DMG MORI

AKTIENGESELLSCHAFT

Dear shareholders,

DMG MORI AG developed stably in the first half of the year – and this with continued major, geopolitical uncertainties and restrained demand for capital goods.

On 25 May 2023, Alfred Geißler succeeded Christian Thönes, who resigned from his position as CEO of DMG MORI AKTIENGESELLSCHAFT on that day. Alfred Geißler has been part of the current DMG MORI group for 40 years, most recently as Managing Director of DECKEL MAHO Pfronten GmbH. A stable transition and continuity are thus ensured.

2023 remains challenging, nevertheless the Executive Board looks with confidence at the further course of business and confirms the forecasts for the full year. For the EMO in Hanover, DMG MORI has four world premieres as well as a large number of other innovations, new sustainable technology, automation and digitization solutions in the pipeline.

KEY FIGURES in € million	**30 June 2023**	**30 June 2022**		**Changes 2023 against 2022**
Order intake	1,461.7	1,675.2	-213.5	-13 %
Domestic	455.9	500.1	-44.2	-9 %
International	1,005.8	1,175.1	-169.3	-14 %
% International	69 %	70 %		
Sales revenues	1,188.6	1,123.6	65.0	6 %
Domestic	426.6	365.9	60.7	17 %
International	762.0	757.7	4.3	1 %
% International	64 %	67 %		
Order backlog*	1,780.0	1,684.6	95.4	6 %
Domestic	597.0	594.0	3.0	1 %
International	1,183.0	1,090.6	92.4	8 %
% International	66 %	65 %		
EBITDA	109.0	140.4	-31.4	-22 %
EBIT	74.5	101.6	-27.1	-27 %
EBT	78.6	101.8	-23.2	-23 %
EAT	55.8	71.8	-16.0	-22 %
Free cash flow	34.9	126.3	-91.4	-72 %
	30 June 2023	**31 Dec. 2022**		**Changes 2023 against 2022**
Employees	6,916	6,833	83	1 %
incl. trainees	197	237	-40	-17 %

* reporting date 30 June

The Interim Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT were prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable in the European Union. The interim financial statements have not been audited; they refer exclusively to DMG MORI AKTIENGESELLSCHAFT and its subsidiaries (in the following DMG MORI).

TABLE OF CONTENTS

GROUP INTERIM MANAGEMENT REPORT

INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF DMG MORI AKTIENGESELLSCHAFT AS AT 30 JUNE 2023

ADDITIONAL INFORMATION

GROUP INTERIM MANAGEMENT REPORT

Overall Conditions

Overall economic performance continued to lose momentum in the second quarter of 2023. Geopolitical uncertainties, in particular the ongoing Russian war in Ukraine, continued high raw material costs, ongoing high inflation as well as rising interest rates, impacted the economy all over the world and especially in Europe. However, there was also a lack of positive economic stimulus in the USA and China.

Demand for capital goods declined again in the first half of 2023 following a positive development in the previous year. Looking at the global market for machine tools, this trend is expected to continue in the further course of the year. In the current April forecast of the German Machine Tool Builders' Association (VDW) and the British economic research institute Oxford Economics, growth of only +2.6 % to € 81.5 billion is expected (previous year: +11.6 %; € 79.4 billion).

For the German machine tool market, an increase of +8.2 % is currently forecast. In Europe, machine tool consumption is expected to go up by +7.0 %. For Japan, growth of +7.6 % is forecast. Machine tool consumption in Germany and Japan thus remains below pre-corona levels. The growth forecasts for China are rather moderate at +3.7 % and for the USA even significantly declining at -7.2 %.

In view of the difficult geopolitical situation, high raw material prices as well as continued high inflation and rising interest rates, it cannot be ruled out that these forecasts will have to be adjusted in the association's regular forecast in October.

Business Development

ORDER INTAKE

The worldwide market for machine tools continued to be impacted by global challenges. In Europe in particular, there is restraint in demand for capital goods due to the ongoing Russian war in Ukraine and the associated political and economic consequences. In addition, there were continued high raw material costs, ongoing high inflation as well as rising interest rates. Due to the economic and geopolitical uncertainties there was also a lack of positive economic stimulus in the USA and China.

In this still challenging market environment, DMG MORI AG achieved stable order intake of € 674.3 million in the second quarter (-17 %; previous year: € 813.6 million). In the first half of the year, orders amounted to € 1,461.7 million (-13 %; previous year: € 1,675.2 million).

In the "Machine Tools" segment, orders amounted to € 836.3 million (-14 %; previous year: € 969.4 million). The "Industrial Services" segment recorded order intake of € 625.3 million (-11 %; previous year: € 705.7 million). This includes order intake from our original service business of € 404.7 million (+1 %; previous year: € 402.1 million) as well as orders for machines from DMG MORI COMPANY LIMITED of € 220.6 million (-27 %; previous year: € 303.6 million).

Domestic orders amounted to € 455.9 million (-9 %; previous year: € 500.1 million). International orders totaled € 1,005.8 million (-14 %; previous year: € 1,175.1 million). The share of international orders was 69 % (previous year: 70 %).

SALES REVENUES

Sales revenues increased by +7 % to € 602.4 million in the second quarter (previous year: € 562.6 million). In the first half year, sales revenues grew by +6 % to € 1,188.6 million (previous year: € 1,123.6 million). In the "Machine Tools" segment, sales revenues amounted to € 633.2 million (+8 %; previous year: € 584.5 million). In the "Industrial Services" segment, sales revenues rose to € 555.3 million (+3 %; previous year: € 539.0 million). Of this, € 352.9 million was attributable to our original service business (+16 %; previous year: € 305.1 million) as well as € 202.2 million to trade sales of machines of DMG MORI COMPANY LIMITED (-13 %; previous year: € 233.5 million).

Domestic sales revenues increased by +17 % to € 426.6 million (previous year: € 365.9 million). At € 762.0 million, international sales revenues were almost on the same level as in the previous year (€ 757.7 million). The export ratio was 64 % (previous year: 67 %).

ORDER BACKLOG

The order backlog increased to € 1,780.0 million as of 30 June 2023 (31 Dec. 2022: € 1,613.4 million) – an average calculated range of eight months. The capacity utilization rates of the individual production companies vary. We counter longer delivery times with targeted measures, such as close personal contact with our partners and suppliers or the expansion and optimization of assembly and production capacities. International orders accounted for 66 % of current orders (previous year: 65 %).

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET WORTH

The results of operations were stable and continued to be impacted by continued high prices for materials, resources and energy. EBITDA in the second quarter amounted to € 47.0 million (previous year: € 67.4 million). EBIT totaled € 30.3 million (previous year: € 45.7 million). The EBIT margin was 5.0 % (previous year: 8.1 %). EBT amounted to € 33.4 million (previous year: € 45.7 million). EAT was € 23.8 million (previous year: € 32.2 million).

EBITDA amounted to € 109.0 million in the first half of the year (previous year: € 140.4 million). EBIT totaled € 74.5 million (previous year: € 101.6 million). The EBIT margin was 6.3 % (previous year: 9.1 %). EBT amounted to € 78.6 million (previous year: € 101.8 million). As of 30 June 2023, the group reported EAT of € 55.8 million (previous year: € 71.8 million). Sales revenues developed positively and increased by 7 % in the second quarter to € 602.4 million (previous year: € 562.6 million). In the first half year, sales revenues grew by 6 % to € 1,188.6 million (previous year: € 1,123.6 million).

The inventories of finished goods and work in progress rose by € 53.5 million to € 75.9 million (previous year: € 22.4 million). Total operating revenue increased by +10 % to € 1,270.2 million due to the high degree of processing of new machines (previous year: € 1,150.7 million). The cost of materials amounted to € 692.1 million (previous year: € 622.8 million). The materials ratio was 54.5 % (previous year: 54.1 %). Personnel expenses totaled € 320.6 million (previous year: € 288.3 million). At 25.2 %, the personnel ratio was almost at the previous year's level (previous year: 25.1 %).

The balance of other operating income and expenses was € 148.5 million (previous year: € 99.2 million). The increase was mainly due to expenses related to sales revenues. Depreciation decreased to € 34.5 million (previous year: € 38.8 million). The financial result improved significantly to € 4.1 million (previous year: € 0.2 million). EAT amounted to € 55.8 million (previous year: € 71.8 million). This resulted in tax expense of € 22.8 million (previous year: € 30.0 million).

NET WORTH in € million	30.06.2023	31.12.2022	30.06.2022
Long-term assets	936.5	931.1	946.5
Short-term assets	1,823.3	1,895.4	1,879.4
Equity	1,444.3	1,422.5	1,551.2
Outside capital	1,315.5	1,404.0	1,274.7
Balance sheet total	**2,759.8**	**2,826.5**	**2,825.9**

The balance sheet total decreased by € 66.7 million to € 2,759.8 million (31 Dec. 2022: € 2,826.5 million).

Under assets, long-term assets grew by € 5.4 million to € 936.5 million. Tangible and intangible assets amounted to € 739.9 million (31 Dec. 2022: € 730.7 million). Financial assets were € 140.6 million (31 Dec. 2022: € 152.3 million).

Short-term assets went down by € 72.1 million to € 1,823.3 million (31 Dec. 2022: € 1,895.4 million). Inventories increased by € 98.7 million to € 785.0 million. Raw materials and supplies went up by € 12.7 million to € 381.4 million, work in progress by € 35.2 million to € 186.9 million and finished goods and products by € 50.8 million to € 216.7 million. Trade account receivables decreased by € 11.8 million to € 149.6 million despite the increase in sales volumes. Receivables from other related companies went down by € 106.6 million to € 548.4 million (31 Dec. 2022: € 655.0 million). This decrease resulted from a repayment (€ 100.0 million) by DMG MORI Europe Holding GmbH for its loan (30 June 2023: € 440.0 million). Cash and cash equivalents amounted to € 164.2 million (31 Dec. 2022: € 177.4 million).

Under equity and liabilities, equity increased by € 21.8 million to € 1,444.3 million. The equity ratio improved to 52.3 % (31 Dec. 2022: 50.3 %). Liabilities decreased by € 88.5 million to € 1,315.5 million (31 Dec. 2022: € 1,404.0 million).

Advance payments received remained stable at € 431.4 million. Trade accounts payable grew by € 52.8 million to € 229.3 million due to the higher volume of business. Liabilities to other related parties went down by € 169.0 million to € 70.5 million. The decline is mainly due to the payment of the profit transfer 2022 in the amount of € 146.5 million to DMG MORI Europe Holding GmbH.

CASH FLOW in € million	2023 1st half year	2022 1st half year
Cash flow from operating activities	81.1	161.9
Cash flow from investment activity	49.3	-137.6
Cash flow from financing activity	-135.4	-31.7
Changes in cash and cash equivalents	-13.2	-9.8
Liquid funds at the start of the reporting period	177.4	241.9
Liquid funds at the end of the reporting period	164.2	232.1

Overall, the financial position developed positively: Cash flow from operating activities amounted to € 81.1 million (previous year: € 161.9 million). EBT of € 78.6 million (previous year: € 101.8 million) and depreciation and amortization of € 34.5 million (previous year: € 38.8 million) contributed to this cash flow. In addition, the € 6.2 million increase in advance payments received (previous year: € 99.3 million) led to a rise in cash flow. A reduction resulted from the € 104.4 million increase in inventories (previous year: € 74.9 million).

Cash flow from investing activities was positive at € 49.3 million (previous year: € -137.6 million). Payments for capital expenditure in tangible and intangible assets amounted to € -46.3 million (previous year: € -36.0 million); disposals resulted in cash inflows of € 0.1 million (previous year: € 0.4 million). The repayment from DMG MORI Europe Holding GmbH for its loan resulted in cash inflows of € 100.0 million (previous year: cash outflows of € 100.0 million).

Cash flow from financing activities totaled € -135.4 million (previous year: € -31.7 million). This mainly results from the payment of the profit transfer 2022 to DMG MORI Europe Holding GmbH in the amount of € 146.5 million (previous year: € 29.3 million) as well as payments for lease liabilities in the amount of € -7.9 million (previous year: € -8.2 million).

Free cash flow in the second quarter was € 1.7 million (previous year: € 70.9 million). At the end of the first half of the year, free cash flow amounted to € 34.9 million (previous year: € 126.3 million).

INVESTMENTS

Investments in property, plant and equipment and intangible assets amounted to € 54.7 million in the first half of the year, as planned (previous year: € 40.6 million). This figure includes additions from rights of use in accordance with IFRS 16 "Leases" amounting to € 8.5 million (previous year: € 4.6 million). Investments in financial assets amounted to € 3.2 million (previous year: € 0.9 million). Investments thus totaled € 57.9 million (previous year: € 41.5 million).

At DECKEL MAHO in Seebach, we completed construction of the new training center. On an area of around 1,000 m², we offer multi-functional project rooms as well as 50 modern training places for an even stronger focus on future technologies as well as automation and digitization. We will further strengthen our position as an attractive employer and raise training to an even higher level. The grand opening will take place in the fourth quarter of 2023.

We are also building the new FAMOT Components Center at the production site in Pleszew (Poland). On an area of around 5,200 m², FAMOT will manufacture components and assemblies for internal supply to our European production sites. We are planning completion before the end of this year.

At our GRAZIANO site in Tortona (Italy), we are expanding and modernizing the production area. The focus is on the construction of a new assembly shop and the implementation of a state-of-the-art assembly concept based on driverless AGV (Automated Guided Vehicles) transport systems for efficient yet flexible assembly. Completion is scheduled for the financial year 2024.

In addition, we are continuing our investment in self-sufficient, sustainable power supply for our production plants and will install additional photovoltaic systems with a total output of more than 8,000 MWh/year. Further systems are in the planning stage.

In June, we were able to complete our new production plant DMG MORI Manufacturing Solutions in Pinghu, near Shanghai, in China.

Furthermore, we are continuing to invest in our ERP project "GLOBE – Global One Business Excellence" to standardize and optimize systems and processes.

SEGMENT REPORT

Our business activities comprise the segments "Machine Tools" and "Industrial Services". "Corporate Services" mainly comprises DMG MORI AKTIENGESELLSCHAFT with its group-wide holding functions.

The selected machines of DMG MORI COMPANY LIMITED which we produce under license are included in "Machine Tools". The trade and services for these machines are recognized under "Industrial Services".

SEGMENT KEY FIGURES in € million	30 June 2023	30 June 2022		Changes 2023 against 2022
Order intake	**1,461.7**	**1,675.2**	**-213.5**	**-13 %**
Machine Tools	836.3	969.4	-133.1	-14 %
Industrial Services	625.3	705.7	-80.4	-11 %
Corporate Services	0.1	0.1	0	0 %
Sales revenues	**1,188.6**	**1,123.6**	**65.0**	**6 %**
Machine Tools	633.2	584.5	48.7	8 %
Industrial Services	555.3	539.0	16.3	3 %
Corporate Services	0.1	0.1	0	0 %
EBIT	**74.5**	**101.6**	**-27.1**	**-27 %**
Machine Tools	23.2	36.1	-12.9	-36 %
Industrial Services	83.0	82.4	0.6	1 %
Corporate Services	-31.7	-16.9	-14.8	-88 %

KEY FIGURES FOR THE "MACHINE TOOLS" SEGMENT in € million	30 June 2023	30 June 2022		Changes 2023 against 2022
Order intake	**836.3**	**969.4**	**-133.1**	**-14%**
Domestic	254.8	288.5	-33.7	-12%
International	581.5	680.9	-99.4	-15%
% International	70%	70%		
Sales revenues	**633.2**	**584.5**	**48.7**	**8%**
Domestic	249.6	196.9	52.7	27%
International	383.6	387.6	-4.0	-1%
% International	61%	66%		
Order backlog*	**1,021.4**	**892.1**	**129.3**	**14%**
Domestic	228.9	197.0	31.9	16%
International	792.5	695.1	97.4	14%
% International	78%	78%		
EBIT	**23.2**	**36.1**	**-12.9**	**-36%**
	30 June 2023	**31 Dec. 2022**		**Changes 2023 against 2022**
Employees	**4,079**	**4,035**	**44**	**1%**
incl. trainees	147	188	-41	-22%

* reporting date 30 June

MACHINE TOOLS

The "Machine Tools" segment includes the group's new machine business with the divisions Turning and Milling, Advanced Technologies (Ultrasonic / Lasertec) and Additive Manufacturing as well as Digital Solutions.

The market for machine tools continued to be impacted by global challenges and a restraint in investments in capital goods – particularly in Europe. Under these challenging conditions, DMG MORI AG achieved stable order intake of € 381.6 million in the "Machine Tools" segment in the second quarter (-19%; previous year: € 473.5 million). In the first six months, orders amounted to € 836.3 million (-14%; previous year: € 969.4 million). Domestic order intake totaled € 254.8 million (previous year: € 288.5 million). International orders were € 581.5 million (previous year: € 680.9 million). "Machine tools" accounted for 57% of all orders received (previous year: 58%). As of 30 June 2023, the order backlog amounted to € 1,021.4 million (31 Dec. 2022: € 913.1 million).

Sales revenues increased to € 319.5 million in the second quarter (+7%; € 297.6 million). In the first half of the year, sales revenues grew by +8% to € 633.2 million (previous year: € 584.5 million). The "Machine Tools" segment accounted for 53% of sales revenues (previous year: 52%). EBIT amounted to € 23.2 million (previous year: € 36.1 million).

As of 30 June 2023, the "Machine Tools" segment had 4,079 employees (31 Dec. 2022: 4,035).

INDUSTRIAL SERVICES

The "Industrial Services" segment mainly comprises the business activities of the Services division. Here we bundle the marketing activities and LifeCycle Services for both our machines as well as those of DMG MORI COMPANY LIMITED. DMG MORI LifeCycle Services allow our customers to maximize the productivity of their machine tools over the entire life cycle – from commissioning to trade-in as a used machine. The wide range of service contracts, repair and training services enables our customers to achieve high cost efficiency for their machine tools. Our online customer portal *my* DMG MORI digitizes service processes and sets new standards for transparent communication.

In the "Industrial Services" segment, order intake in the second quarter reached € 292.7 million (-14%; previous year: € 340.1 million). In the first half of the year, order intake amounted to € 625.3 million (-11%; previous year: € 705.7 million). This includes order intake from our original service business of € 404.7 million (+1%; previous year: € 402.1 million) as well as orders for machines from DMG MORI COMPANY LIMITED of € 220.6 million (-27%; previous year: € 303.6 million). "Industrial Services" accounted for 43% of orders in the group (previous year: 42%). The order backlog at the end of the first half year totaled € 758.6 million (31 Dec. 2022: € 700.3 million).

KEY FIGURES FOR THE "INDUSTRIAL SERVICES" SEGMENT in € million	30 June 2023	30 June 2022		Changes 2023 against 2022
Order intake	**625.3**	**705.7**	**-80.4**	**-11 %**
Domestic	201.0	211.5	-10.5	-5 %
International	424.3	494.2	-69.9	-14 %
% International	68 %	70 %		
Sales revenues	**555.3**	**539.0**	**16.3**	**3 %**
Domestic	176.9	168.9	8.0	5 %
International	378.4	370.1	8.3	2 %
% International	68 %	69 %		
Order backlog*	**758.6**	**792.5**	**-33.9**	**-4 %**
Domestic	368.1	397.0	-28.9	-7 %
International	390.5	395.5	-5.0	-1 %
% International	51 %	50 %		
EBIT	**83.0**	**82.4**	**0.6**	**1 %**
	30 June 2023	31 Dec. 2022		Changes 2023 against 2022
Employees	**2,724**	**2,689**	**35**	**1 %**
incl. trainees	50	49	1	2 %

* reporting date 30 June

Sales revenues amounted to € 282.9 million in the second quarter (+7 %; previous year: € 265.0 million). In the first half of the year, sales revenues increased by +3 % to € 555.3 million in this still challenging market environment (previous year: € 539.0 million). Of this, € 352.9 million were attributable to our original service business (+16 %; previous year: € 305.1 million) as well as € 202.2 million to trade sales revenues with machines from DMG MORI COMPANY LIMITED (-13 %; previous year: € 233.5 million). "Industrial Services" accounted for 47 % of group sales revenues (previous year: 48 %). EBIT was € 83.0 million (previous year: € 82.4 million).

The number of employees in the "Industrial Services" segment was 2,724 as of 30 June 2023 (31 Dec. 2022: 2,689).

CORPORATE SERVICES

The "Corporate Services" segment mainly comprises DMG MORI AKTIENGESELLSCHAFT with its group-wide holding functions. EBIT amounted to € -31.7 million (previous year: € -16.9 million).

KEY FIGURES FOR THE "CORPORATE SERVICES" SEGMENT in € million	30 June 2023	30 June 2022	Changes 2023 against 2022
Order intake	**0.1**	**0.1**	**0**
Sales revenues	**0.1**	**0.1**	**0**
EBIT	**-31.7**	**-16.9**	**-14.8**
	30 June 2023	31 Dec. 2022	Changes 2023 against 2022
Employees	**113**	**109**	**4**

EMPLOYEES

DMG MORI AG's success is a strong team effort by our highly qualified employees. As of 30 June 2023, the DMG MORI AG group had 6,916 employees, thereof 197 trainees (31 Dec. 2022: 6,833). Personnel expenses amounted to € 320.6 million (previous year: € 288.3 million). The personnel ratio was 25.2 % (previous year: 25.1%). We focus on continuity and stability, promote an open exchange based on trust and aim to grow even closer together as "Global One Company" worldwide.

RESEARCH AND DEVELOPMENT

Research and development expenses in the first half of the year amounted to € 40.1 million (previous year: € 37.6 million). 627 employees worked on the development of our new products. This corresponds to 16 % of the workforce at the plants. In the financial year 2023, together with our group parent company DMG MORI COMPANY LIMITED, we will present **40 innovations** – including 15 world premieres, 2 automation solutions, 7 digital innovations, 4 technology cycles and 6 DMG MORI Components as well as 6 innovations for even more sustainability.

DMG MORI offers holistic, integrated solutions from a single source – and always in the focus: our customers. At the traditional Open House in Pfronten at the beginning of the year, DMG MORI showed the latest developments and innovations. We expanded our more than 160 different machine models with **8 world premieres** in the first half of the year. Four examples:

CTX 350 – Precise, efficient and with a wide range of options: With liquid-cooled spindle drives and direct measuring systems, the new CTX 350 enables maximum accuracy in 6-sided complete machining of 8 % longer workpieces in a 17 % smaller footprint. A large number of options allows customers to specify the machine to their individual needs, for example with integrated workpiece handling for components with a diameter of less than 100 mm.

DMF 300|11 – The modular and thus highly flexible DMF 300|11 extends the series of innovative traveling column machines. The large work envelope of 3,000 mm in length can be subdivided by an easy-to-mount partition. Together with the innovative, patented tool changer as well as flexible automation solutions, the machine can be used highly efficiently through setup in both working areas during machining. Maximum rigidity and accuracy are achieved by three linear guides in the X-axis.

DMU 40 – Universal, compact and powerful: The DMU 40 is the perfect entry into 5-axis simultaneous machining and can be flexibly automated, for example with Robo2Go Milling, PH 150 or PH Cell. With a footprint of less than 5.1 m², the 5-axis universal machine is one of the most compact on the market. Thanks to direct drives and a one-piece machine bed, among other features, it offers maximum accuracy of up to 5 µm as well as enormous dynamics and productivity with rapid traverse rates of up to 30 m/min.

CTX 350 – precise, efficient and with a wide range of options. Also easy to automate, among others through an integrated workpiece handling.

DMF 300|11 – modular design, highly flexible, highly efficient. Three linear guides in the X-axis ensure maximum rigidity and accuracy.

DMU 40 – universal, compact, powerful. The perfect entry into 5-axis simultaneous machining.

DMU 75 monoBLOCK 2nd Gen. – highest productivity, among others through technology integration. Thus up to 5 integrated processes are possible on one machine.

DMU 65/75 monoBLOCK 2nd Gen. – Highly accurate, temperature stable and productive: The compact and easy-to-automate DMU 65 and 75 monoBLOCK of the second generation combine the experience gained from more than 6,000 machines supplied in the monoBLOCK series with 30 % higher volumetric accuracy, 20 % better temperature stability and maximum productivity by integrating milling, turning, grinding, gear cutting and measuring on one machine. The consistent combination of machines, technologies, users, automation and digitization enables a high degree of **process integration** for resource-saving and efficient production.

The following applies to all innovations: Sustainability is a must! With **GREEN**MODE, we consistently increase the energy and resource efficiency of our machines by up to 30 % compared to the predecessor model (Scope 3 Downstream). For this, DMG MORI AG was the first machine tool manufacturer in Germany to receive the globally valid certificate for energy and media efficiency (EME) from TÜV SÜD Industrie Service GmbH at the beginning of the year.

Automation is the key to greater efficiency, more productivity, even faster amortization – and thus to greater competitiveness for our customers. Our innovative automation portfolio with over 50 products includes machine-specific, universal and scalable solutions up to DMG MORI master computer technology for workpiece, pallet and tool management. In a production line with multiple machines, the DMG MORI Cell Controller takes over efficient workpiece, pallet and tool management as the central master computer. Standardized interfaces enable seamless connection to higher-level planning and control systems such as APS, MES and ERP.

The current financial year is centered on the EMO – the world's largest machine tool trade show: From 18 to 23 September, as the largest exhibitor, we will present a wide range of innovations with a high degree of process integration for resource-saving, efficient production as well as new, sustainable technology, automation and digitization solutions on 10,000 m^2.

Opportunities and Risk Report

Our opportunity and risk management is presented in detail in the Annual Report 2022 on pages 81 et seqq. The Russian war in Ukraine still has a significant impact on the risk situation. Overall risk has decreased slightly. We continue to classify the risks as manageable at all times.

We see strategic opportunities in particular in our focus on technical innovations, process integration and automation.

Strategic and operational risks arise from geopolitical uncertainties, in particular from the ongoing war in Ukraine as well as tensions between China and the USA. As a result of the war in Ukraine, there may be a further devaluation of our assets in Russia. In addition, further increases in interest rates could impact our customers' readiness to invest. Recently we have seen a slight easing of exogenous factors such as global supply and material shortages, high inflation as well as high raw material costs. However, a renewed intensification is possible at any time. Production, purchasing and logistics risks resulting from geopolitical uncertainties can lead to delivery delays and possible business interruptions. DMG MORI AG's holistic supply chain risk management identifies risks in the supply chain at an early stage through the use of digital tools and enables suitable countermeasures to be initiated in good time. In addition to our proven global double-sourcing strategy, we are reorganizing supply chains and strengthening our resilience through further increasing regionalization. We are increasingly manufacturing core components ourselves through our DMG MORI Components.

Forecast

2023 remains challenging – global economy is expected to grow only slightly. Geopolitical uncertainties, the ongoing Russian war in Ukraine as well as tensions between China and the USA, high inflation as well as rising interest rates and thus higher financing costs for investments continue to weigh on the global economy.

According to the June forecast of the Kiel Institute for the World Economy (IfW), global production is expected to increase by only +2.8 % in 2023 (March forecast: +2.5 %). After a rather restrained start to the year, the growth momentum of the international market for machine tools is also estimated to weaken further in the second half of the year.

In the current April forecast of the German Machine Tool Builders' Association (VDW) and the British economic research institute Oxford Economics, growth of only +2.6 % to € 81.5 billion is expected (previous year: +11.6 %; € 79.4 billion).

For the German machine tool market, an increase of +8.2 % is currently forecast. In Europe, machine tool consumption is estimated to go up by +7.0 %. For Japan, growth of +7.6 % is forecast. Machine tool consumption in Germany and Japan thus remains below the pre-corona level. The growth forecasts for China are rather moderate at +3.7 %, and for the USA even significantly declining at -7.2 %.

In view of the difficult geopolitical situation, high raw material prices as well as continued high inflation, it cannot be ruled out that these forecasts will have to be adjusted in the association's regular forecast in October.

DMG MORI AG is firmly positioned and reacts to global changes quickly and agilely. In the future, we will focus even more strongly on technological solutions that are optimally tailored to the needs of our customers: With our core concept DMG MORI Machining Transformation (MX), we are advancing holistic process integration, automation, digital transformation (DX) as well as green transformation (GX). We are thus specifically increasing the productivity, resource and energy efficiency of our machine tools and opening up completely new possibilities for our customers. Already at EMO Hannover (Sept. 18–23, 2023), the world's largest machine tool trade fair, DMG MORI will present, among other things, a comprehensive 13-point plan for even more sustainability with **GREEN**MODE as well as many other innovations.

After the stable first half-year we are confident for 2023 despite a volatile market environment. DMG MORI AG therefore confirms the forecasts for the full year: Order intake is expected to reach around € 2.45 billion. We estimate sales revenues of around € 2.35 billion. We assume EBIT of around € 170 million. Free cash flow is to be around € 80 million.

GROUP STRUCTURE

(as of: August 2023)

DMG MORI COMPANY LIMITED, Tokyo

Group parent company

DMG MORI AKTIENGESELLSCHAFT

CORPORATE SERVICES

DMG MORI AKTIENGESELLSCHAFT, Bielefeld

MACHINE TOOLS

GILDEMEISTER Beteiligungen GmbH, Bielefeld; Development and Production[1)]

TURNING	MILLING	ADVANCED TECHNOLOGIES	DIGITAL SOLUTIONS
GILDEMEISTER Drehmaschinen GmbH (Bielefeld)	DECKEL MAHO Pfronten GmbH (Pfronten)	DMG MORI Ultrasonic Lasertec GmbH (Pfronten, Idar-Oberstein)	DMG MORI Digital GmbH (Bielefeld)
GILDEMEISTER Italiana S. r. l. (Bergamo / Italy)	DECKEL MAHO Seebach GmbH (Seebach)	DMG MORI Additive GmbH (Bielefeld)	ISTOS GmbH (Düsseldorf)
	DMG MORI Manufacturing Solutions (Pinghu / China) [2)]		
FAMOT Pleszew Sp. z o. o. (Pleszew / Poland)	GRAZIANO Tortona S. r. l. (Tortona / Italy)		

INDUSTRIAL SERVICES

DMG MORI Vertriebs und Service GmbH, Bielefeld

SALES AND SERVICES

DMG MORI DACH [3)]	DMG MORI EMEA [4)]	DMG MORI China	DMG MORI Services

Markets of DMG MORI COMPANY LIMITED [5)]

DMG MORI Japan	DMG MORI Asia [6)]	DMG MORI USA	DMG MORI Americas

1) Production stop February 2022: Ulyanovsk Machine Tools ooo (Ulyanovsk / Russia)
2) Grand Opening: 4th quarter 2023
3) Germany, Austria, Switzerland
4) Europe, Middle East, Africa
5) These markets are consolidated by DMG MORI COMPANY LIMITED.
6) incl. India

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

FIRST HALF YEAR 2023 (01 JAN – 30 JUNE) in € million	2023		2022		Changes 2023 against 2022	
Sales revenues	**1,188.6**	**93.6 %**	**1,123.6**	**97.7 %**	**65.0**	**5.8 %**
Changes in finished goods and work in progress	75.9	6.0 %	22.4	1.9 %	53.5	238.8 %
Own work capitalized	5.7	0.4 %	4.7	0.4 %	1.0	21.3 %
Total work done	**1,270.2**	**100.0 %**	**1,150.7**	**100.0 %**	**119.5**	**10.4 %**
Cost of materials	-692.1	-54.5 %	-622.8	-54.1 %	-69.3	11.1 %
Personnel costs	-320.6	-25.2 %	-288.3	-25.1 %	-32.3	11.2 %
Other income and expenses	-148.5	-11.7 %	-99.2	-8.6 %	-49.3	49.7 %
Depreciation, amortization and impairment losses	-34.5	-2.7 %	-38.8	-3.4 %	4.3	11.1 %
EBIT	**74.5**	**5.9 %**	**101.6**	**8.8 %**	**-27.1**	**26.7 %**
Financial result	**4.1**	**0.3 %**	**0.2**	**0.0 %**	**3.9**	**1,950.0 %**
EBT	**78.6**	**6.2 %**	**101.8**	**8.8 %**	**-23.2**	
Income taxes	-22.8	-1.8 %	-30.0	-2.6 %	7.2	
EAT	**55.8**	**4.4 %**	**71.8**	**6.2 %**	**-16.0**	
Of which attributed to the shareholders of DMG MORI AKTIENGESELLSCHAFT	52.0	4.1 %	67.9	5.9 %	-15.9	
Of which attributed to non-controlling interests	3.8	0.3 %	3.9	0.3 %	-0.1	

Consolidated Statement of other Comprehensive Income

FIRST HALF YEAR 2023 (01 JAN – 30 JUNE) in € million	2023	2022
EAT	**55.8**	**71.8**
Other comprehensive income		
Remeasurement of benefit-orientated pension plans	1.6	16.2
FVOCI – Equity instruments – net change of fair value	-15.4	8.9
Income taxes	-0.3	-5.0
Sum of items never reclassified to the income statement	**-14.1**	**20.1**
Differences from currency translation	-23.9	69.4
Adjustment IAS 29 – High inflation	0.0	1.9
Changes in market value of hedging instruments	-0.5	-0.4
Market value of hedging instruments – reclassification to profit or loss	0.1	-0.4
Net investments	6.6	-13.2
Income taxes	-2.2	0.2
Sum of items reclassified to the income statement	**-19.9**	**57.5**
Other comprehensive income for the period after taxes	**-34.0**	**77.6**
Total comprehensive income for the period	**21.8**	**149.4**
Of which attributed to the shareholders of DMG MORI AKTIENGESELLSCHAFT	19.5	144.9
Of which attributed to non-controlling interests	2.3	4.5

Consolidated Balance Sheet

ASSETS in € million	30 June 2023	31 Dec. 2022	30 June 2022
Goodwill	136.4	136.4	138.0
Other intangible assets	98.5	97.6	86.3
Tangible assets	505.0	496.7	497.9
Equity accounted investments	46.9	46.4	40.2
Other equity investments	93.7	105.9	116.1
Trade receivables from third parties	1.5	0.9	0.8
Other long-term financial assets	17.7	15.0	13.5
Other long-term assets	5.9	1.4	1.5
Deferred tax assets	30.9	30.8	52.2
Long-term assets	**936.5**	**931.1**	**946.5**
Inventories	785.0	686.3	633.9
Trade receivables from third parties	148.1	160.5	193.9
Receivables from at equity accounted companies	7.7	19.4	14.7
Receivables from other related companies	548.4	655.0	512.6
Receivables from other equity investments	0.0	0.2	0.1
Receivables from down payment invoices	15.9	15.9	18.7
Other short-term financial assets	43.9	41.3	53.7
Other short-term assets	107.2	137.2	132.4
Income tax receivables	2.9	2.2	3.7
Cash and cash equivalents	164.2	177.4	232.1
Long-term assets held for sale	0.0	0.0	83.6
Short-term assets	**1,823.3**	**1,895.4**	**1,879.4**
Balance sheet total	**2,759.8**	**2,826.5**	**2,825.9**

EQUITY AND LIABILITIES in € million	30 June 2023	31 Dec. 2022	30 June 2022
Equity			
Subscribed capital	204.9	204.9	204.9
Capital reserves	498.5	498.5	498.5
Retained earnings and other reserves	717.8	698.3	826.3
Total equity of shareholders of DMG MORI AKTIENGESELLSCHAFT	**1,421.2**	**1,401.7**	**1,529.7**
Non-controlling equity interests	23.1	20.8	21.5
Total equity	**1,444.3**	**1,422.5**	**1,551.2**
Long-term financial debts	17.2	0.0	0.0
Long-term lease liabilities	34.2	30.4	28.5
Provisions for pensions	24.4	27.0	18.1
Other long-term provisions	35.2	44.3	40.4
Trade payables to third parties	5.7	6.2	4.5
Other long-term liabilities	5.9	5.8	4.5
Deferred tax liabilities	8.5	6.5	3.4
Long-term debts	**131.1**	**120.2**	**99.4**
Short-term financial debts	6.2	5.7	0.0
Short-term lease liabilities	7.6	9.9	11.5
Other short-term provisions	277.5	274.4	266.8
Contract liabilities from payments received on account	431.4	433.6	429.3
Trade payables to third parties	229.3	176.5	172.1
Liabilities to at equity accounted companies	3.4	7.1	2.6
Liabilities to other related companies	70.5	239.5	63.2
Liabilities to other equity investments	1.2	1.0	0.2
Contract liabilities from performance obligations	42.4	39.8	44.0
Contract liabilities from down payment invoices	15.9	15.9	18.7
Other short-term financial liabilities	25.6	25.6	29.4
Other short-term liabilities	51.1	34.4	36.1
Tax liabilities	22.3	20.4	26.4
Liabilities in connection with assets held for sale	0.0	0.0	75.0
Short-term debts	**1,184.4**	**1,283.8**	**1,175.3**
Balance sheet total	**2,759.8**	**2,826.5**	**2,825.9**

Consolidated Cash Flow Statement

FIRST HALF YEAR 2023 (01 JAN – 30 JUNE) in € million	2023	2022
Cash flow from operating activities		
Earnings before taxes (EBT)	78.6	101.8
Income taxes	-22.8	-30.0
Monetary loss from the application of IAS 29	1.3	0.0
Depreciation, amortization and impairment losses	34.5	38.8
Change in deferred taxes	-0.8	-1.9
Change in provisions	-4.5	-4.2
Other income and expenses not affecting payments	-0.9	4.5
Result from the disposal of fixed assets	0.0	-0.1
Dividends received	0.5	0.1
Changes in inventories, trade debtors and other assets	-61.4	-115.6
Changes in trade creditors and other liabilities	56.6	168.5
	81.1	**161.9**
Cash flow from investment activity		
Amounts received from the disposal of tangible assets and intangible assets	0.1	0.4
Amounts paid out for investments in intangible and tangible assets	-46.3	-36.0
Amounts paid out for investments in financial assets	-3.2	-0.9
Amounts received from disposal in financial assets	0.1	0.0
Repayments / amounts paid out for loans	98.6	-101.1
	49.3	**-137.6**
Cash flow from financing activity		
Cash inflows from borrowings obtained	19.0	5.8
Repayment of lease liabilities	-7.9	-8.2
Profit transfer to DMG MORI Europe Holding GmbH	-146.5	-29.3
	-135.4	**-31.7**
Inflation adjustment of the cash flow from operating activity, from investment activity and from financing activity (IAS 29)	**-2.9**	**0.0**
Changes affecting payments	-7.9	-7.4
Reclassification of funds for assets held for sale	0.0	-4.1
Effects of exchange rate changes on financial securities	-6.9	1.7
Effects of inflation on financial securities (IAS 29)	1.6	0.0
Cash and cash equivalents as of 1 January	177.4	241.9
Cash and cash equivalents as of 30 June	**164.2**	**232.1**

Development of Group Equity

in € million	Subscribed capital	Capital reserve	Retained earnings and other reserves	Total equity of shareholders of DMG MORI AKTIEN-GESELLSCHAFT	Non-controlling equity interests	**Total equity**
As at 01 January 2023	**204.9**	**498.5**	**698.3**	**1,401.7**	**20.8**	**1,422.5**
Total comprehensive income	0.0	0.0	19.5	19.5	2.3	21.8
Consolidation measures / Other changes	0.0	0.0	0.0	0.0	0.0	0.0
As at 30 June 2023	**204.9**	**498.5**	**717.8**	**1,421.2**	**23.1**	**1,444.3**
As at 01 January 2022	**204.9**	**498.5**	**681.4**	**1,384.8**	**17.0**	**1,401.8**
Total comprehensive income	0.0	0.0	144.9	144.9	4.5	149.4
Consolidation measures / Other changes	0.0	0.0	0.0	0.0	0.0	0.0
As at 30 June 2022	**204.9**	**498.5**	**826.3**	**1,529.7**	**21.5**	**1,551.2**

Group Segment Report

part of the Selected Explanatory Notes

FIRST HALF YEAR 2023 in € million	Machine Tools	Industrial Services	Corporate Services	Transition	**Group**
Sales revenues	633.2	555.3	0.1	0.0	1,188.6
EBIT	23.2	83.0	-31.7	0.0	74.5
Investments	48.6	8.9	0.4	0.0	57.9
Employees	4,079	2,724	113	0	6,916

FIRST HALF YEAR 2022 in € million	Machine Tools	Industrial Services	Corporate Services	Transition	**Group**
Sales revenues	584.5	539.0	0.1	0.0	1,123.6
EBIT	36.1	82.4	-16.9	0.0	101.6
Investments	35.6	5.6	0.3	0.0	41.5
Employees	3,855	2,770	101	0	6,726

Selected Explanatory Notes to the Interim Consolidated Financial Statements

APPLICATION OF REGULATIONS

The consolidated financial statements of DMG MORI AKTIENGESELLSCHAFT as at 31 December 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and their interpretations as applicable at the reporting date and as adopted by the European Union. The interim consolidated financial statements as at 30 June 2023 have been prepared on the basis of IAS 34 on Interim Financial Reporting. The interim consolidated financial statements as at 30 June 2023 and the interim management report for the period from 1 January to 30 June 2023 have not been audited or subject to a review under Section 37w of the German Securities Trading Act (WpHG). All interim financial statements of the companies included in the interim consolidated financial statements have been prepared in accordance with the uniform accounting and valuation principles, which also formed the basis for the consolidated financial statements as of 31 December 2022. In view of the purpose of interim reporting as an information tool based on the consolidated financial statements and in accordance with IAS 1.112, we refer to the Notes to the Consolidated Annual Financial Statements. These set out in detail the accounting, valuation and consolidation methods applied and the right of choice under IFRS that has been exercised.

The accounting and valuation principles as well as the consolidation methods applied are the same as used in financial year 2022 (for further explanations, please refer to the Notes to the Consolidated Financial Statements as of 31 December 2022 in the Annual Report on page 96 et seqq. In addition, all IFRS amendments and new standards that are required to be applied as of 1 January 2023 were also adopted.

All IFRS amendments and IFRS new standards required to be applied from 1 January 2023 onwards have no material effect on the reporting.

SEASONAL EFFECTS

As a globally operating company, the DMG MORI AG Group is subject to various economic developments. The economic influences in the reporting period are described in detail in the chapter "Overall conditions". In the first half year of 2023, the worldwide market for machine tools continued to be impacted by global challenges. In Europe in particular, there is restraint in demand for capital goods due to the ongoing Russian war in Ukraine and the associated political and economic consequences. Other factors influencing the course of business were high raw material costs, continued high inflation and rising interest rates. Industry-related seasonal fluctuations are common over the course of the year and can lead to varying sales revenues and thus different earnings.

CONSOLIDATION GROUP

The DMG MORI AG Group comprised 79 companies including DMG MORI AKTIENGESELLSCHAFT as of 30 June 2023. In addition to DMG MORI AKTIENGESELLSCHAFT, 68 companies were included in the interim financial statements as part of the full consolidation process. Compared to 31 December 2022, the number of fully consolidated subsidiaries decreased by one company due to the liquidation of GILDEMEISTER TURKEY SOLAR ENERJI ANONIM SIRKETI, Istanbul (Turkey), in May 2023.

In addition to the fully consolidated subsidiaries, DMG MORI Finance GmbH, Wernau, INTECH DMLS PRIVATE LIMITED, Bangalore (India), Pragati Automation Pvt. Ltd., Bangalore (India), Vershina Operation, LLC., Narimanov (Russia), DMG MORI HEITEC Digital Kft., Budapest (Hungary), DMG MORI India Private Ltd., Bangalore (India), up2parts GmbH, Weiden, RUN-TEC GmbH, Niedenstein, the German-Egyptian Company for Manufacturing Solutions (GEMAS), Cairo (Egypt), and CCP Services GmbH, Mülheim an der Ruhr, are classified as associated companies. In the interim consolidated financial statements, these companies are accounted for "at equity". The shares in DMG MORI HEITEC GmbH, Erlangen, which was classified as a joint venture, were sold in May 2023 and are no longer included in the consolidated financial statements "at equity" from the date of sale.

EARNINGS PER SHARE

In accordance with IAS 33, earnings per share are calculated by dividing the consolidated net income by the weighted average number of shares. In this process, earnings after taxes of € 55.8 million are reduced by earnings attributed to non-controlling interests of € 3.8 million.

As in the previous year, there were no diluted earnings as of 30 June 2023.

Earnings after tax excluding minority interests	K€	52.0
Weighted average number of shares (per share)		78,817,994
Earnings per share under IAS 33	€	0.66

INCOME STATEMENT, BALANCE SHEET, CASH FLOW STATEMENT

The table below provides a reconciliation of sales revenues for the period 1 January 2023 to 30 June 2023 and the corresponding period of the previous year by sales region as well as key product and service lines for the reportable segments.

The original service business mainly comprises the LifeCycle services for our machines (including spare parts, maintenance, repairs and training).

Further explanations on the application of IFRS 15 to sales revenues from the sale of goods and the provision of services are presented in the Notes to the Consolidated Financial Statements as of 31 December 2022 on page 112 et seq. in the Annual Report.

Income tax expense in the interim period is calculated for the full year based on the currently expected effective tax rate in accordance with IAS 34.30(c) and is calculated using an economic approach.

Pursuant to IAS 34.16A, all types of financial assets and liabilities must be measured at fair value. In the notes to the consolidated financial statements as of 31 December 2022, the carrying amounts of the financial instruments are explained in detail. The accounting as of 30 June 2023 is unchanged. As of 30 June 2023, there are differences between the carrying amounts and fair values of long-term and short-term financial debt and other long-term and short-term financial assets. The carrying amount of long-term and short-term financial debt is € 23.4 million, while the fair value is € 24.3 million. The carrying amount of other long-term and short-term financial assets is € 24.6 million, the fair value is € 25.2 million. The application of IFRS 9 had only immaterial effect in the first half of the year.

In application of IFRS 16 "Leases", rights of use amounting to € 47.8 million (31 Dec. 2022: € 47.1 million) as well as lease liabilities of € 41.8 million (31 Dec. 2022: € 40.3 million) were recognized as of 30 June 2023. Further explanations on the application of IFRS 16 are provided in the Notes to the Consolidated Financial Statements as of 31 December 2022 in the Annual Report on page 103 et seq.

BREAKDOWN OF REVENUES FROM CONTRACTS WITH CUSTOMERS	Machine Tools		Industrial Services		Corporate Services		Group	
in € million	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Sales area								
Germany	249.6	196.9	176.9	168.9	0.0	0.0	426.5	365.8
EU (excl. Germany)	165.7	180.6	232.6	196.8	0.0	0.0	398.3	377.4
USA	1.9	3.7	10.6	8.4	0.0	0.0	12.5	12.1
Asia	167.0	154.9	107.1	125.5	0.0	0.0	274.1	280.4
Other countries	49.0	48.4	28.1	39.4	0.0	0.0	77.1	87.8
Total	**633.2**	**584.5**	**555.3**	**539.0**	**0.0**	**0.0**	**1,188.5**	**1,123.5**
Important product / service lines								
Machine Tools sales	633.2	584.5	0.0	0.0	0.0	0.0	633.2	584.5
Sales revenues from trade with products of DMG MORI CO. LTD.	0.0	0.0	202.2	233.5	0.0	0.0	202.2	233.5
Original service business	0.0	0.0	352.9	305.1	0.0	0.0	352.9	305.1
Other	0.0	0.0	0.2	0.4	0.0	0.0	0.2	0.4
Total	**633.2**	**584.5**	**555.3**	**539.0**	**0.0**	**0.0**	**1,188.5**	**1,123.5**
Revenue from contracts with customers	**633.2**	**584.5**	**555.3**	**539.0**	**0.0**	**0.0**	**1,188.5**	**1,123.5**
Other sales revenues	**0.0**	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**	**0.1**	**0.1**
External sales revenues	**633.2**	**584.5**	**555.3**	**539.0**	**0.1**	**0.1**	**1,188.6**	**1,123.6**

MATERIAL EVENTS AFFECTING THE FINANCIAL STATEMENTS

Due to the ongoing war in Ukraine, the recoverability of significant assets, in particular tangible assets, is continuously reviewed at both Russian subsidiaries. The impairment test is carried out in each case at the level of the two subsidiaries in Russia, which we consider to be independent cash-generating units.

Based on expected cash flows, the uncertainties and risks caused by the war in Ukraine were taken into account in the cash flow projection of the underlying Russian operations in the form of several scenarios with different probabilities of occurrence. The scenarios relate to expected effects on the economic development of DMG MORI in Russia.

Further details and explanations on the implementation of the impairment test are presented in the notes to the consolidated financial statements as of 31 December 2022 in the Annual Report on page 125.

Based on the scenario analyses, there was no need for adjustment as of 30 June 2023. There were unchanged impairment losses on assets (buildings) totaling € 10.8 million, which were recognized in the income statement under depreciation, amortization and impairment losses as of 31 December 2022.

Financial reporting in hyperinflationary economies – IAS 29

The financial statements of subsidiaries in hyperinflationary economies are translated in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies". Since the financial year 2022, this applies to DMG MORI ISTANBUL MAKINE TICARET VE SERVIS LIMITED SIRKETI based in Istanbul (Turkey). Due to hyperinflation, the activities in Turkey are no longer accounted for on the basis of historical acquisition and production costs but adjusted for the effects of inflation. In addition, the expense and income items corresponding to the changed purchasing power ratios, including annual net income, are adjusted for inflation. The carrying amounts of the company's non-monetary balance sheet items as well as the income and expense items have been adjusted to reflect the changes in prices that occurred during the financial year prior to translation into euros based on the Consumer Price Index Turkey (CPI Turkey) used to measure purchasing power. The CPI Turkey was at 1,128 points as of 31 December 2022 and at 1,352 points as of 30 June 2023.

Gains and losses from the ongoing hyperinflation of non-monetary assets and liabilities, equity as well as items in the income statement were recognized in other financial result in the amount of € -1,323 K.

STATEMENT OF COMPREHENSIVE INCOME

Total comprehensive income as of 30 June 2023 of € 21.8 million comprises earnings after taxes (€ 55.8 million) as well as "Other comprehensive income after taxes" (€ -34.0 million). Earnings after taxes, the change in the fair value of an investment recognized directly in equity as well as currency translation differences mainly reduced total comprehensive income. Expenses and income attributable to seasonal factors or unevenly distributed during the financial year had no significant impact.

STATEMENT OF CHANGES IN EQUITY

Total equity increased by € 21.8 million to € 1,444.3 million. Non-controlling interests in equity increased by € 2.3 million to € 23.1 million.

Consolidated income of € 55.8 million as well as the remeasurement of defined benefit plans recognized directly in equity increased equity. In addition, the change in the fair value of an investment as well as currency changes recognized directly in equity reduced equity.

SEGMENT REPORT

For segment reporting purposes, the business activities of the DMG MORI AG group are divided into the business segments "Machine Tools", "Industrial Services" and "Corporate Services" in accordance with the requirements of IFRS 8. The segmentation reflects internal management and reporting based on different products and services.

Machines of DMG MORI COMPANY LIMITED which we produce under license are included in "Machine Tools". Trade with products of DMG MORI COMPANY LIMITED is included in "Industrial Services". Compared to 31 December 2022, there was no change in the definition of the segments or the determination of the segment results. The business activities of the segments are explained in detail on page 152 et seqq. in the Notes to the Consolidated Financial Statements as of 31 December 2022.

RELATED PARTY DISCLOSURES

As presented in the Notes to the Consolidated Financial Statements as of 31 December 2022, the group continues to have numerous business relationships with related parties, which continue to be conducted on standard market terms and conditions. Related parties according to IAS 24.9 (b) are all companies that belong to the group of DMG MORI COMPANY LIMITED or in which DMG MORI COMPANY LIMITED has an interest. In line with the consolidated financial statements as at 31 December 2022, relationships with related companies are shown separately on the balance sheet.

CCP Services GmbH, Mülheim an der Ruhr, RUN-TEC GmbH, Niedenstein, German-Egyptian Company for Manufacturing Solutions (GEMAS), Cairo (Egypt), up2parts GmbH, Weiden, DMG MORI Finance GmbH, Wernau, INTECH DMLS PRIVATE LIMITED, Bangalore (India), Pragati Automation Pvt. Ltd, Bangalore (India), Vershina Operation, LLC., Narimanov (Russia) as well as DMG MORI HEITEC Digital Kft., Budapest (Hungary), and DMG MORI India Private Ltd., Bangalore (India), are classified as associated companies. DMG MORI HEITEC GmbH, Erlangen, was classified as a joint venture until the date of sale of the shares. Other related parties to the DMG MORI AG group are all other companies that belong to the consolidated group of DMG MORI COMPANY LIMITED.

DMG MORI AKTIENGESELLSCHAFT has granted a loan to DMG MORI Europe Holding GmbH. The loan amounts to € 445.7 million including interests as of 30 June 2023 (31 Dec. 2022: € 540.7 million). The agreement was concluded at standard market terms conditions. It is disclosed in the balance sheet under receivables from other related parties.

DMG MORI Manufacturing Solutions Pinghu Co., Ltd., Pinghu (China), a subsidiary of DMG MORI AG, has received a loan of € 8.8 million (31 Dec. 2022: € 9.4 million) from DMG MORI (TIANJIN) Manufacturing CO., Ltd., another related party. The agreement was concluded at standard market terms and conditions.

A domination and profit transfer agreement pursuant to Sections 291 et seqq. AktG is in place between DMG MORI Europe Holding GmbH (controlling company) and DMG MORI AKTIENGESELLSCHAFT (controlled company).

EVENTS OCURRING AFTER THE BALANCE SHEET DATE

There were no significant events after the end of the reporting period of the interim financial statements.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable accounting and reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Bielefeld, 3 August 2023
DMG MORI AKTIENGESELLSCHAFT
The Executive Board

Chairman
Dipl.-Ing. (FH) Alfred Geißler

Dipl.-Kfm. Björn Biermann

Michael Horn, M. B. A.

Financial calendar

25 Oct. 2023	Release for the 3rd quarter 2023 (1 January to 30 September)
20 March 2024	Annual Press Conference Publication Annual Report 2023 Analysts' Conference
25 April 2024	Release for the 1st quarter 2024 (1 January to 31 March)
30 April 2024	122nd Annual General Meeting

Subject to alteration

Resource conservation

For sustainability reasons, DMG MORI AKTIENGESELLSCHAFT has been offering annual and interim reports only digitally since 2021. All financial reports are available at: en.dmgmori-ag.com/investor-relations/financial-reports

We will also gladly send you the PDF file and the link to the e-paper by e-mail. Please let us know your e-mail address at: press@dmgmori.com or phone: + 49 (0) 52 05 / 74-3005.

Forward-Looking Statements

This report contains forward-looking statements, which are based on current estimates of the management regarding future developments. Such statements are based on the management's current expectations and specific assumptions. They are subject to risks, uncertainties and other factors, as well as to the development in the Ukraine, that could cause the actual circumstances including the results of operations, financial position and net worth of DMG MORI AKTIENGESELLSCHAFT to differ materially from or be more negative than those expressly or implicitly assumed or described in these statements. The business activities of DMG MORI AKTIENGESELLSCHAFT are subject to a range of risks and uncertainties, which may likewise render a forward-looking statement, estimate or forecast inaccurate.

DMG MORI AKTIENGESELLSCHAFT is strongly affected, in particular, by changes in general economic and business conditions (including margin developments in the most important business areas as well as the consequences of a recession) as these have a direct effect on processes, suppliers and customers. Due to their differences, not all business areas are affected to the same extent by changes in the economic environment; significant differences exist with respect to the timing and extent of the effects of any such changes. This effect is further intensified by the fact that, as a global entity, DMG MORI AKTIENGESELLSCHAFT operates in various markets with very different economic rates of growth. Uncertainties arise inter alia from the risk that customers may delay or cancel orders or they may become insolvent or that prices become further depressed by a persistently unfavorable market environment than that which we are expecting at the current time; developments on the financial markets, including fluctuations in interest rates and exchange rates, in the price of raw materials, in borrowing and equity margins as well as financial assets in general; growing volatility on the capital markets and a deterioration in the conditions for the credit business as well as a deterioration in the future economic success of the core business areas in which we operate; challenges in integrating major acquisitions and in implementing joint ventures and achieving the expected synergy effects and other essential portfolio measures; the introduction of competing products or technology by other companies or the entry onto the market of new competitors; a change in the dynamics of competition (primarily on developing markets); a lack of acceptance of new products and services in customer target groups of DMG MORI; changes in corporate strategy; interruptions in the supply change, including the inability of a third party, for example due to natural catastrophes, to supply pre-fabricated parts, components or services on schedule; the outcome of public investigations and associated legal disputes as well as other measures of public bodies; the potential effects of these investigations and proceedings on the business of DMG MORI AKTIENGESELLSCHAFT and various other factors.

Should one of these factors of uncertainty or other unforeseeable event occur, or should the assumptions on which these statements are based prove incorrect, the actual results may differ materially from the results stated, expected, anticipated, intended, planned, aimed at, estimated or projected in these statements. DMG MORI AKTIENGESELLSCHAFT neither intends to nor does DMG MORI AKTIENGESELLSCHAFT assume any separate obligation to update any forward-looking statements to reflect any change in events or developments occurring after the end of the reporting period. Forward-looking statements must not be understood as a guarantee or as assurances of future developments or events contained therein.

There are two companies using the name "DMG MORI": DMG MORI AKTIENGESELLSCHAFT with registered office in Bielefeld, Germany, and DMG MORI COMPANY LIMITED with registered office in Tokyo, Japan. DMG MORI AKTIENGESELLSCHAFT is an affiliated company of DMG MORI COMPANY LIMITED. This report refers exclusively to DMG MORI AKTIENGESELLSCHAFT. If reference is made in this report to "DMG MORI", this refers exclusively to DMG MORI AKTIENGESELLSCHAFT and its controlled companies within the meaning of Section 17 of the German Stock Corporate Act (Aktiengesetz – AktG). If reference is made to "Global One Company", this refers to the joint activities of DMG MORI COMPANY LIMITED and DMG MORI AKTIENGESELLSCHAFT including all subsidiary companies.

YOUR CONTACT TO DMG MORI AKTIENGESELLSCHAFT

Gildemeisterstraße 60
D-33689 Bielefeld

Local Court Bielefeld HRB 7144
ISIN: DE0005878003

Phone: +49 (0) 52 05 / 74 - 0
Fax: +49 (0) 52 05 / 74 - 3273
E-Mail: info@dmgmori.com

Global Corporate Communication

Leonie Williams

Phone: +49 (0) 52 05 / 74-3005
Fax: +49 (0) 52 05 / 74-3081
E-Mail: press@dmgmori.com