DEUTZ

Quarterly Statement Q1/2021

High hopes for 2021 following a successful start to the year for DEUTZ

- Significant new order growth; orders on hand up by around 48 percent year on year
- Strong improvement in profitability and free cash flow
- Further progress with implementing Transform for Growth; voluntary redundancy program taken up in full
- Rigorous implementation of strategic growth initiatives
- Full-year guidance for 2021 raised despite difficult supply situation

DEUTZ Group: overview of key figures

€ million	**Q1 2021**	**Q1 2020**	Change
New orders	464.8	356.7	30.3%
Group's total unit sales (units)	38,384	40,069	-4.2%
thereof DEUTZ engines	32,249	31,546	2.2%
thereof Torqeedo	6,135	8,523	-28.0%
Revenue	343.4	339.8	1.1%
EBIT	0.4	-11.8	–
thereof exceptional items	-0.4	0.0	–
Operating profit/loss (EBIT before exceptional items)	0.8	-11.8	–
EBIT margin (%)	0.1	-3.5	+3.6pp
EBIT margin before exceptional items (%)	0.2	-3.5	+3.7pp
Net income	-0.9	-10.0	91.0%
Net income before exceptional items	-0.5	-10.0	95.0%
Earnings per share (€)	-0.01	-0.08	87.5%
Earnings per share before exceptional items (€)	0.00	-0.08	–
Equity	538.2	642.0	-16.2%
Equity ratio (%)	44.3	50.4	-6.1pp
Cash flow from operating activities	17.1	-11.9	–
Free cash flow	-1.7	-35.5	95.2%
Net financial position (Mar. 31)	-87.2	-65.6	-32.9%
Employees[1] (Mar. 31)	4,548	4,815	-5.5%

[1] FTEs, excluding temporary workers.

Having finished a year dominated by coronavirus with a much improved fourth quarter in 2020, DEUTZ’s uptrend continued into the first quarter of 2021. There has been a notable increase in customers’ propensity to proceed with capital expenditure in all of the main application segments, enabling the Company to make a better start to the current year than originally anticipated. It therefore closed the reporting period with a book-to-bill ratio of 1.35. As well as delivering a healthy operating performance, DEUTZ achieved further milestones in the implementation of its restructuring program and overarching growth strategy.

The voluntary redundancy program, which was created for the German sites as part of Transform for Growth and originally aimed to reduce the number of positions by 350, had been taken up 361 employees by the time that the program ended on March 31, 2021. The efficiency program launched at the start of 2020 is designed to generate gross annual cost savings compared with the base year of 2019 of around €100 million from the end of 2022.

In the context of the Company’s growth strategy in China, the world’s largest engine market, the joint venture with SANY continues to operate profitably. Its unit sales amounted to around 8,000 engines and the aim is to increase this to between 35,000 and 40,000 engines in 2021. At the Tianjin site in China, which serves as the production hub for the Asian market, DEUTZ and BEINEI have begun to manufacture the 2.9 engine series as planned. Establishment of the purchasing organization in China is also proceeding according to schedule. The intention behind this is to achieve the highest possible localization rate and thus significantly lower costs for materials and logistics. DEUTZ aims to generate revenue of around €800 million[2] in China in 2022.

DEUTZ also forged ahead with expanding its high-margin service portfolio in the reporting period. At the start of this year, the Company added to its analog service concepts by launching a Lifetime Parts Warranty for engines that have been registered with DEUTZ online. Recording the engines in the internal service systems is an important step to be able to further optimize DEUTZ’s service offering and strengthen customer loyalty. Activity under the regional growth initiatives included expansion of the service network in the USA:

[2] The revenue target of approximately €800 million includes the revenue generated by the joint venture with SANY. Under the equity method, this revenue is not recognized in the consolidated financial statements.

The establishment of a new DEUTZ Power Center got under way in the Dallas metropolitan area. As well as offering application engineering services and technical sales resources for OEMs, the new center will also sell new engines and DEUTZ Xchange reconditioned engines. Mid-America, with its thriving economy, is particularly benefiting from various construction and infrastructure projects and has a strong agricultural sector, making it a good place for DEUTZ to do business. By the end of 2021, DEUTZ intends to increase revenue in the profitable service business to around €400 million. The successful ongoing expansion of this business has laid the foundations needed to achieve this target.

At the start of February, DEUTZ signed a long-term supply agreement with agricultural equipment manufacturer SDF. As well as the supply of engines with a capacity of below and above 4 liters, the agreement includes expansion of the service business between the two companies. For example, SDF intends to procure DEUTZ Xchange engines. The new agreement is expected to result in additional annual revenue in the low-double-digit millions of euros in the medium term.

BUSINESS PERFORMANCE IN THE DEUTZ GROUP

NEW ORDERS

DEUTZ Group: new orders by application segment

€ million	**Q1 2021**	**Q1 2020**	Change
Construction Equipment	154.1	105.4	46.2%
Service	102.6	92.0	11.5%
Material Handling	70.2	47.6	47.5%
Agricultural Machinery	54.9	45.0	22.0%
Stationary Equipment	48.6	30.3	60.4%
Miscellaneous	34.9	37.2	-6.2%
Consolidation	-0.5	-0.8	-37.5%
Total	**464.8**	**356.7**	**30.3**

On the back of better than expected market demand, new orders received by DEUTZ in the first three months of this year jumped by 30.3 percent compared with the first quarter of 2020 to reach €464.8 million. All of the regions and main application segments recorded double-digit percentage increases. The only application segment with a fall in new orders was Miscellaneous, which saw a decrease of 6.2 percent. This was primarily due to the high volume of new orders in the prior-year period, which had been boosted as a result of DEUTZ winning a number of tenders for rail vehicle drive systems.

As at March 31, 2021, orders on hand stood at €394.3 million, which was up by a substantial 47.6 percent year on year. Within this figure, orders on hand in the high-margin service business rose by an impressive 50.0 percent to €31.8 million.

UNIT SALES

DEUTZ Group: unit sales by application segment

Units	Q1 2021	Q1 2020	Change
Construction Equipment	15,042	13,866	8.5%
Material Handling	8,531	7,670	11.2%
Miscellaneous	6,640	9,462	-29.8%
Agricultural Machinery	4,799	4,321	11.1%
Stationary Equipment	3,372	4,750	-29.0%
Total	**38,384**	**40,069**	**-4.2%**
thereof DEUTZ engines[3]	**32,249**	**31,546**	**2.2%**

The Group's unit sales totaled 38,384 engines and motors in the first quarter of 2021, which was 4.2 percent fewer than in the prior-year period owing to substantial decreases in the Stationary Equipment and Miscellaneous application segments. The decrease in the Miscellaneous application segment was mainly attributable to the business with electric drives for boats at Torqeedo, whose unit sales fell by 28 percent year on year to 6,135 electric motors. The reasons for this included a decline in demand in the US recreational sector, delays in the procurement of materials, and longer logistics lead times. By contrast, the other application segments saw significant increases in unit sales. Unit sales of DEUTZ engines[3] rose by 2.2 percent year on year to reach 32,249 engines sold.

[3] Excluding electric boat drives from DEUTZ subsidiary Torqeedo.

REVENUE

DEUTZ Group: revenue by application segment

€ million	Q1 2021	Q1 2020	Change
Construction Equipment	104.9	101.9	2.9%
Service	95.4	92.4	3.2%
Agricultural Machinery	50.6	47.1	7.4%
Material Handling	50.3	47.9	5.0%
Stationary Equipment	22.5	27.8	-19.1%
Miscellaneous	20.2	23.5	-14.0%
Consolidation	-0.5	-0.8	-37.5%
Total	**343.4**	**339.8**	**1.1%**

Despite the fall in the Group's unit sales, consolidated revenue went up by 1.1 percent to €343.4 million owing to a more favorable product mix, i.e. an increase in the number of higher-value DEUTZ engines[4] sold in the reporting period. The application segments presented a disparate picture, with revenue falling sharply year on year in both the Stationary Equipment and the Miscellaneous application segments but rising in the other application segments.

DEUTZ Group: revenue by region

€ million	Q1 2021	Q1 2020	Change
EMEA	227.0	226.4	0.3%
Asia-Pacific	59.8	51.1	17.0%
Americas	57.1	63.1	-9.5%
Consolidation	-0.5	-0.8	-37.5%

As a result of the ongoing lockdowns in Europe, revenue in the EMEA region was at more or less the same level as in the prior-year period, whereas the Asia-Pacific region's revenue went up sharply thanks, in particular, to the significant expansion of business in the Construction Equipment application segment. The decline in the Americas region was mainly

[4] Excluding electric boat drives from DEUTZ subsidiary Torqeedo.

attributable to the effects of the coronavirus pandemic combined with longer transportation lead times, which had been less pronounced in the first quarter of 2020.

EARNINGS

DEUTZ Group: overview of results of operations

€ million	Q1 2021	Q1 2020	Change
Revenue	**343.4**	**339.8**	1.1%
Cost of sales	-284.3	-288.4	-1.4%
Research and development costs	-22.7	-24.1	-5.8%
Selling and administrative expenses	-38.4	-39.0	-1.5%
Other operating income	9.7	5.1	90.2%
Other operating expenses	-8.5	-5.6	51.8%
Impairment of financial assets and reversals thereof	0.1	0.0	–
Profit/loss on equity-accounted investments	1.1	0.4	175.0%
EBIT	**0.4**	**-11.8**	–
thereof exceptional items	-0.4	0.0	–
Operating profit/loss (EBIT before exceptional items)	**0.8**	**-11.8**	–
Interest income	0.1	0.2	-50.0%
Interest expense	-1.5	-0.9	66.7%
Other financial income/finance costs	0.0	0.0	–
Financial income, net	**-1.4**	**-0.7**	-100.0%
Income taxes	0.1	2.5	-96.0%
Net income	**-0.9**	**-10.0**	91.0%

EBIT before exceptional items (operating profit) improved significantly to a profit of €0.8 million in the first three months of this year (Q1 2020: loss of €11.8 million) due to the increasingly noticeable effect of cost savings resulting from the restructuring that is under way. Furthermore, the figure for the prior-year period had been squeezed by payments to suppliers going through insolvency proceedings. The EBIT margin before exceptional items improved to 0.2 percent, compared with minus 3.5 percent in the first quarter of 2020.

EBIT for the period under review stood at €0.4 million (Q1 2020: loss of €11.8 million). This figure takes account of exceptional items amounting to an expense of €0.4 million that resulted from the Transform for Growth efficiency program initiated at the start of 2020: In its voluntary redundancy program, which ended on March 31, 2021, DEUTZ had originally aimed to reduce the number of positions by 350, but this target was slightly exceeded with a total of 361 employees taking up the program. The provision for restructuring costs recognized at the end of 2020 has been adjusted accordingly. The EBIT margin stood at 0.1 percent in the reporting period (Q1 2020: minus 3.5 percent).

As a result of the increase in operating profit, the net loss declined by €9.1 million to €0.9 million. Earnings per share therefore improved from minus €0.08 to minus €0.01. The net loss before exceptional items stood at €0.5 million and earnings per share before exceptional items at €0.00.

BUSINESS PERFORMANCE IN THE SEGMENTS

DEUTZ Compact Engines (DCE): key figures for the segment

€ million	Q1 2021	Q1 2020	Change
New orders	**360.1**	**255.3**	**41.0%**
Unit sales (units)	**29,267**	**26,993**	**8.4%**
Revenue	**268.1**	**255.9**	**4.8%**
Construction Equipment	100.4	96.7	3.8%
Service	54.2	48.7	11.3%
Agricultural Machinery	49.4	45.9	7.6%
Material Handling	45.0	41.9	7.4%
Stationary Equipment	15.6	17.0	-8.2%
Miscellaneous	3.5	5.7	-38.6%
EBIT before exceptional items	**-6.1**	**-16.7**	**63.5%**
EBIT margin before exceptional items (%)	**-2.3**	**-6.5**	**+4.2pp**

New orders in the DCE segment for the first three months of 2021 jumped by 41.0 percent year on year to €360.1 million. In the same period, unit sales rose by 8.4 percent to 29,267 engines and revenue by 4.8 percent to €268.1 million.

The operating loss for the segment (EBIT before exceptional items) improved by €10.6 million year on year to €6.1 million. This positive trend was due not only to cost savings resulting from the restructuring process but also to the fact that the segment's operating loss in the prior-year period had been adversely affected by payments to suppliers going through insolvency proceedings. The EBIT margin before exceptional items thus improved from minus 6.5 percent in the first quarter of 2020 to minus 2.3 percent in the equivalent period of 2021.

DEUTZ Customized Solutions (DCS): key figures for the segment

€ million	Q1 2021	Q1 2020	Change
New orders	**89.1**	**92.5**	**-3.7%**
Unit sales (units)	**2,982**	**4,553**	**-34.5%**
Revenue	**66.2**	**74.8**	**-11.5%**
Service	41.2	43.7	-5.7%
Miscellaneous	7.1	7.9	-10.1%
Stationary Equipment	6.9	10.8	-36.1%
Material Handling	5.3	6.0	-11.7%
Construction Equipment	4.5	5.2	-13.5%
Agricultural Machinery	1.2	1.2	0.0%
EBIT before exceptional items	8.6	8.3	3.6%
EBIT margin before exceptional items (%)	13.0	11.1	+1.9pp

New orders in the DCS segment fell by 3.7 percent to €89.1 million. Unit sales decreased by 34.5 percent to 2,982 engines, while revenue went down by 11.5 percent to €66.2 million as a result of a downward trend in all application segments.

Despite the reduced volume of business, the operating profit for the segment advanced by 3.6 percent compared with the prior-year period to €8.6 million, resulting in an increase in the EBIT margin before exceptional items to 13.0 percent (Q1 2020: 11.1 percent). This improvement was mainly attributable to the cost savings achieved and the higher degree of vertical integration as a result of insourcing the processing of crankcases for a number of engine series.

Other: key figures for the segment

€ million	**Q1 2021**	**Q1 2020**	Change
New orders	16.1	9.7	66.0%
Unit sales (units)	6,135	8,523	-28.0%
Revenue	9.6	9.9	-3.0%
EBIT before exceptional items	-1.7	-3.4	50.0%
EBIT margin before exceptional items (%)	-17.7	-34.3	+16.6pp

The Other segment, which includes the business with electric motors for boats operated by DEUTZ subsidiary Torqeedo and the battery specialist Futavis, saw its new orders surge by 66.0 percent to €16.1 million in the first quarter of 2021. This exceptionally strong growth was primarily due to the significant rebound in the recreational boat sector. By contrast, the segment’s unit sales and revenue were down by 28.0 percent and 3.0 percent respectively year on year as a result of delays in the supply of materials and longer logistics lead times.

The segment’s operating loss decreased by €1.7 million to €1.7 million in the period under review, partly due to a compensation payment made under an out-of-court settlement.

FINANCIAL POSITION

DEUTZ Group: overview of financial position

€ million	Q1 2021	Q1 2020	Change
Cash flow from operating activities	17.1	-11.9	–
Cash flow from investing activities	-17.8	-22.9	22.3%
Cash flow from financing activities	-6.9	20.8	–
Change in cash and cash equivalents	-7.6	-14.0	45.7%
Free cash flow[1]	-1.7	-35.5	95.2%
Cash and cash equivalents at Mar. 31/Dec. 31	57.8	64.7	-10.7%
Current and non-current interest-bearing financial debt at Mar. 31/Dec. 31	145.0	148.5	-2.4%
thereof lease liabilities (IFRS 16)	56.5	58.0	-2.6%
Net financial position[2] at Mar. 31/Dec. 31	-87.2	-83.8	-4.1%

1) Cash flow from operating activities and from investing activities less interest expense.
2) Cash and cash equivalents less current and non-current interest-bearing financial debt.

The much better cash flow from operating activities compared with the prior-year period was predominantly due to the improvement in operating profit and a more favorable level of working capital. Net cash used for investing activities was below the figure reported in the first quarter of 2020 because of the decrease in payments related to capital spending on property, plant and equipment and intangible assets.

The main factors affecting cash flow from financing activities were the repayment of lease liabilities and other scheduled repayments. Cash flow from financing activities included payments of interest and principal in connection with leases amounting to €0.4 million and €3.6 million respectively (Q1 2020: €0.3 million and €4.3 million respectively).

As a result of the improvement in cash flow from operating activities and the reduction in investing activities, free cash flow was up by a substantial €33.8 million compared with the first quarter of 2020.

Reflecting these changes in cash flow, net financial debt was slightly higher than at the end of 2020, rising by €3.4 million to €87.2 million as at March 31, 2021.

NET ASSETS

DEUTZ Group: overview of net assets

€ million	Mar. 31, 2021	Dec. 31, 2020	Change
Non-current assets	681.1	687.8	-1.0%
thereof right-of-use assets in connection with leases	55.0	57.3	-4.0%
Current assets	533.8	492.7	8.3%
Total assets	**1,214.9**	**1,180.5**	**2.9%**
Equity	538.2	535.2	0.6%
Non-current liabilities	242.7	250.8	-3.2%
thereof lease liabilities	43.8	44.0	-0.5%
Current liabilities	434.0	394.5	10.0%
thereof lease liabilities	12.7	14.0	-9.3%
Total equity and liabilities	**1,214.9**	**1,180.5**	**2.9%**
Working capital[1]	243.7	235.0	3.7%
Working capital ratio (as at the balance sheet date, %)[2]	18.8	18.1	+0.7pp
Working capital ratio (average, %)[3]	20.5	21.8	-1.3pp
Equity ratio[4] (%)	**44.3**	**45.3**	**-1.0pp**

1) Inventories plus trade receivables less trade payables.
2) Working capital as at the balance sheet date divided by revenue for the previous twelve months.
3) Average working capital at the four quarterly reporting dates divided by revenue for the previous twelve months.
4) Equity / total equity and liabilities.

Increases in inventories and trade liabilities due to seasonal factors led to a rise in current assets and current liabilities. As both of these line items increased by roughly the same degree and trade receivables remained virtually unchanged, the overall change in working capital was insignificant.

In view of the sound equity ratio, which – as it had been in the prior-year period – was above the target figure of 40 percent, the DEUTZ Group’s financial position remains comfortable. Moreover, the Company continues to have unutilized credit lines totaling around €245 million at its disposal.

EMPLOYEES

As at March 31, 2021, the DEUTZ Group had 4,548[5] employees worldwide. This equates to a decrease of 267 people compared with the same date a year earlier and a decrease of 38 people compared with the end of 2020. Of those who took up the voluntary redundancy program, which ended on March 31, 2021, a total of 96 employees had already left the Company by the end of the first quarter of 2021.

OUTLOOK

The ongoing coronavirus pandemic and problems with the global supply of semiconductors are continuing to adversely affect business performance, and difficulties with the supply of some components are expected to continue until at least the third quarter. Nevertheless, DEUTZ recently raised its full-year guidance for 2021, having made a better start to the new year than expected.[6] It now expects unit sales of 140,000 to 155,000 DEUTZ engines in 2021.[7] This should result in an increase in revenue to between €1.5 billion and €1.6 billion. In view of the continued successful expansion of the service business, DEUTZ still anticipates that service revenue will rise to around €400 million. In terms of the Company's profitability, the revenue target and the realization of further potential cost savings indicate that the EBIT margin before exceptional items is likely to be in a range of 1.0 percent to 2.0 percent.

With regard to its medium-term targets, DEUTZ continues to predict an increase in revenue to more than €2.0 billion in 2023/2024 and an EBIT margin before exceptional items of between 7 percent and 8 percent. Ongoing internationalization and the expansion of the high-margin service business, together with the technology-neutral approach to the development of the portfolio, are expected to be key growth drivers. DEUTZ will also secure its earnings performance by implementing the restructuring program, under which it intends to achieve gross annual cost savings compared with 2019 of around €100 million from the end of 2022 onward.

[5] FTEs, excluding temporary workers.
[6] See the ad hoc disclosure dated April 19, 2021.
[7] Excluding electric boat drives from DEUTZ subsidiary Torqeedo.

FINANCIAL INFORMATION FOR THE 1ST QUARTER OF 2021

DEUTZ GROUP: INCOME STATEMENT

€ million	**Q1 2021**	Q1 2020
Revenue	**343.4**	**339.8**
Cost of sales	-284.3	-288.4
Research and development costs	-22.7	-24.1
Selling expenses	-24.6	-27.5
General and administrative expenses	-13.8	-11.5
Other operating income	9.7	5.1
Other operating expenses	-8.5	-5.6
Impairment of financial assets and reversals thereof	0.1	0.0
Profit/loss on equity-accounted investments	1.1	0.4
EBIT	**0.4**	**-11.8**
thereof exceptional items	-0.4	0.0
thereof operating profit/loss (EBIT before exceptional items)	0.8	-11.8
Interest income	0.1	0.2
Interest expense	-1.5	-0.9
Other financial income/finance costs	0.0	0.0
Financial income, net	**-1.4**	**-0.7**
Net income before income taxes	**-1.0**	**-12.5**
Income taxes	0.1	2.5
Net income	**-0.9**	**-10.0**
thereof attributable to shareholders of DEUTZ AG	-0.9	-10.0
thereof attributable to non-controlling interests	0.0	0.0
Earnings per share (basic/diluted, €)	**-0.01**	**-0.08**

DEUTZ GROUP: STATEMENT OF COMPREHENSIVE INCOME

€ million	**Q1 2021**	Q1 2020
Net income	**-0.9**	**-10.0**
Amounts that will not be reclassified to the income statement in the future	**0.8**	**0.0**
Remeasurements of defined benefit plans	0.8	0.0
Amounts that will be reclassified to the income statement in the future if specific conditions are met	**3.1**	**-1.0**
Currency translation differences	4.6	0.0
thereof profit/loss on equity-accounted investments	2.2	0.1
Effective portion of change in fair value from cash flow hedges	-1.5	-0.9
Fair value of financial instruments	0.0	-0.1
Other comprehensive income, net of tax	**3.9**	**-1.0**
Comprehensive income	**3.0**	**-11.0**
thereof attributable to shareholders of DEUTZ AG	3.0	-11.0
thereof attributable to non-controlling interests	0.0	0.0

DEUTZ GROUP: BALANCE SHEET / ASSETS

€ million	**Mar. 31, 2021**	Dec. 31, 2020
Property, plant and equipment	355.3	361.7
Intangible assets	193.5	197.2
Equity-accounted investments	53.6	50.3
Other financial assets	4.6	4.4
Non-current assets (before deferred tax assets)	**607.0**	**613.6**
Deferred tax assets	74.1	74.2
Non-current assets	**681.1**	**687.8**
Inventories	316.9	274.2
Trade receivables	110.6	113.8
Other receivables and assets	38.5	32.8
Receivables in respect of tax refunds	10.0	7.2
Cash and cash equivalents	57.8	64.7
Current assets	**533.8**	**492.7**
Total assets	**1,214.9**	**1,180.5**

DEUTZ GROUP: BALANCE SHEET / EQUITY AND LIABILITIES

€ million	**Mar. 31, 2021**	Dec. 31, 2020
Issued capital	309.0	**309.0**
Additional paid-in capital	28.8	28.8
Other reserves	-0.8	-3.9
Retained earnings and accumulated income	201.0	201.1
Equity attributable to shareholders of DEUTZ AG	**538.0**	**535.0**
Non-controlling interests	0.2	0.2
Equity	**538.2**	**535.2**
Provisions for pensions and other post-retirement benefits	144.5	148.5
Deferred tax liabilities	0.5	0.6
Other provisions	36.3	37.5
Financial debt	55.6	58.3
Other liabilities	5.8	5.9
Non-current liabilities	**242.7**	**250.8**
Provisions for pensions and other post-retirement benefits	11.8	11.9
Other provisions	86.7	83.3
Financial debt	89.4	90.2
Trade payables	183.8	153.0
Liabilities arising from income taxes	2.0	2.0
Other liabilities	60.3	54.1
Current liabilities	**434.0**	**394.5**
Total equity and liabilities	**1,214.9**	**1,180.5**

DEUTZ GROUP: CASH FLOW STATEMENT

€ million	**Q1 2021**	Q1 2020
EBIT	**0.4**	**-11.8**
Income taxes paid	-2.6	-3.7
Depreciation, amortization and impairment of non-current assets	22.7	21.7
Profit/loss and impairment on equity-accounted investments	-1.1	-0.4
Other non-cash income and expenses	-0.2	0.5
Change in working capital	3.9	-3.0
Change in inventories	-39.7	-43.6
Change in trade receivables	5.1	28.5
Change in trade payables	38.5	12.1
Change in other receivables and other current assets	-6.3	43.6
Change in provisions and other liabilities (excluding financial liabilities)	0.3	-58.8
Cash flow from operating activities	**17.1**	**-11.9**
Capital expenditure on intangible assets, property, plant and equipment	-17.8	-23.1
Proceeds from the sale of non-current assets	0.0	0.2
Cash flow from investing activities	**-17.8**	**-22.9**
Interest income	0.0	0.1
Interest expense	-1.0	-0.8
Cash receipts from borrowings	0.0	38.0
Repayments of loans	-2.3	-12.2
Principal elements of lease payments	-3.6	-4.3
Cash flow from financing activities	**-6.9**	**20.8**
Cash flow from operating activities	17.1	-11.9
Cash flow from investing activities	-17.8	-22.9
Cash flow from financing activities	-6.9	20.8
Change in cash and cash equivalents	**-7.6**	**-14.0**
Cash and cash equivalents at Jan. 1	**64.7**	**55.3**
Change in cash and cash equivalents	-7.6	-14.0
Change in cash and cash equivalents related to exchange rates	0.7	-0.2
Change in cash and cash equivalents related to the basis of consolidation	0.0	0.3
Cash and cash equivalents at Mar. 31	**57.8**	**41.4**

Upcoming financial dates

August 12: Interim report for the first half of 2021

November 10: Quarterly statement for the first to third quarter of 2021

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About DEUTZ AG

DEUTZ AG, a publicly traded company headquartered in Cologne, Germany, is one of the world's leading manufacturers of innovative drive systems. Its core competencies are the development, production, distribution, and servicing of diesel, gas, and electric drive systems for professional applications. It offers a broad range of engines delivering up to 620 kW that are used in construction equipment, agricultural machinery, material handling equipment, stationary equipment, commercial vehicles, rail vehicles, and other applications. DEUTZ has around 4,600 employees worldwide and over 800 sales and service partners in more than 130 countries. It generated revenue of almost €1.3 billion in 2020. Further information is available at www.deutz.com.