

CEMA Business Barometer

Public excerpt February 2023



What is the CEMA Business Barometer?

- ▶ A monthly survey within the European agricultural machinery industry (started in 2008)
- ▶ Coverage of all major sectors – from tractors to municipal equipment
- ▶ Target group: 140 senior managers from 9 (CEMA) countries
- ▶ Implementation: online survey
- ▶ Questionnaire available in five languages
- ▶ Executed by VDMA for CEMA
- ▶ Subjects of the survey:
 - ▶ current and future business situation
 - ▶ situation of order intake
 - ▶ development of turnover
 - ▶ turnover expectation per country
 - ▶ production plans
 - ▶ employment plans
 - ▶ special topics, e.g. delivery times
- ▶ Deadlines: starting ca. 5th each month, closure: ca. 13th



Business climate continues upward trend

Executive summary of the survey in February

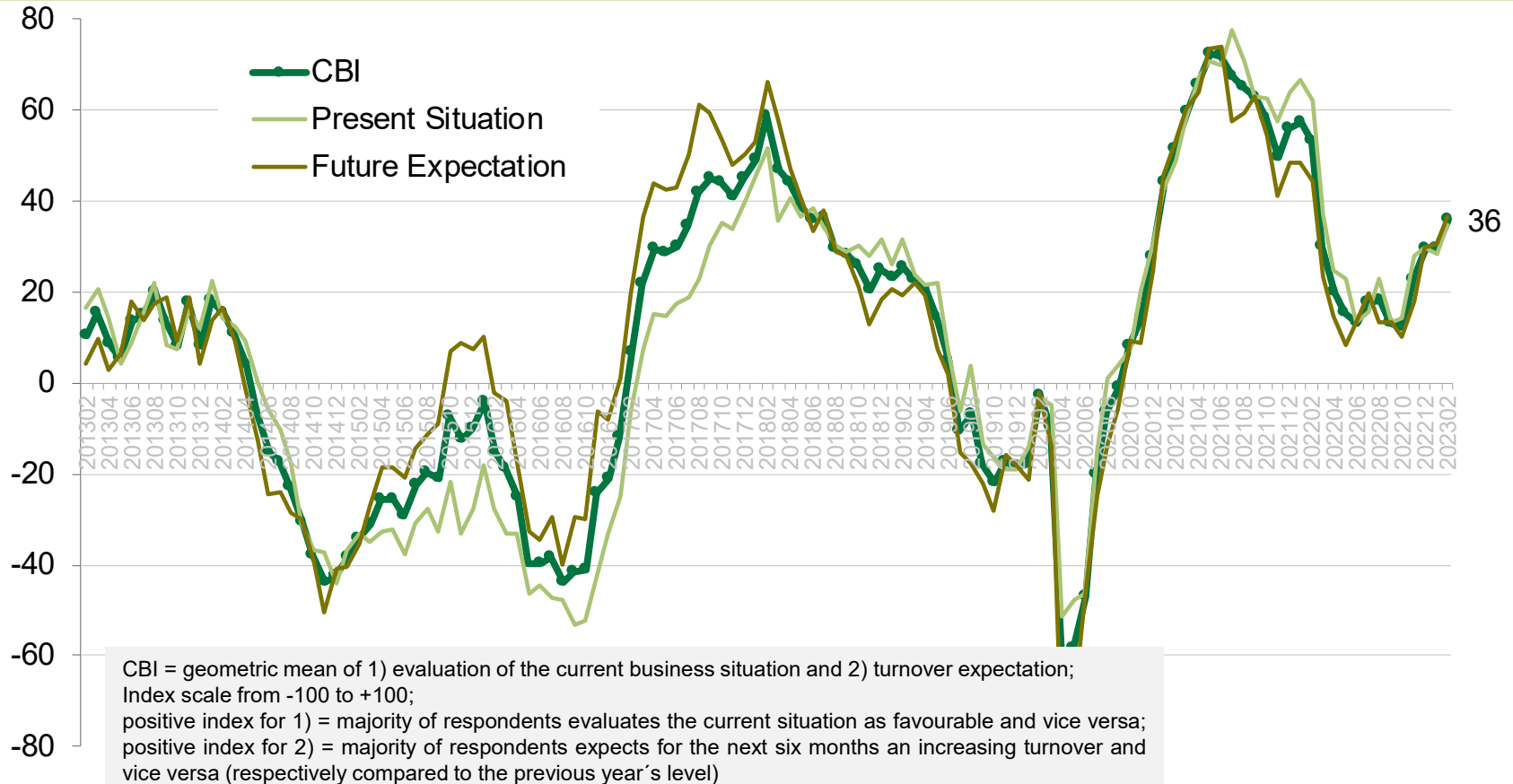
The general business climate index for the agricultural machinery industry in Europe has continued its first significant upward trend since the sharp declines in the course of the Russian war against Ukraine. In February, the index increased from 30 to 36 points (on a scale of -100 to +100).

A slowdown in demand is not in sight in the short term and in addition to a strong demand side, now, finally, considerable easing is arriving on the supplier side.

Bottlenecks continue to challenge the industry and the volume of orders corresponds currently to a production period of 6.9 months, which is another all-time high ever recorded within this survey. However, order backlogs may now finally have reached their maximum. Manufacturers are increasingly able to realize their orders, which increases the current turnover and turnover expectations accordingly.

Business Climate Index Development

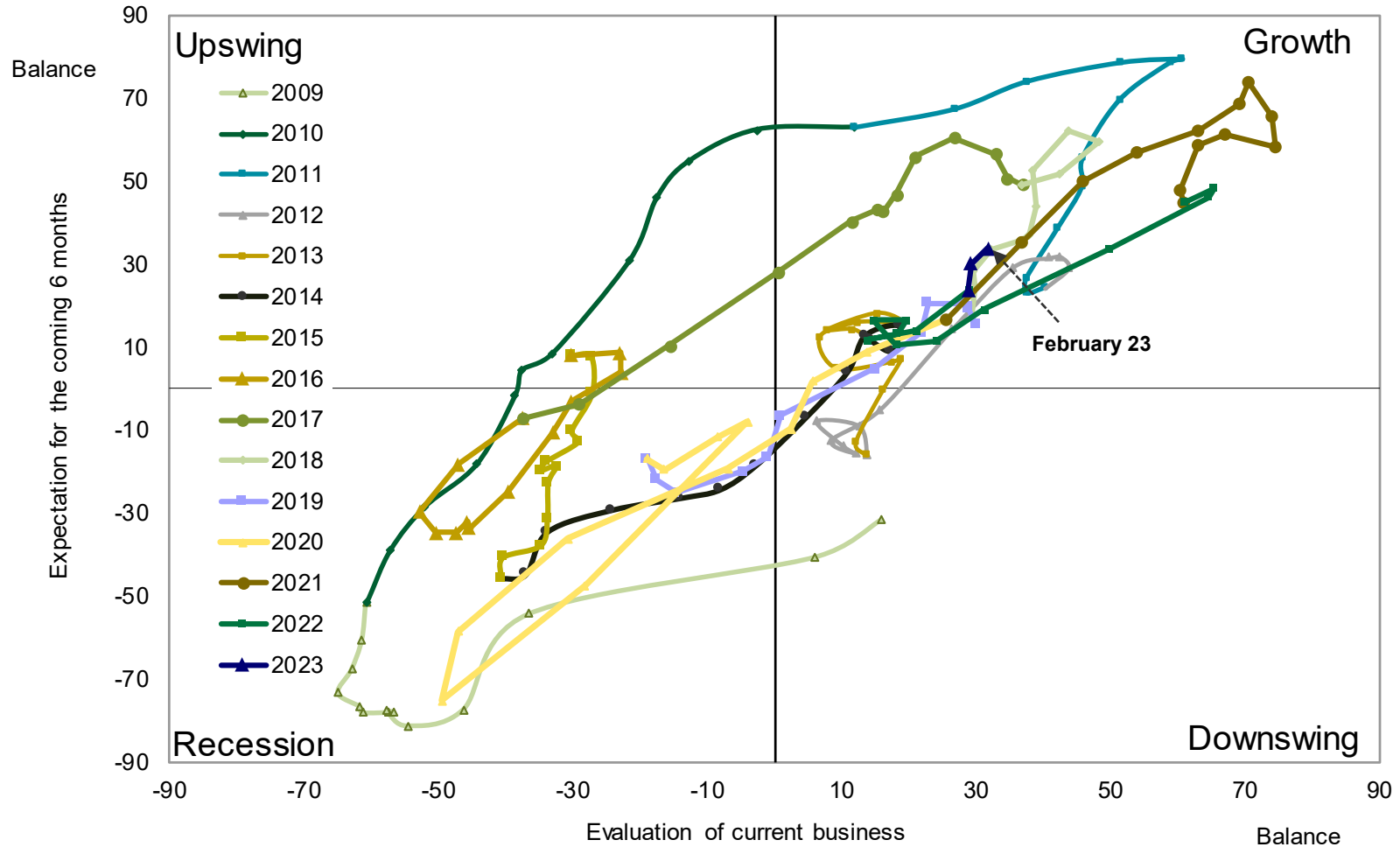
CEMA Business Climate Index (CBI) -Total



Source: CEMA Business Barometer

Business Climate

Illustration of Business Cycle



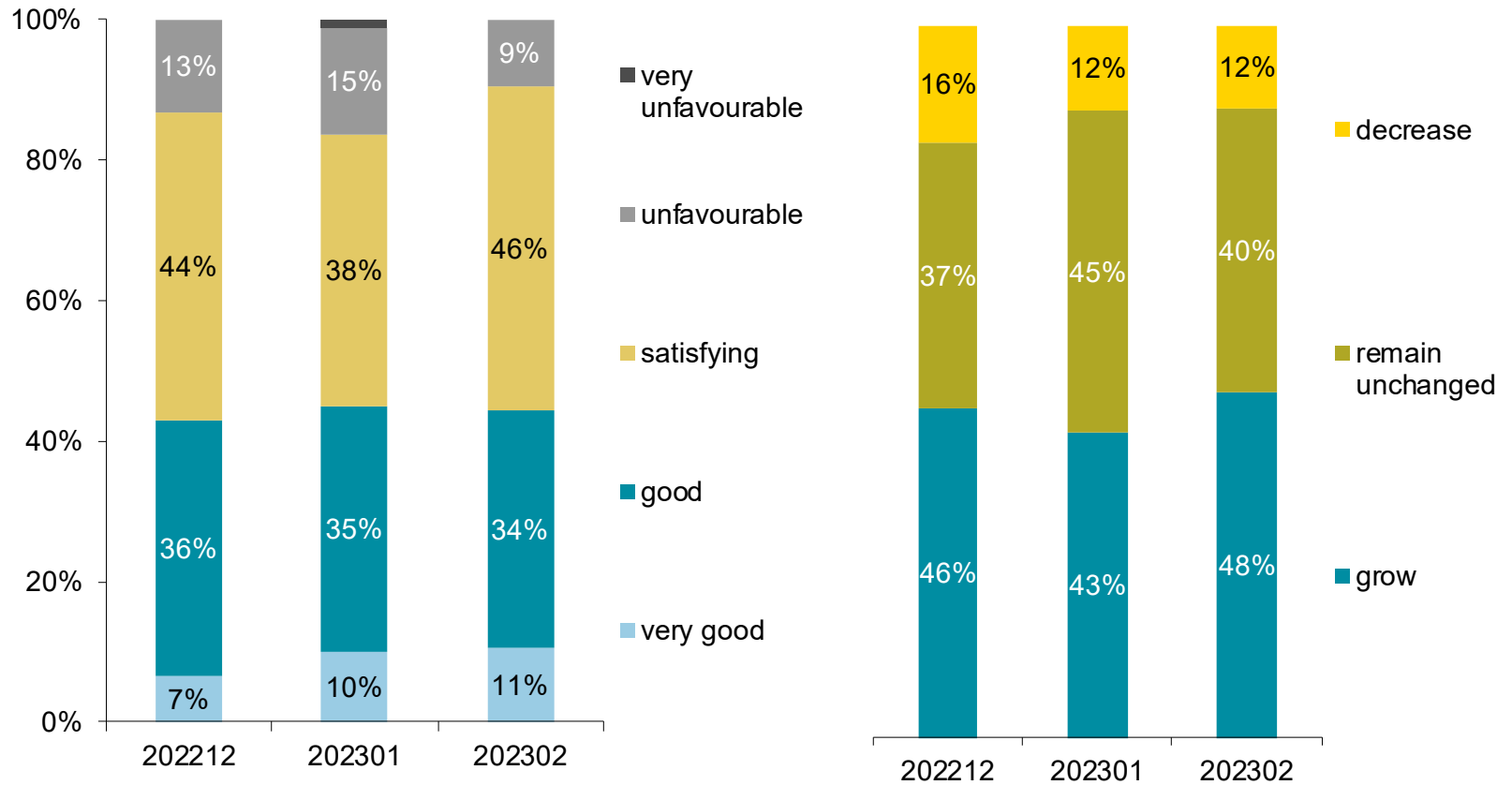
Source: CEMA Business Barometer, each value as an average of the last two months

Business Climate

Current Evaluation and Expectations

Question: We consider our current business to be

Question: We expect our overall turnover within the next 6 months to....

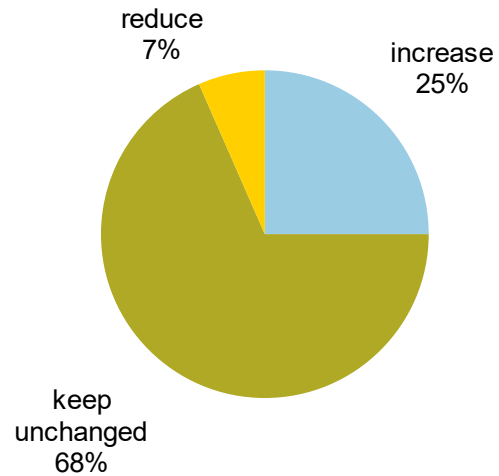


Source: CEMA Business Barometer

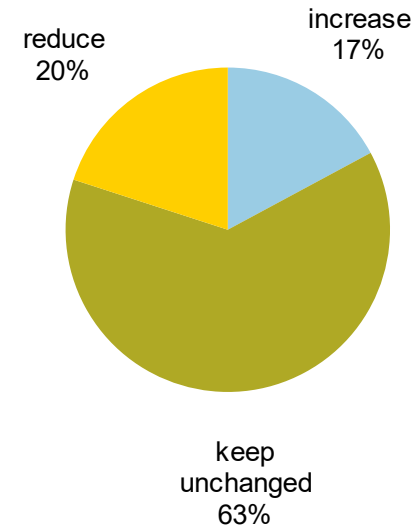
Employment

Question: Our plans regarding the workforce

Regular employees



Temporary employees



Source: CEMA Business Barometer February 2023