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- FY2025 consolidated orders grew by 6% y/y, driven by favorable demand in EMEA, the Americas and India. Annual dividend per share is scheduled at JPY 105 as planned at the beginning of the fiscal year.
- For FY2026, sales revenue and profits (EBITDA, EBIT) are expected to increase from last year. Abundant order backlog and solid MRO, spare parts and engineering segment are expected to contribute to y/y growth. Annual dividend of JPY 105 is planned to be maintained.

Financial summary (JPY bn.): January - December	FY2024	FY2025	(Y/Y) %	FY2026E	(Y/Y)
Consolidated orders	496.0	523.4	+5.5	540.0	+3.2
Order backlog for machine tools	218.0	240.0	-	-	
Sales revenue	540.9	515.0	-4.8	535.0	+3.9
EBITDA	75.2	53.6	-28.8	59.5	+11.0
EBITDA margin (%)	*13.9%*	*10.4%*		*11.1%*	
EBIT	43.7	19.0	-56.6	22.5	+18.6
EBIT margin (%)	*8.1%*	*3.7%*		*4.2%*	
EAT from continuing operations	23.1	7.0	-69.8	10.5	+50.7
Profit or loss from discontinued operations *	-15.1	17.2		-	
EAT (Net profit attributable to owners of the parent)	7.7	24.0	3.1x	10.5	-56.3
EAT margin	*1.4%*	*4.7%*		*2.0%*	
Dividend per share (Yen)	100	105	-	105	

*EUR 91.8 mil (JPY 15.1 bn, JPY 164 / EUR) loss from deconsolidation of a subsidiary was recognized as a one-off loss in 1Q (January-March) FY2024. EUR 102 mil (JPY 17.2 bn, JPY 169 / EUR) insurance proceeds were received in 3Q (July-September) FY2025.

[Summary of Financial Results for FY2025 (January-December)]

Consolidated orders were JPY 523.4 billion, an increase of 5.5% from FY2024. On a quarterly basis, consolidated orders returned to growth, with a year-on-year increase of 16% in 3Q (July-September 2025) and 24% in 4Q (October-December 2025). DMG MORI's MX (Machining Transformation) initiative has been making great progress. Against the backdrop of an increase in the automation business, increased demand for large-sized machinery, and a reduction in price discount rates by providing high added value to customers, the average machine order price per unit climbed to JPY 79.6 million (JPY 71.0 million in FY2024). Orders for MRO (maintenance, repair, and overhaul), spare parts, and engineering segment resulted in JPY 125.9 billion, the same level as FY2024. These segments also turned positive year-on-year from 3Q onward. By region, orders in EMEA performed well. Orders in the Americas remained at a high level. By industry, orders were robust for aviation, space, defense, medical, power, and energy sectors. In addition, the recovery of orders for data processing, semiconductors, and telecommunication equipment contributed to 4Q results. The machine order backlog at the end of December 2025 increased to JPY 240.0 billion (JPY 218.0 billion at the end of December 2024). This abundant order backlog is expected to increase the likelihood of achieving increased sales revenue in FY2026 together with robust sales growth of MRO, spare parts, and engineering segments.

Sales revenue decreased 4.8% from FY2024 to JPY 515.0 billion. We eliminated the delivery disruptions from the first 9 months, achieving better-than-expected sales revenue in 4Q. Although the gross profit margin continued to improve driven by the lower price discount rates, EBITDA and EBIT dropped 28.8% year-on-year to JPY 53.6 billion and 56.6% to JPY 19.0 billion, respectively, mainly due to a decline in sales revenue from FY2024. DMG MORI received foreign trade insurance proceeds of JPY17.2 billion (EUR 102 million) related to its overseas factory, resulting in EAT of JPY 24.0 billion, a 3.1-fold increase from FY2024. The dividend per share for the fiscal year is scheduled to be JPY 105 (JPY 50 in the first half and JPY 55 at the end of the fiscal year) as planned at the beginning of the fiscal year. Operating free cash flow was a surplus of JPY 14.8 billion. Investment suppression and an increase in down payment stemming from better order inflow contributed to the improvement of operating free cash flow.

[FY2026 (January-December 2026) Earnings Forecast]

The Company expects consolidated orders to grow 3.2% from FY2025 to JPY 540.0 billion. Orders in EMEA, the Americas and India are expected to maintain strong momentum. By industry, orders for aviation, space, defense, power, energy, data processing, semiconductors, and telecommunication equipment sectors are expected to remain robust. Sales revenue is projected to increase 3.9% to JPY 535.0 billion on the back of abundant order backlog at the beginning of the fiscal year, solid growth for the MRO, spare parts, and engineering segments, and an improving business environment for group companies such as Magnescale Co., Ltd. and SAKI Corporation. EBITDA and EBIT are expected to increase 11.0% to JPY 59.5 billion and 18.6% to JPY 22.5 billion, respectively, due to an improvement in gross profit margin stemming from growth in sales revenue and lower discount rate. EAT is expected to end at JPY 10.5 billion due to the absence of foreign trade insurance proceeds received in FY2025. The Company plans to maintain annual dividend of JPY 105 (JPY 50 in the first half and JPY 55 at the end of the fiscal year), the same amount as in FY2025.

[Results for FY2025 (January-December)]

< Order Intake and Machine Order Backlog >

Consolidated orders increased 5.5% from FY2024 to JPY 523.4 billion. On a quarterly basis, consolidated orders have been gaining momentum with a 16% increase in 3Q (July-September 2025) from the same period last year and 24% in 4Q (October-December 2025). DMG MORI's MX (Machining Transformation) initiatives, which optimize the entire machining process through process integration, automation, GX (Green Transformation) and DX (Digital Transformation), have been gaining ground among machine tool users. In addition, strong demand for large-sized machines and the lower price discount rate brought the average machine order price per unit higher to JPY 79.6 million (JPY 71.0 million in FY2024). The machine tool orders in units started to increase compared to last year from 3Q. Orders for MRO, spare parts, and engineering segment resulted in JPY 125.9 billion, the same level as FY2024, and turned positive year-on-year from 3Q onward. The share of these segments made up 24% of consolidated orders. The business environment for group companies such as Magnescale, which produces ultra-precision measurement equipment mainly to be used on semiconductor production equipment, and SAKI, which produces automatic inspection system for the electronic circuit boards, has also improved.

By region, orders in EMEA, the Americas and India performed well. EMEA, including Germany, (55% of total orders) went up 5% year-on-year. At the EMO show, the world's largest machine tool exhibition held in Hannover, Germany in September 2025, the demonstration of SDMT (Software-Defined Machine Tool), which makes machining process more efficient through our in-house developed software combined with our cutting-edge process integrated machines, automation equipment, and AI technology, was highly praised by customers. This is contributing to the increase in orders. The Americas (24% of total orders) and India (2% of total orders) increased 15% and 20%, respectively. Japan (10% of total orders) remained flat, while Asia excluding China (5% of total orders) suffered decline. China (6% of total orders) showed a slight rebound in FY2025. Orders by industry were strong for aviation, space, defense, medical, power, energy, shipbuilding, and data processing. The industrial base for machine tools has been widening. In 4Q, demand for semiconductor production equipment and telecommunication equipment, which, within the data processing industry, had lagged earlier in the year, started to pick up.

The order backlog for machine tools at the end of December 2025 increased significantly to JPY 240.0 billion (JPY 218.0billion at the end of December 2024). This abundant order backlog is expected to increase the likelihood of achieving sales revenue growth for FY2026.

< Profit or Loss and Financial Position>

Sales revenue decreased 4.8% year-on-year to JPY 515.0 billion. There were global machine tool delivery disruptions until 3Q due to the introduction of reciprocal tariffs by the United States, delays in switching to new European-made CNCs, and prolonged export licensing examinations driven by the strengthening of economic security measures brought by heightened geopolitical risks. In 4Q, we were able to make up for those delays and achieve sales revenue that was slightly better than originally planned.
EBITDA and EBIT fell 28.8% to JPY 53.6 billion and 56.6% to JPY19.0 billion, respectively, with an EBIT margin of 3.7% (8.1% in

FY2024). EBIT dropped by JPY 24.7 billion from FY2024. Gross profit increased by JPY 7.0 billion thanks to reduced price discounts on high value-added MX machines as well as contribution from profitable MRO, spare parts, and engineering segments. Sales and administration costs were reduced by JPY 2.0 billion through improving operational efficiency. The total positive effect amounted to JPY 9.0 billion. The negative effects totaled JPY 33.7 billion, consisting of JPY 18.8 billion from a decline in sales revenue, JPY 7.0 billion from an increase in human resources such as an increase in MRO personnel and salary adjustments, JPY 2.6 billion from a rise in depreciation charges and JPY 5.3 billion from other factors such as foreign currency exchange losses, replacements due to new European-made CNCs and disposal of unnecessary components. EAT from continuing business was JPY 7.0 billion. We received EUR 102 million (JPY 17.2 billion) of overseas trade insurance proceeds related to our overseas factory. As a result, EAT attributable to owners of the parent jumped to JPY 24.0 billion (JPY 7.7 billion in FY2024). The payment of JPY 2.0 billion to owners of hybrid capital was deducted from EAT, resulting in JPY 22.0 billion of EAT attributable to common shareholders.

Operating Free Cash Flow (operating cash flow - investment cash flow) was a surplus of JPY 14.8 billion. It has improved every quarter, with a deficit of JPY 8.9 billion in 1Q, a deficit of JPY 0.9 billion in 2Q, a surplus of JPY 8.1 billion in 3Q and a surplus of JPY 16.4 billion in 4Q. The Company expects operating free cash flow to be a surplus of JPY 15.0 billion in FY2026. We will strive to maximize operating free cash flow as much as possible through an expected growth in sales revenue and profits, an increase in down payment, and tight management of inventories and capital investment.

The total balance sheet at the end of December 2025 was JPY 869.0 billion (JPY 797.6 billion at the end of December 2024). The impact of foreign currency conversion translated into approximately JPY 53.0 billion. The total balance sheet of DMG MORI AG, our major German group company, at the end of December 2025 was approximately EUR 2.7 billion. The yen depreciated by about JPY 19 from the closing rate of JPY 164.9 / EUR at the end of December 2024 to JPY 184.3 / EUR at the end of December 2025, amounting to an impact of about JPY 50 billion. Net interest-bearing debt (interest-bearing debt – cash, deposit and short-term financial assets) amounted to JPY 79.6 billion, an increase of JPY 17.6 billion from the end of December 2024. This is attributed to an increase in accounts receivable given a concentration of machine tool delivery towards the end of the year. The equity ratio was 39.2% (39.4% at the end of December 2024), and the net debt / equity ratio (excluding perpetual subordinated bonds and loans) remained at 0.23 (0.20 at the end of December 2024), almost same as in FY2024.

[Business Forecast for FY2026 (January-December 2026)]

The Company expects consolidated orders to grow 3.2% from FY2025 to JPY 540.0 billion. By region, demand in EMEA, the Americas, and India is expected to remain robust. At “Open House Pfronten 2026,” DMG MORI’s private exhibition held at the Pfronten factory in Germany from late January to early February, customers not only from Europe but also from around the world appeared to have recognized the advantages of our proposed MX initiative, which has led to an increase in inquiries and orders. We will continue to strive to promote the spread of MX strategy through inviting customers to our factories and showrooms around the globe, which are our strengths, and by providing customers with first-hand experience of productivity improvement. We will also meet the needs of our customers with high-quality and competitive costs for basic machines. By industry, demand for aviation, space, defense, medical, power, energy, and data processing sectors are expected to hold strong momentum.

The Company expects sales revenue to increase 3.9% from FY2025 to JPY 535.0 billion. Sales from abundant order backlog, solid sales growth with regards to MRO, spare parts, and engineering segment, and increasing demands for products offered by group companies including Magnescale and SAKI are expected to bring about sales revenue growth. EBITDA and EBIT are planned to increase 11.0% to JPY 59.5 billion and 18.6% to JPY 22.5 billion, respectively. Expenses related to human resources in preparation for future growth and depreciation from past capital expenditures are expected to increase by approximately JPY 8.0 billion. This amount will be more than offset by an increase in sales, improvement in gross profit margin by lower price discount rate, and improvement of SG&A expenses. EAT is expected to be JPY10.5 billion due to the absence of JPY 17.2 billion of foreign trade insurance proceeds

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received in FY2025. Dividend per share is scheduled to be at JPY 105 (50 yen in the first half and 55 yen at the end), the same as in FY2025.

[Focus Initiatives from FY2026 and Beyond]

1） Strengthening sustainable sales growth

・The Company intends to develop and maintain the customer base in growth sectors. In particular, we plan to respond acutely to demands from aviation, space, defense, data processing and energy industries, which are expected to grow at a faster pace and have a high affinity with our products and technologies.

・The Company intends to continue differentiating itself from competitors with regards to the function, performance, and quality of its machine tools by focusing on process integration and automation. In addition, we will meet the needs of our customers with high quality and competitive cost for basic machine models.

・For the optimization of the machining process and long-term continuous operation of machine tools, it is essential to promptly supply peripheral equipment, and consumables. Through our portal site, "*my* DMG MORI", we plan to expand the sales of DMQP (DMG MORI Qualified Products) in accordance with customer needs.

・As the shape of workpieces becomes more complex and the demand for machining precision rises, the need to provide newly developed processing technologies is increasing. There is also a growing need for us to propose how to shorten cycle times and methods that help customers improve their profitability. We will bolster our engineering segment to satisfy such requirements.

2） Enhancing cost control

・We have been installing low-code software TULIP provided by Tulip Interfaces, Inc. (headquartered in Boston, USA) to improve work efficiency and quality control. The Company will utilize generative AI to further improve productivity and achieve desired results quickly.

・We will continue to promote the efficiency of indirect operations.

・The need for MRO is rapidly increasing as the numbers of complex, process integrated machine tools and automation systems have been growing. While it is necessary to increase the number of MRO personnel, the Company seeks to improve MRO process efficiency by utilizing AI agents.

・The Company plans to optimize QCD (Quality, Cost, Delivery) by improving its manufacturing processes and reinforcing its in-house manufacturing technology.

3） Improving financial structure

・The Company plans to improve its cash generation capability by optimizing inventory and by collecting downpayments in a timely manner to reduce working capital.

・The Company intends to streamline its balance sheet not only by optimizing cash, inventories, and human resources at each factory and other location, but also by pursuing company-wide global optimization.

Based on prioritized initiatives mentioned above, the Company aims to enhance corporate value through sustainable sales growth, strengthened cost management, expanded cash-generation capability, and an optimized financial structure.

- Changes in the demand environment within the markets in which the Group operates
- Exchange rate fluctuations
- Changes in laws, regulations, and government policies within the markets in which the Group operates
- Our ability to develop new products in a timely manner and gain market acceptance
- Political instability within the markets in which the Group operates
- Changes in related laws and regulations, such as the Antimonopoly Act and export control regulations, or changes in their operation by the competent authorities