

The engine company.

Ad hoc disclosure (pursuant to article 17 of Regulation (EU) No. 596/2014, published on March 2, 2020 at 7.43 p.m.)

DEUTZ expects a decline in business in 2020

According to provisional figures, DEUTZ generated revenue of €1,840.8 million and an EBIT margin before exceptional items of 4.3 percent in 2019. The Company expects a decline in business in 2020. DEUTZ expects the year-on-year fall in revenue in 2020 to be in the low double-digit percentage range. For the EBIT margin before exceptional items, the Company expects a decline relative to the prior year figure in the mid double-digit percentage range. The main reason for this is the downturn in key customer industries as a result of economic conditions. This led to a low level of orders on hand at the end of 2019, a situation that is continuing this year. Furthermore, the DEUTZ engine business will be affected this year by customers selling the inventories of engines they had built up before new emissions standards came into force. The establishment of second source suppliers will also have an impact on earnings, particularly in the first half of 2020. Furthermore, DEUTZ can no longer exclude the possibility of its business and its supply chain being affected by the outbreak of coronavirus.

The complete financial results for 2019 will be published on March 18, 2020.

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