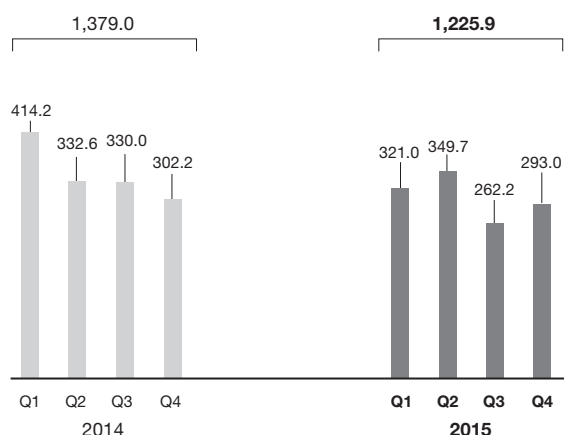


The level of new orders varied considerably over the course of the year. The second quarter was the only one with a year-on-year increase and, at €349.7 million, was also the strongest quarter. Year-on-year decreases were registered in all other quarters. As a consequence of the advance production of engines, European customers drew on their inventories of the engines that they had purchased on a large scale in 2014 in anticipation of the changing emissions standard, although this trend had been expected. From the third quarter onwards, end customers were very reluctant to invest, which had a huge negative impact on new orders in the second half of the year. At €262.2 million, the lowest level of new orders was registered in the third quarter. In the fourth quarter, orders amounted to €293.0 million, up by 11.7 per cent on the very weak previous quarter and down by 3.0 per cent on the fourth quarter of 2014.

DEUTZ Group: New orders by quarter

€ million

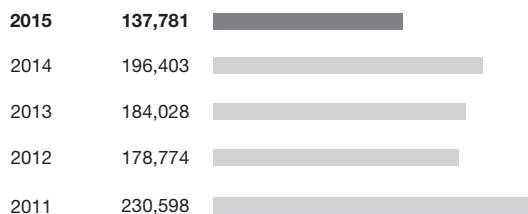


Orders on hand totalled €201.0 million as at 31 December 2015, a decline of 8.5 per cent compared with €219.7 million at the end of 2014.

UNIT SALES

DEUTZ Group: Unit sales

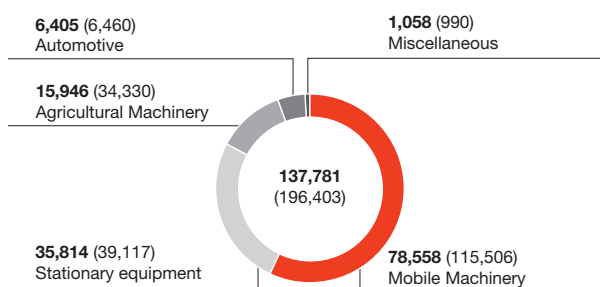
units



Year-on-year fall in unit sales DEUTZ sold 137,781 engines in the year under review, 29.8 per cent fewer than the 196,403 engines sold in 2014. The decreases in the Agricultural Machinery and Mobile Machinery application segments were particularly substantial at 53.6 per cent and 32.0 per cent respectively.

DEUTZ Group: Unit sales by application segment

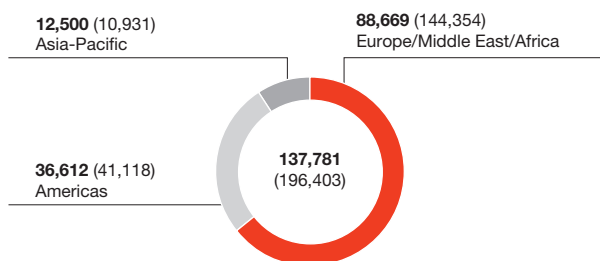
units (2014 figures)



The breakdown by region reveals a very disparate pattern. Unit sales in our biggest market – EMEA (Europe, Middle East and Africa) – dropped by 38.6 per cent to 88,669 engines. They were down by 11.0 per cent to 36,612 engines in the Americas. By contrast, unit sales in the Asia-Pacific region rose by 14.4 per cent to 12,500 engines.

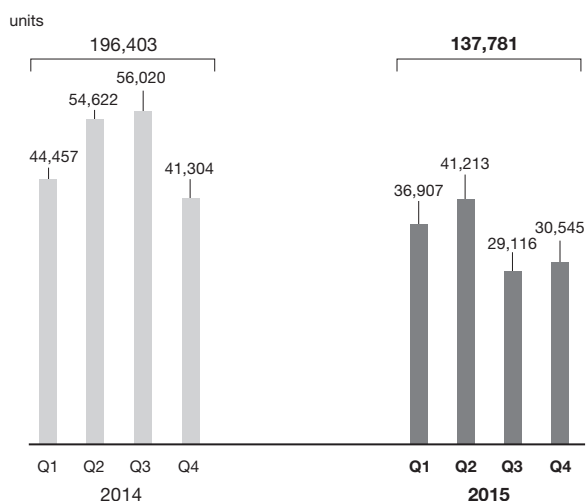
DEUTZ Group: Units sales by region

units (2014 figures)

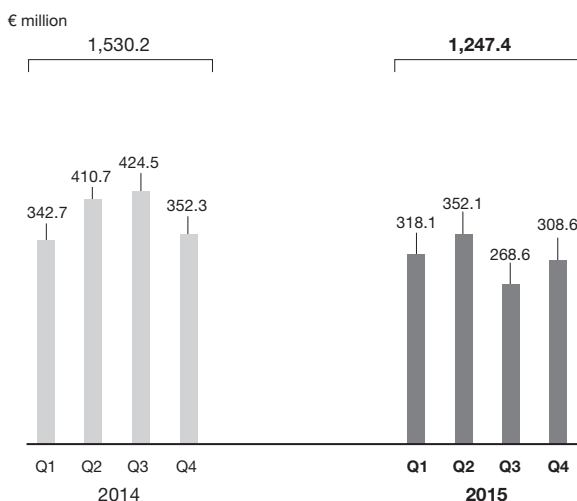


Significant year-on-year decreases were registered in all four quarters of the year. The highest unit sales figure was achieved in the second quarter with 41,213 engines. In the fourth quarter, 30,545 engines were sold, representing a slight increase of 4.9 per cent on the very weak previous quarter and a decline of 26.0 per cent compared with the fourth quarter of 2014.

DEUTZ Group: Consolidated unit sales by quarter



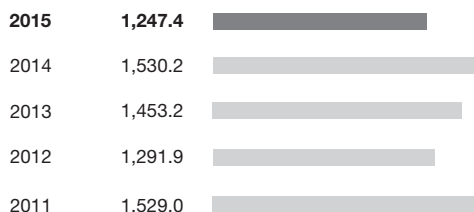
DEUTZ Group: Revenue by quarter



RESULTS OF OPERATIONS

DEUTZ Group: Revenue

€ million

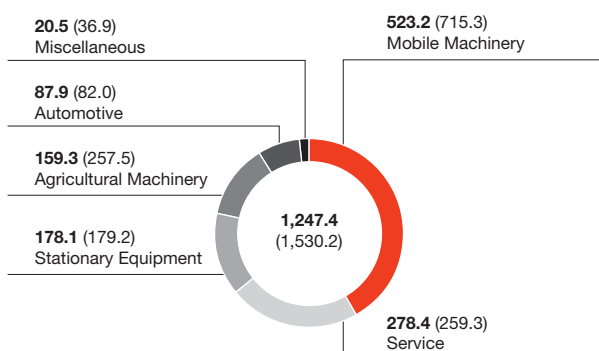


Revenue decline low relative to fall in unit sales In 2015, DEUTZ generated revenue of €1,247.4 million, 18.5 per cent less than in the previous year when revenue amounted to €1,530.2 million. This meant that we did not achieve the forecast published in the 2014 annual report, in which we predicted a decline in revenue of around 10 per cent. In September 2015, we revised our forecast to an approximately 20 per cent decrease in revenue, and we surpassed the revised revenue target. The decline in revenue is due partly to the changes to emissions standards for engines under 130kW that came into force in the European Union on 1 October 2014 and the resulting effects from the advance production of engines. Furthermore, the end customers for our engines showed a pronounced reluctance to invest in the second half of 2015, which is why we updated our forecast. The fall in revenue was, in percentage terms, not as substantial as the drop in unit sales.

Revenue levels were very uneven over the course of the year. After €318.1 million in the first quarter, revenue increased to €352.1 million in the second quarter before falling again to €268.6 million in the third. In the fourth quarter, we generated revenue of €308.6 million, which was 14.9 per cent more than in the previous quarter but 12.4 per cent less than in the fourth quarter of 2014. The second quarter was thus the strongest of the year, but all four quarters registered year-on-year falls.

DEUTZ Group: Revenue by application segment

€ million (2014 figures)



Our largest application segment, Mobile Machinery, fell short of the significantly increased revenue figure reported in 2014. Its revenue was down by 26.9 per cent to €523.2 million in the reporting year. Revenue also decreased significantly in the Agricultural Machinery application segment, falling by 38.1 per cent to €159.3 million. However, revenue in the Stationary Equipment application segment was on a par with 2014 at €178.1 million, while the Automotive application segment's revenue was up by 7.2 per cent to €87.9 million and that of the service business rose by 7.4 per cent to €278.4 million.