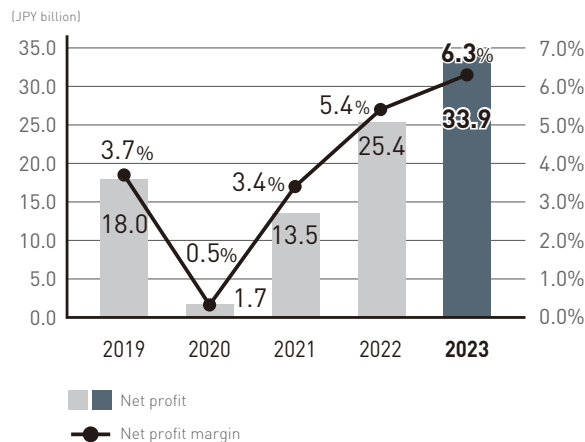
Order composition by product type



## Sales revenue

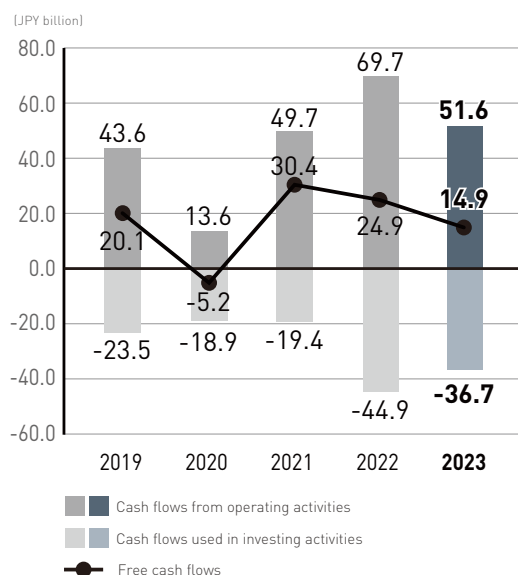


## Breakdown of sales revenue

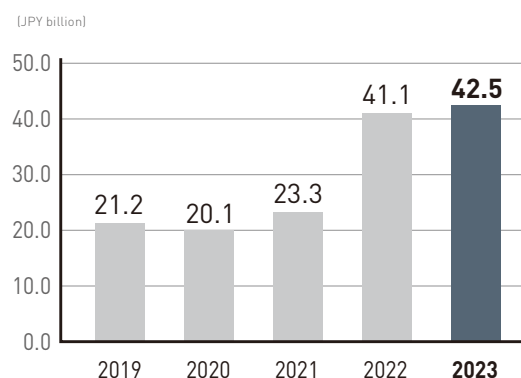
Operating profit  
Operating profit marginNet profit\*  
Net profit margin

# Financial Highlights

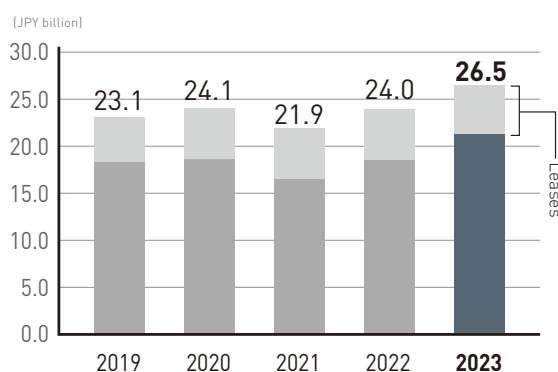
## Free cash flows



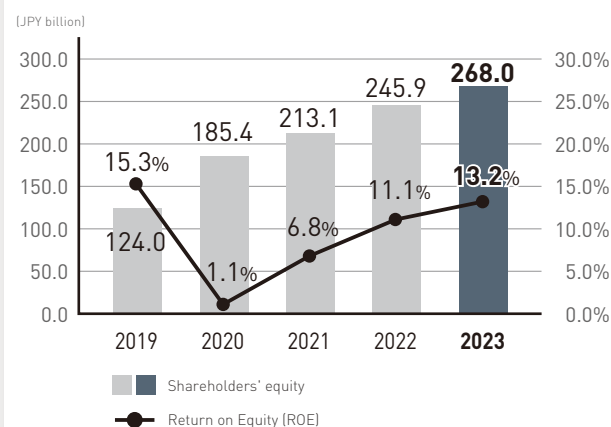
## Capital expenditure



## Depreciation & amortization



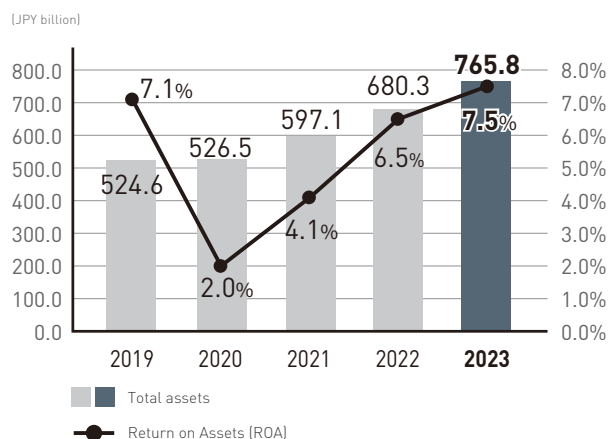
## Shareholders' equity\*<sup>1</sup> Return on Equity (ROE)\*<sup>2</sup>



\*1 Equivalent to equity attributable to owners of the parent.

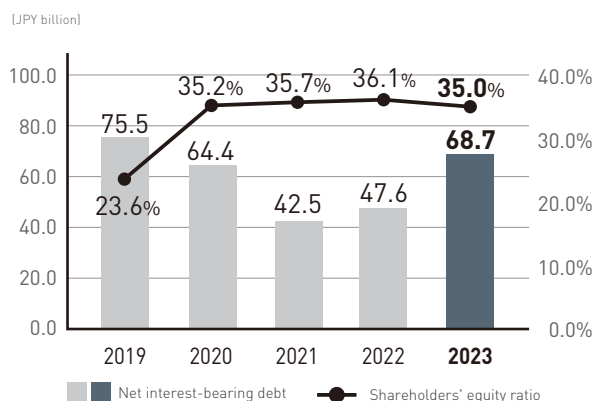
\*2 Equivalent to return on equity attributable to owners of the parent.

### Total assets Return on assets (ROA)\*



\* Calculated by dividing operating profit by the average of total assets at the beginning and end of the period.

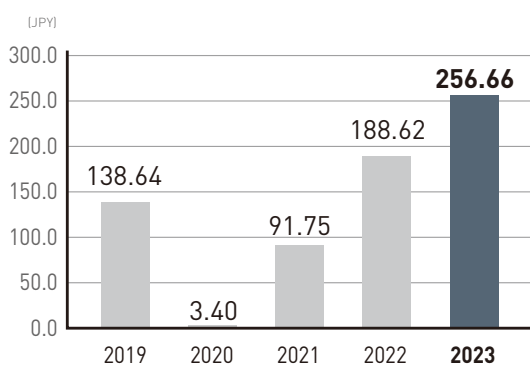
### Net interest-bearing debt\*\* Shareholders' equity ratio\*\*



\*1 (Long- and short-term borrowings + convertible bonds) - (cash and cash equivalents + short-term financial assets).  
The figures do not include hybrid capital.

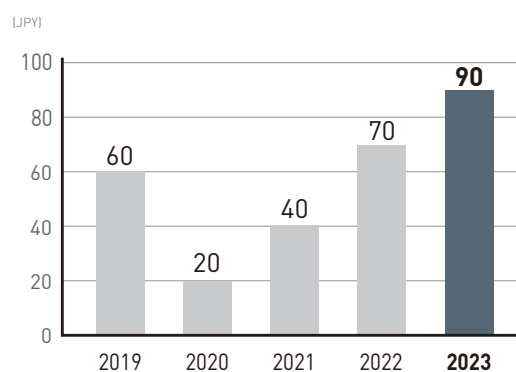
\*2 Equivalent to the ratio of equity attributable to owners of the parent.

### Earnings per share (EPS)\*



\* The figures do not consider dilution from convertible bonds

### Dividends per share



# Non-financial Highlights (Employee information)

## Average annual salary in 2023 (Japan-based employees)

|                       | Male employees                       |             |                  | Female employees                     |             |                  | All employees                        |             |                  |
|-----------------------|--------------------------------------|-------------|------------------|--------------------------------------|-------------|------------------|--------------------------------------|-------------|------------------|
|                       | Average annual salary (JPY thousand) | Average age | No. of employees | Average annual salary (JPY thousand) | Average age | No. of employees | Average annual salary (JPY thousand) | Average age | No. of employees |
| All                   | 9,059                                | 43.5        | 2,191            | 7,946                                | 36.8        | 308              | 8,922                                | 42.7        | 2,499            |
| General manager level | 14,944                               | 49.4        | 109              | 14,195                               | 45.7        | 3                | 14,924                               | 49.3        | 112              |
| Manager level         | 11,394                               | 46.0        | 430              | 11,088                               | 43.9        | 26               | 11,377                               | 45.9        | 456              |
| Staff                 | 7,555                                | 41.4        | 1,538            | 7,364                                | 35.9        | 275              | 7,526                                | 40.6        | 1,813            |

The salary includes base salary, qualification salary, position salary, bonus, child allowance, housing allowance, and overtime allowance.

Excludes dormitory / company housing, meal allowance, commuting allowance, employee stock ownership incentive, childcare expense support, travel expense support for family visits, medical checkup support, and other fringe benefit related payments.

The figures do not include part-time workers or fixed-term employees

Qualification and position salaries are determined by job description, job performance, and level of responsibility. There are no gender-based salary gaps at DMG MORI.

Previously, only the "primary earner" of the household was eligible for childcare and housing allowances, but this restriction has been lifted to eliminate gender-based compensation disparities.

## New hires and separations in 2023

|  | Japan-based permanent employees |                  |               |
|--|---------------------------------|------------------|---------------|
|  | Male employees                  | Female employees | All employees |
| Total new hires (incl. direct hires at subsidiaries)   | 73                              | 12               | 85            |
| New graduate   | 27                              | 6                | 33            |
| Mid-career   | 46                              | 6                | 52            |
| Total separations (incl. direct hires at subsidiaries) | 75                              | 24               | 99            |
| Voluntary retirement                                   | 54                              | 22               | 76            |
| Retirement   | 18                              | 1                | 19            |
| Others   | 3                               | 1                | 4             |
| Turnover rate  | 2.8%                            | 0.9%             | 3.7%          |
| Voluntary turnover rate                                | 2.0%                            | 0.8%             | 2.8%          |
| Retirement rate  | 0.7%                            | 0.0%             | 0.7%          |

Only includes the regular full-time employees\*<sup>1</sup> in Japan.

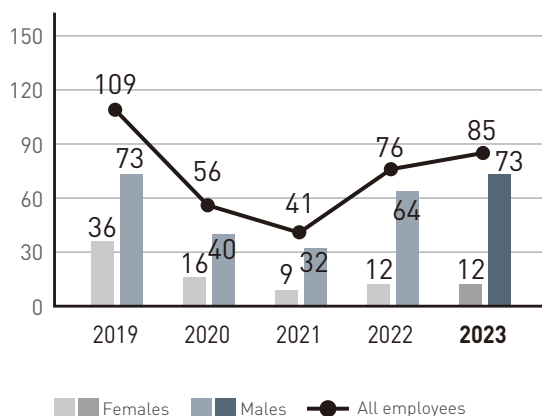
Only includes the number of hires and retirements within the period from January 1, 2023, to December 31, 2023.

The turnover rate is calculated by dividing the number of retirees by the number of regular employees as of January 1, 2023.

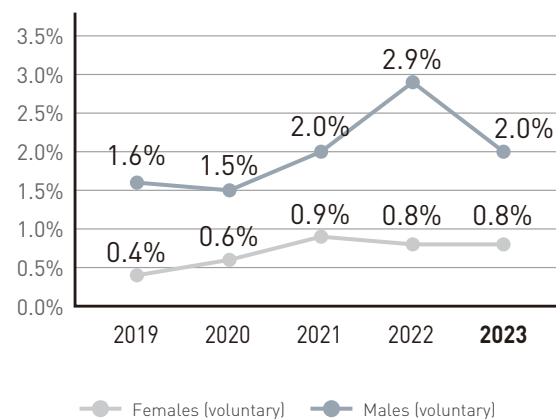
\*1 Subject companies are DMG MORI CO., LTD., DMG MORI SALES AND SERVICE CO., LTD., DMG MORI PRODUCTION Co.,Ltd.,

DMG MORI Precision Components CO., LTD., WALC Inc., DMG MORI KOSAN CO., LTD., TECHNIUM CO., LTD., Mahoroba Farm CO., LTD.

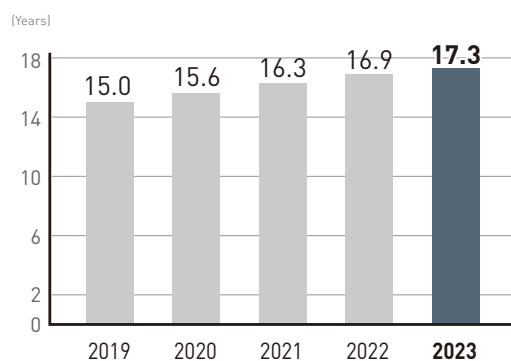
Number of new hires by gender  
(Japan-based employees)



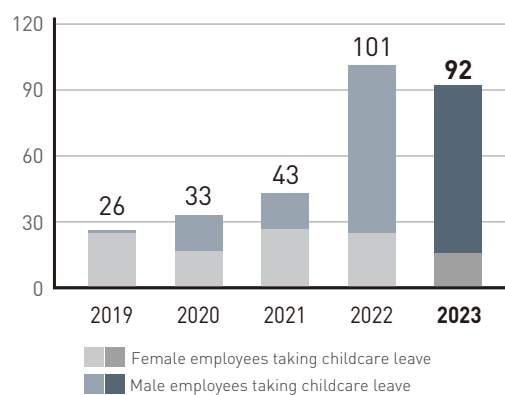
Turnover by gender (Japan-based employees)



Average seniority (Japan-based employees)



Number of employees taking childcare leave  
(Japan-based employees)



\* The calculation is based on the Childcare and Caregiver Leave Act.



# Consolidated Statement of Financial Position

|                               | Exchange rate (CR) JPY 157.08 / EUR (*)   |  |   |  |
|-------------------------------|---|--|---|--|
|                               | Unit: JPY million                         |  | Unit: EUR million                         |  |
|                               | Previous fiscal year<br>December 31, 2022 | Current fiscal year<br>December 31, 2023 | Previous fiscal year<br>December 31, 2022 | Current fiscal year<br>December 31, 2023 |
| Assets                        |   |  |   |  |
| Current assets                |   |  |   |  |
| Cash and cash equivalents     | 36,992                                    | 39,212                                   | 235                                       | 250                                      |
| Trade and other receivables   | 68,437                                    | 62,927                                   | 436                                       | 401                                      |
| Other financial assets        | 6,503                                     | 5,713                                    | 41  | 36                                       |
| Inventories                   | 166,217                                   | 200,843                                  | 1,058                                     | 1,279                                    |
| Other current assets          | 15,834                                    | 14,277                                   | 101                                       | 91                                       |
| Subtotal                      | 293,985                                   | 322,974                                  | 1,872                                     | 2,056                                    |
| Assets held for sale          | —   | 799                                      | —   | 5  |
| Total current assets          | 293,985                                   | 323,773                                  | 1,872                                     | 2,061                                    |
| Non-current assets            |   |  |   |  |
| Property, plant and equipment | 162,965                                   | 189,231                                  | 1,037                                     | 1,205                                    |
| Right-of-use assets           | 19,874                                    | 24,637                                   | 127                                       | 157                                      |
| Goodwill                      | 76,842                                    | 85,587                                   | 489                                       | 545                                      |
| Other intangible assets       | 86,193                                    | 100,909                                  | 549                                       | 642                                      |
| Other financial assets        | 26,122                                    | 26,246                                   | 166                                       | 167                                      |
| Equity-accounted investments  | 5,917                                     | 6,322                                    | 38  | 40                                       |
| Deferred tax assets           | 4,509                                     | 5,334                                    | 29  | 34                                       |
| Other non-current assets      | 3,923                                     | 3,764                                    | 25  | 24                                       |
| Total non-current assets      | 386,349                                   | 442,033                                  | 2,460                                     | 2,814                                    |
| Total assets                  | 680,334                                   | 765,806                                  | 4,331                                     | 4,875                                    |

(\*) EUR amount is translated from JPY at the current rate of Dec. 31, 2023 (JPY 157.08 / EUR) for both previous and current fiscal year.  
Please refer to the Security Report for the audited financial statements.

Exchange rate (CR) JPY 157.08 / EUR

|   | Unit: JPY million                         |  | Unit: EUR million                         |  |
|---|---|--|---|--|
|   | Previous fiscal year<br>December 31, 2022 | Current fiscal year<br>December 31, 2023 | Previous fiscal year<br>December 31, 2022 | Current fiscal year<br>December 31, 2023 |
| <b>Liabilities and equity</b>               |   |  |   |  |
| <b>Liabilities</b>                          |   |  |   |  |
| Current liabilities                         |   |  |   |  |
| Trade and other payables                    | 72,806                                    | 82,914                                   | 463                                       | 528                                      |
| Interest-bearing bonds and borrowings       | 51,241                                    | 61,187                                   | 326                                       | 390                                      |
| Contract liabilities                        | 92,935                                    | 93,430                                   | 592                                       | 595                                      |
| Other financial liabilities                 | 7,304                                     | 71,967                                   | 46  | 458                                      |
| Income tax payable                          | 6,959                                     | 9,657                                    | 44  | 61                                       |
| Provisions                                  | 45,659                                    | 50,998                                   | 291                                       | 325                                      |
| Other current liabilities                   | 4,424                                     | 6,477                                    | 28  | 41                                       |
| Total current liabilities                   | 281,329                                   | 376,633                                  | 1,791                                     | 2,398                                    |
| Non-current liabilities                     |   |  |   |  |
| Interest-bearing bonds and borrowings       | 39,852                                    | 52,474                                   | 254                                       | 334                                      |
| Other financial liabilities                 | 87,305                                    | 40,309                                   | 556                                       | 257                                      |
| Liabilities related to retirement benefits  | 4,479                                     | 5,192                                    | 29  | 33                                       |
| Provisions                                  | 6,819                                     | 6,371                                    | 43  | 41                                       |
| Deferred tax liabilities                    | 8,103                                     | 9,340                                    | 52  | 59                                       |
| Other non-current liabilities               | 2,069                                     | 2,939                                    | 13  | 19                                       |
| Total non-current liabilities               | 148,630                                   | 116,627                                  | 946                                       | 742                                      |
| Total liabilities                           | 429,960                                   | 493,261                                  | 2,737                                     | 3,140                                    |
| <b>Equity</b>                               |   |  |   |  |
| Issued capital                              | 51,115                                    | 51,115                                   | 325                                       | 325                                      |
| Capital surplus                             | 266                                       | 208                                      | 2   | 1  |
| Hybrid capital                              | 118,753                                   | 110,822                                  | 756                                       | 706                                      |
| Treasury shares                             | △906                                      | △883                                     | △6  | △6                                       |
| Retained earnings                           | 69,864                                    | 92,283                                   | 445                                       | 587                                      |
| Other components of equity                  | 6,803                                     | 14,444                                   | 43  | 92                                       |
| Equity attributable to owners of the parent | 245,897                                   | 267,990                                  | 1,565                                     | 1,706                                    |
| Non-controlling interests                   | 4,477                                     | 4,555                                    | 29  | 29                                       |
| Total equity                                | 250,374                                   | 272,545                                  | 1,594                                     | 1,735                                    |
| Total liabilities and equity                | 680,334                                   | 765,806                                  | 4,331                                     | 4,875                                    |

# Consolidated Statement of Profit or Loss

Exchange rate (CR) JPY 157.08 / EUR

|   | Unit: JPY million  |   | Unit: EUR million  |   |
|---|--|---|--|---|
|   | Previous fiscal year<br>From January 1, 2022<br>To December 31, 2022 | Current fiscal year<br>From January 1, 2023<br>To December 31, 2023 | Previous fiscal year<br>From January 1, 2022<br>To December 31, 2022 | Current fiscal year<br>From January 1, 2023<br>To December 31, 2023 |
| <b>Revenue</b>  |  |   |  |   |
| Sales revenue   | 474,771  | 539,450   | 3,022  | 3,434   |
| Other revenue   | 8,595  | 9,078   | 55   | 58  |
| Total revenue   | 483,366  | 548,529   | 3,077  | 3,492   |
| <b>Costs</b>  |  |   |  |   |
| Changes in merchandise,<br>products and work in progress<br>inventories                 | △6,844   | △27,726   | △44  | △177  |
| Costs of raw materials and<br>consumables   | 203,948  | 239,691   | 1,298  | 1,526   |
| Personnel costs   | 138,882  | 168,736   | 884  | 1,074   |
| Depreciation and amortization   | 24,016   | 26,518  | 153  | 169   |
| Other operating expenses  | 82,150   | 87,158  | 523  | 555   |
| Total costs   | 442,152  | 494,379   | 2,815  | 3,147   |
| <b>Operating profit</b>   | 41,213   | 54,150  | 262  | 345   |
| Finance income  | 633  | 1,138   | 4  | 7   |
| Finance costs   | 5,181  | 7,553   | 33   | 48  |
| Share of profits and losses of at<br>equity-accounted investments<br>(△ indicates loss) | △137   | 192   | △1   | 1   |
| <b>Profit before income taxes</b>   | 36,528   | 47,927  | 233  | 305   |
| Income taxes  | 10,728   | 13,697  | 68   | 87  |
| <b>Net profit</b>   | 25,800   | 34,229  | 164  | 218   |
| <b>Net profit attributable to:</b>  |  |   |  |   |
| Owners of the parent  | 25,406   | 33,944  | 162  | 216   |
| Non-controlling interests   | 393  | 284   | 3  | 2   |
| Net profit  | 25,800   | 34,229  | 164  | 218   |

Exchange rate (CR) JPY 157.08 / EUR

|                              | Unit: JPY |        | Unit: EUR |      |
|------------------------------|-----------|--------|-----------|------|
|                              |           |        |           |      |
| <b>Earnings per share</b>    |           |        |           |      |
| Earnings per share (basic)*1 | 188.62    | 256.66 | 1.20      | 1.63 |

(\*) EUR amount is translated from JPY at the current rate of Dec. 31, 2023 (JPY 157.08 / EUR) for both previous and current fiscal year.  
Please refer to the Security Report for the audited financial statements.

\*1 The weighted average number of ordinary shares used as the denominator in calculating basic earnings per share is 125,420,542.

# Consolidated Statement of Comprehensive Income

Exchange rate (CR) JPY 157.08 / EUR

|  | Unit: JPY million  |   | Unit: EUR million  |   |
|--|--|---|--|---|
|  | Previous fiscal year<br>From January 1, 2022<br>To December 31, 2022 | Current fiscal year<br>From January 1, 2023<br>To December 31, 2023 | Previous fiscal year<br>From January 1, 2022<br>To December 31, 2022 | Current fiscal year<br>From January 1, 2023<br>To December 31, 2023 |
| <b>Net profit</b>  | 25,800   | <b>34,229</b>   | 164  | <b>218</b>  |
| <b>Other comprehensive income</b>  |  |   |  |   |
| Items that will not be reclassified to net profit or loss in subsequent periods                        |  |   |  |   |
| Remeasurement gain / loss (△) on defined benefit plans   | 826  | △ 488   | 5  | △ 3   |
| Change in fair value measurements of financial assets at fair value through other comprehensive income | 767  | △ 2,229   | 5  | △ 14  |
| Subtotal of items that will not be reclassified to net profit or loss in subsequent periods            | 1,594  | △ 2,717   | 10   | △ 17  |
| Items that may be reclassified to net profit or loss in subsequent periods                             |  |   |  |   |
| Exchange differences on translation of foreign operations  | 12,960   | <b>10,779</b>   | 83   | <b>69</b>   |
| Net gain / loss (△) on cash flow hedges  | 434  | △ 103   | 3  | △ 1   |
| Hyper-inflation adjustment   | 93   | —   | 1  | —   |
| Share of other comprehensive income of at equity-accounted investments                                 | 350  | <b>212</b>  | 2  | <b>1</b>  |
| Subtotal of items that may be reclassified to net profit or loss in subsequent periods                 | 13,838   | <b>10,888</b>   | 88   | <b>69</b>   |
| Total other comprehensive income   | 15,432   | <b>8,170</b>  | 98   | <b>52</b>   |
| Comprehensive income   | 41,233   | <b>42,400</b>   | 262  | <b>270</b>  |
| <b>Comprehensive income attributable to:</b>   |  |   |  |   |
| Owners of the parent   | 40,791   | <b>42,105</b>   | 260  | <b>268</b>  |
| Non-controlling interests  | 441  | <b>295</b>  | 3  | <b>2</b>  |
| Comprehensive income for the year  | 41,233   | <b>42,400</b>   | 262  | <b>270</b>  |

[\*] EUR amount is translated from JPY at the current rate of Dec. 31, 2023 [JPY 157.08 / EUR] for both previous and current fiscal year.  
Please refer to the Security Report for the audited financial statements.

# Consolidated Statement of Changes in Equity

|   | Unit: JPY million                           |                    |                   |                    |                      |                                  |         |                                  | Exchange rate<br>(CR)<br>157.08 |                 |
|---|---|--------------------|-------------------|--------------------|----------------------|----------------------------------|---------|----------------------------------|---------------------------------|-----------------|
|   | Unit: EUR million                           |                    |                   |                    |                      |                                  |         |                                  |                                 |                 |
|   | Equity attributable to owners of the parent |                    |                   |                    |                      |                                  |         |                                  |                                 |                 |
|   | Issued<br>capital                           | Capital<br>surplus | Hybrid<br>capital | Treasury<br>shares | Retained<br>earnings | Other<br>components<br>of equity | Total   | Non-<br>controlling<br>interests | Total<br>equity                 | Total<br>equity |
| <b>As of January 1, 2022</b>  | 51,115                                      | —                  | 118,753           | △1,889             | 52,817               | △7,657                           | 213,139 | 4,139                            | 217,279                         | 1,383           |
| Total comprehensive income  |   |                    |                   |                    |                      |                                  |         |                                  |                                 |                 |
| Net profit for the period   |   |                    |                   |                    | 25,406               |                                  | 25,406  | 393                              | 25,800                          | 164             |
| Other comprehensive income  |   |                    |                   |                    |                      | 15,385                           | 15,385  | 47                               | 15,432                          | 98              |
| Total comprehensive income  | —   | —                  | —                 | —                  | 25,406               | 15,385                           | 40,791  | 441                              | 41,233                          | 262             |
| Amount of transaction with owners   |   |                    |                   |                    |                      |                                  |         |                                  |                                 |                 |
| Payments to owners of hybrid capital  |   |                    |                   |                    | △1,764               |                                  | △1,764  |                                  | △1,764                          | △11             |
| Acquisition of treasury shares  |   |                    |                   | △1                 |                      |                                  | △1      |                                  | △1                              | △0              |
| Disposal of treasury shares   |   | △119               |                   | 984                |                      |                                  | 864     |                                  | 864                             | 6               |
| Cash dividends  |   |                    |                   |                    | △7,519               |                                  | △7,519  | △100                             | △7,619                          | △49             |
| Share based payments  |   | 290                |                   |                    |                      |                                  | 290     | 125                              | 416                             | 3               |
| Increase or decrease in ownership interests<br>related to acquisition of shares in subsidiaries |   | 111                |                   |                    |                      |                                  | 111     | △158                             | △46                             | △0              |
| Transfer from other components of<br>equity to retained earnings                                |   |                    |                   |                    | 924                  | △924                             | —       |                                  | —                               | —               |
| Total transactions with owners of the parent  | —   | 282                | —                 | 982                | △8,359               | △924                             | △8,017  | △132                             | △8,150                          | △52             |
| Acquisition or disposals of non-controlling interests   |   | △16                |                   |                    |                      |                                  | △16     | 29                               | 12                              | 0               |
| Total of changes in ownership interests<br>in subsidiaries and others                           | —   | △16                | —                 | —                  | —                    | —                                | △16     | 29                               | 12                              | 0               |
| <b>As of December 31, 2022</b>  | 51,115                                      | 266                | 118,753           | △906               | 69,864               | 6,803                            | 245,897 | 4,477                            | 250,374                         | 1,594           |

|   |               |            |                |             |               |               |                |              |                |              |
|---|---------------|------------|----------------|-------------|---------------|---------------|----------------|--------------|----------------|--------------|
| <b>Balance as of January 1, 2023</b>  | <b>51,115</b> | <b>266</b> | <b>118,753</b> | <b>△906</b> | <b>69,864</b> | <b>6,803</b>  | <b>245,897</b> | <b>4,477</b> | <b>250,374</b> | <b>1,594</b> |
| Total comprehensive income  |               |            |                |             |               |               |                |              |                |              |
| Net profit for the period   |               |            |                |             | 33,944        |               | 33,944         | 284          | 34,229         | 218          |
| Other comprehensive income  |               |            |                |             |               | 8,160         | 8,160          | 10           | 8,170          | 52           |
| Total comprehensive income  | —             | —          | —              | —           | 33,944        | 8,160         | 42,105         | 295          | 42,400         | 270          |
| Repayments of hybrid capital  |               | △68        | △7,931         |             |               |               | △8,000         |              | △8,000         | △51          |
| Payments to owners of hybrid capital  |               |            |                |             | △1,768        |               | △1,768         |              | △1,768         | △11          |
| Acquisition of treasury shares  |               |            |                | △2          |               |               | △2             |              | △2             | △0           |
| Disposal of treasury shares   |               | 0          |                | 24          |               |               | 25             |              | 25             | 0            |
| Cash dividends  |               |            |                |             | △10,045       |               | △10,045        | △129         | △10,175        | △65          |
| Share based payments  |               | 238        |                |             |               |               | 238            | 75           | 314            | 2            |
| Increase or decrease in ownership interests<br>related to acquisition of shares in subsidiaries |               | △237       |                |             |               |               | △237           | △181         | △418           | △3           |
| Increase or decrease in ownership interests<br>related to disposal of shares of subsidiaries    |               | 8          |                |             |               |               | 8              | 6            | 15             | 0            |
| Transfer from other components of<br>equity to retained earnings                                |               |            |                |             | 518           | △518          | —              |              | —              | —            |
| Others  |               |            |                |             | △230          |               | △230           |              | △230           | △1           |
| Total transactions with owners of the parent  | —             | △57        | △7,931         | 22          | △11,526       | △518          | △20,011        | △229         | △20,241        | △129         |
| Acquisition or disposals of non-controlling interests   |               | 0          |                |             |               |               | 0              | 11           | 11             | 0            |
| Total of changes in ownership interests<br>in subsidiaries and others                           | —             | 0          | —              | —           | —             | —             | 0              | 11           | 11             | 0            |
| <b>Balance as of December 31, 2023</b>  | <b>51,115</b> | <b>208</b> | <b>110,822</b> | <b>△883</b> | <b>92,283</b> | <b>14,444</b> | <b>267,990</b> | <b>4,555</b> | <b>272,545</b> | <b>1,735</b> |

(\*) EUR amount is translated from JPY at the current rate of Dec. 31, 2023 (JPY 157.08 / EUR) for both previous and current fiscal year.  
Please refer to the Security Report for the audited financial statements.

# Consolidated Statement of Cash Flows

Exchange rate (CR) JPY 157.08 / EUR

|   | Unit: JPY million  |   | Unit: EUR million  |   |
|---|--|---|--|---|
|   | Previous fiscal year<br>From January 1, 2022<br>To December 31, 2022 | Current fiscal year<br>From January 1, 2023<br>To December 31, 2023 | Previous fiscal year<br>From January 1, 2022<br>To December 31, 2022 | Current fiscal year<br>From January 1, 2023<br>To December 31, 2023 |
| <b>Cash flows from operating activities</b>   |  |   |  |   |
| Profit before income taxes  | 36,528   | 47,927  | 233  | 305   |
| Depreciation and amortization   | 24,016   | 26,518  | 153  | 169   |
| Gain on disposal of property, plant and equipment<br>(△ indicates gain)                               | 306  | △531  | 2  | △3  |
| Finance income and costs<br>(△ indicates income)  | 4,548  | 6,415   | 29   | 41  |
| Share of profits and losses of at equity-accounted investments<br>(△ indicates profit)                | 137  | △192  | 1  | △1  |
| Profit or loss from other non-cash transaction<br>(△ indicates profit)                                | △1,915   | △5,030  | △12  | △32   |
| Decrease or increase in inventories<br>(△ indicates increase)   | △26,311  | △20,725   | △168   | △132  |
| Decrease or increase in trade and other receivables<br>(△ indicates increase)                         | 577  | 13,524  | 4  | 86  |
| Increase or decrease in trade and other payables<br>(△ indicates decrease)                            | 16,524   | 5,970   | 105  | 38  |
| Increase or decrease in contract liabilities<br>(△ indicates decrease)                                | 21,498   | △7,910  | 137  | △50   |
| Increase or decrease in provisions<br>(△ indicates decrease)  | 3,508  | △760  | 22   | △5  |
| Others  | △2,730   | 476   | △17  | 3   |
| (Subtotal)  | 76,687   | 65,681  | 488  | 418   |
| Interests received  | 502  | 1,002   | 3  | 6   |
| Dividends received  | 111  | 148   | 1  | 1   |
| Interests paid  | △3,821   | △5,344  | △24  | △34   |
| Income tax paid   | △3,731   | △9,879  | △24  | △63   |
| Cash flows from operating activities  | 69,749   | 51,608  | 444  | 329   |
| <b>Investing activities</b>   |  |   |  |   |
| Payments into term deposits   | △1,221   | —   | △8   | —   |
| Proceeds from withdrawal of term deposits   | —  | 1,242   | —  | 8   |
| Purchase of tangible fixed assets   | △26,203  | △26,178   | △167   | △167  |
| Proceeds from sale of property, plant and equipment   | 120  | 5,716   | 1  | 36  |
| Purchase of intangible assets   | △14,909  | △16,294   | △95  | △104  |
| Acquisition of shares of affiliated companies   | △63  | —   | △0   | —   |
| Purchase of investment securities   | △2,286   | △3,037  | △15  | △19   |
| Proceeds from disposal of investment securities   | 8  | 2,173   | 0  | 14  |
| Others  | △318   | △353  | △2   | △2  |
| Net cash flows used in investing activities   | △44,874  | △36,730   | △286   | △234  |
| <b>Financing activities</b>   |  |   |  |   |
| Net increase or decrease in short-term loans and borrowings   | 4,868  | 15,696  | 31   | 100   |
| Proceeds from long-term loans and borrowings  | —  | 52,517  | —  | 334   |
| Repayment of long-term loans and borrowings   | △1,748   | △49,362   | △11  | △314  |
| Expenses due to redemption of bonds   | △10,000  | —   | △64  | —   |
| Repayment of hybrid capital   | —  | △8,000  | —  | △51   |
| Repayments of debt instruments  | △15,000  | —   | △95  | —   |
| Payment of lease liabilities  | △5,429   | △6,272  | △35  | △40   |
| Dividends paid to equity holders of the parent  | △7,525   | △10,029   | △48  | △64   |
| Dividends paid to non-controlling interests   | △100   | △129  | △1   | △1  |
| Acquisition of treasury shares  | △1   | △2  | △0   | △0  |
| Payment of obligations for non-controlling interests  | △4,245   | △4,334  | △27  | △28   |
| Amount of payments to owners of hybrid capital  | △1,764   | △1,768  | △11  | △11   |
| Acquisition of shares of subsidiaries not resulting<br>in change in scope of consolidation            | △46  | △417  | △0   | △3  |
| Proceeds from disposal of shares of subsidiaries<br>not resulting in change in scope of consolidation | —  | 15  | —  | 0   |
| Others  | 2,014  | △4,282  | 13   | △27   |
| Net cash flows from / (used in) financing activities  | △38,978  | △16,371   | △248   | △104  |
| Net foreign exchange difference   | 3,797  | 3,713   | 24   | 24  |
| Increase or decrease in cash and cash equivalents<br>(△ indicates decrease)                           | △10,305  | 2,219   | △66  | 14  |
| Cash and cash equivalents at January 1  | 47,298   | 36,992  | 301  | 235   |
| Cash and cash equivalents at December 31  | 36,992   | 39,212  | 235  | 250   |

[\*] EUR amount is translated from JPY at the current rate of Dec. 31, 2023 (JPY 157.08 / EUR) for both previous and current fiscal year.  
Please refer to the Security Report for the audited financial statements.

# Company Profile as of December 31, 2023

## General information about the Company

|                        |   |
|------------------------|---|
| Company Name           | DMG MORI CO., LTD.  |
| Subscribed Capital     | JPY 51,115 million  |
| Established            | October, 1948   |
| Registered Head Office | 106, Kitakoriyama-cho, Yamato-Koriyama City, Nara 639-1160, Japan<br>Phone: +81-743-53-1125   |
| Global Headquarters    | 2-3-23 Shiomi, Koto-ku, Tokyo, 135-0052, Japan (Tokyo Global Headquarters)<br>Phone: +81-3-6758-5900  |
| Second Headquarters    | 2-1 Sanjohonmachi, Nara City, Nara, 630-8122, Japan<br>(Nara Product Development Center)  |
| Scope of Business      | Provide total solutions consisting of machine tools (machining centers, turning centers, mill-turn centers, 5-axis machines, additive manufacturing machines, etc.), software (user interface, Technology Cycles, embedded software, etc.), measurement equipment, service support, applications, and engineering |
| Number of employees    | 13,484 (consolidated)   |
| Website                | <a href="https://www.dmgmori.co.jp/en/">https://www.dmgmori.co.jp/en/</a>   |

## Share information

|   |  |
|---|--|
| Number of authorized shares                             | 300,000,000  |
| Total number of shares already issued                   | 125,573,501 shares (treasury shares of 380,182 excluded) |
| Shares constituting one unit of stock                   | 100 shares   |
| Number of shareholders as of the end of the fiscal year | 38,596   |

## Major shareholders

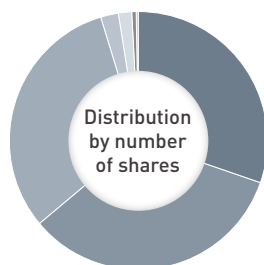
| Name  | Number of shares held<br>(1,000 shares) | Shareholding ratio (%) |
|---|---|------------------------|
| The Master Trust Bank of Japan, Ltd. (trust account)  | 15,979                                  | 12.72                  |
| Custody Bank of Japan, Ltd. (trust account)   | 14,203                                  | 11.31                  |
| DMG MORI Employee Shareholders Association  | 4,873                                   | 3.88                   |
| Masahiko Mori   | 3,591                                   | 2.86                   |
| Custody Bank of Japan, Ltd. (Mori Manufacturing Research and Technology Foundation account) | 3,500                                   | 2.79                   |
| THE BANK OF NEW YORK MELLON 140051  | 3,317                                   | 2.64                   |
| BNY GCM CLIENT ACCOUNT JRRD AC ISG (FE-AC)  | 2,779                                   | 2.21                   |
| BBH FOR UMB BK, NATL ASSOCIATION-GLOBAL ALPHA INTL SMALL CAP FUND LP                        | 2,133                                   | 1.70                   |
| The Nomura Trust and Banking Co., Ltd. (investment trust account)                           | 2,071                                   | 1.65                   |
| RBC IST 15 PCT NON LENDING ACCOUNT — CLIENT ACCOUNT   | 1,995                                   | 1.59                   |

(Note) 1. Acquisition or disposal of treasury shares in FY 2023

|             |   |            |
|-------------|---|------------|
| Acquisition | Acquisition of shares less than one unit of stock | 870 shares |
|-------------|---|------------|

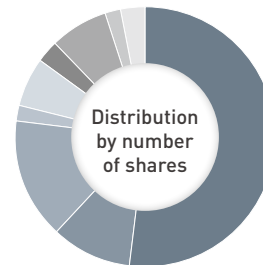
2. The shareholding ratio is calculated excluding the treasury shares.

Composition by  
shareholder type



|   | Number of shares<br>(1,000 shares) | Number of<br>shareholders<br>(person) |
|---|------------------------------------|---------------------------------------|
| ■ Individuals / Others                                    | 38,419                             | 37,829                                |
| ■ Financial institutions                                  | 42,544                             | 56                                    |
| (including securities investment trust)                   | (31,276)                           |                                       |
| ■ Foreign corporate bodies, etc. (other than individuals) | 40,031                             | 323                                   |
| ■ Financial Instruments Business Operators                | 2,385                              | 34                                    |
| ■ Other corporate bodies                                  | 2,163                              | 273                                   |
| ■ Treasury shares   | 380                                | 1                                     |
| ■ Foreign corporate bodies, etc. (individuals)            | 28                                 | 80                                    |

Composition by  
number of shares  
held



|                            | Number of shares<br>(1,000 shares) | Number of<br>shareholders<br>(person) |
|----------------------------|------------------------------------|---------------------------------------|
| ■ 1,000,000 shares or more | 65,512                             | 18                                    |
| ■ 500,000 shares or more   | 12,856                             | 19                                    |
| ■ 100,000 shares or more   | 18,946                             | 84                                    |
| ■ 50,000 shares or more    | 2,630                              | 37                                    |
| ■ 10,000 shares or more    | 7,095                              | 385                                   |
| ■ 5,000 shares or more     | 2,933                              | 474                                   |
| ■ 1,000 shares or more     | 9,543                              | 5,846                                 |
| ■ 500 shares or more       | 2,283                              | 3,873                                 |
| ■ Up to 500 shares         | 4,150                              | 27,860                                |

## Glossary

Below are definitions of the terminologies used in this Integrated Report.

| Terminologies in the Integrated Report | Explanations   |
|--|--|
| DMG MORI<br>DMG MORI Group             | The entire DMG MORI Group consisting of DMG MORI CO., LTD,<br>DMG MORI AKTIENGESELLSCHAFT, and other group companies |
| DMG MORI CO<br>CO                      | DMG MORI CO., LTD.   |
| DMG MORI AG<br>AG                      | DMG MORI AKTIENGESELLSCHAFT  |

## Financial Calendar (Schedule)

DMG MORI CO., LTD.

|                  |  |
|------------------|--|
| March 28, 2024   | 76th Annual General Shareholders Meeting |
| May 7, 2024      | Announcement of 1st Quarter 2024 results |
| July 31, 2024    | Announcement of 1st Half 2024 results    |
| November 1, 2024 | Announcement of 3rd Quarter 2024 results |

## Reporting term

### January 2023 – December 2023

[\*] Some contents include subjects that occurred outside of this term.

## Disclaimer

This Integrated Report contains targets, plans, etc. concerning the future of DMG MORI. All predictions concerning the future are judgments and assumptions based on information available to DMG MORI at the time of writing.

There is a possibility that the actual future results may differ significantly from remarks and forecasts stated herein and described plans may not be implemented, due to factors which contain elements of uncertainty or the possibility of fluctuation for a variety of reasons.

The financial figures presented in this Report are based on the status as at December 31, 2023. The figures do not reflect any effects caused by the subsequent events that occur after the date.

This Integrated Report was prepared in Japanese and translated into English.

In the event of any discrepancy or conflicts between the two versions, the Japanese version shall prevail.