

PRESS RELEASE

Cologne, 27 July 2018

DEUTZ raises profit forecast

Based on a successful first six months of the year and the continuing strength of market demand in 2018, the Board of Management has decided today to provide a more specific revenue forecast and to raise the profit estimate. This comes in the wake of an announcement of arbitration leading to the suspension of the strike at the important supplier Neue Halberg-Guss GmbH. This development is expected to stabilise the situation in the supply chain within a very short period of time.

DEUTZ expects to see a significant increase in revenue during the current financial year to more than €1.6 billion despite the six-week strike at Halberg having reduced revenue by an amount in the order of the mid to high double-digit million euros. Until now, DEUTZ had only forecast a significant increase in revenue without specifying a figure. In 2017, DEUTZ generated revenue of €1,479 million.

DEUTZ now forecasts a modest increase in the EBIT margin before exceptional items to at least 4.5%. Until now, DEUTZ had merely held out the prospect of a modest increase in the EBIT margin. In 2017, DEUTZ reported an EBIT margin before exceptional items of 2.9%.

This forecast rests on the assumption that there will be no further strike-related disruption and that the ongoing arbitration will result in a definitive end to the strike action. The interim report for the first six months will be published as planned on 2 August 2018.

The engine company.



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For further information on this DEUTZ AG press release, please contact:

Investor & Public Relations

Christian Krupp

Tel: +49 (0)221 822 5400

Fax: +49 (0)221 822 155 401

Email: christian.krupp@deutz.com