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In the event of any discrepancy between this translated document and the Japanese original document, the latter shall prevail.

Date: October 30, 2025

Consolidated Financial Results for the Nine months ended September 30, 2025 (Under IFRS)

(All financial information has been prepared based on the original Japanese-language document, Summary of Consolidated Financial Statements for the third quarter announced on October 30, 2025)

Listed company name: DMG MORI CO., LTD.
 Stock exchange listing: Prime Section of Tokyo Stock Exchange
 Code Number: 6141 URL: <https://www.dmgmori.co.jp>
 Company Representative: Masahiko Mori, President
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Estimated starting date of dividend payment: -

Preparation of supplementary explanatory materials: Yes

Holding of quarterly earnings release conference: Yes

1. Consolidated financial results for the nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025)

(Note: All amounts less than one million are disregarded)

(1) Consolidated operating results (cumulative)

(% of change from same period in the previous year)

	Sales revenues		Operating profit		Profit before income taxes		Quarterly profit		Profit attributable to owners of the parent		Comprehensive income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended September 30, 2025	343,129	(11.6)	11,536	(61.5)	23,705	134.7	21,081	-	21,002	-	27,908	215.6
Nine months ended September 30, 2024	387,960	2.1	29,961	(16.0)	10,100	(67.9)	725	(96.8)	563	(97.6)	8,844	(75.2)

	Basic earnings (loss) per share	Diluted earnings (loss) per share
	Yen	Yen
Nine months ended September 30, 2025	137.86	137.86
Nine months ended September 30, 2024	(5.21)	(4.86)

(Note 1) Earnings (loss) per share is calculated based on the profit which excludes profit attributable to owners of other equity instruments.

(Note 2) Effective from the first quarter of the fiscal year ended December 31, 2024, DMG MORI Co., Ltd. (the "Company") has classified the operations related to Ulyanovsk Machine Tools ooo, a business base in Russia, as discontinued operations. As a result, sales revenues and operating profit are presented only in the amounts of continuing operations, which exclude discontinued operations. The amounts of profit, profit before income taxes and profit attributable to owners of the parent include the results of discontinued operations.

(Note 3) During the fourth quarter of the fiscal year ended December 31, 2024, the Company completed the price adjustment for the business combination. As a result, the consolidated financial results for the nine months ended September 30, 2024 reflect the above accounting treatment.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	million yen	million yen	million yen	%	yen
September 30, 2025	827,297	328,531	326,976	39.5	2,306.41
December 31, 2024	797,567	316,480	314,522	39.4	2,224.02

(Note) Ratio of equity attributable to owners of the parent and equity per share attributable to owners of the parent are based on the equity amount which includes amounts of other equity instruments.

2. Cash Dividends

	Annual dividends per share				
	1Q	2Q	3Q	Year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year ended December 31, 2024	-	50.00	-	50.00	100.00
Fiscal year ending December 31, 2025	-	50.00	-		
Fiscal year ending December 31, 2025 (Forecast)				55.00	105.00

(Note) Revision of dividends forecast in the current quarter: None

3. Consolidated financial forecast for Fiscal Year 2025 (January 1, 2025 to December 31, 2025)

(% of change from same period in the previous year)

	Sales revenues		Operating profit		Profit attributable to owners of the parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	yen
Full Year 2025	505,000	(6.6)	18,000	(58.8)	22,000	185.7	140.86

(Note)

Revision of consolidated financial forecast in the current quarter: Yes

- Exchange rate used for consolidated financial forecast for fiscal year 2025: JPY 149.0 /USD 167.0 /EUR
- We made a revision of consolidated financial forecast for the FY2025 from the previous announcement released on February 5, 2025, specifically for sales revenues, operating profit and profit attributable to owners of the parent. Regarding the detail of this forecast, please see “1. Overview of Operating Results, etc. (3) Explanation of forecasts and other projections” on page 4.

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies applied and changes in accounting estimates

1. Changes in accounting policies required by IFRS: None
2. Changes in accounting policies other than the above: None
3. Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

1. Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	142,325,934 shares
As of December 31, 2024	141,955,590 shares

2. Number of treasury shares at the end of the period

As of September 30, 2025	557,478 shares
As of December 31, 2024	534,464 shares

3. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2025	141,664,375 shares
Nine months ended September 30, 2024	136,003,034 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Precautions regarding future descriptions)

The above forecast is based on information available as of the release of this report and assumptions of several uncertain factors which may affect the company's results. Actual results might be different from the above estimates due to subsequent changes in the circumstances. Regarding Fiscal Year 2025 (Forecast), please see “1. Overview of Operating Results, etc. (3) Explanation of forecasts and other projections” on page 4.

(How to obtain supplementary explanatory materials for quarterly financial results)

The supplementary explanatory material for the quarterly financial results is scheduled to be posted on the Company's website on October 30, 2025 (Thursday).

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1. Overview of Operating Results, etc.

(1) Overview of operating results

For the nine months ended September 30, 2025 (from January 1 to September 30), the sales revenues were JPY 343.1 bn. (EUR 2,072 mil.), the operating profit was JPY 11.5 bn. (EUR 70 mil.), the profit before income taxes was JPY 23.7 bn. (EUR 143 mil.) and the profit attributable to owners of the parent was JPY 21.0 bn. (EUR 127 mil.). (EUR amount is converted from yen at 165.6 yen, the average exchange rate between January 1 to September 30, 2025.)

Consolidated orders received in the third quarter totaled JPY 381.9 bn., remaining flat compared to the same period last year (January-September 2024). Consolidated orders in the third quarter isolated (July-September) reached JPY 133.3 bn., marking a 16% increase year-on-year. Orders for MRO (Maintenance, Repair, Overhaul), spare parts, and engineering services remained stable at JPY 92.8 bn., in line with the previous year. The consolidated order forecast for the fiscal year is JPY 515.0 bn., up 4% from the previous fiscal year.

By region, order intake showed signs of recovery in Europe, with strong performance in the Americas and India.

Orders in China remained flat, while Japan and Asia fell behind. By industry, the commercial aircraft, space, medical, die & mold, and defense-related sectors remained solid.

The machine order backlog was JPY 254.0 bn. at the end of September 2025, up JPY 36.0 bn. from JPY 218.0 bn. at the end of December 2024. Sales revenue for the fourth quarter is expected to be largely covered by the existing order backlog.

At DMG MORI, we promote MX (Machining Transformation) and provide customers with high value-added solutions through process integration, automation, DX, and GX to benefit our society with higher productivity and reduced environmental impact. We will further accelerate our MX promotion to contribute to a sustainable society and enable sustainable growth together with our customers.

We have started sales of four machine models of the NTX mill-turn series: the NTX 1000 / 2000 / 2500 / 3000 3rd Generation. In addition to improved design and new technologies, these machines enable process integration into a single machine by standardizing previously optional functions, which raises customer profit and reduces environmental impact thanks to long-term continuous machine operation. We also released the NHX 4000 / 5000 4th Generation of horizontal machining centers. With higher cutting capacity and operating speed, shorter cycle times, better energy efficiency, and advanced chip disposal, customers benefit from stable and long-term production with less power consumption and CO2 emissions. In addition, we have developed the automated package system "MATRIS WPH" for variable-mix, variable-volume production with integrated workpiece and pallet handling. Finally, we added the "NLX 2500 | 1250 2nd Generation" with a distance between centers of 1250 mm to our existing "NLX 2500 2nd Generation" specification lineup for high-precision machining of long workpieces. DMG MORI will continue to accelerate MX and provide products that contribute to sustainable production sites.

On the sales side, in September, we exhibited at EMO Hannover 2025 in Germany and displayed 41 machine models and 33 automation systems to demonstrate our MX strategy and newest releases to customers from around the world.

In July, we signed a global sales agreement with OPEN MIND Technologies AG (hereinafter referred to as "OPEN MIND"), headquartered in Germany. OPEN MIND provides innovative CAD/CAM and MES (Manufacturing Execution System) software, which we hope to utilize for enhanced programming solutions as the foundation of DX to further improve production efficiency and quality.

Regarding sustainability, in February, we were honored to receive a top rating in the CPD 2024 survey and earn a place on the A List for climate action as well as an "A-" rating for our proactive approach to identifying and managing water risks. In parallel, our largest production site in Iga (Mie, Japan) started the full-scale operation of Japan's largest solar power generation system for self-use, covering approx. 30% of Iga Campus' annual electricity needs and reducing CO2 emissions by approx. 6,000 tons per year. Also, in August, we officially joined the international environmental initiative "RE100" that aims to provide 100% of the electricity required for our business activities with renewable energy. DMG MORI hereby declares that the Group will increase the proportion of RE100-compliant renewable electricity to 90% by 2035 and 100% by 2040. In addition, in July, we signed the world's largest sustainability initiative advocated by the United Nations, the "United Nations Global Compact (UNGC)," registered as a participating company, and joined the Global Compact Network Japan (GCNJ), which consists of Japan companies that sign the UNGC. DMG MORI will contribute to the realization of a sustainable society through our corporate activities and further strengthen our ESG (environmental, social, and governance) initiatives while deepening our cooperation with other participating companies and organizations.

Regarding human capital, we were selected for the "Health & Productivity Stock Selection" by the Ministry of Economy, Trade, and Industry (METI) and the Tokyo Stock Exchange in recognition of our excellent health

management for the second consecutive year. In addition, for the third consecutive year, METI and Nippon Kenko Kaigi have recognized DMG MORI as a "White 500" company in the large corporation category of the "Certified Health & Productivity Management Outstanding Organizations Recognition Program 2025." Our initiatives include the establishment of a Health Care Promotion Center, the release of our "DMG MORI Health and Productivity Management Declaration," and ongoing webinars, exercise and nutrition classes. In accordance with our management philosophy of "Play hard, Study continuously, Work together," we will continue to empower all employees to realize their full potential in good health.

* "Health & Productivity Management" is a registered trademark of the Non-Profit Organization Kenkokeiei.

<Consolidated results>

Consolidated results for the nine months ended September 30, 2025 is as follows:

Unit: 100 Million yen

	January to September, 2024	January to September, 2025	Difference	<Forecast> January to December, 2025
Sales revenues	3,880	3,431	(448)	5,050
Sales revenues (Million EUR)	2,360	2,072	(288)	3,024
Operating profit	300	115	(184)	180
Operating profit (Million EUR)	182	70	(113)	108
Operating profit / Sales revenues	7.7%	3.4%	(4.4)%pts	3.6%
Profit attributable to owners of the parent	6	210	204	220
Profit attributable to owners of the parent (Million EUR)	3	127	123	132

(Note) Euro amount is converted from yen at the average or forecasted exchange rate of each fiscal period; 164.4 yen/EUR for the figures of January to September, 2024, 165.6 yen/EUR for those of January to September, 2025, and 167.0 yen/EUR for the figures of January to December, 2025.

(2) Overview of financial position

Total assets at the end of the third quarter of fiscal year 2025 amounted to 827,297 million yen. Total equity is 328,531 million yen and ratio of equity attributable to owners of the parent is 39.5%.

(3) Explanation of forecasts and other projections

We made a revision of consolidated financial forecast for the FY2025 from the previous announcement released on February 5, 2025.

During the current fiscal year, delivery schedules were disrupted due to prolonged negotiations with customers regarding tariffs in the United States, support for switching to new CNC system, and prolonged the government approval for export licenses due to strengthening economic security. As a result of the decrease in sales and the increase inventory awaiting shipment and acceptance due to these factors, we will make a downward revision of consolidated sales revenues and consolidated operating profit forecasts for the FY2025.

On the other hand, the Company has been making compensation claims for losses based on the Foreign Direct Investment Insurance of the Federal Republic of Germany for the operations related to Ulyanovsk Machine Tools ooo, which is a business base in Russia classified as discontinued operations. As a result, the government of the Federal Republic of Germany agreed to pay the compensation and the Company received 16.9 billion yen (102 million euros) during the fiscal year. This amount was recorded as profit from discontinued operations, and the profit attributable to owners of the parent was revised upward.

For details of insurance claims, please refer to the "Notice of Agreement on Payment of German Insurance Claims Concerning the Expropriation of Russian Factories" released on August 8, 2025.

Unit: 100 Million yen

	Released on February 5 January to December, 2025	Released on October 30 January to December, 2025	Difference	<Reference> January to December, 2024
Sales revenues	5,100	5,050	(50)	5,409
Sales revenues (Million EUR)	3,054	3,024	(30)	3,298
Operating profit	380	180	(200)	437
Operating profit (Million EUR)	228	108	(120)	267
Operating profit / Sales revenues	7.5%	3.6%	(3.9)%pts	8.1%
Profit attributable to owners of the parent	200	220	20	77
Profit attributable to owners of the parent (Million EUR)	120	132	12	47

(Note)

- Exchange rate used for consolidated financial forecast for fiscal year 2025: JPY 149.0 /USD 167.0 /EUR.
- Euro amount is converted from yen at the average exchange rate of JPY 164.0 yen/EUR for fiscal year 2024.
- This forecast is based on information available as of the release of this report and assumptions of several uncertain factors which may affect the company's results. Actual results might be different from the above estimates due to subsequent changes in the circumstances.

2. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated statement of financial position

(Million Yen)

	December 31, 2024	September 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	41,747	29,496
Trade and other receivables	66,728	67,685
Other financial assets	2,696	4,317
Inventories	190,009	210,613
Other current assets	15,877	18,222
Total current assets from continuing operations	317,059	330,336
Assets held for sale	652	690
Total current assets	317,711	331,026
Non-current assets:		
Property, plant and equipment	212,710	216,270
Right-of-use assets	28,605	26,957
Goodwill	89,951	94,792
Other intangible assets	110,585	114,931
Other financial assets	19,296	24,289
Investments in associates and joint ventures	7,489	7,599
Deferred tax assets	6,662	6,732
Other non-current assets	4,554	4,698
Total non-current assets	479,855	496,271
Total assets	797,567	827,297

(Million Yen)

	December 31, 2024	September 30, 2025
Liabilities		
Current liabilities:		
Trade and other payables	75,119	72,641
Interest-bearing bonds and borrowings	104,692	116,438
Contract liabilities	84,576	88,933
Other financial liabilities	77,662	82,115
Income taxes payable	8,700	5,757
Provisions	40,809	37,293
Other current liabilities	7,859	9,117
Total current liabilities	399,420	412,296
Non-current liabilities:		
Interest-bearing bonds and borrowings	1,758	5,000
Other financial liabilities	52,515	52,031
Net employee defined benefit liabilities	5,755	5,466
Provisions	5,704	5,828
Deferred tax liabilities	12,725	14,536
Other non-current liabilities	3,208	3,606
Total non-current liabilities	81,667	86,469
Total liabilities	481,087	498,765
Equity		
Share capital	71,230	71,804
Capital surplus	18,496	18,314
Other equity instruments	110,822	110,777
Treasury shares	(862)	(922)
Retained earnings	85,866	91,537
Other components of equity	28,969	35,464
Equity attributable to owners of the parent	314,522	326,976
Non-controlling interests	1,957	1,555
Total equity	316,480	328,531
Total liabilities and equity	797,567	827,297

(2) Quarterly consolidated statement of profit or loss

(Million Yen)

	Third quarter ended September 30, 2024 (January 1 to September 30, 2024)	Third quarter ended September 30, 2025 (January 1 to September 30, 2025)
Continuing operations:		
Revenues:		
Sales revenues	387,960	343,129
Other operating revenues	8,305	7,486
Total revenue	396,266	350,616
Costs:		
Changes in merchandise, finished goods and work in progress for sale	1,156	(9,114)
Costs of raw materials and consumables	147,496	128,555
Personnel costs	131,247	133,021
Depreciation and amortization	22,994	25,001
Other operating costs	63,408	61,616
Total costs	366,304	339,080
Operating profit	29,961	11,536
Financial income	955	698
Financial costs	5,941	5,500
Share of profits of associates and joint ventures accounted for using equity method	236	96
Profit before income taxes from continuing operations	25,212	6,830
Income taxes on continuing operations	9,375	2,624
Profit from continuing operations	15,836	4,206
Discontinued operations:		
Profit (loss) before income taxes from discontinued operations	(15,111)	16,875
Income taxes on discontinued operations	0	-
Profit (loss) from discontinued operations	(15,111)	16,875
Profit before income taxes	10,100	23,705
Income taxes	9,375	2,624
Profit	725	21,081
Profit attributable to:		
Owners of the parent	563	21,002
Non-controlling interests	161	79
Profit	725	21,081
Earnings per share		
Basic earnings (loss) per share		
Continuing operations	105.91	18.74
Discontinued operations	(111.11)	119.12
Basic (yen)	(5.21)	137.86
Diluted earnings (loss) per share		
Continuing operations	102.00	18.74
Discontinued operations	(106.86)	119.12
Diluted (yen)	(4.86)	137.86

(3) Quarterly consolidated statement of comprehensive income

(Million Yen)

	Third quarter ended September 30, 2024 (January 1 to September 30, 2024)	Third quarter ended September 30, 2025 (January 1 to September 30, 2025)
Profit	725	21,081
Other comprehensive income (OCI):		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit plans	42	259
Changes in fair value of financial assets designated at fair value through other comprehensive income	18	2,025
Subtotal	61	2,285
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	7,900	4,851
Effective portion of changes in fair value of cash flow hedges	230	(322)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(73)	13
Subtotal	8,057	4,542
Total other comprehensive income	8,118	6,827
Comprehensive income	8,844	27,908
Comprehensive income attributable to:		
Owners of the parent	8,682	27,829
Non-controlling interests	161	79
Comprehensive income	8,844	27,908

(4) Quarterly consolidated statement of changes in equity

(Million Yen)

	Equity attributable to owner of the parent							Non-controlling interests	Total equity
	Share capital	Capital surplus	Other equity instruments	Treasury shares	Retained earnings	Other components of equity	Subtotal		
As of January 1, 2024	51,115	208	110,822	(883)	92,283	14,444	267,990	4,555	272,545
Profit					563		563	161	725
Other comprehensive income (OCI)						8,118	8,118	-	8,118
Total comprehensive income	-	-	-	-	563	8,118	8,682	161	8,844
Distributions to owners of other equity instruments					(1,396)		(1,396)		(1,396)
Acquisition of treasury shares				(2)			(2)		(2)
Disposition of treasury shares		0		18			18		18
Dividends					(13,357)		(13,357)	(144)	(13,501)
Transfer between retained earnings and capital surplus		23			(23)		-		-
Share-based payments		175					175	17	192
Conversion of bonds with stock acquisition rights	20,114	19,864				(253)	39,726		39,726
Transfer from other components of equity to retained earnings					45	(45)	-		-
Total transactions with owners of the parent	20,114	20,063	-	15	(14,731)	(299)	25,163	(126)	25,036
Acquisition of non-controlling interests		0					0	8	8
Total changes in ownership interests in subsidiaries and others	-	0	-	-	-	-	0	8	8
As of September 30, 2024	71,230	20,272	110,822	(868)	78,115	22,264	301,837	4,597	306,434

(Million Yen)

	Equity attributable to owner of the parent							Non-controlling interests	Total equity
	Share capital	Capital surplus	Other equity instruments	Treasury shares	Retained earnings	Other components of equity	Subtotal		
As of January 1, 2025	71,230	18,496	110,822	(862)	85,866	28,969	314,522	1,957	316,480
Profit					21,002		21,002	79	21,081
Other comprehensive income (OCI)						6,827	6,827	-	6,827
Total comprehensive income	-	-	-	-	21,002	6,827	27,829	79	27,908
Issuance of other equity instruments			56,292				56,292		56,292
Redemption of other equity instruments		(662)	(56,337)				(57,000)		(57,000)
Distributions to owners of other equity instruments					(1,487)		(1,487)		(1,487)
Acquisition of treasury shares				(1)			(1)		(1)
Disposition of treasury shares		0		12			12		12
Dividends					(14,175)		(14,175)		(14,175)
Share-based payments		157					157	8	166
Change in equity due to acquisition of shares in consolidated subsidiaries (Note)	574	574		(70)			1,077		1,077
Transfer from other components of equity to retained earnings					332	(332)	-		-
Total transactions with owners of the parent	574	69	(44)	(59)	(15,331)	(332)	(15,123)	8	(15,115)
Acquisition of non-controlling interests		(252)					(252)	(489)	(741)
Total changes in ownership interests in subsidiaries and others	-	(252)	-	-	-	-	(252)	(489)	(741)
As of September 30, 2025	71,804	18,314	110,777	(922)	91,537	35,464	326,976	1,555	328,531

(Note) Including changes due to the stock exchange accompanying the acquisition of Miyawaki Machinery Plant Co., Ltd. as a wholly owned subsidiary.

(5) Quarterly consolidated statement of cash flows

(Million Yen)

	Nine months ended September 30, 2024 (January 1 to September 30, 2024)	Nine months ended September 30, 2025 (January 1 to September 30, 2025)
Cash flows from/(used in) operating activities:		
Profit before income taxes from continuing operations	25,212	6,830
Depreciation and amortization	22,994	25,001
Loss (gain) on sales or disposal of property, plant and equipment, and intangible assets	(342)	36
Financial income and costs	4,985	4,802
Share of (profits) losses of associates and joint ventures accounted for using equity method	(236)	(96)
Other non-cash transactions	(1,149)	(4,231)
Inventories	2,151	(15,180)
Trade and other receivables	(763)	2,726
Trade and other payables	(12,924)	(1,359)
Contract liabilities	(806)	2,483
Provisions	(10,028)	(5,361)
Other	(6,337)	(6,247)
Subtotal	22,755	9,403
Interest received	882	645
Dividends received	82	12
Interest paid	(4,625)	(4,484)
Income taxes paid	(8,068)	(5,780)
Net cash flows from/(used in) operating activities	11,025	(203)
Cash flows used in investing activities:		
Proceeds from withdrawal of time deposits	34	42
Purchases of property, plant and equipment	(12,934)	(8,406)
Proceeds from sales of property, plant and equipment	673	123
Purchases of intangible assets	(12,018)	(9,253)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2,800)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	602
Decrease in the loss of control of subsidiaries	(396)	-
Purchases of investment securities	(90)	(1,674)
Proceeds from sales of investment securities	176	121
Purchase of investments in associates	-	(8)
Other	811	159
Net cash provided by investing activities from discontinued operations	-	16,875
Net cash flows used in investing activities	(26,544)	(1,418)

(Million Yen)

	Nine months ended September 30, 2024 (January 1 to September 30, 2024)	Nine months ended September 30, 2025 (January 1 to September 30, 2025)
Cash flows from/(used in) financing activities:		
Net increase in short-term borrowings	18,374	16,406
Proceeds from long-term borrowings	10,000	-
Repayments of long-term borrowings	(170)	(1,687)
Proceeds from issuance of other equity instruments	-	56,292
Repayments of other equity instruments	-	(57,000)
Repayment of lease liabilities	(4,999)	(5,047)
Proceeds from settlement of derivatives	-	173
Dividends paid	(12,925)	(13,715)
Dividends paid to non-controlling interests	(143)	(0)
Payments for obligations for non-controlling interests	(2,599)	(2,134)
Acquisition of treasury shares	(2)	(1)
Distributions to owners of other equity instruments	(1,396)	(1,487)
Proceeds from sale of subsidiaries not resulting in change in scope of consolidation	-	(719)
Other	304	(2,024)
Net cash flows from/(used in) financing activities	6,440	(10,944)
Effect of exchange rate changes on cash and cash equivalents	619	315
Change in cash and cash equivalents	(8,458)	(12,250)
Cash and cash equivalents at the beginning of period	39,212	41,747
Cash and cash equivalents at the end of period	30,754	29,496

(6) Notes to going concern assumption

Not applicable.

(7) Notes to the quarterly consolidated financial statements

1. Reporting entity

DMG MORI Co., Ltd. (the "Company") is a company established under the Companies Act of Japan. The Company is domiciled in Japan and its registered office is located at 2-1 Sanjo-Honmachi, Nara City, Nara.

The condensed quarterly consolidated financial statements of the Company as of September 30, 2025 comprise the Company, its subsidiaries, associates and joint ventures (collectively, the "Group"). The Group engages in businesses related to manufacturing and sales of machine tools (machining centers, turning centers, turn-mill complete machining centers, universal milling machines for five-axis machining and additive manufacturing machines), software (user interface, Technology Cycles and embedded software) and measuring devices, and provides total solutions utilizing the machine tools, software and measuring devices with service support, applications and engineering.

2. Basis of preparations

(1) Accounting standards complied with

The Company's Condensed Quarterly Consolidated Financial Statements have been prepared in accordance with "Basis of Preparation of Quarterly Financial Statements" 5-2 (applying the omission of the description specified in Article 5-5 of the same standard) issued by Tokyo Stock Exchange, Inc. and omit parts of International Accounting Standards (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board.

As the Company meets the requirements of a "Specified Company applying Designated International Financial Reporting Standards", pursuant to Article 1-2 of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements, it has applied the provisions of Article 312 of said Ordinance.

(2) Basis of Measurement

The condensed quarterly consolidated financial statements have been prepared on a historical cost basis, with the main exception of financial instruments, which are measured at fair value, and the application of hyperinflation accounting for the Company's subsidiary in Turkey.

(3) Functional and presentation currency

The condensed quarterly consolidated financial statements are presented in Japanese yen, which is the Company's functional currency. All financial information presented in Japanese yen has been rounded down to the nearest million, unless otherwise stated.

(4) Material accounting policy

The material accounting policies adopted for the condensed quarterly consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended December 31, 2024. Income tax for the nine months ended September 30, 2025 was calculated based on the estimated average annual effective tax rate.

3. Segment information

(1) Outline of reportable segments

The operating segments of the Group are based on its business areas for which discrete financial information is available, and they are regularly reviewed by the Board of Directors and corporate officers for the purpose of making decisions about resource allocation and performance assessment. The classification of the operating segments is based on the products and services and the associated internal reporting and management methods.

As a result, the business activities of the Group are categorized into "Machine Tools" and "Industrial Services," as its two reportable segments. The Group has not aggregated its operating segments.

The "Machine Tools" segment generates its revenue through the production and sales of machine tools. The "Industrial Services" segment generates its revenue through the provision of services and solutions related to machine tools.

(2) Calculation methods of sales revenues, income or loss by each reportable segment

The accounting methods for the reportable segments are essentially the same as Condensed Quarterly Consolidated Financial Statements.

The amount of segment income is based on operating profit and share of profits of associates and joint ventures accounted for using equity method. Inter-segment sales revenues are based on arm's length prices.

Effective from the first quarter of the fiscal year ended December 31, 2024, the Group has classified the operations related to Ulyanovsk Machine Tools ooo, a business base in Russia, as discontinued operations.

(3) Segment sales revenues and income

The segment sales revenues, income or loss and other items by each reportable segment are summarized as follows:

Nine months ended September 30, 2024 (January 1 to September 30, 2024)

(Million Yen)

	Reportable segments			Adjustments (Note)		Consolidated
	Machine Tools	Industrial Services	Total	Corporate Services	Elimination	
Sales revenues						
External customers	252,132	135,794	387,927	32	-	387,960
Inter-segment	194,605	37,433	232,039	1,225	(233,265)	-
Total	446,738	173,228	619,967	1,258	(233,265)	387,960
Segment income	4,589	32,682	37,271	(7,881)	808	30,198
Financial income	-	-	-	-	-	955
Financial costs	-	-	-	-	-	(5,941)
Profit before income taxes from continuing operations	-	-	-	-	-	25,212

(Note) "Adjustments to segment income" include elimination of inter-segment transactions and expenses related to corporate services.

Nine months ended September 30, 2025 (January 1 to September 30, 2025)

(Million Yen)

	Reportable segments			Adjustments (Note)		Consolidated
	Machine Tools	Industrial Services	Total	Corporate Services	Elimination	
Sales revenues						
External customers	219,488	123,606	343,095	34	-	343,129
Inter-segment	181,026	41,741	222,768	1,398	(224,166)	-
Total	400,515	165,348	565,863	1,432	(224,166)	343,129
Segment income	5,959	17,562	23,522	(13,084)	1,194	11,633
Financial income	-	-	-	-	-	698
Financial costs	-	-	-	-	-	(5,500)
Profit before income taxes from continuing operations	-	-	-	-	-	6,830

(Note) "Adjustments to segment income" include elimination of inter-segment transactions and expenses related to corporate services.

4. Additional information

Fundraising by Third Perpetual Subordinated Loan (with Subordinated Covenant)

At the board of directors meeting held on June 5, 2025, the Company resolved to raise a total of 50.0 billion through Third Perpetual Subordinated Loan (with Subordinated Covenant) (hereinafter "the Third Subordinated Loan"). The contract was signed on June 30, 2025, and the full payment was completed on August 29, 2025. The Third Subordinated Loan is deemed to be classified as equity instruments as the Company has the option to defer interest payments and has no obligation to make payments, except in case a liquidation event as defined in the subordination clause occurs. The proceeds from the Third Subordinated Loan after deducting issue costs will be recorded as "Other equity instruments" under "Equity" in the quarterly consolidated statement of financial position for the third quarter of the fiscal year ended September 30, 2025.

Overview of the Third Subordinated Loan

(1) Name	Third Perpetual Subordinated Loan (with Subordinated Covenant)
(2) Amount	50.0 billion yen
(3) Lender	Sumitomo Mitsui Trust Bank, Limited, Nanto Bank, Ltd., and 7 other banks
(4) Execution Date	August 29, 2025
(5) Repayment date	No repayment date is specified. Provided, however, that on August 30, 2030 and each of the following interest payment dates thereafter, optional repayment of all or a part of the principal is possible.
(6) Interest rate	From August 29, 2025 to August 30, 2030: Fixed interest based on the base rate From August 31, 2030 onward: Variable interest stepped up by 1.00% based on 6-month Japanese yen TIBOR
(7) Clauses relating to payment of interest	The Company has the option to defer the interest payment and no obligation.
(8) Subordination clause	The subordinated creditors have right to claim for repayment only after the all claims by senior creditors are satisfied in case a liquidation event defined in the loan contract occurs.