

**DMG MORI CO., LTD.**

**FY 2024 (Jan-Dec) Results**

**IR Announcement**

**February 5, 2025**

---

- 1. Fiscal Year 2024 (Jan-Dec) Financial Summary**
2. Business Environment
3. FY 2025 Forecast / FY 2030 Targets
4. MX Promotion: Open House Pfronten 2025
5. Quality Management / Investment in Nagaoka area
6. Environmental Initiatives/ HR / Corporate Governance

## FY2024 (Jan-Dec) Highlights

**DMG MORI**

- ✓ Consolidated order intake: Jan-Dec (accum.) JPY 496.0 bn. (-4.6% y-o-y)
- ✓ Average machine order unit price: JPY 71.0 mil. (FY2023: JPY 61.9 mil., +15%) / EUR 433,000 (FY2023: EUR 407,000, +6%). Increase driven by customer investments in MX.
- ✓ Order intake for spare parts, maintenance/repair/overhaul, engineering: Jan-Dec JPY 124.2 bn. (+7.4% y-o-y), Consol. order share: 25% (vs. 22% in FY2023)
- ✓ Machine order backlog at the end of Dec. 2024: JPY 218.0 bn. (end of FY2023: JPY 247.0 bn.)
- ✓ FY ending Dec 2024: Sales revenue: JPY 540.9 bn. (+0.3% y-o-y), Operating profit: JPY 43.7 bn. (-21.0% y-o-y), Operating profit margin: 8.1% (FY2023: 10.3%), Dividend per share: JPY 100
  - Long wait for export licenses in Germany, Additional cost from introduction of SAP S4/HANA, Temporary cost from disposal of excess parts inventory
  - HR enhancement: Recruitment of maintenance/repair/overhaul and application engineers
  - Temporary cost from seizure of Russian plant: EUR 91.8 mil. / JPY 15.1 bn. (recognized in net profit)
- ✓ FY2025 forecast: Sales revenue JPY 510.0 bn (-5.7% y-o-y), Operating profit: JPY 38.0 bn. (-13.1% y-o-y), Operating profit margin: 7.5%, Dividend per share: JPY 105  
Less sales revenue planned due to lower order backlog at start of the fiscal year (approximately - JPY 30.0 bn. y-o-y)
- ✓ Targets for FY2030: Sales revenue of JPY 800 bn, operating profit margin of 15%, net profit margin of 10%, Dividend per share of JPY 200 (dividend payout ratio 30-40%) through organic growth

# FY2024 (Jan-Dec) Financial Highlights

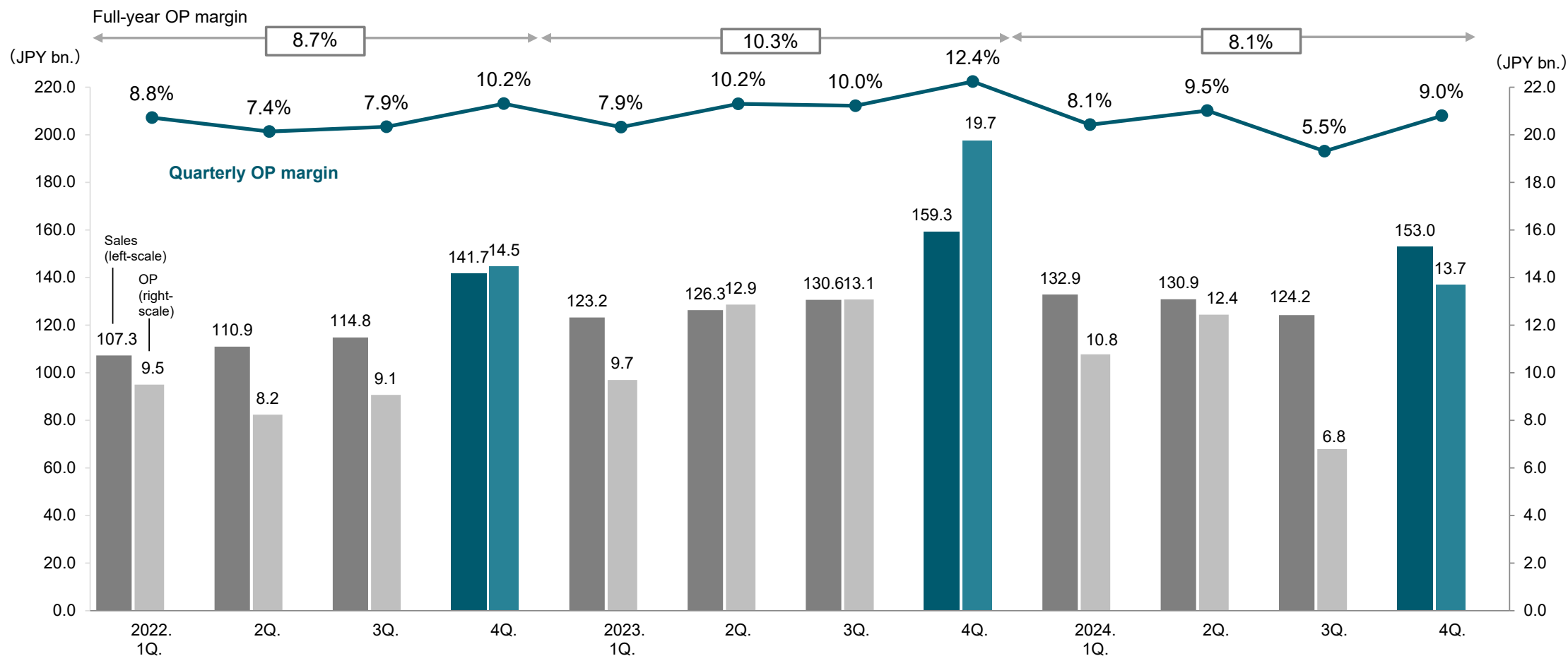
# DMG MORI

(JPY bn.)	FY2022	FY2023	FY2024	YoY (%)	FY2025 Plan	YoY (%)
<b>Consolidated order intake</b>	542.4	520.0	<b>496.0</b>	-4.6%	<b>530.0</b>	+6.9%
Order backlog	254.0	247.0	<b>218.0</b>		—	
<b>Sales revenue</b>	474.8	539.5	<b>540.9</b>	0.3%	<b>510.0</b>	-5.7%
<b>Operating profit</b>	41.2	55.4	<b>43.7</b>	-21.0%	<b>38.0</b>	-13.1%
Operating profit margin	8.7%	10.3%	<b>8.1%</b>		<b>7.5%</b>	
<b>Net profit from continued operations</b>	25.4	35.4	<b>23.1</b>	-34.9%	<b>20.0</b>	-13.4%
Loss from discontinued operations in the Russian manufacturing company (one-time)		-1.2	<b>-15.1*</b>		—	
<b>Net profit</b>	25.4	33.9	<b>7.7</b>	-77.3%	<b>20.0</b>	2.6x
EPS (JPY)	188.62	256.66	43.60		<b>129.4</b>	
Dividends per share (JPY)	70	90	<b>100(Plan)</b>		<b>105</b>	
Depreciation & amortization including leasing	24.0	26.5	<b>31.5</b>		35.0	
Capital expenditure	41.1	42.5	<b>43.8</b>		30.0	
USD/JPY	131.5	140.6	<b>151.6</b>		150	
EUR/JPY	138.1	152.0	<b>164.0</b>		160	

\*EUR 91.8 mil. (JPY 15.1 bn.) loss from discontinued operations in the Russian manufacturing company (Ulyanovsk Machine Tools ooo) was recognized in 1Q (Jan – Mar)

# Quarterly Financial Results

- In 4Q (Oct-Dec) operating profit more or less reached the planned figure.
- In 4Q, operating profit margin improved to 9.0%.



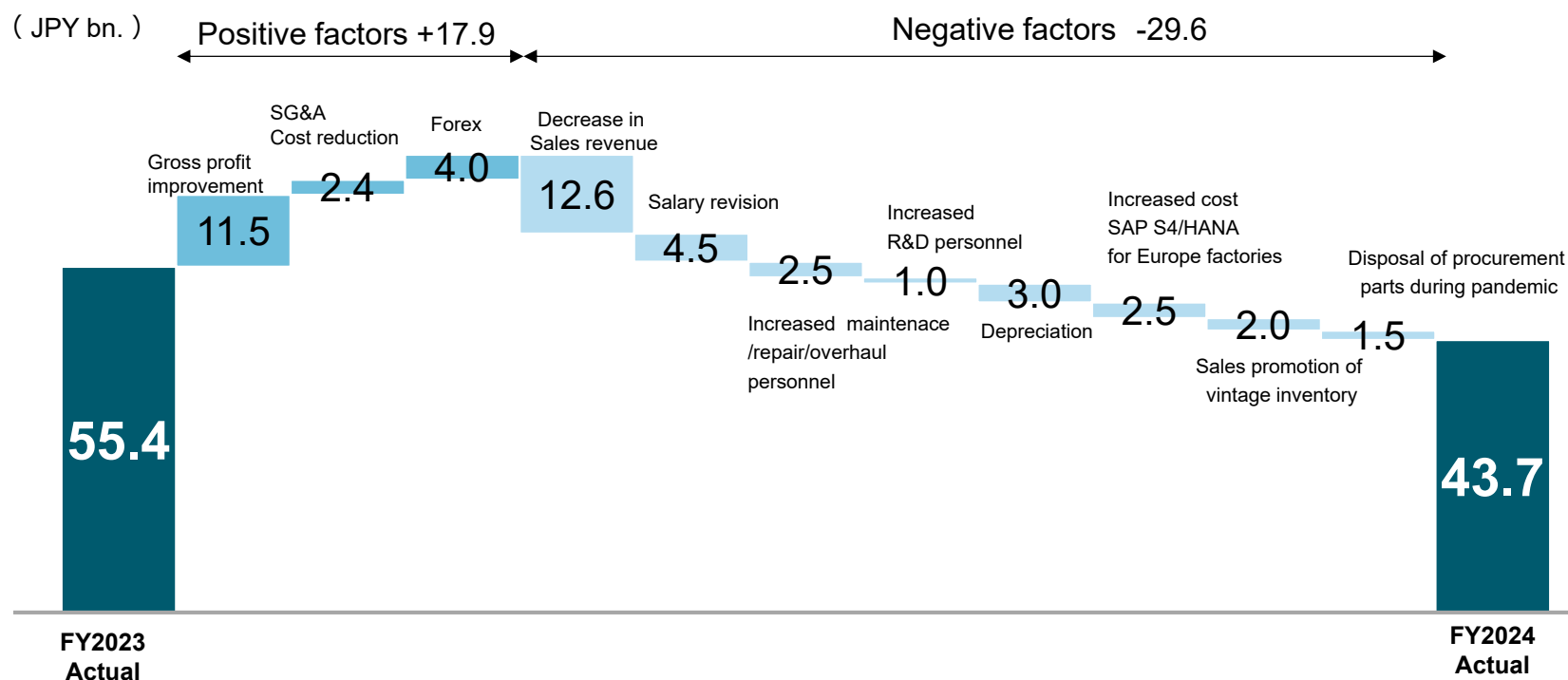
\*The effect of deconsolidation of UMT is reflected retrospectively on results of FY2023.

# Operating Profit Bridge FY2023 (Jan-Dec) vs. FY2024 (Jan-Dec)

- Gross profit improved due to MX solutions with low discounts. Continuous positive effects from in-house production on cost structure.
- Enhanced management resources for maintenance/repair/overhaul and application engineers for MX strategy. Early disposal of unnecessary assets to promote new products & technologies (CELOS-X).

(JPY bn.)	FY2023	FY2024	Changes
Sales revenue	539.5	540.9	+1.4

	FY2023	FY2024
Exchange rate : USD/JPY	140.6	151.6
EUR/JPY	152.0	164.0

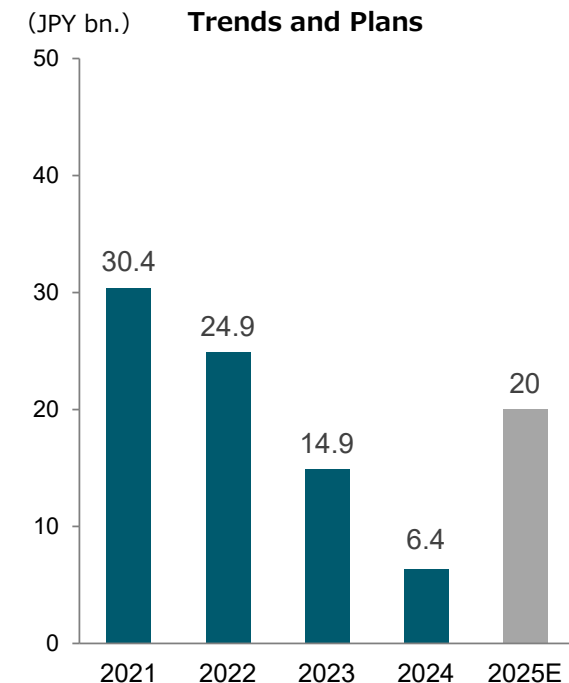


# Cash Flows

- Free cash flow for 4Q (Oct.-Dec.) was positive 21.9 bn yen, thanks to revenue growth and inventory reduction.
- Free cash flow in FY2025: planned to be 20.0 bn yen or more. Large-scale investments are completed by FY2023 and FY2024. Payback period will begin in FY2025 and beyond.

(JPY bn.)	2022					2023					2024				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
<b>Operating cash flow</b>	<b>12.5</b>	<b>23.6</b>	<b>10.1</b>	<b>23.5</b>	<b>69.7</b>	<b>9.3</b>	<b>5.1</b>	<b>5.8</b>	<b>31.5</b>	<b>51.6</b>	<b>9.5</b>	<b>-9.4</b>	<b>11.0</b>	<b>33.6</b>	<b>44.6</b>
Profit before taxes	8.9	7.4	8.0	12.2	36.5	8.5	11.2	11.7	16.5	47.9	9.3	11.3	4.7	11.9	37.1
Depreciation & amortization	5.6	6.0	5.8	6.6	24.0	6.2	6.3	6.8	7.2	26.5	7.4	7.8	7.8	8.5	31.5
Changes in working capital	-1.8	9.9	-0.9	5.1	12.3	-1.7	-10.2	-7.1	9.9	-9.1	0.1	-13.8	1.4	11.8	-0.5
Others	-0.2	0.4	-2.9	-0.3	-3.1	-3.7	-2.3	-5.6	-2.1	-13.7	-7.3	-14.7	-2.9	1.4	-23.5
<b>Investment cash flow</b>	<b>-10.1</b>	<b>-11.5</b>	<b>-11.8</b>	<b>-11.5</b>	<b>-44.9</b>	<b>-11.1</b>	<b>-10.1</b>	<b>-9.6</b>	<b>-5.9</b>	<b>-36.7</b>	<b>-10.6</b>	<b>-6.4</b>	<b>-9.6</b>	<b>-11.7</b>	<b>-38.2</b>
<b>Operating free cash flow</b>	<b>2.4</b>	<b>12.1</b>	<b>-1.7</b>	<b>12.1</b>	<b>24.9</b>	<b>-1.8</b>	<b>-5.0</b>	<b>-3.9</b>	<b>25.6</b>	<b>14.9</b>	<b>-1.1</b>	<b>-15.8</b>	<b>1.4</b>	<b>21.9</b>	<b>6.4</b>

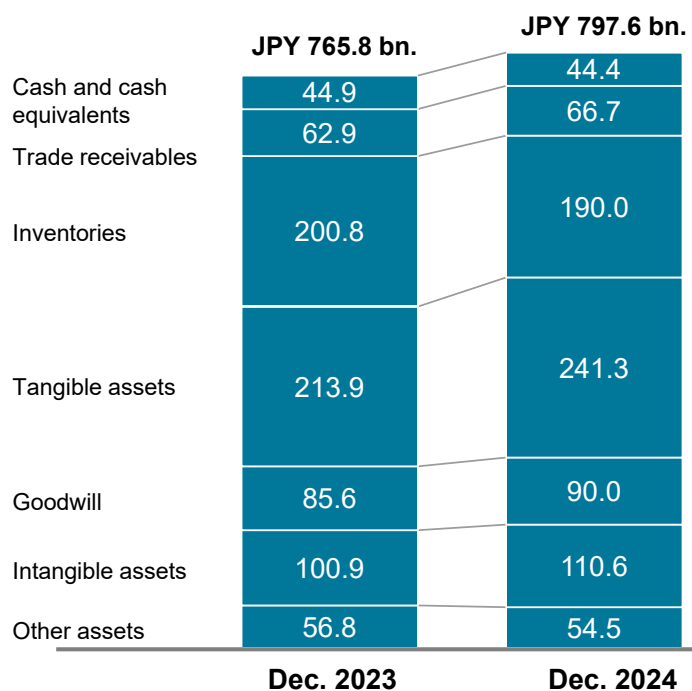
**Operating Free Cash Flow Trends and Plans**



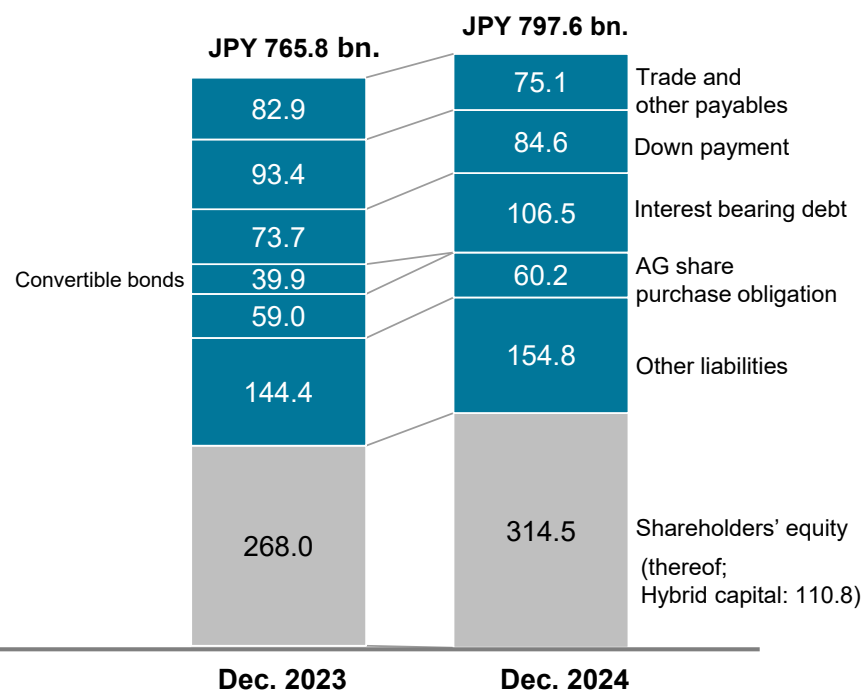
# Balance Sheet Summary

- Foreign exchange impact: approx. 30.0 bn yen. Inventories decreased steadily, including sales promotion of vintage inventory.
- Shareholders' equity ratio improved to 39.4% due to conversion of CBs. Net D/E ratio, excluding hybrid capital, remained at a low level of 0.20.

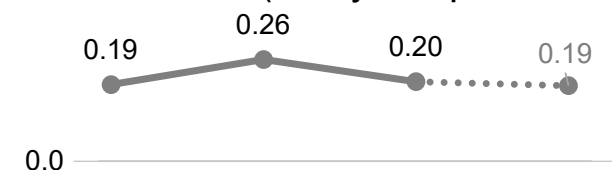
## Assets



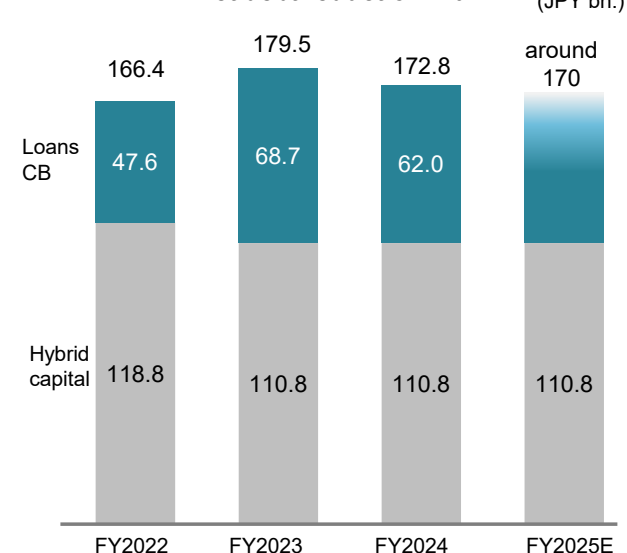
## Liabilities & Equity



## Net D/E ratio (excl. hybrid capital)



## Net debt reduction Plan (JPY bn.)



Current rate (EUR / JPY) 157.1 164.9

Equity ratio 35.0% 39.4%

Net debt JPY 68.7 bn. JPY 62.1 bn.

Net D/E ratio 0.26 0.20



1. Fiscal Year 2024 (Jan-Dec) Financial Summary

**2. Business Environment**

3. FY 2025 Forecast / FY 2030 Targets

4. MX Promotion: Open House Pfronten 2025

5. Quality Management / Investment in Nagaoka area

6. Environmental Initiatives / HR / Corporate Governance

# Consolidated Order Intake

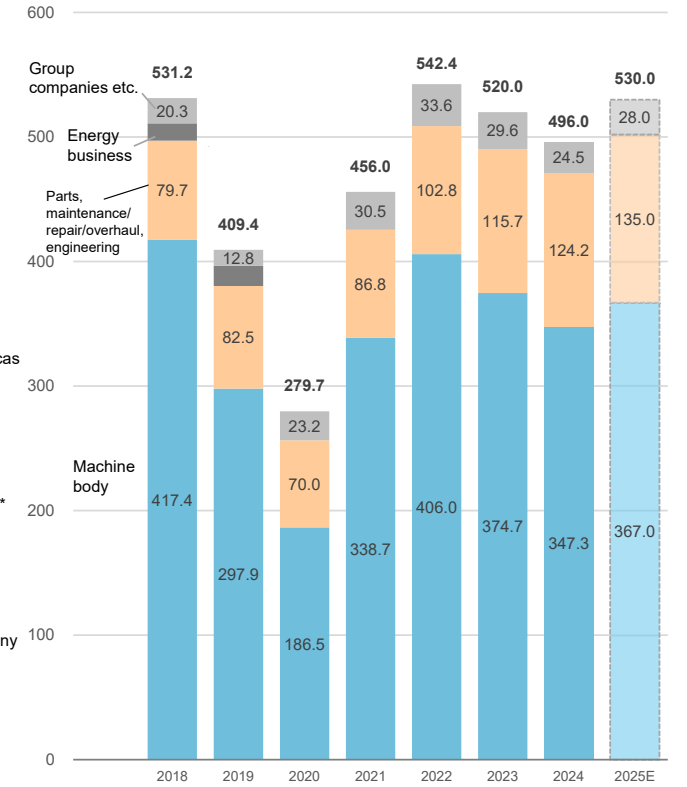
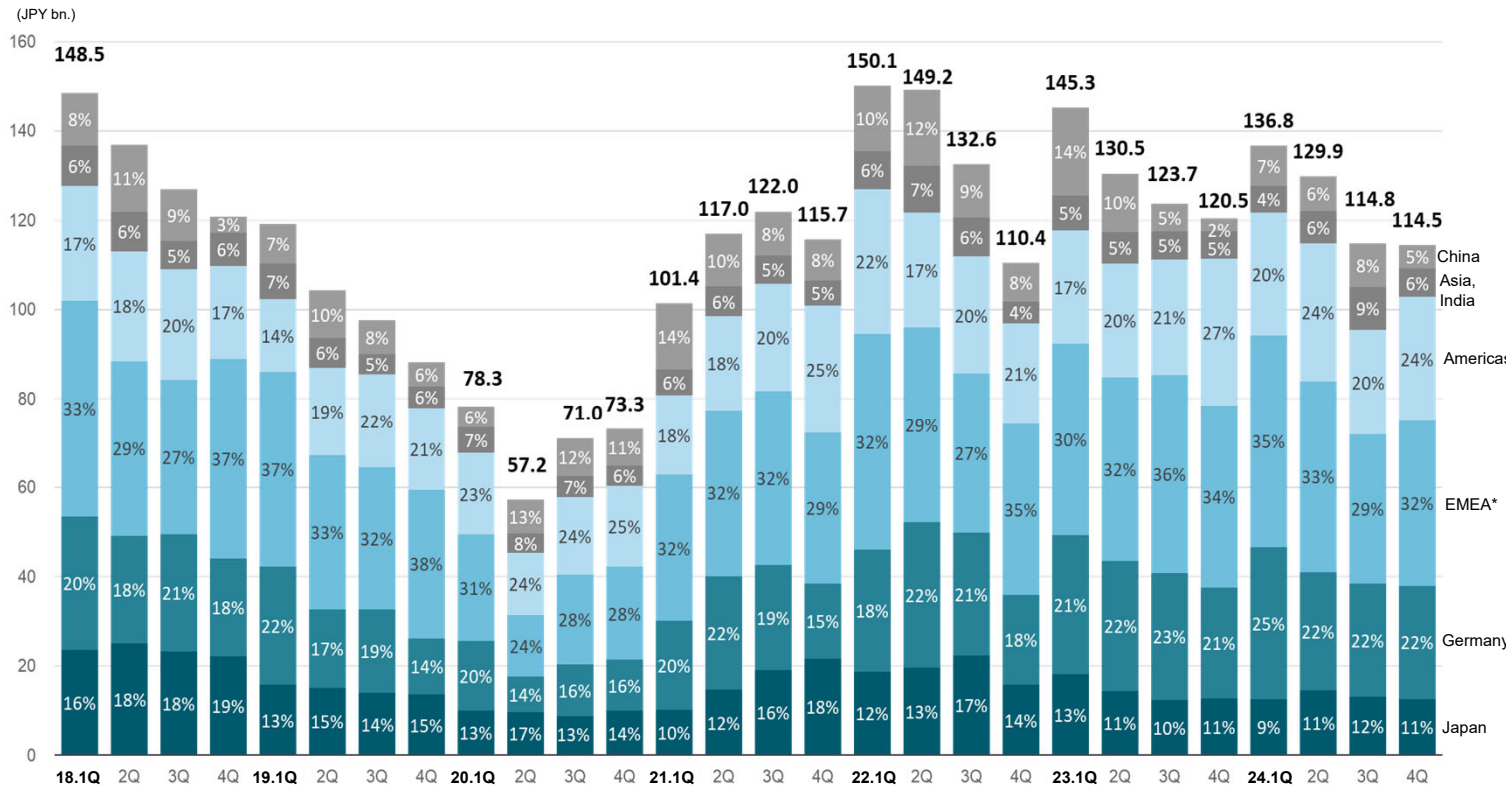
- Consolidated order intake (Oct-Dec) was JPY 114.5 bn., leveling off from 3Q (Jul-Sep).
- Stable revenue from parts, maintenance/repair/overhaul, engineering businesses grew by 7.4% y-o-y, making up 25% of total consolidated orders (vs. 22% in FY2023).

Quarterly

Yearly

\*Europe excl. Germany, the Middle East and Africa

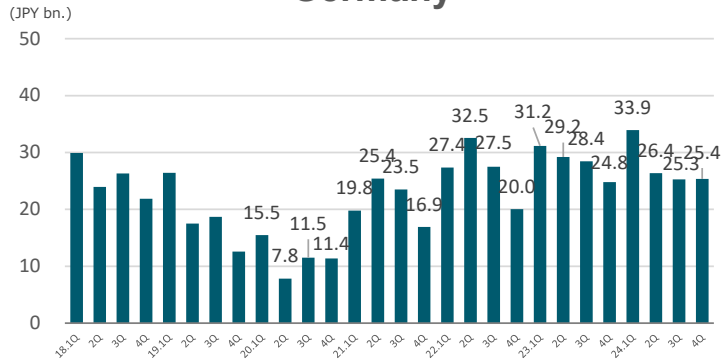
(JPY bn.)



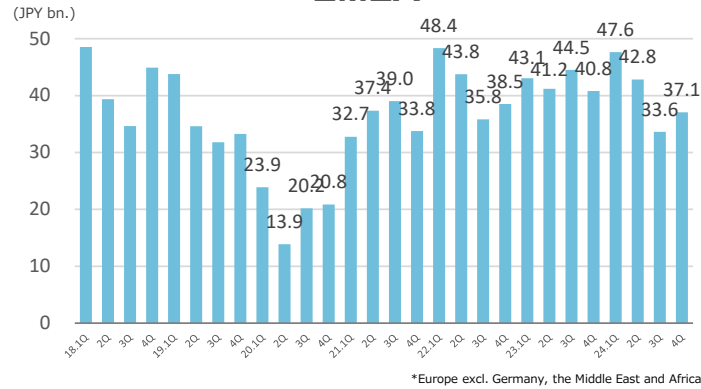
# Order Intake by Region

- Americas recovered from temporary adjustments in 3Q. Progress of talks involving automation projects.
- Japan, Europe, Asia & India, and China remained at same level.

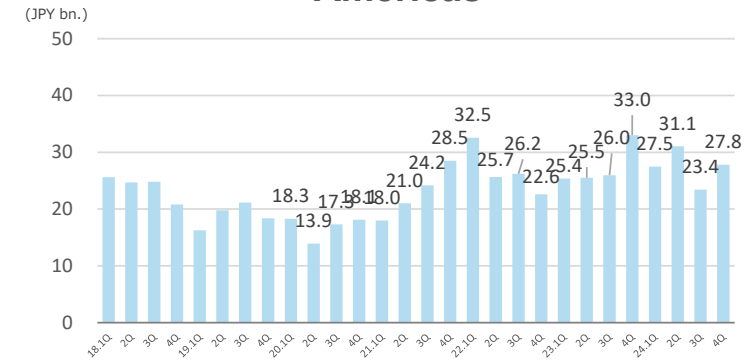
### Germany



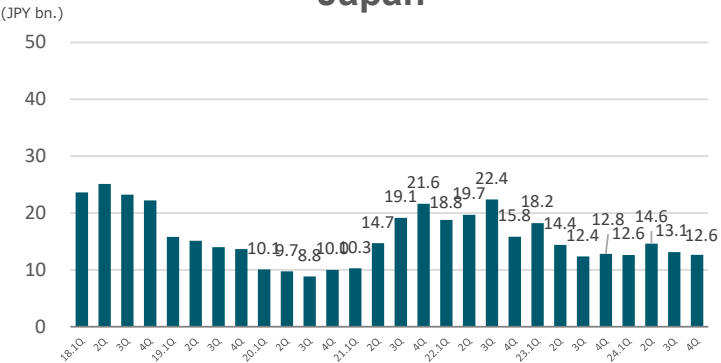
### EMEA



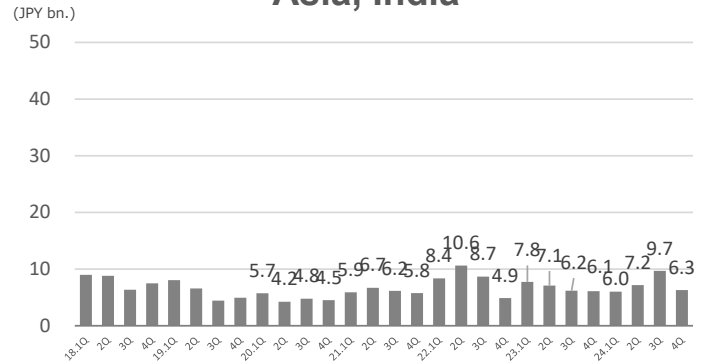
### Americas



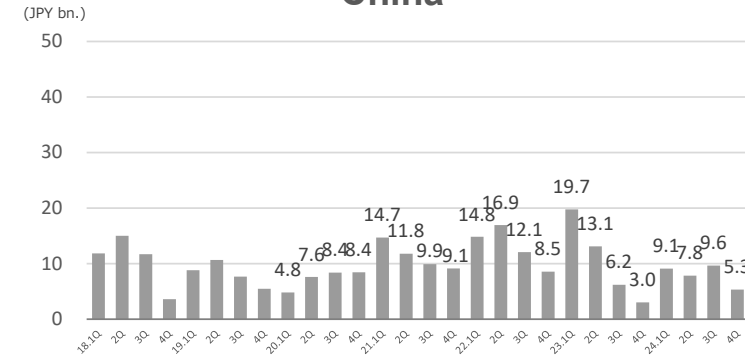
### Japan



### Asia, India



### China

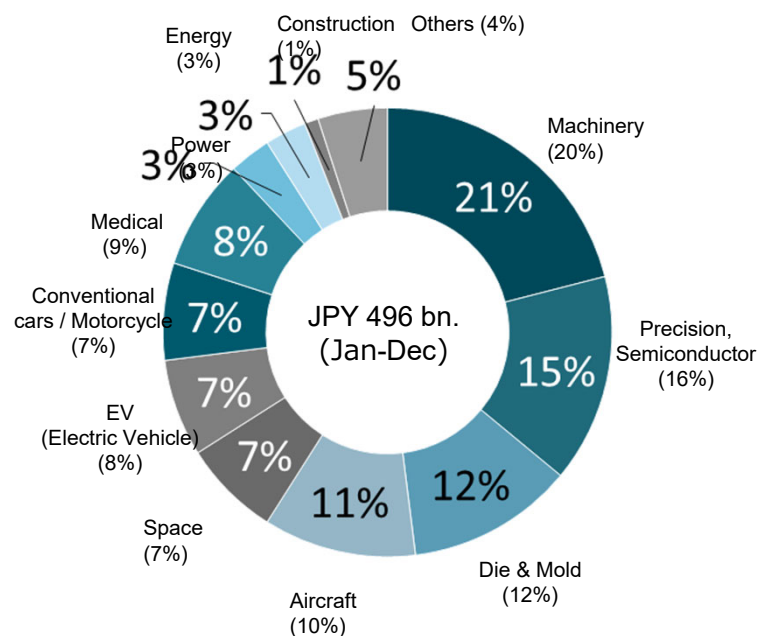


# Consolidated Order Composition (Jan-Dec)

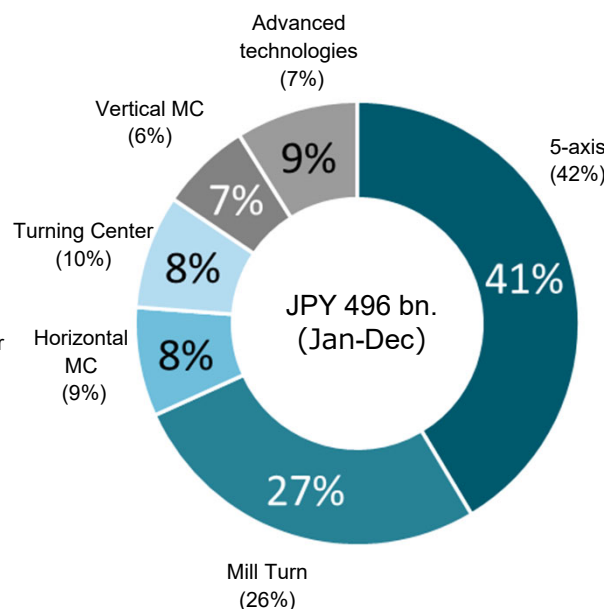
- Orders for aircraft/space, medical, die & mold, and power generation-related industries on a strong level.
- High demand for process integration machines such as 5-axis machines, mill-turn centers, and advanced technologies.

※Based on amount  
(% in brackets: FY2023 Jan-Dec)

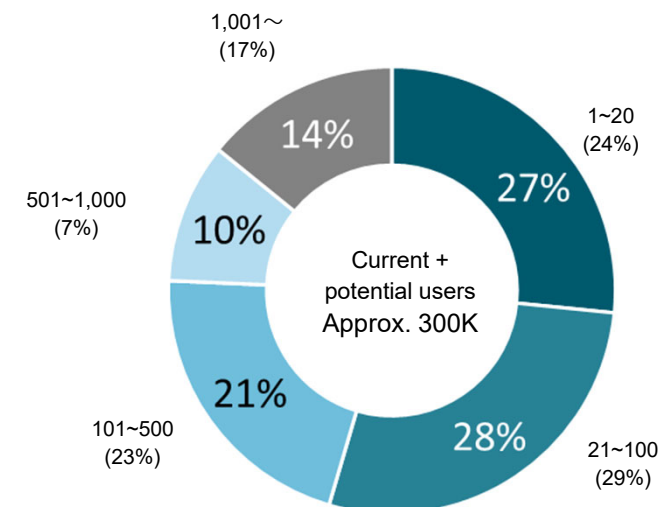
by industry



by product type

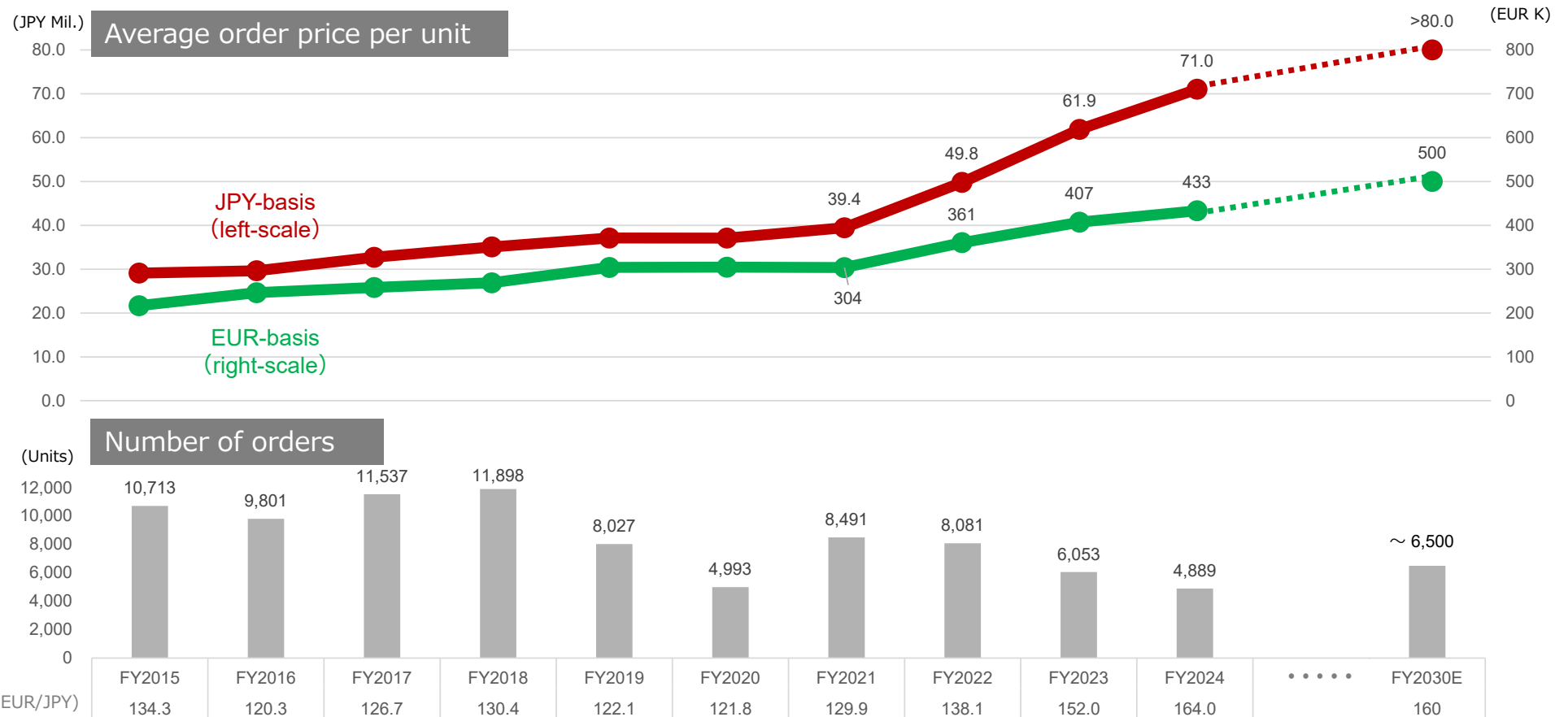


by customer's employee number



# Average Order Price Per Unit

- Machine order unit price in Euro increased by 6% y-o-y to EUR 433,000.
- Ratio of 5-axis machines, mill-turn centers, and advanced technologies increased to 77% (vs. 75% in FY 2023), improving unit prices.
- Focus on optimized management of customer projects rather than aiming for high numbers → employees work with higher productivity → quality improvement of customer training & maintenance/repair/overhaul → positive cycle of high customer satisfaction.



1. Fiscal Year 2024 (Jan-Dec) Financial Summary
2. Business Environment
- 3. FY 2025 Forecast / FY 2030 Targets**
4. MX Promotion: Open House Pfronten 2025
5. Quality Management / Investment in Nagaoka area
6. Environmental Initiatives/ HR / Corporate Governance

# FY 2025 (Jan-Dec) Forecast

# DMG MORI

- Lower sales revenue and profit expected due to lower order backlog and slower-than-expected order intake recovery. Dividend per share planned at JPY 105 due to recovery in free cash flow.
- On-going insurance claim (EUR 90.4 million / JPY 14.5 bn.) regarding seizure of Russian plant (in February 2024). Figure not included in announced forecasts.

(JPY bn.)	FY2022 (Actual)	FY2023 (Actual)	FY2024		FY2025 Forecast	
			(Actual)	YoY (%)		YoY (%)
<b>Consolidated order intake</b>	542.4	520.0	496.0	-4.6%	<b>530.0</b>	+6.9%
Order backlog	254.0	247.0	218.0		—	
<b>Sales revenue</b>	474.8	539.5	540.9	+0.3%	<b>510.0</b>	-5.7%
<b>Operating profit</b>	41.2	55.4*	43.7	-21.0%	<b>38.0</b>	-13.1%
Operating profit margin	8.7%	10.3%	8.1%		<b>7.5%</b>	
<b>Net profit from continued operations</b>	25.4	35.4	23.1	-34.9%	<b>20.0</b>	-13.4%
Loss from discontinued operations in the Russian manufacturing company (one-time)	—	-1.2	-15.1		—	
<b>Net profit</b>	25.4	33.9	7.7	-77.3%	<b>20.0</b>	2.6x
EPS (JPY)	188.6	256.7	43.60		<b>129.4</b>	
Dividends per share (JPY)	70	90	100		<b>105</b>	
Depreciation & amortization including leasing	24.0	26.5	31.5		35.0	
Capital expenditure	41.1	42.5	43.8		30.0	
USD/JPY	131.5	140.6	151.6		150	
EUR/JPY	138.1	152.0	164.0		160	

\* Due to deconsolidation of UMT, the operating profit for FY2023 has been revised to JPY 55.4 bn. and operating profit margin to 10.3% to apply the same standards as in FY2024 (previous announcement: JPY 54.2 bn., 10.0%) It has no impact on net profit. The effect of deconsolidation of UMT is not reflected on results of FY2022 and before.

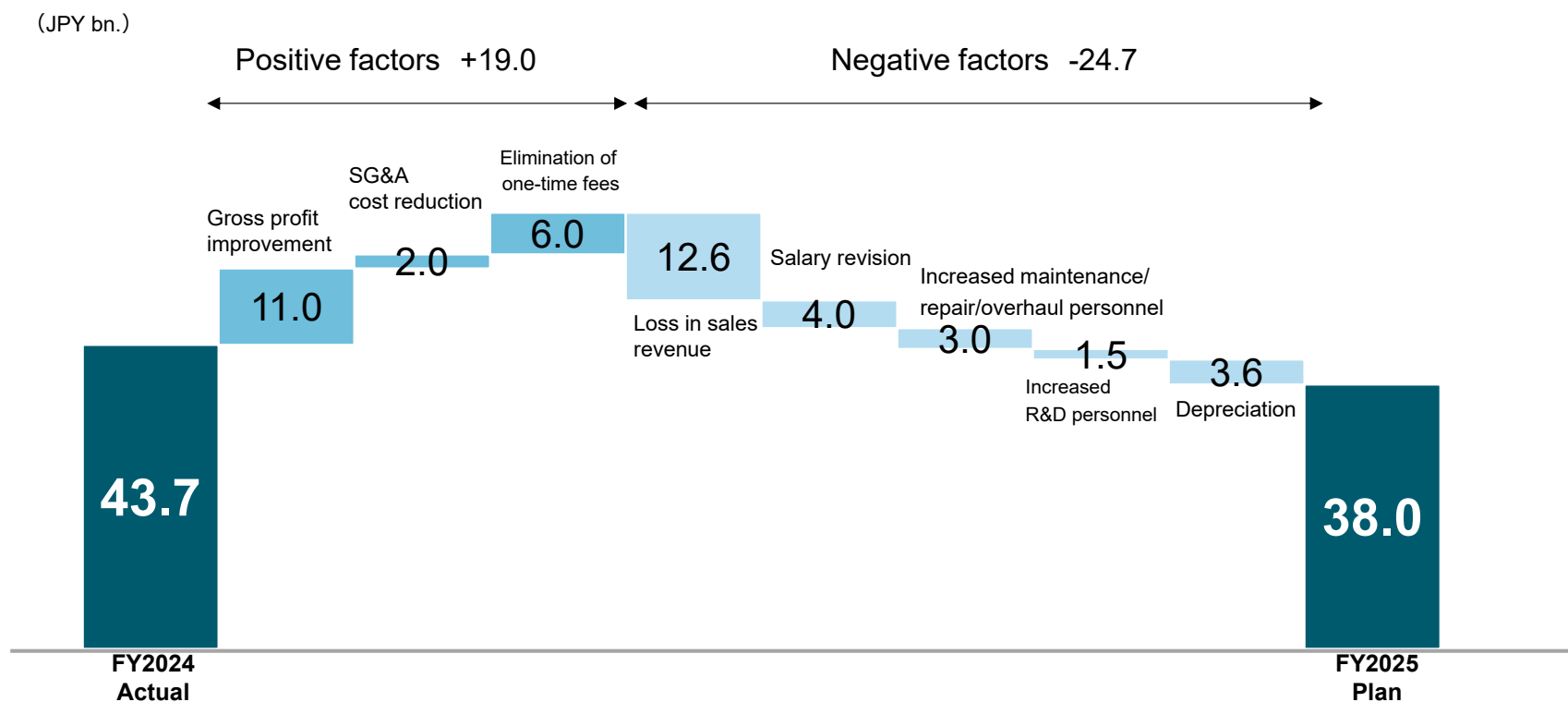
\*\* The dividend forecast is the current management target and has not been approved yet by the Board of Directors or the Annual General Meeting of shareholders .

# Operating Profit Bridge FY2024 (Jan-Dec) vs. FY2025 forecast (Jan-Dec)

- Lower profit expected mainly due to lower sales revenue.
- Plan to cover medium/long-term investments in employees and equipment by improved gross profits and cost structure.

(JPY bn.)	FY2024	FY2025	Changes
Sales revenue	540.9	510.0	-30.9

	FY2024	FY2025
Exchange rate :USD/JPY	151.6	150.0
EUR/JPY	164.0	160.0





# Review of Medium-term Business Plan 2025

## ■ Trend of Financial Indicators

	2023	2024	2025 Plan	2025 Initial Target (Announced Dec. 2022)
<b>Sales revenue</b>	539.5 bn yen	540.9 bn yen	510.0 bn yen	<b>600.0 bn yen</b>
<b>Operating profit</b>	55.4 bn yen	43.7 bn yen	38.0 bn yen	<b>72.0 bn yen</b>
(EBIT margin)	10.3%	8.1%	7.5%	12.0%
<b>Net profit</b>	33.9 bn yen	7.7 bn yen	20.0 bn yen	<b>48.0 bn yen</b>
(net profit ratio)	6.3%	1.4%	3.9%	8.0%
Dividend per share	90 yen	100 yen	105 yen	100 yen
Net interest-bearing debt (incl. hybrid capital)	179.6 bn yen	172.8 bn yen	Approx. 170.0 bn yen	80.0 bn yen
Shareholder equity ratio	35.0%	39.4%	> 40%	> 50%
ROE (net profit on shareholder equity ratio)	13.2%	2.6%	6%~7%	> 12%
2023~2025 Accumulated Capex		116.2 bn yen		<b>100.0 bn yen</b>

## ➤ Changes in the external environment after 2023

- ✓ Impact on sales revenues and profit due to withdrawing business from Russia and cancelling a project in Egypt: approx. JPY 10 bn.
- ✓ Further impacts due to reduced activities in China and stricter export control regulations resulting from increased tension in U.S.-China relations: approx. over JPY 10 bn.
- ✓ Increase in energy material prices due to accelerated global inflation
- ✓ Slowdown of the automobile industry in Europe, including EVs

## ■ Results of Non-Financial Measures

### Penetration of MX Strategy

Rise in ratio of orders with robots, pallet changes or loaders

### Quality Management

Deming Prize 2024 (Iga Campus)

### Human Capital

- Increase in maintenance/repair /overhaul and application engineers  
Global Headcount: 12,500 => 13,500
- Salary Revision
- Selected as White 500
- Selected as Health & Productivity Stock 2024

### Management Resource Efficiency

SAP S4/HANA deployed at major European factories

### Strengthening Group Management

- DMG MORI Precision Boring joins Group
- Acquired 100% of Taiyo Koki

### Measures for Environment

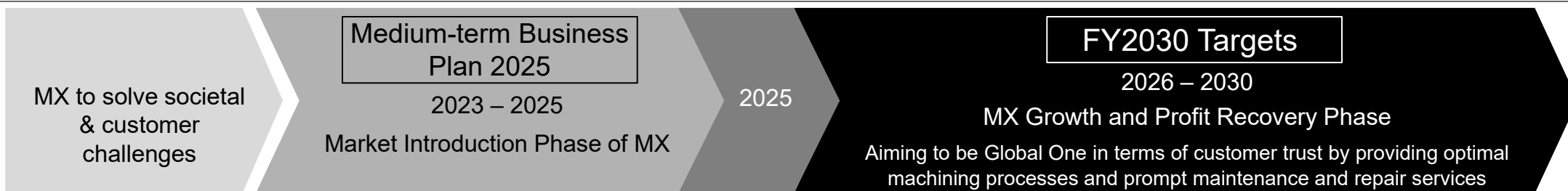
- SBT "Net Zero" target certification
- Introduction of solar power generation for self-consumption
- Progress in reduction of CO2 emission

### Mutual Prosperity with Suppliers

- Declaration of Partnership Building (Japan)
- Introduction of CO2 emission visualization tool

# TARGET 2030: Revision of Medium-term Business Plan 2025⇒Shift to Target 2030

**DMG MORI**



## Introducing MX to customers



**Rise in the ratio of machine orders with robots, pallet changers, and loaders**

FY2022 : 25% → FY2024 : 37%

**Increase of average order price**

FY2022 : JPY 49.8 mil. → FY2024 : 71.0 mil.  
(361 K Euro) (433 K Euro)

### DMG MORI's Strategies

- Strengthen supply capacity to meet rising automation demand
- Enhance operator training and support structure
- Boost proposal capabilities and ensure quick trouble shooting
- Recruit maintenance/repair and application engineers

Solving operator shortages

Achieving high-mix, high-accuracy production

Responding to rising costs of management resources (goods, people)

Addressing environmental issues (Climate change)

## Accelerating the introduction of MX to customers

Ratio of machine orders with robots, pallet changers, and loaders more than **60%**



Machine average price over JPY **80 mil.**

ROE **Above 15%**

Annual revenue growth rate (Organic basis) **Approx. 7%**

Shareholder returns  
Continuous dividend growth/Payout ratio of over 30%  
FY2030: **JPY 200** dividend per share

EBIT (Operating profit) margin **15%**

Employee number **15,000**  
Maintenance/repair : approx. 3,000 (2024: approx. 2,200)  
Application: approx. 2,000 (2024: approx. 1,100)

Annual capital investment: Within depreciation scope, flexible growth investments

Shareholders' equity ratio: **Above 50%**

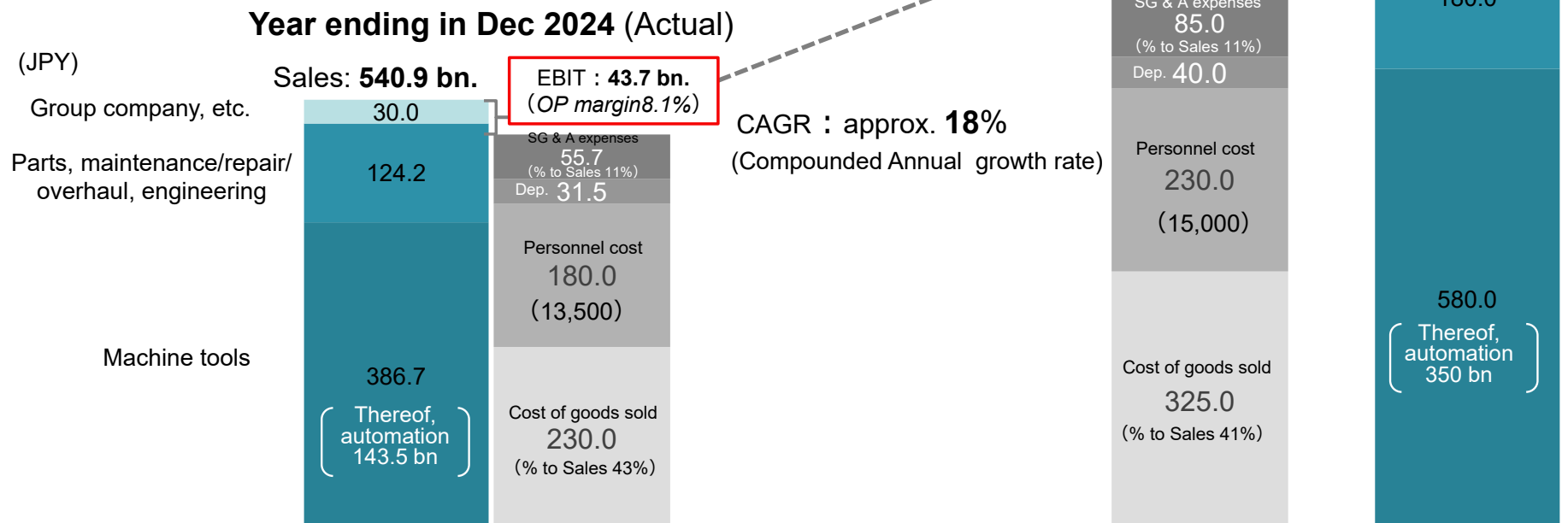
Maintain appropriate level of net interest-bearing debt:  
Approx. JPY 100 billion  
Net debt-equity ratio: around 0.3

# TARGET 2030: Roadmap to Achieve Sales Revenue of JPY 800 bn., Operating Profit of JPY 120 bn. and Operating Profit Margin 15%

Premise to achieve target 2030	Performance indicator	2024 result	2030 target	
1 Introduction of MX to customers	Automation ratio	37%	<b>60% or more</b>	
	Machine unit price	71 mil yen	<b>80 mil yen or more</b>	
2 Expansion of parts, MRO*1 and engineering business	Business revenue	124.2 bn yen	<b>180.0 bn yen</b>	
3 Continuation of investment in HR and equipment	Total headcount	13,500	15,000	
	MRO personnel	No. of engineers	2,200	3,000
	Application engineers	No. of engineers	1,100	2,000
	Increase in employee's annual salary	Japan based employees*2	9 mil yen	12 mil yen
4 Building mutually beneficial supplier relationships	Fair purchasing prices	Annual price increase of approx. 3%		

\*1 Parts, maintenance/repair/overhaul, engineering

\*2 Excluding part-time workers, temporary workers, and employees with labor contracts

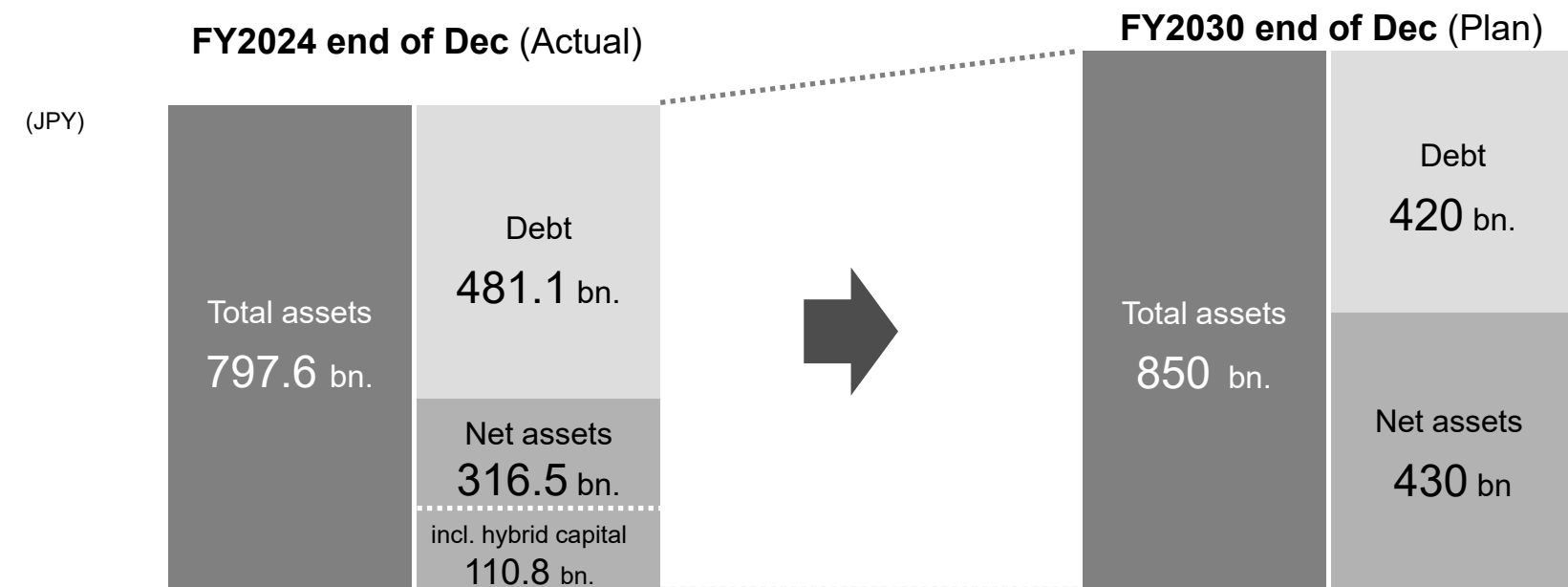


# TARGET 2030: Balance Sheet Target

**Focus on cash flows: Balance of growth investments, appropriate net debt level, shareholder returns**

+ Investments : Only within the range of depreciation, while making pro-active use of growth opportunities

	(FY2024 actual)	(FY2030 Plan)
+ Shareholders' equity ratio :	<b>39.4%</b>	<b>above 50%</b>
+ Appropriate net debt level :	<b>JPY 172.8 bn.</b>	<b>around JPY 100 bn.</b> (Net Debt/Equity: around 0.3)
+ Shareholder returns(Dividend per share ) :	<b>JPY 100</b>	<b>JPY 200</b> (Dividend payout ratio 30 - 40%)



1. Fiscal Year 2024 (Jan-Dec) Financial Summary
2. Business Environment
3. FY 2025 Forecast / FY 2030 Targets
- 4. MX Promotion: Open House Pfronten 2025**
5. Quality Management / Investment in Nagaoka area
6. Environmental Initiatives/ HR / Corporate Governance

Open House Pfronten 2025 : 30 years anniversary (10<sup>th</sup> – 21<sup>st</sup>, Feb)

**DMG MORI**

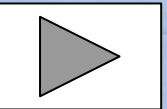
# OPEN HOUSE PFRONTEN 2025

10<sup>th</sup> – 21<sup>st</sup> of February



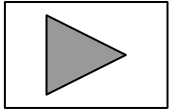
## KEY FACTS OF THE EVENTS

- MX – Machining Transformation
- **35 machines** will be shown – including **5 world premieres**
- **30 years Open House Pfronten** anniversary
- ca. **6,000 visitors** in two weeks





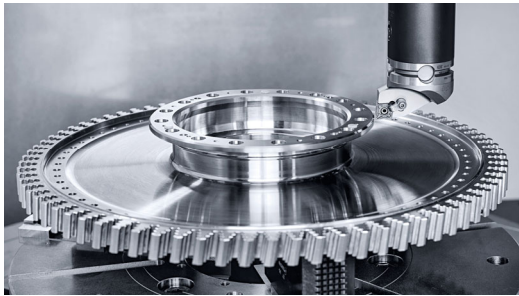
# MX – MACHINING TRANSFORMATION



## PROCESS INTEGRATION

REDUCTION OF THROUGHPUT TIMES WITH IMPROVED PRODUCT QUALITY

Precision Gear Machining



## AUTOMATION

24 / 7 PRODUCTION & MAXIMUM INCREASE IN SPINDLE RUNNING TIMES

Autonomous Robot



## DIGITAL TRANSFORMATION

PROCESS RELIABILITY THROUGH SENSOR-BASED SOLUTIONS

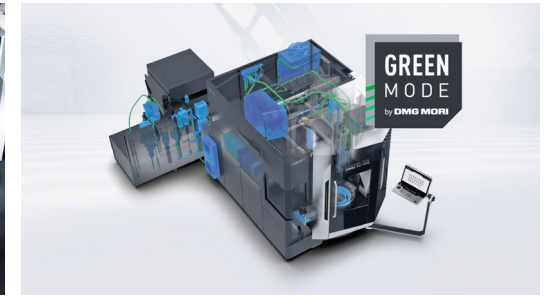
Completely unmanned operation for 72 hours



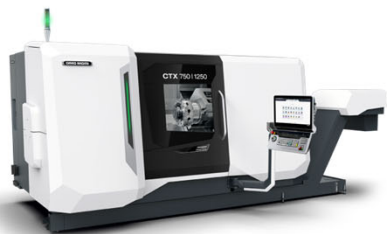
## GREEN TRANSFORMATION

SUSTAINABLE PRODUCTION WITH REDUCED ENERGY CONSUMPTION

90% reduction in CO2 emissions by 2050



## 5 WORLD PREMIERES



CTX 750|1250

Mid-priced strategic machine in Europe



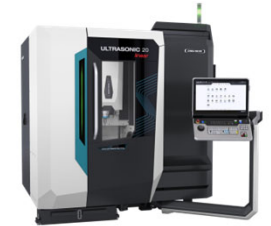
DMX 60 / 80 U

Volume 5-axis machine in Europe



DMU 60 eVo 3<sup>rd</sup> Gen

World-standard high-speed simultaneous 5-axis machine.

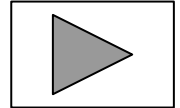


ULTRASONIC 20 linear 3<sup>rd</sup> Gen.

Third Generation Ultrasonic Machining Center

## Robo2Go MAX

- ✓ Strongest model up to 115 kg workpiece weight
- ✓ Handles workpieces from 40 to 400 mm in diameter as standard
- ✓ Easy operation with Robo2Go App, no robot-programming knowledge required





1. Fiscal Year 2024 (Jan-Dec) Financial Summary
2. Business Environment
3. FY 2025 Forecast / FY 2030 Targets
4. MX Promotion: Open House Pfronten 2025
- 5. Quality Management / Investment in Nagaoka area**
6. Environmental Initiatives/ HR / Corporate Governance



Established a superb quality foundation to achieve sales revenue of 800 billion yen in 2030

DMG MORI's efforts recognized by the Deming Prize Committee:

1. Use of TQM methods to realize MX
2. Development of management goals and strategies through Medium-term Business Plan committees
3. Focus on talent development as a core element of TQM

About the Deming Prize:

Established in 1951 to honor the achievements of Dr. William Edwards Deming, who played a key role in promoting statistical quality control in post-war Japan and elevating the quality of Japanese products to a world-class level. It is the highest-ranking global award for TQM (Total Quality Management). (Source: Union of Japanese Scientists and Engineers website)

## Investment in Nagaoka Region (Japan)

**DMG MORI**

- ✔ Construction of a new plant to strengthen cooperation between DMG MORI Precision Grinding/ TAIYO KOKI and DMG MORI Precision Boring Co., Ltd. in Nagaoka area (construction to begin in March 2025, operation to begin in 2027), in order to improve productivity and operational efficiency
- ✔ Approximately 600 employees in the Nagaoka area
- ✔ Target for 2030: 30 billion yen sales revenue

### **Nagaoka New Factory**

502-21 Azana Nakayama, Takato-machi,  
Nagaoka-shi, Niigata-ken

Image of New Factory  
Operation to begin in 2027

Capital expenditure: JPY 10 bn.



1. Fiscal Year 2024 (Jan-Dec) Financial Summary
2. Business Environment
3. FY 2025 Forecast / FY 2030 Targets
4. MX Promotion: Open House Pfronten 2025
5. Quality Management / Investment in Nagaoka area
- 6. Environmental Initiatives/ HR / Corporate Governance**

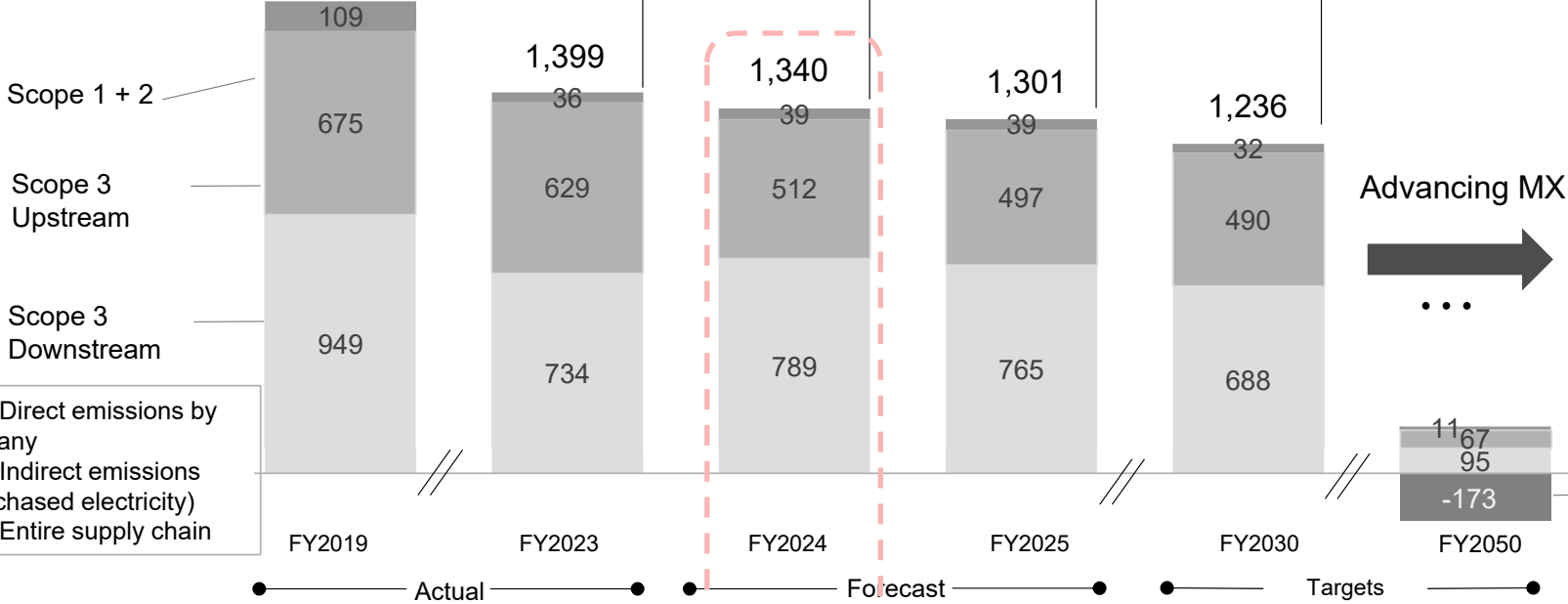
# Environmental Initiatives: Roadmap To Achieve SBT-certified Net-zero Target



- Reduction drivers**
- Use of CO2-free electricity
  - Solar power generation at production sites
  - Use of electrical furnaces for casting production
  - Introduced digital tool for CO2 reduction at suppliers
  - Promotion of MX
  - Supporting suppliers' reduction efforts
  - Casting & chip recycle business

## Carbon Footprint Reduction

(1,000 tons) 1,733



**SBT**

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

GHG reduction targets designed on a scientific basis to be consistent with the levels required by the Paris Agreement.



**Carbon Credit**

A mechanism for offsetting CO<sub>2</sub> emissions that are difficult to reduce in corporate activities through emission credits.

	Base level	FY2023	FY2024	FY2025	FY2030	FY2050
<b>Reduction vs. 2019 level</b>		▲ 19.3%	▲ <b>22.7%</b>	▲ 24.9%	▲ 30.3%	▲ <b>90.0%</b>
<b>SBT Reduction goal</b>		▲ 10.4%	▲ 13.0%	15.6%	28.7%	▲ 90.0%

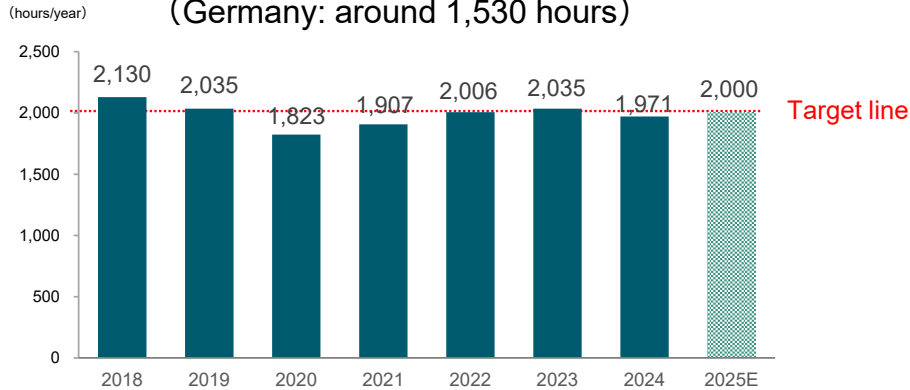
The remaining 10% will be offset by carbon credits

**SBT certified "Net Zero" target**

(Total of Scope 1, Scope 2 and Scope 3)

# HR Management in Japan

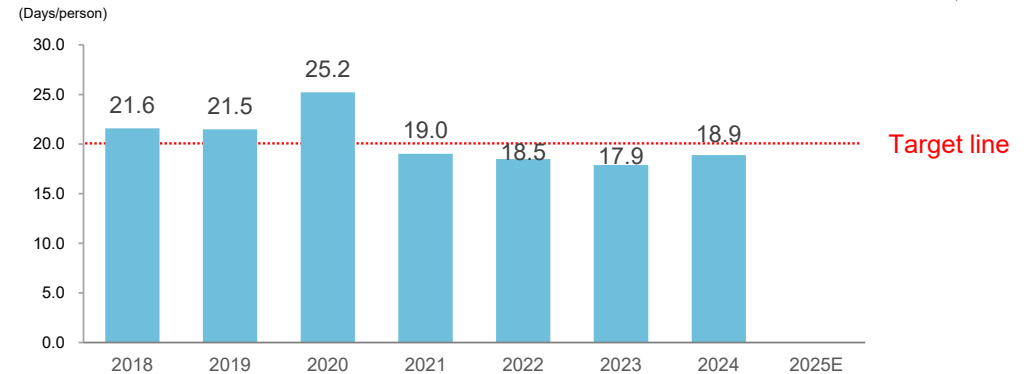
## ✓ Average annual working hours per person\*1 (Germany: around 1,530 hours)



\*1 Only includes (full-time, contract) employees based in Japan

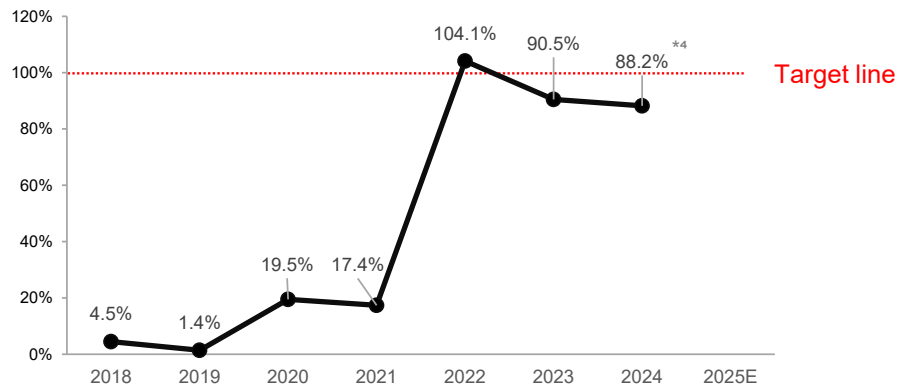
## ✓ Average paid holidays taken per person\*2

Only includes employees of DMG MORI CO., LTD.



\*2 Only includes (full-time, contract) employees based in Japan

## ✓ Ratio of male employees who take parental leave\*3

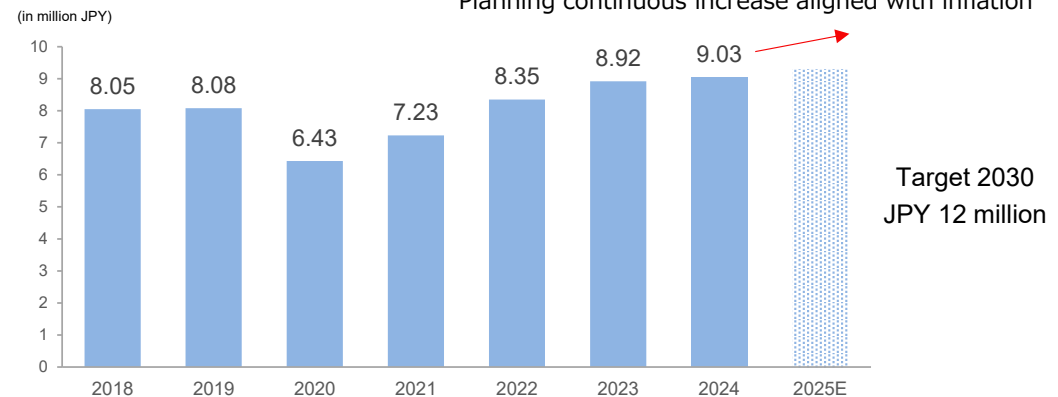


Calculated number of male employees who began parental leave against the total number of employees whose spouses gave birth during the fiscal year

\*3 Only includes (full-time, contract) employees based in Japan, \*\* 2024:provisional figure

## ✓ Average annual salaries\*5

Planning continuous increase aligned with inflation



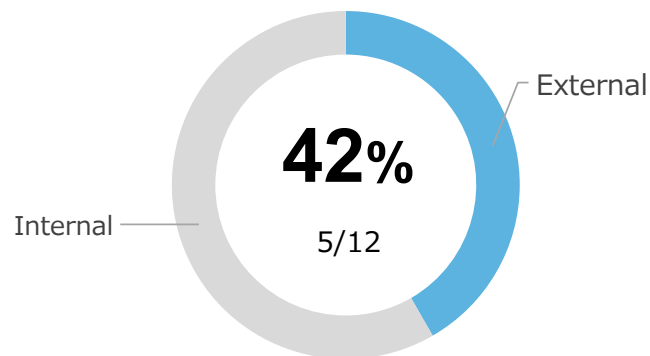
\*5 Only includes full-time employees based in Japan

Incl. base salary, (qualification, position, child, housing) allowances, bonuses, and overtime pay. Excl. welfare benefits such as dormitory/company housing, meal/commuting allowances, employee stock ownership subsidies, childcare cost subsidies, homecoming travel expenses, medical check-up subsidies.

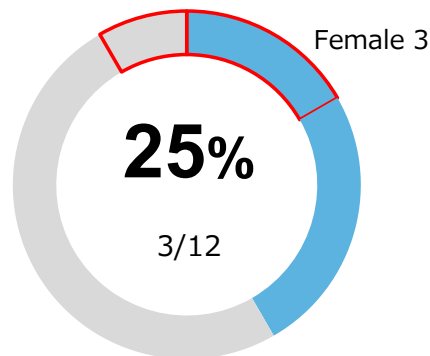
# Governance: Well-Rounded Leadership / Pool of Executive Officers for Development of Next Generation Management Personnel

✔ **Board of Directors:** Mix of members of various nationality and gender  
 (Composition will be fixed after approval at the annual shareholders' meeting on March 27, 2025)

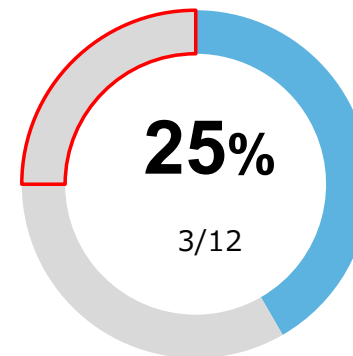
Ratio of External Directors



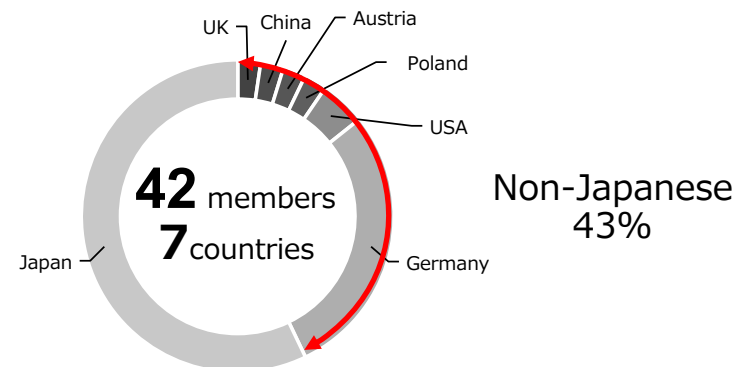
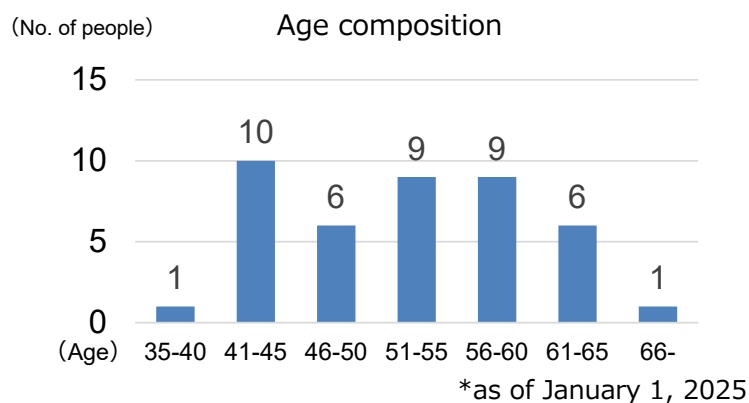
Ratio of Female Directors



Ratio of Non-Japanese Directors



✔ **Executive Officers:** Actively appointing leaders from overseas group companies and talents in their 40s



This material contains targets, plans, etc. concerning the future of DMG MORI CO., LTD..

All predictions concerning the future are judgments and assumptions based on information available to DMG MORI CO., LTD. at the time of writing. There is a possibility that the actual future results may differ significantly from these forecasts, due to changes in management policy or changes in external factors.

There are many factors which contain elements of uncertainty or the possibility of fluctuation including, but not limited to, the following:

- Changes in the demand environment within the markets in which DMG MORI group operates
- Fluctuations in exchange rates
- Changes to the laws, regulations and government policies in the markets where DMG MORI group conducts its business
- DMG MORI CO., LTD.'s ability to develop and sell new products in a timely fashion
- Instability of governments in the markets where DMG MORI group conducts its business
- Operational changes by the competent authorities or regulations related to anti-trust, export control, etc.
- Travel restrictions or stay-at-home requests for COVID-19 in Japan and other countries