

search result

Surname	Area	information	V. date
Claas limited partnership on shares mbH Harsewinkel	Accounting/ Financial Reports	Consolidated financial statements for the financial year from October 1, 2020 to September 30, 2021	09/28/2022

Claas limited partnership on shares mbH**Harsewinkel****Consolidated financial statements as of September 30, 2021****Supervisory Board Report****of CLAAS KGaA mbH**

Ladies and Gentlemen

The Supervisory Board of CLAAS KGaA mbH observed and analyzed the company's business development and risk situation at its regular meetings in fiscal year 2021. Reports from the group management on the strategic direction, the asset, financial and earnings situation, deviations in the course of business from the plans drawn up and the operational decisions in the group served as templates. The reports were received in two meetings and used in the resolutions of the Supervisory Board.

The focus of the discussions in the Supervisory Board included the sales and earnings forecast and the course of business compared with the internal estimates, as well as receiving the reports from the auditors and examining the annual financial statements of CLAAS KGaA mbH and the CLAAS Group, as well as the planning for 2022 and medium-term planning.

The Supervisory Board also dealt with the tensions in the global supply chains, the effects of the CAP negotiations and the EU Green Deal on agriculture, the effects of extreme weather and the update of the CLAAS Group strategy.

The Supervisory Board also received a report on the risk management of the CLAAS Group.

The following are shareholder representatives on the Supervisory Board: Ms. Cathrina Claas-Mühlhäuser (Chairwoman), Mr. Carl-Albrecht Bartmer, Dr. Patrick Claas, Mr. Reinhold Claas, Mr. Christian Boehringer and Mr. Gerd Peskes. The employee representatives on the Supervisory Board are: Mr. Dirk Mallon, Ms. Tanja Goritschan (Deputy Chairwoman), Ms. Sabine Sasserath, Mr. Konrad Jablonski, Mr. Rainer Straube and Dr. Alexander Pfahl.

The annual financial statements of CLAAS KGaA mbH and the consolidated financial statements of the CLAAS Group as of September 30, 2021 as well as the management reports of CLAAS KGaA mbH and the Group are from Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hanover, elected by the Annual General Meeting on February 4, 2021 and commissioned by the Supervisory Board, audited and given an unqualified audit opinion dated November 24, 2021.

The annual financial statements, the consolidated financial statements and the management reports as well as the proposal for the appropriation of profits were handed over to the Supervisory Board after they had been drawn up. These documents and the auditor's reports were available to the members of the Supervisory Board and were discussed in detail at the Supervisory Board's balance sheet meeting on December 8, 2021 in the presence of the auditor.

The Supervisory Board then passed the following resolution:

After its own review, the Supervisory Board agrees with the result of the audit by the auditor. According to the final result of its examination, no objections are to be raised. The Supervisory Board thus approves the consolidated financial statements. He recommends that the shareholders approve the annual financial statements for the 2020 / 2021 financial year of CLAAS KGaA mbH and agrees with the proposal for the appropriation of profits submitted by the management of the general partner.

The Supervisory Board would like to thank the Executive Board and all employees for their high level of personal commitment in the 2021 financial year, in which the opportunities arising from global market development could be seized given the special challenges posed by the disruption to supply chains and the ongoing COVID-19 pandemic. The challenge of the new financial year is to ensure availability and implement the strategic programs.

Harsewinkel, December 8, 2021***The board of directors******Cathrina Claas-Mühlhäuser, Chairwoman*****Independent Auditor's Report**

To CLAAS Kommanditgesellschaft auf Aktien mbH

audit opinions

We have prepared the consolidated financial statements of CLAAS Kommanditgesellschaft auf Aktien mbH, Harsewinkel, and its subsidiaries (the Group) - consisting of the consolidated income statement, the consolidated statement of comprehensive income for the fiscal year from October 1, 2020 to September 30, 2021, the consolidated balance sheet as of September 30, 2021, the consolidated statement of cash flows and the consolidated statement of changes in equity for the financial year from October 1, 2020 to September 30, 2021 and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have published the group management report of CLAAS Kommanditgesellschaft auf Aktien mbH for the fiscal year from October 1, 2020 to August 30, 2020. Checked September 2021. In accordance with German legal requirements, we have not audited the content of the corporate governance statement contained in the "Employees" subsection "Women in management positions" of the group management report.

According to our assessment based on the knowledge gained during the audit

- The attached consolidated financial statements correspond in all material respects to the IFRS as applicable in the EU and the supplementary German statutory provisions to be applied pursuant to Section 315e (1) HGB and, taking these provisions into account, conveys a true and fair view of the assets and financial position of the Group as of September 30, 2021 and its results of operations for the financial year from October 1, 2020 to September 30, 2021 and
- the attached group management report as a whole provides an accurate picture of the group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the group statement on corporate governance mentioned above.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the correctness of the consolidated financial statements and the group management report.

Basis for the test results

We conducted our audit of the consolidated financial statements and the group management report in accordance with Section 317 HGB, taking into account the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under these regulations and principles are further described in the "Auditor's responsibility for the audit of the consolidated financial statements and group management report" section of our auditor's report. We are independent of the group companies in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

Other Information

The legal representatives are responsible for the other information. The other information includes the declaration on corporate governance in accordance with Section 289f (4) HGB (information on the proportion of women) in the "Employees" subsection "Women in management positions" in the group management report.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, we have a responsibility to read the other information and, in doing so, to evaluate whether the other information

- exhibit material discrepancies with the consolidated financial statements, the group management report or our knowledge obtained in the audit, or
- otherwise appear materially misrepresented.

Responsibility of the legal representatives and the supervisory board for the consolidated financial statements and the group management report

The legal representatives are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS as applicable in the EU and the additional German statutory provisions to be applied pursuant to Section 315e (1) HGB, and for the consolidated financial statements under compliance with these regulations conveys a true and fair view of the Group's net assets, financial position and results of operations. Furthermore, the executive directors are responsible for the internal controls that they have determined to be necessary to enable the preparation of consolidated financial statements that are free from material - intentional or unintentional - misstatements.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

In addition, the executive directors are responsible for preparing the group management report, which as a whole provides a suitable view of the group's position and is consistent with the consolidated financial statements in all material respects, complies with German legal requirements and suitably presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a group management report in accordance with the applicable German legal provisions and to provide sufficient suitable evidence for the statements in the group management report can.

The Supervisory Board is responsible for monitoring the Group's accounting process for the preparation of the consolidated financial statements and the Group management report.

Auditor's responsibility for the audit of the consolidated financial statements and the group management report

Our objective is to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material - intentional or unintentional - misstatements and whether the group management report as a whole provides a suitable view of the Group's position and, in all material respects, with the consolidated financial statements and is consistent with the findings obtained in the audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report which contains our audit opinions on the consolidated financial statements and on the group management report.

Adequate assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with Section 317 of the German Commercial Code, taking into account the German principles of proper auditing established by the Institut der Wirtschaftsprüfer (IDW) will always uncover a material misstatement. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements and group management report.

During the audit, we exercise professional judgment and maintain a critical attitude. Over and beyond

- We identify and assess the risks of material - intentional or unintentional - misstatements in the consolidated financial statements and in the group management report, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- We gain an understanding of the internal control system relevant to the audit of the consolidated financial statements and the precautions and measures relevant to the audit of the group management report in order to plan audit procedures that are appropriate in the given circumstances, but not with the aim of providing an audit opinion on the effectiveness of these to deliver systems;
- we evaluate the appropriateness of the accounting methods used by the legal representatives as well as the reasonableness of the estimated values and related disclosures presented by the legal representatives;
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that cast significant doubt on the Group's ability to continue as a going concern can raise. If we conclude that there is a material uncertainty, we are required to draw attention to the related disclosures in the consolidated financial statements and group management report in the auditor's report, or if this information is inappropriate, to modify our respective audit opinion. We base our conclusions on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements take into account the IFRS as applicable in the EU and the additional provisions of Section 315e Paragraph 1 of the German Commercial Code applicable German statutory provisions conveys a true and fair view of the Group's net assets, financial position and results of operations;
- we obtain sufficient appropriate audit evidence for the accounting information of the companies or business activities within the group in order to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We bear sole responsibility for our audit opinions;
- Evaluate the consistency of the group management report with the consolidated financial statements, its legal compliance and the view of the group's position that it gives;
- we perform audit procedures on the future-oriented information presented by the legal representatives in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not provide a separate audit opinion on the future-oriented information and the underlying assumptions. There is a significant unavoidable risk

We discuss with those charged with governance, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that we identify during our audit.

Hanover, November 24, 2021

Ernst & Young GmbH
auditing company

dr Janze, auditor

Heinrichson, Chartered Accountant

Group management report and consolidated financial statements as of September 30, 2021

Group management report

Our strategy

CLAAS comes from agriculture and is deeply rooted there. In order to be able to continue to grow sustainably and profitably like our customers, we have used the past few months to revise the corporate mission statement and strategy of CLAAS.

Grow together

Our vision puts our customers at the center of everything we do. We want to support them in the best possible way in order to be successful and to lead their businesses to optimal results.

Our mission describes the way in which we want to achieve our vision and our long-term goal. We want to combine passionate people, brilliant ideas and sophisticated technologies to offer real added value for farmers and contractors.

The aim is to ensure our independence as a family business and to grow sustainably and profitably with our customers.

With a clear value compass

For our corporate mission statement, we have worked out principles and values that we believe in and that our brand stands for. They are not just a claim, but already lived reality in our daily activities. However, we are aware that there is nothing that cannot be improved.

We strive for excellence and proximity to our customers. We share their passion for farming and deliver comfortable, intuitive solutions and innovations.

We think and act entrepreneurially. This includes not only a willingness to take responsibility, but also honesty and integrity - this is how we want to treat people.

We are a family business and our strongest motivation is always better solutions.

Expansion of the core business and breaking new technical ground

Our strategic plan includes several global initiatives using new technologies that drive the expansion of our core business. In doing so, we focus even more on the satisfaction of our customers and combine this with concrete growth and earnings targets. To implement this, we have launched six strategic programs whose ambitious goals we want to achieve by 2025. In addition to our core markets, the geographic focus is primarily on Eastern Europe and North America.

With the new LEXION and the introduction of the TRION in the mid-range combine harvester class, we have renewed essential elements of our product portfolio in harvesting technology within just two years and thus laid the foundation for the future.

CLAAS has introduced CEMOS for tractors and the CTIC tire pressure control system and has also achieved significant increases in performance with the new CLAAS POWER MANAGEMENT. CLAAS Traktor in Le Mans/France also has a completely renovated factory of the future that sets new standards in production. The goal is greater market penetration and growth in new markets.

The service and spare parts area is a particular focus of the strategic programs so that our customers can continue to rely on CLAAS as a partner even after they have bought a machine. New systems at CLAAS and at the dealer for better analysis of customer needs, more efficient planning of resources on site and faster logistics are aimed at a significant increase in performance, which immediately benefits the customer. Continuous training and even better training of the employees working in service play an equally important role. This is a clear differentiator for CLAAS Service.

New technologies are finding their way into all areas, both in products and in processes. For CLAAS, the four most important technology fields of the future are digitization, autonomy, alternative drives and smart farming. DataConnect as a platform for manufacturer-independent fleet management or the investment in AgXeed in the area of autonomy are just examples.

The customer in view

The exchange with our dealers and customers is and remains the most important tool to create real added value and to grow together. In doing so, we are supported by ever-improving technical possibilities to obtain comprehensive customer feedback and to guarantee timely feedback. This process is central to our actions.

industry development**Economic conditions**

The general economic conditions in 2021 were characterized by the supply and demand shocks caused by the corona pandemic in the previous year. The International Monetary Fund (IMF) expects a growth rate of 5.9% in calendar year 2021 (previous year: -3.1%; as of October 2021). The World Bank estimates of 5.6% in June and the OECD of 5.7% in September are slightly below, with forecasts tending to be revised upwards over the course of the year. On the one hand, the clearly positive growth estimates were politically justified by economic stimulus programs and the expansive monetary policy of many central banks.

The economic upswing and logistical problems also led to raw material price increases, some of which were significant: Steel prices were at record levels. After a price weakness at the beginning of the crisis, the oil price was again above the five-year average in the current year. As a result, prices for energy-intensive products such as fertilizers also rose. Finally, consumer prices have also been rising in some countries since spring 2021, leading to higher inflation rates.

Mechanical engineering recovered in the current calendar year, so that according to the Association of German Machine and Plant Manufacturers (VDMA), global growth of 13% can be expected. The industry, which had shrunk by 4% in 2020, can thus recover from the Corona crisis extremely quickly in historical comparison.

According to estimates by the VDMA, the global agricultural engineering industry (including municipal, forestry and garden technology) will reach a record market volume of around €125 billion in 2021 and is expected to grow by 12% after sales had almost stagnated in the crisis year 2020. In view of the high order intake, however, supply-side bottlenecks and the fragility of the supply chains increasingly came into focus.

According to the US Department of Agriculture (USDA), global grain production (including rice) in crop year 2020 / 21 exceeded the previous year's level by 1.2% at 2,708 million tons. Wheat production was 775 million tons in 2020 / 21 and was thus able to expand the record value from the previous year, but the even stronger growth in consumption led to a fall in inventories of - 2.2%. Maize production, on the other hand, remained at the previous year's level at 1,116 million tons, while rising demand caused inventories to fall by more than 5% within a year. As a result, both wheat and corn prices were consistently above the five-year average.

Regional industry developments

The sometimes historically high producer prices, in combination with globally stable harvest expectations, strengthened the financial framework for farmers. Regionally, however, a more differentiated picture emerged: While the conditions for the wheat harvest in Europe, Ukraine and Australia, for example, were more favorable, the forecasts for the 2021 / 22 crop year for North America and Russia were lowered due to the drought. Corn cultivation in Central Europe benefited from high rainfall in summer and a warm June. In contrast, it was made more difficult in Brazil by persistent drought. Harvest conditions were also mixed in North America due to the drought, which also limited the soybean harvest.

Despite the overall stable production, producer prices rose due to demand, especially in spring 2021 - a key price driver was China's increased demand for animal feed, which has been reflected in significantly increasing soybean and corn imports since the beginning of the financial year.

In addition to the very positive price developments in agriculture, the noticeable recovery from the pandemic-related demand shocks in 2020 also had a beneficial effect across the board on the agricultural machinery sector.

The VDMA 2021 locates particularly high sales increases in North and South America as well as in Russia.

Last but not least, the political framework conditions for agricultural engineering were largely positive. In Russia, the industry benefited from the state investment promotion program and export subsidies. In the USA, the agricultural sector has benefited from the sharp increase in direct payments to farmers in recent years, and in some European countries the Corona aid also supported incoming orders, especially at the beginning of the financial year.

Ongoing effects and management of the Corona crisis

CLAAS was able to build on the processes practiced in the first Corona year. Crisis management teams continued to be active at the national and international locations in order to assess the current situation and adapt the protection concepts accordingly. Most of the employees in the indirect areas remained in the home office over the course of the financial year and benefited from a good IT connection. Digital or hybrid formats were again used primarily for internal and external events.

A sufficient number of protective masks as well as test and disinfectants were available to the employees present on site. In addition, at some locations, test buses were used regularly, in which both lay self-tests and professional quick tests were kept ready. These offers met with a positive response everywhere and were very well received. In many countries, the state implemented the necessary corona vaccination measures on its own. CLAAS supported these campaigns and - where necessary - also initiated its own vaccination campaigns. In this way, together with an external service provider, it was possible to administer around 3,400 vaccine doses to employees and relatives within just a few weeks at the German locations alone.

The sometimes severe impairment of the supply chains continued to pose new challenges for the production process every day, with the direct corona effects becoming less important. Here, too, the well-established processes for monitoring the suppliers had a positive effect and enabled some unconventional solutions to problems.

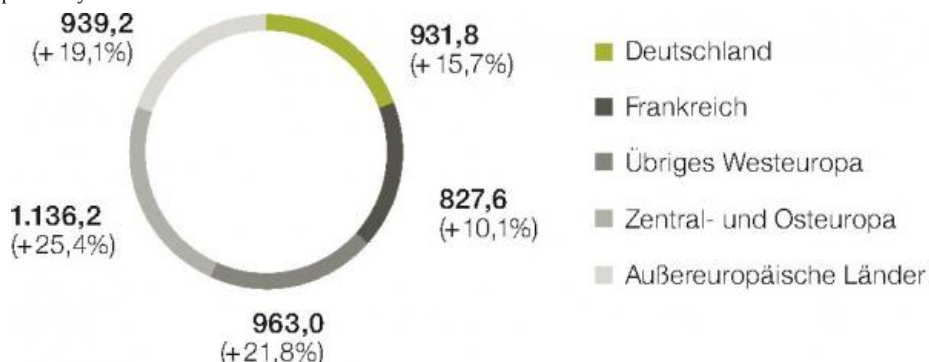
Overall, the extended pandemic management has contributed to the fact that the earning power at CLAAS could continue to develop positively, despite many impairments.

earnings situation**Sales by region 21**

In the past fiscal year, the CLAAS Group generated sales revenue of €4,797.8 million, 18.7% more than in the previous year. Despite the ongoing corona pandemic and the great challenges caused by supply bottlenecks for important components, CLAAS was able to largely fulfill customer orders and record a significant increase in sales. Sales developed consistently positively in the markets relevant to CLAAS. The change in important exchange rates, such as the US dollar or the Russian ruble, had no significant impact on sales overall. The share of sales achieved abroad was 80.6%, after 80.1% in the previous year.

1_Sales by region

in €m/in % compared to the previous year



Revenues in Germany amounted to €931.8 million, after €805.5 million in the previous year. The significant increase in sales resulted from higher sales figures in almost all major product groups. In the case of combine harvesters, forage harvesters and tractors in particular, sales improved disproportionately.

Sales generated in France increased from €751.9 million in the previous year to €827.6 million. The increase in sales was primarily achieved through higher sales of combine harvesters, forage harvesters and balers. However, business with tractors and used machines also developed very positively.

Sales in the other Western European countries rose to a total of €963.0 million (previous year: €790.7 million). After the decline in sales in the previous year, a significant improvement in sales was achieved in Great Britain, despite ongoing uncertainties caused by Brexit and its consequences. In Italy, strong market demand, supported in part by government subsidy programs, led to record sales. Compared to the previous year, the demand for CLAAS products has developed very positively, especially in Austria and Switzerland.

At €1,136.2 million, sales in the Central and Eastern Europe region were 25.4% above the previous year's level of €905.8 million. The countries with the highest sales were Russia, Poland, Ukraine and Romania. In Poland in particular, there was a significant increase in sales due to government subsidy programs.

At €939.2 million, sales in non-European countries were 19.1% above the previous year's level (€788.4 million). Significant increases were recorded in North America due to sales of new machines with combine harvesters, forage harvesters and tractors. CLAAS thus further expanded its market position in large combine harvesters, particularly through the introduction of the new LEXION series. Despite the persistently difficult political and economic conditions in Argentina, sales continued to increase there as well. Sales at CLAAS in Australia and India also developed very positively. The top-selling countries outside of Europe were the USA, Canada and China.

Result 2

The gross profit improved by €240.6 million compared to the previous year, which was accompanied by an increase in the gross profit margin from 20.3% to 22.1%. The significant increase in gross profit was achieved on the one hand by a higher volume. On the other hand, the margins on the sales side could also be improved. Furthermore, the volume-related high capacity utilization in production led to a relative improvement in the gross profit margin.

Selling and general administrative expenses increased compared to the previous year, but at a significantly lower rate than sales. Increased expenses for strategic initiatives and digitization projects were offset by lower expenses for communication, marketing and business trips.

2_Income statement (summary)

in €m	2021	2020	change
revenues	4,797.8	4,042.3	755.5
cost of sales	-3,737.5	-3,222.6	- 514.9
Gross profit on sales	1,060.3	819.7	240.6
selling and general administration expenses	-474.3	- 441.9	-32.4
Research and Development Expenses	- 251.9	- 226.2	-25.7
Other operating result	32.8	4.7	28.1
Operating result	366.9	156.3	210.6
investment result	22.1	18.7	3.4
financial result	-31.9	- 16.9	-15.0
Earnings before income taxes	357.1	158.1	199.0
Group net income	272.6	107.1	165.5

Research and development expenses reached a new high in the history of CLAAS. They included the further development and renewal of harvesting machines and tractors, investments in electronic architecture for machine control and networking, and expenses for the digitization of processes in agriculture. Additional information is contained in the "Research and Development" section.

The other operating result improved by €28.1 million compared to the previous year. In the current financial year, other operating income of €97.2 million was at the average level of previous years. Other operating expenses, on the other hand, fell to €64.4 million. In the previous year, this item was significantly higher at €89.2 million due to a cautious valuation of assets and liabilities due to the unclear overall situation at the time.

The result from investments mainly includes the proportionate results from the financing and leasing business of the CLAAS Financial Services companies.

The decline in the financial result is largely due to the negative development of the exchange rate result. The main drivers of this development in the course of the year were unfavorable exchange rate developments - especially for the ruble and the US dollar - in connection with volume expansions and valuation effects in hedging transactions for the coming financial year. On the other hand, the result from securities improved compared to the previous year due to positive valuation effects.

Despite the ongoing Corona crisis and major challenges on the procurement side, earnings before taxes rose by €199.0 million year-on-year to a high of €357.1 million and were therefore significantly above our expectations. The positive development comes predominantly from the significantly improved gross profit. The return on sales increased to 7.4% after 3.9% in the previous year.

financial position

Liquidity 3

As of the balance sheet date, the CLAAS Group had liquidity of €1,237.9 million after €907.7 million in the previous year. It is mainly held in time deposits, money market-related securities and investment funds. The significant increase in liquidity resulted primarily from the renewed improvement in cash flow from current business activities.

3_Net Liquidity

in €m	09/30/2021	09/30/2020	change
liquid funds	539.1	524.1	15.0
securities	698.8	383.6	315.2
liquidity	1,237.9	907.7	330.2
financial debt *	757.4	759.3	-1.9
Net Liquidity	480.5	148.4	332.1

* Excluding derivative financial instruments.

Financial debt and lines of credit

The largest individual items within financial liabilities were the privately placed bond in US dollars, a promissory note loan issued in euros from 2015 and a promissory note loan also issued in euros in the past financial year with a total of four tranches. The increase in liquid funds and securities with almost constant financial liabilities led

to an improvement in net liquidity of €332.1 million.

As of the balance sheet date, the CLAAS Group had credit lines from banks and a syndicated loan that can be used flexibly with a total volume of €686.5 million for general financing purposes, of which €649.0 million was not utilized.

For further information on financial liabilities and the tasks and goals of financial management, see items 25 and 35 in the notes to the consolidated financial statements.

Off-balance-sheet measures

As part of the asset-backed securitization program (ABS program), revolving trade accounts receivable are sold to a special purpose entity as an off-balance sheet financing measure. Due to the seasonal course of business that is typical for the agricultural engineering sector, there is a substantial need for funds during the year. At the end of the financial year, on the other hand, the relatively low level of capital tied up in working capital usually leads to a high level of liquidity.

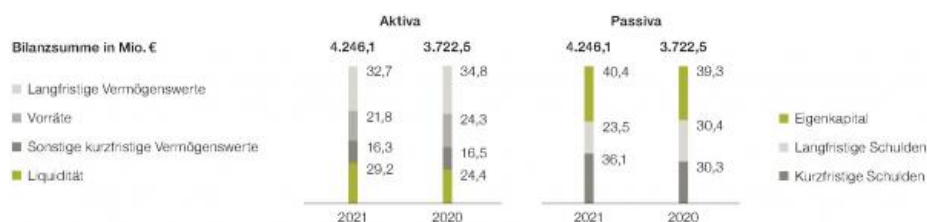
With the help of the ABS program, these seasonal fluctuations in liquidity during the year can be effectively reduced. As of September 30, 2021, the volume of the transferred receivables was €159.8 million (previous year: €175.1 million).

Asset and capital structure ↗4

As of the balance sheet date, non-current assets were 195.2% (previous year: 200.5%) covered by non-current funds consisting of equity and non-current liabilities. 146.4% (previous year: 148.5%) of the sum of non-current assets and 50.0% of inventories was covered by non-current funds. The CLAAS Group thus continues to have a solid asset and capital structure.

4_Balance sheet structure

in %



Cash flows ↗5

5_Cash flow statement (summary)

in €m	2021	2020	change
Cash and cash equivalents at the beginning of the financial year	524.1	491.3	32.8
Cash flow from operating activities	580.5	478.4	102.1
Cash flow from investing activities	-507.3	-376.6	-130.7
Cash flow from financing activities	-68.2	-49.3	-18.9
Exchange rate-related changes in cash and cash equivalents	10.0	-19.7	29.7
Changes in Cash and Cash Equivalents	15.0	32.8	-17.8
Cash and cash equivalents at the end of the financial year	539.1	524.1	15.0

The renewed increase in cash inflow from operating activities was mainly due to a significantly higher net income for the year. The increase in other provisions did not have a negative impact on cash flow.

The outflow of funds from investing activities mainly included the outflow from investments in property, plant and equipment. As in the previous year, investments were primarily made in near-money market securities, which led to a total outflow of liquid funds of €308.3 million.

The cash outflow from cash flow from financing activities resulted mainly from dividend payments and the repayment of lease liabilities.

Based on the influences described above, the free cash flow developed as follows: ↗6

6_Free cash flow

in €m	2021	2020	change
Cash flow from operating activities	580.5	478.4	102.1
Less net investments in intangible assets, property, plant and equipment as well as investments and loans	-199.0	-170.3	-28.7
Free cash flow	381.5	308.1	73.4

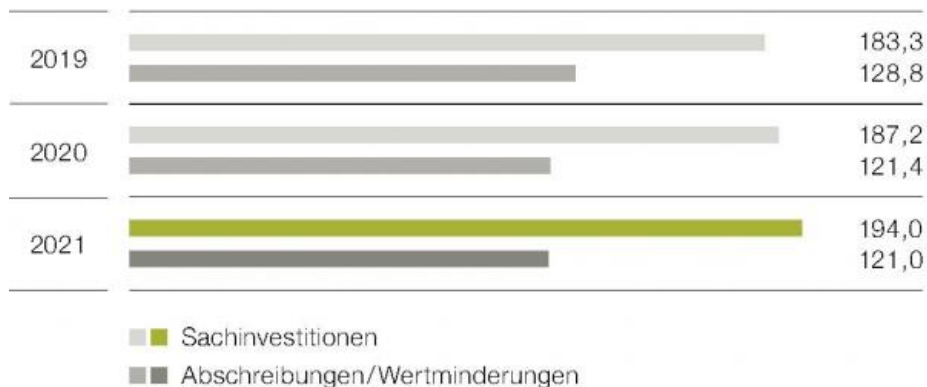
Fixed investments ↗7

Investments in property, plant and equipment amounted to €194.0 million in the year under review. The additions mainly comprised investments in new construction, the expansion and modernization of production and sales locations, in innovative technologies and in new products. The investment rate, as the ratio of capital expenditure to sales, was 4.0% (previous year: 4.6%).

Investments in new construction, expansion and modernization of production and sales locations were made primarily in Germany, Russia and France.

7_Capital expenditures, depreciation and impairments

in €m



In Harsewinkel/Germany, the last conversion phase of the "SynPro 2020" modernization project started this financial year. In the five-month construction period, a total production area of 15,500 m² was created/rebuilt. The two combine harvester assemblies were merged into one assembly line. As planned, no combine harvesters could be produced in the main plant during the conversion phase. During the last weeks of production in June 2021, a dust protection wall was erected in areas adjacent to the construction sites and the ceiling protection for the demolition of the hall was prepared. After the last combine harvester rolled off the assembly line, the assembly systems were dismantled and stored so that the demolition of the hall roofs could begin. Work then continued on rebuilding the crane system and renovating the floor and roof. In November 2021, the work on the new combine harvester production was largely completed.

A plant structure project lasting several years was started at the production site in Bad Saulgau/Germany. The aim is to further optimize the processes in the assembly and logistics areas and to increase the internal production capacity. The first infrastructure measures were carried out in the current financial year. This includes the construction of a new social building and a new employee car park. In addition, the media supply on the site was adapted to future challenges.

The work to expand the metalworking and painting at the production site in Krasnodar/Russia was continued in this fiscal year. The positive development in Russia was taken into account with the consistent expansion of the logistics and production areas as well as the technical facilities. The installation of all systems was completed in October 2021.

In May 2021, CLAAS officially put the tractor plant in Le Mans/ France back into operation after a three-year conversion phase. The factory of the future offers higher production capacities and the most modern production processes and thus creates the possibility of manufacturing more complex and individually configured tractors. In particular, the internal logistics processes were restructured for this purpose. A major focus was also the redesign of the workplaces according to the latest ergonomic standards. This not only has a positive effect on the motivation of the employees, it is also an important aspect of further quality improvement. The modernization of the tractor factory was recognized by the French government in 2019 as a flagship project in industry and as an "industry of the future". This year, CLAAS received the "Choose France Prize" for outstanding foreign investments in France.

After the completion of the high-bay warehouse in 2019, the next project of CLAAS Service and Parts GmbH in Hamm/Germany is on the agenda for the coming financial years. The automatic small parts warehouse is to be enlarged with the free space gained through the construction of the new high-bay warehouse. With the expansion of the parking spaces, the storage capacity is to be secured for further growth in the range of parts and the availability of spare parts is to be increased.

CLAAS put its new location in Herzebrock-Clarholz/Germany into operation at the end of 2020. Due to the sustained growth of CLAAS in recent years, the spatial capacities in Harsewinkel have reached their limits. With the new office building, a fully-fledged CLAAS location with the best general conditions could be opened. CLAAS Vertriebsgesellschaft mbH and employees of international sales IT moved from Harsewinkel to Herzebrock-Clarholz. Flexible workplaces have been set up for employees in the IT department, which can be used based on topics and activities. This is intended to strengthen the exchange between the teams and promote agile working methods.

A total of around 200 employees work in Herzebrock-Clarholz.

CLAAS is also investing in the expansion and digitization of business processes at all levels of the sales structure. New systems and applications will further improve communication between CLAAS, dealers and customers.

Investments in the testing and manufacture of new products, which were made as part of the extensive development program, accounted for a significant part of the capital expenditure.

At the end of the fiscal year, there were financial obligations of €22.1 million in connection with future investments in property, plant and equipment.

Financial position 28

8_Balance sheet (summary)

in €m	09/30/2021	09/30/2020	change
assets			
Intangible Assets	313.5	289.2	24.3
Property, plant and equipment	612.2	561.6	50.6
Rights of Use	82.6	88.1	-5.5
Investments accounted for using the equity method	160.8	156.8	4.0
Stocks	926.5	905.8	20.7
Requests from deliveries and services	441.3	373.8	67.5
liquidity	1,237.9	907.7	330.2
other assets	471.3	439.5	31.8
total assets	4,246.1	3,722.5	523.6
liabilities			
Equity capital	1,717.1	1,464.1	253.0
financial debt	757.4	759.3	-1.9
accruals	1,132.6	979.9	152.7
liabilities from goods and services	278.4	233.1	45.3
Other Debts	360.6	286.1	74.5
total assets	4,246.1	3,722.5	523.6

The consolidated balance sheet total increased by €523.6 million to €4,246.1 million compared to the values as of September 30, 2020. A major reason for this significant increase on the assets side was the significantly positive development in liquidity and an increase in property, plant and equipment and trade accounts receivable. This

development was accompanied by an increase in equity, provisions and trade payables.

At €313.5 million, intangible assets were above the level of the previous year. The main reason for this is the increase in capitalized development costs by €13.2 million to €245.6 million.

Inventories increased slightly by €20.7 million compared to the previous year. While the stock of used machines was reduced, there was an increase in the area of new machines. Among other things, this development was related to the "SynPro 2020" project in Harsewinkel/ Germany, since machines for individual product groups were already produced in advance.

Trade receivables and payables developed in the opposite direction and led to a slight decrease in working capital on balance. The share of working capital in the balance sheet total fell again significantly to 23.4%. The working capital developed as follows: ↗9

9_ Working capital

in €m

2019		1.170,0
2020		994,7
2021		992,6

Other assets increased by €31.8 million to €471.3 million. They mainly consist of deferred taxes, tax receivables and assets related to the ABS transaction.

The change in the equity of the CLAAS Group includes various, partly opposing effects. The consolidated net profit for the year of €272.6 million, which corresponded to a return on equity of 15.9%, had a clearly positive effect. The distributions made in the 2021 financial year, on the other hand, reduced equity. The measurement of pension provisions without affecting profit or loss had a slightly positive effect due to an interest rate that was higher than in the previous year. Since the increase in equity was disproportionately higher than the increase in total assets, the equity ratio increased to 40.4% (previous year: 39.3%).

The increase in provisions resulted from various effects. Tax provisions increased due to the significantly improved earnings situation compared to the previous year. The increase in other provisions went hand in hand with the significant increase in sales and therefore resulted, among other things, from the increase in sales-related obligations.

In addition to the silent participation, the other liabilities primarily include prepaid expenses, other taxes and liabilities to participations.

Research and Development

In the year under review, research and development costs rose by 10.5% to €262.3 million, ↗10. Activities focused on new models and the further development of harvesting machines and tractors. Investments in the electronic architecture for machine control and networking as well as in the digitization of processes in agriculture continue to represent a significant proportion of the overall research and development costs of the CLAAS Group.

10_Research and development

		2021	2020
research and development costs	in €m	262.3	237.4
Research and development expense ratio	in %	5.5	5.9
Capitalized development services	in €m	53.2	52.6
activation rate	in %	20.3	22.2
Depreciation /impairment on capitalized development projects	in €m	42.9	41.5
Percentage of employees in research and development in the CLAAS Group	in %	12.2	12.4
Active patents	Number	4.409	4.307

product innovations

With the new TRION combine harvester series, CLAAS is continuing its harvesting technology model offensive that started in 2019. In addition to the walker machines, the new series also includes hybrid combines with single or double rotors. In addition, the models are available as TERRA TRAC crawler tracks and MONTANA versions for slopes. Thanks to the variety of types and equipment, the customer can put together the TRION individually according to his needs. As a result, the new model fits into the markets in Europe as well as in North and South America. The new TRION stands for high operational and fruit-specific adaptability during the harvest. with the simple tool-free and quick crop changes and a large number of cutterbar types and widths, the TRION can be adjusted to different requirements. The proven APS threshing technology, paired with JETSTREAM cleaning and a large grain tank, contributes to a high level of effectiveness. CEMOS AUTOMATIC makes harvesting even more precise and therefore more efficient.

Anlässlich der Einführung der Abgasstufe Stage V stattet CLAAS die ARION 400 Traktoren mit neuen leistungssteigernden Eigenschaften aus. Die sieben Modelle der Baureihe decken einen Bereich von 90 bis 155 PS Maximalleistung ab. Durch die neuen Stage-V-Motoren werden die Abgase durch eine effektive Kombination von SCR-on-Filters-Technologie und Dieseloxydationskatalysator gereinigt. Damit arbeiten die Motoren nicht nur sauber, sondern nach wie vor hocheffizient und mit geringem Diesel- wie auch AdBlue-Verbrauch.

CLAAS bietet mit dem TORION 2014 und dem TORION 1913 zwei neue Radlader-Modelle an, die sich durch mehr Motorleistung und mehr Hubkraft auszeichnen. Aufgrund der Verlängerung des Radstands um 10 cm wird die Überladehöhe und -weite gesteigert. Dies ermöglicht ein sicheres Beladen der höchsten Anhänger. Außerdem sorgt das höhere Einsatzgewicht der beiden Modelle von 18,5 t beim TORION 1913 und 19,6 t beim TORION 2014 für eine optimale Ausbalancierung und maximale Standsicherheit bei hoher Last.

Die QUADRANT Quaderballenpressen haben ein umfassendes technisches Update hinsichtlich Leistung und maximaler Dauerhaltbarkeit erhalten und tragen deshalb den Beinamen EVOLUTION. Das Highlight der QUADRANT EVOLUTION ist die neue HD Pickup mit zwei Kurvenbahnen. Die am Markt einzigartige Bauweise garantiert maximale Verwindungssteifigkeit und eine hohe Robustheit. Die Verschleißkosten werden durch einen stärkeren Einsatz hochbelastbarer Komponenten aus der Pickup des CLAAS JAGUAR Feldhäckslers und eine Überarbeitung verschiedener Materialien reduziert. Darüber hinaus wurden Optimierungen am Presskanal vorgenommen, was zu einer nochmals verbesserten Ballenform und leicht höherer Pressdichte führt. Die neue QUADRANT EVOLUTION verfügt über einen neuen Frontrahmen und Anbaubock, sodass die Anhängung der Quaderballenpresse an den Traktor erleichtert wird. Neben der Mechanik wurde ebenfalls die elektronische Bedienung der Quaderballenpresse vereinfacht und kann per CEMIS 700, CEBIS oder jedem anderen ISOBUS-tauglichen Terminal erfolgen.

Die DISCO CONTOUR Scheibemähwerke erhalten mit dem DISCO 4400 CONTOUR Verstärkung. Das 4,20 m breite Heckmähwerk ist fortan in Kombination mit einem Frontmäher eine schlagkräftige und effiziente Alternative zu einfachen Triple-Mähkombinationen. Dank MAX CUT Mähbalken, ACTIVE FLOAT Entlastung und großer Übersetzung der Scheibendrehzahlen garantiert auch das DISCO 4400 CONTOUR eine hervorragende Schnittqualität sowie eine hohe Fahrgeschwindigkeit und erfordert eine geringere Antriebskraft.

CLAAS hat die großen VARIO Schneidwerke von 10,80 m bis 13,80 m überarbeitet. Für die großen VARIO Modelle stehen neue Rapsmesser zur Verfügung, die sich durch mechanische Antriebe mit integrierter Überlastkupplung und eine gesteigerte Schneidkraft auszeichnen. Damit können auch schwierigste Bereiche an Feldrändern und Knicken oder mit starker Verunkrautung zuverlässig und störungsfrei durchfahren werden. Mit der hydraulischen Höhenverstellung der Einzugschnecke über das CEBIS Terminal kann der Fahrer unmittelbar und per Fingertipp auf heterogene Erntebedingungen aus der Kabine heraus reagieren.

Auszeichnungen

Alljährlich vergibt eine Jury aus Agrarjournalisten verschiedener Länder die "Tractor of the Year Awards". In diesem Jahr wurde der CLAAS AXION 960 CEMOS in der Kategorie "Sustainable Tractor of the Year 2021" auf den ersten Platz gewählt. Der Preis "Sustainable Tractor of the Year" wurde zum zweiten Mal vergeben und soll Traktoren auszeichnen, die sich durch besonders nachhaltige Technologien hervorheben. Neben der Einführung der Abgasnorm Stage V bei der AXION 900 Baureihe können die Großtraktoren nun mit einer CTIC Reifendruckregelanlage und dem selbstlernenden Dialogsystem CEMOS für Traktoren ausgestattet oder nachgerüstet werden. Die Optimierung von Technik, Elektronik und dem Reifendruck ermöglicht dem AXION 960 CEMOS eine bemerkenswerte Kraftstoffeinsparung und eine viel effizientere Leistung auf dem Feld.

Einkauf

Entgegen dem Vorjahr zeichnete sich das Geschäftsjahr 2021 durch eine anziehende Konjunktur und eine hohe Auslastung der Industrie aus. In Kombination mit der Corona-Krise führte dies zu einem außerordentlichen Anstieg der Stahlpreise.

Trotz der ungünstigen Entwicklung beim Haupteinsatzfaktor Stahl, weiter steigender Kapazitätsauslastungen auf Seiten der Lieferanten und eines steigenden Produktionsprogramms konnten Preissteigerungen durch rechtzeitige Sicherungen weitgehend vermieden werden.

Der Einkauf kommunizierte frühzeitig Risikomeldungen und konzentrierte sich zusammen mit der Logistik auf die möglichst lange Absicherung etablierter Preisstellungen und die Sicherstellung der Verfügbarkeiten. Die bereits vorhandene Matrixorganisation der Bereiche Einkauf und Supply Chain Management bildete hierbei eine solide Basis für das Krisenmanagement. Die Bedarfe der Produktion konnten dadurch überwiegend bedient werden.

Die Logistik war durch zahlreiche Einflüsse wie die Blockade im Suezkanal, den Brexit und Corona sehr angespannt. Eine besondere Herausforderung waren die fehlenden Leercontainer für Seetransporte. Die Häfen waren extrem ausgelastet, was zu Zuschlägen und verlängerten Laufzeiten führte. Durch generell angespannte Lieferketten befand sich auch die Luftfrachtauslastung auf einem Rekordniveau. Bei den Landtransporten waren die LKWs nach Großbritannien, Spezialfahrzeuge für die Maschinentransporte in Europa und die Verfügbarkeit von Container-Chassis in den USA stark nachgefragt.

Der für den Einkauf von Nichtproduktionsmaterial zuständige Bereich konzentrierte sich auf Großinvestitionen, die Optimierung von Einkaufsprozessen und IT-Projekte. Verschiedene Investitionen in Gebäude und Anlagen, wie etwa bei "SynPro 2020" oder dem neuen Standort in Herzebrock-Clarholz/ Deutschland wurden erfolgreich abgeschlossen. Lieferverzögerungen aufgrund von Engpässen bei Vorlieferanten konnte durch ein enges Monitoring und frühzeitige Gespräche mit Lieferpartnern erfolgreich entgegengewirkt werden.

Zudem wurden strategische Projekte im Bereich der Digitalisierung von Geschäftsprozessen beauftragt. Sie konzentrieren sich insbesondere auf den Bereich Sales & Service. Der Einkauf beteiligt sich an neuen Konzepten für virtuelle Veranstaltungen und Produktpräsentationen.

Mitarbeitende

Personalkennzahlen 11

Der Personalaufwand steigt um rund 10,5% auf 819,8 Mio. € (Vorjahr: 742,2 Mio. €). Zum 30. September 2021 waren in der CLAAS Gruppe weltweit insgesamt 11.957 Mitarbeitende (Vorjahr: 11.395) beschäftigt, davon ca. 51,6% außerhalb Deutschlands 12.

Ausbildung

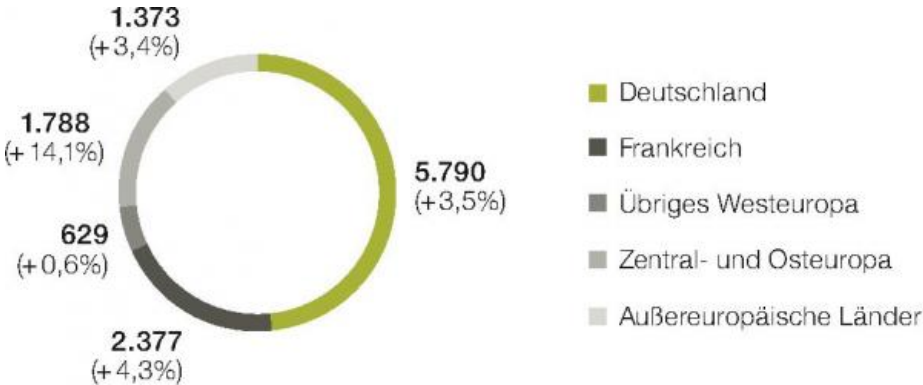
As of September 30, 2021, the CLAAS Group employed 775 trainees (previous year: 714), 473 of them (previous year: 430) in Germany. In Germany, CLAAS provides training in various technical and commercial professions as well as in dual study programs. The same applies to other countries in which CLAAS operates, such as France, Hungary, Great Britain and India.

11_Human Resources

		2021	2020
Employees on the balance sheet date 1	Number	11,957	11,395
proportion of men	in %	87.0	86.7
proportion of women	in %	13.0	13.3
average age	in years	40.2	40.2
seniority	in years	11.7	11.8
fluctuation	in %	6.4	8.3
personnel expenses	in €m	819.8	742.2
Costs for education and training	in €m	19.1	18.7

1 Including trainees.

12_Employees by region
Employees in % compared to the previous year



human resource development

At CLAAS, the strategic corporate goals are directly related to targeted investments in employees. Managers and employees coordinate qualification and further development opportunities with individual needs throughout their professional lives. The offers include work-based learning, exchange formats, seminars, development programs, self-learning or visits to specialist conferences. The demand for training courses at CLAAS is constantly increasing. Even during the pandemic, it was possible to maintain and expand the further training offer through virtual alternatives.

promotion of young talent

CLAAS works closely with schools and universities and runs a wide range of initiatives in the context of vocational training and orientation. Trade fairs, training days and internships enable early contact with potential employers. CLAAS was honored for its particularly student-friendly communication. The company ranks 7th in a Germany-wide trainee ranking by the market research institute Potentialpark. In addition, school leavers can apply at the domestic locations for technical or commercial vocational training or for a bachelor's degree at the Baden-Württemberg Cooperative State University. CLAAS is the contact to trainees, also very important to dual students and interns after their time in the company. The "CLAAS Next Generation" loyalty program is used here in a targeted manner to secure the long-term loyalty of talented young people. After graduation, direct entry or the international trainee program offer an attractive opportunity to start a career at CLAAS. The award-winning trainee program is offered with a focus on engineering, finance/controlling, sales and software & electronics. After graduation, direct entry or the international trainee program offer an attractive opportunity to start a career at CLAAS. The award-winning trainee program is offered with a focus on engineering, finance/controlling, sales and software & electronics. After graduation, direct entry or the international trainee program offer an attractive opportunity to start a career at CLAAS. The award-winning trainee program is offered with a focus on engineering, finance/controlling, sales and software & electronics.

Employer Rankings and Employer Branding

In order to continue attracting talent in the future, CLAAS is successfully positioning itself as an attractive company for its target groups. CLAAS is perceived nationally and internationally as a popular employer, which is confirmed every year by top positions in employer rankings. For example, in the employer ranking of the independent market research company Trendence Institute, CLAAS was ranked 34th among the 100 most popular employers for engineering students. In addition, CLAAS was once again recognized as a "MINT Minded Company". The award confirms that CLAAS students and specialists in the fields of mathematics, IT, promotes natural sciences and technology in a special way and is perceived by them as a particularly attractive employer. CLAAS also actively and systematically encourages young women to enter technical professions.

Performance-linked wages

As a responsible employer, CLAAS offers its employees performance-based and market-oriented remuneration, which is also based on the long-term requirements of the company. A systematic job evaluation ensures that the remuneration structures are sustainable and balanced. All domestic employees can also become silent partners in the company via CMG CLAAS Mitarbeiterbeteiligungs-Gesellschaft mbH. The aim is to reconcile the business interests of the CLAAS Group with the professional, private and family needs of CLAAS employees. The offer includes flexible working hours, mobile working, employee development in the field of "

women in leadership positions

Offers such as a Female Day and a mentoring program for female students in the faculties of mathematics, IT, natural sciences and technology (MINT) provide young women with targeted support at an early stage in their training and studies. This results in applications from female candidates for the CLAAS training and trainee programs.

Based on the German law for the equal participation of women and men in management positions, the targets up to June 30, 2022 were decided in July 2017. The proportion of women in managerial positions should at least be kept stable or, if possible, increased. The quota set for the Supervisory Board is 8.3%. The target for the first management level is 7.7%, for the second management level 4.0%. When setting the target, CLAAS took into account industry-specific conditions and the current proportion of women in the workforce.

The above declaration pursuant to Section 289f (4) HGB is part of the management report. Pursuant to Section 317 (2) sentence 6 HGB, the audit by the auditor must be limited to whether this information has been provided.

risks and opportunities

Internal control and risk management system

As a global group of companies, CLAAS is exposed to all kinds of risks. Countering possible risks preventively, recognizing and assessing risks that have occurred at an early stage and responding to them appropriately are key components of the risk management system implemented at CLAAS. At the same time, entrepreneurial activity at CLAAS also means consciously taking calculable risks in order to be able to take advantage of the associated opportunities.

In the CLAAS Group, the perception of opportunities and the detection of significant risks that may jeopardize the existence of the company, as well as the appropriate handling of them, are based on a Group-wide risk management system that is an integral part of the corporate management and controlling organization. The continuous identification, assessment and control of risks is based on a wide range of information through the risk management system and the implemented risk controlling. The early warning function required by law is fulfilled by the existing system and its continuous further development.

A key element in the ongoing monitoring of economic risks is the reporting system, which, in addition to data for external reporting, is used to create detailed internal reports and evaluations for decision-makers on a monthly basis. Deviations from budgets, the feasibility of plans and the occurrence of new risks are continuously examined, evaluated and tracked. The assessments are made continuously for the current financial year and as part of the strategy process over the time horizon of medium-term planning. The analysis in the management report usually covers a period of twelve months.

Within the framework of the existing organizational structures, the risk management system is supported and accounted for by the operational and administrative areas of responsibility. In addition to regular information, an obligation to provide ad hoc risk reporting ensures that Group management can act promptly at all times. Internal Auditing at CLAAS is responsible for monitoring the appropriateness and correctness of the risk management system.

With regard to the accounting and group accounting process, the internal control and risk management system is intended to ensure the correctness and effectiveness of accounting and group accounting with regard to compliance with legal standards, accounting regulations and the group's internal accounting guidelines, which are binding for all companies included in the consolidated financial statements. All key information on this is available throughout the CLAAS Group via the intranet. Up-to-dateness is ensured by the ongoing analysis of changes with regard to their relevance and impact on the financial statements, primarily by the Group Accounting department. The financial statements are prepared at CLAAS using a group-wide reporting system, which is also used to prepare the budget, medium-term planning and estimates during the year. The system includes policies, procedures and controls to ensure a compliant and timely closing process.

Die folgenden Beispiele stehen exemplarisch für diese Grundsätze, Verfahren und Kontrollen:

- Konzerneinheitliche Vorgaben zur Bilanzierung, Bewertung und Kontierung von wesentlichen Sachverhalten, die fortlaufend aktualisiert und im Rahmen von Schulungen vermittelt werden,
- Organisatorische Maßnahmen in Verbindung mit Zugriffsberechtigungen auf Rechnungslegungssysteme, Aufgabentrennungen und Verfügungsberechtigungen,
- 4-Augen-Prinzip beim Berichtswesen und im Rahmen der Abschlussprozesse,

- Tätigkeiten der Internen Revision,
- Tätigkeiten von externen Dienstleistern.

The internal audit regularly checks the main business processes of the domestic and foreign companies as well as the central functions in a risk-oriented or ad hoc manner for compliance with the legal requirements and internal instructions and also the internal control system for effectiveness and functionality. Within the framework of audits, the internal audit department agrees on suitable measures with the respective management, which are then to be implemented by the company. Implementation is monitored by Internal Audit. All test results are reported. The activities of the internal audit such as the annual risk-oriented audit planning, documentation of the audit activities and results, Reporting and the tracking of measures are defined in rules of procedure for internal auditing and in an auditing manual. The tasks and activities are based on the regulations of the Institute of Internal Auditors and the German Institute for Internal Auditing and are supported by auditing software. The last check of the internal auditing system according to IDW PS 983 showed that the requirements of the quality assessment were fully met. The tasks and activities are based on the regulations of the Institute of Internal Auditors and the German Institute for Internal Auditing and are supported by auditing software. The last check of the internal auditing system according to IDW PS 983 showed that the requirements of the quality assessment were fully met. The tasks and activities are based on the regulations of the Institute of Internal Auditors and the German Institute for Internal Auditing and are supported by auditing software. The last check of the internal auditing system according to IDW PS 983 showed that the requirements of the quality assessment were fully met.

A trust hotline was set up in the 2021 financial year, which is intended to serve the confidential communication of grievances and breaches of the law and rules in the company. The overarching goal is to prevent damage to employees, customers, business partners and the company. Current or former employees of the CLAAS Group and business partners such as sales partners, customers or suppliers can, in addition to using the internal channels, also turn to an external ombudsman with information.

The key risks and opportunities are presented in more detail below.

market risks

The risk landscape at CLAAS is characterized by varying crop yields, agricultural policy decisions and farmers' incomes, as well as intense competition. The markets in Asia, especially China and India, as well as in Central and Eastern Europe and especially Russia are of particular importance for the CLAAS Group with regard to the development of demand for agricultural technology. These markets have great potential, but in some countries in these regions the prevailing conditions make CLAAS sales activities more difficult. Examples are customs barriers, minimum requirements regarding the share of local production, Payment / conversion restrictions or uncertain political and economic conditions. At the same time, there are opportunities beyond the current planning that could result from faster growth in markets where the degree of mechanization is still comparatively low. In connection with the respective country risks, opportunities and risks are controlled centrally by observing and evaluating market-relevant indicators.

In order to identify fluctuations in demand and changes in customer behavior in the sales regions at an early stage, the markets and their early warning indicators are monitored continuously and in detail. This ensures that product strategies are updated and adapted to changing customer requirements and the reactions of the competition.

Risks from research and development

The entrepreneurial activity of CLAAS requires an intensive examination of the risks along the value chain. In the course of shortening innovation cycles, research and development is of crucial importance. It aims to create innovative and technically mature products for the benefit of customers and to bring them to market. Risks from possible undesirable developments, increased start-up costs for new products, a delayed market launch of innovations and, last but not least, regulatory requirements are counteracted by the continuous expansion and ongoing review of research and development activities. The risk that products will not be delivered within the

Purchasing Risks

The 2021 financial year was characterized by persistently high availability risks. The corona crisis and its consequences continued to have a massive impact on material availability. After many companies had to shut down their production due to lockdown measures in the previous year, demand rose sharply again this year in many markets and the production capacities of suppliers were often unable to keep up with this development. In the electronics sector in particular, the recovery in the automotive industry, coupled with high demand in the entertainment industry, led to critical bottlenecks. The already tense global transport situation was worsened by Brexit,

Thanks to close monitoring of the supply chains, series production at the locations could be largely maintained despite many missing parts and a high level of effort for rework. Future availability risks will continue to be closely monitored. In close cooperation between purchasing, logistics and production, measures are implemented to increase procurement security over the long term. Availability workshops are held for critical product groups. Although the increasing capacity utilization at suppliers mostly had a positive effect on their liquidity, the financial situation of the suppliers is still closely monitored via financial monitoring.

production risks

In the production area of CLAAS, to reduce the risk of production plant failures and the associated risk of business interruptions, all plants are regularly maintained and possible sources of risk are eliminated by modifying the plants if necessary. In addition, economically sensible insurance contracts protect against the effects of production losses. Flexible working time models ensure that the required human resources can be adapted to the respective degree of utilization. To reduce quality risks, there is a central quality management system that ensures compliance with and fulfillment of the specified standards. In the chapter "

personnel risks

CLAAS has a constant need for highly qualified specialists and managers. CLAAS does not currently see any risks for itself that could result from a shortage of various groups of workers on the labor market and the resulting delay in filling critical positions. With its personnel strategy, CLAAS relies above all on the internal promotion of qualified young talent as well as on systematic training and personnel development. In addition to the dual vocational training, the international trainee program ensures that highly qualified employees are trained in the company. Measures to promote and maintain health are also offered.

IT risks

The business processes at CLAAS are supported by high-performance, modern IT systems. The globally uniform IT strategy enables the effective and continuous adaptation of the systems to current requirements and developments. This also includes adapting to new and changed IT risks, which have increased significantly in recent years and are now rated as critical by CLAAS.

CLAAS implemented a security strategy at an early stage, which, in addition to preventive measures, also includes the timely detection of security incidents in order to be able to react appropriately. By actively monitoring the threat situation in the cybersecurity environment, necessary organizational and technical measures to increase IT security are identified and implemented on an ongoing basis.

To avoid disruptions, CLAAS attaches particular importance to a uniform hardware and software landscape, to the integrity and security of the databases, and to controlling access authorizations. The reliable technical safeguarding of the data is supplemented in many ways by consistent education and training of the workforce.

Legal Risks

CLAAS is exposed to risks in connection with international and national tax, competition, patent, foreign trade and liability law regulations. In order to avoid these risks, decisions in the CLAAS Group are made after careful legal examination and consultation. Selected risks are transferred to insurance companies across the Group using global master policies and national master agreements.

Financial Risks

Due to its business activities, the CLAAS Group is exposed to risks and opportunities from changes in exchange rates and interest rates. On the procurement side, there are raw material price risks and risks relating to the general security of supply. Credit risks that could result from payment defaults or delays are minimized through effective receivables management and close cooperation with banks and credit insurance companies. Liquidity risks could result from a significant deterioration in operational business activity, restrictions on the free movement of capital, but also as a consequence of the aforementioned risk categories. These risks are identified across the Group and measured, monitored and controlled centrally by Group Treasury. Forward exchange transactions, currency option transactions and interest rate swaps are primarily used for hedging purposes. The position evaluation software used enables independent evaluations, performance measurements and forward-looking scenario simulations of the financial instruments used. CLAAS fully meets the risk management requirements that the EMIR regulation ("European Market Infrastructure Regulation") of the European Parliament and the Council of Europe places on a non-financial counterparty below the threshold value. Forward exchange transactions, currency option transactions and interest rate swaps are primarily used for hedging purposes. The position evaluation software used enables independent evaluations, performance measurements and forward-looking scenario simulations of the financial instruments used. CLAAS fully meets the risk management requirements that the EMIR regulation ("European Market Infrastructure Regulation") of the European Parliament and the Council of Europe places on a non-financial counterparty below the threshold value. Forward exchange transactions, currency option transactions and interest rate swaps are primarily used for hedging purposes. The position evaluation software used enables independent evaluations, performance measurements and forward-looking scenario simulations of the financial instruments used. CLAAS fully meets the risk management requirements that the EMIR regulation ("European Market Infrastructure Regulation") of the European Parliament and the Council of Europe places on a non-financial counterparty below the threshold value. Performance measurements and forward-looking scenario simulations of the financial instruments used. CLAAS fully meets the risk management requirements that the EMIR regulation ("European Market Infrastructure Regulation") of the European Parliament and the Council of Europe places on a non-financial counterparty below the threshold value. Performance measurements and forward-looking scenario simulations of the financial instruments used. CLAAS fully meets the risk management requirements that the EMIR regulation ("European Market Infrastructure Regulation") of the European Parliament and the Council of Europe places on a non-financial counterparty below the threshold value.

CLAAS continuously measures the development of liquidity on a daily, weekly and monthly basis with an increasing level of detail. Potential liquidity risks are counteracted by having financing commitments and cash and cash equivalents, the ABS program and international cash management.

Risk management in connection with financial instruments and the quantification of the hedging transactions concluded are explained in Notes 34 and 35 to the consolidated financial statements.

At CLAAS, strategic refinancing risks are controlled by a comparatively long duration requirement for the borrowed capital.

Risks related to payment transaction security have become increasingly important in recent years. CLAAS is meeting this ever-growing challenge with, among other things, group-wide information and training for employees in affected areas, the monitoring of payment transactions as part of the cash management process, clear responsibility structures and process definitions, and the consistent implementation of the 4-eyes principle at all process levels, especially when making payments. Money laundering prevention is also given high priority.

In the area of dealer and sales financing, CLAAS' policy of only following the classic financing captive model to a limited extent has paid off. The close involvement of the associated companies CLAAS Financial Services in the risk management and the credit decision-making processes of a large European commercial bank and the concentration above all on the end customer business ensured a resilient mix of risks.

Overall risk assessment

According to the analysis of the information provided by risk management and risk controlling, which was carried out continuously in the 2021 financial year, all quantifiable risks were assessed as not significant unless provisions had already been made for them in the annual financial statements. With regard to the existing financial risks, we refer to the explanations in the notes. The further course and duration of the corona pandemic cannot yet be fully predicted. The increasing vaccination rate in many countries relevant to CLAAS gives hope that renewed lockdown scenarios can be avoided.

In addition, the handling of the pandemic in recent months has shown that CLAAS has largely been able to avoid negative effects. Therefore, even if the pandemic persists in 2022, there are no recognizable risks that, individually or in combination with other risks, could jeopardize the continued existence of significant subsidiaries or the CLAAS Group as a whole.

outlook

Economic conditions

In some cases substantial growth in real gross domestic product is expected worldwide for the coming years. The IMF forecasts growth of 4.9% for 2022, the World Bank 4.3% and the OECD was last at 4.5%. For 2023, the World Bank expects a return to the growth rates before the Corona crisis. The forecasts were revised upwards due to the vaccination progress in the course of 2021. A return of economic output to the pre-crisis level has already been achieved in a few countries - for example China, the USA and Russia. For Germany and India, this is expected at the turn of the year 2021/22, for Canada, Brazil and individual European countries in the course of 2022.

In 2020 and also at the beginning of 2021, international trade was particularly affected by the global corona pandemic and the resulting disruption in logistics chains and individual events such as the blockade of the Suez Canal. Despite continued protectionist tendencies, a significant recovery is forecast for the remainder of the calendar year and 2022.

International mechanical engineering will also be able to record significant sales growth of around 5% in 2022 in the VDMA's base scenario. For the global agricultural engineering industry, the VDMA forecasts growth of around 4% for 2022.

The USDA expects an increase in global grain production (including rice) of 2,781 million tons for the current crop year 2021/22. Although wheat production is expected to be at very low levels after a significant downward correction in August, corn (+7.4%) and soybean (+5.4%) production is expected to grow. Inventories will nevertheless decrease overall due to the significant demand for wheat.

Regional industry developments

In Europe, according to the USDA, the 2021/22 harvest is expected to be at the rather average level of the previous year. The order situation in the agricultural engineering sector weakened in places towards the end of the 2021 financial year, so that constant sales can be expected for the European market. In addition, there is ongoing uncertainty in the EU resulting from the requirements of the European Green Deal, the Common Agricultural Policy and the expiring Corona aid.

In Russia, on the other hand, the expectations for the wheat harvest of the current harvest year are noticeably below the previous year's value and it will probably hardly exceed 80 million tons. In addition, there are uncertainties with regard to the further development and the scope of the Russian subsidy policy. However, the investment climate among farmers is stable at a high level. In Ukraine, the wheat harvest is expected to be strong.

In North America, positive harvest expectations dominate despite the drought in 2021, with wheat being an exception. Politically, it is unclear whether the US government will continue the high subsidy payments made by its predecessor, which recently accounted for a significant proportion of farmers' incomes. Nevertheless, regained export opportunities for agricultural products lead to more liquidity in the North American market and growth potential in 2022, especially for large agricultural machinery.

In South America, the expected harvest is higher than in the previous year and is favorable for agricultural machinery manufacturers. In Asia, expectations are stable.

In view of a growing world population, a worldwide increase in consumption of animal-based foods and consequently continued strong demand for agricultural products, it can also be assumed that grain prices will continue to be strong, which will also result in potential for agricultural technology in the future.

Fragile supply chains will continue to threaten growth potential in the coming financial year. Regional corona outbreaks can also limit production capacities in agricultural engineering, which would be followed by price increases in view of continued high overall economic demand. In addition, semiconductors are in short supply and, in addition to continued high energy, raw material and logistics costs, can weigh on the result. However, inflation expectations for 2022 are currently rather moderate, especially for industrialized countries.

It remains to be seen how the ongoing corona measures will affect the recovery of the global economy in general and the upswing in agricultural engineering in particular.

Overall statement on business development and outlook

The course of business in 2021 was characterized by challenging economic conditions, in particular due to the high level of uncertainty caused by COVID-19, but also caused by supply bottlenecks and, in some cases, massive price increases for production components and logistics. However, driven by high global demand for agricultural machinery, the CLAAS Group was able to increase sales in all regions. CLAAS improved its market shares in combine harvesters and forage harvesters, particularly in the core markets. The introduction of the new LEXION combine harvester generation has made a significant contribution to expanding the market position. CLAAS also recorded a significant increase in sales in the tractor segment, with an overall slightly increasing market share. Despite the challenges on the procurement markets and the additional efforts caused by COVID-19, a result was achieved that was well above expectations.

For the 2022 fiscal year, the CLAAS Group expects stable demand for agricultural machinery in the key sales regions overall. Robust growth drivers continue to be anticipated, particularly for some of the CLAAS core markets. Despite the uncertainties mentioned below, CLAAS therefore expects sales in the 2022 fiscal year to be above the previous year's level.

In view of the corona pandemic and the international trade conflicts that are still smoldering, with the risk of new mutual trade, financial and other sanctions, negative effects on the sales and earnings of the CLAAS Group cannot be ruled out. At the same time, the supply situation and price developments on the procurement markets represent a higher risk than in previous years.

Further risks arise for CLAAS from a weakening of the industry economy and a change in the political framework for farmers in individual markets.

The CLAAS Group will continue to consistently pursue the strategy it has adopted and increasingly open up the growth markets in Eastern Europe and North America for CLAAS products. The investment volume of CLAAS in the current year will be above the high level of 2021. If market conditions change, the volume can be adjusted flexibly. The development of innovative products and intelligent technologies will continue at a high level in the current financial year. However, the associated expenses will only be matched by corresponding income with a certain time lag. In the current year, the CLAAS Group will continue to make efforts to increase efficiency and achieve sustainable cost reductions. Due to the availability and price risks mentioned, the CLAAS Group expects earnings before taxes for the current 2022 fiscal year to be slightly below the prior-year level.

Consolidated income statement for the period from October 1, 2020 to September 30, 2021

the CLAAS Group

in thousand €	see paragraph	2021	2020
revenues	(7)	4,797,758	4,042,338
cost of sales		-3,737,447	-3,222,614
Gross profit on sales		1,060,311	819,724
distribution costs		-269,784	-254,295
general administrative costs		-204,519	-187,637
Research and Development Expenses	(8th)	-251,929	-226,216
Other company income	(10)	97,219	93,996
Other operating expenses	(10)	-64,386	-89,226
Operating result		366,912	156,346
Earnings from investments accounted for using the equity method	(11)	22,362	18,613
Other investment result	(11)	-259	92
financial result	(12)	-31,911	-16,934
of which: interest and interest-like expenses		(-27,751)	(-27,442)
Earnings before income taxes		357,104	158,117
income taxes	(13)	-84,466	-50,987
Group net income		272,638	107,130
of which: share of the shareholders of CLAAS KGaA mbH		272,118	106,579
of which: minority interests		520	551

Consolidated Statement of Comprehensive Income

of the CLAAS Group for the period from October 1, 2020 to September 30, 2021

in thousand €	see paragraph	2021	2020
Group net income		272,638	107,130
Temporarily non-profit items			
Unrealized result from currency translation		18,259	- 50,446
Unrealized result from derivative financial instruments	(34)	- 15,290	21,682
Permanently non-profit items			
Reassessments of defined benefit plans	(29)	17,888	8,497
Other Group result, after taxes		20,857	-20,267
Group result		293,495	86,863
of which: share of the shareholders of CLAAS KGaA mbH		292,975	86,312
of which: minority interests		520	551

Consolidated balance sheet as of September 30, 2021

the CLAAS Group

assets

in thousand €	see paragraph	09/30/2021	09/30/2020
Intangible Assets	(14)	313,520	289,223
Property, plant and equipment	(15)	612,218	561,588
Rights of Use	(16)	82,552	88,134
Investments accounted for using the equity method	(17)	160,766	156,770
Other holdings		5,731	5,246
Deferred tax assets	(13)	145,693	122,228
Other financial assets	(20)	46,429	47,105
Other non-financial assets	(21)	22,324	23,562
Non-current Assets		1,389,233	1,293,856
Stocks	(18)	926,492	905,754
Requests from deliveries and services	(19)	441,296	373,769
Other financial assets	(20)	156,342	160,605
Other non-financial assets	(21)	94,921	80,842
securities	(22)	698,774	383,551
liquid funds	(23)	539,059	524,105
Current Assets		2,856,884	2,428,626
total assets		4,246,117	3,722,482

liabilities

in thousand €	see paragraph	09/30/2021	09/30/2020
Subscribed capital		78,000	78,000
capital reserve		38,347	38,347
Other Reserves		1,595,550	1,342,743
Equity before minorities		1,711,897	1,459,090
shares of other shareholders		5,219	4,997
Equity capital	(24)	1,717,116	1,464,087
financial debt	(25)	523,701	679,635
silent participation	(26)	58,467	55,021
Deferred tax liabilities	(13)	4,099	2,514
Other Financial Liabilities	(27)	579	556
Provisions for pensions	(29)	327,595	344,169
Other provisions	(30)	80,640	48,348
Long Term Debt		995,081	1,130,243
financial debt	(25)	233,650	79,655
liabilities from goods and services		278,375	233,115
Other Financial Liabilities	(27)	45,518	22,074
Other non-financial liabilities	(28)	251,980	205,931
Income tax provisions	(30)	60,312	21,854
Other provisions	(30)	664,085	565,523
Short term debt		1,533,920	1,128,152
total assets		4,246,117	3,722,482

Consolidated cash flow statement**of the CLAAS Group for the period from October 1, 2020 to September 30, 2021**

in thousand €	see paragraph	2021	2020
Group net income		272,638	107,130
Amortization and impairment of intangible assets, property, plant and equipment and right-of-use assets	(14), (15), (16)	147,911	147,838
Earnings from investments accounted for using the equity method, provided they are not cash-effective		-22,250	-18,613
Change in long-term provisions		34,627	2,900
Change in deferred taxes		-20,934	12,959
Other non-cash expenses (+) / income (-)		8,599	2,588
cash earnings		420,591	254,802
Change in short-term provisions		131,019	52,382
Result from the disposal of fixed assets and securities		-162	-3,673
Change in working capital		14,890	136,242
of which: inventories		(-9,022)	(167,451)
of which: trade receivables		(-63,451)	(-30,713)
of which: trade payables		(43,127)	(131)
Other changes in assets / liabilities, unless investing or financing activities		14,207	38,708
Cash flow from operating activities	(36)	580,545	478,461

in thousand €	see paragraph	2021	2020
Payouts for investments in			
Intangible assets and property, plant and equipment (excluding capitalized development costs)	(14), (15)	-138,085	-131,434
Shares in fully consolidated companies and holdings		-800	-1,861
loans		-20,913	-17,676
Proceeds from disposals / divestments of			
Intangible assets and property, plant and equipment		4,024	6,988
Shares in fully consolidated companies and holdings		112	-
loans		12,507	29,374
Additions to capitalized development costs	(14)	-55,881	-55,728
Change in securities		-308,258	-206,255
Cash flow from investing activities		-507,294	-376,592
Deposits by taking out loans and borrowing		154,113	408,990
Payouts for repayment of loans and bonds		-158,737	-395,460
repayment of lease liabilities		-26,303	-26,238
Payments from the silent partnership		3,446	3,379
Change in liabilities to shareholders		-476	114
Payments to minority shareholders		-298	-106
dividend payments	(24)	-40,020	-40,020
Cash flow from financing activities		-68,275	-49,341
Impact of exchange rate changes on cash and cash equivalents		9,978	-19,690
Change in cash and cash equivalents		14,954	32,838
Cash and cash equivalents at the beginning of the financial year	(23)	524.105	491,267
Cash and cash equivalents at the end of the financial year	(23)	539,059	524.105

Consolidated Statement of Changes in Equity

of the CLAAS Group as of September 30, 2021

in thousand €	Subscribed capital	capital reserve	Accumulated Winnings	Other Reserves
				retained earnings
Status 01.10.2019	78,000	38,347	1,481,269	Reassessments of defined benefit plans -102,891
Group net income	-	-	106,579	-
Other group result	-	-	-	8,497
Group result	-	-	106,579	8,497
dividend payments	-	-	-40,020	-
consolidation measures	-	-	-81	-
As of September 30th, 2020	78,000	38,347	1,547,747	-94,394
Group net income	-	-	272.118	-
Other group result	-	-	-	17,888
Group result	-	-	272.118	17,888
dividend payments	-	-	-40,020	-
consolidation measures	-	-	-148	-
As of September 30, 2021	78,000	38,347	1,779,697	-76,506

Other Reserves

in thousand €	Cumulative other comprehensive income	
	currency conversion	Derivative financial instruments
Status 01.10.2019	-71,067	-10,779
Group net income	-	-
Other group result	-50,446	21,682
Group result	-50,446	21,682
dividend payments	-	-
consolidation measures	-	-
As of September 30th, 2020	-121,513	10,903
Group net income	-	-
Other group result	18,259	-15,290
Group result	18,259	-15,290
dividend payments	-	-
consolidation measures	-	-
As of September 30, 2021	-103,254	-4,387

in thousand €	Equity before minorities	shares of other shareholders	Equity capital
Status 01.10.2019	1,412,879	4,447	1,417,326
Group net income	106,579	551	107,130

in thousand €	Equity before minorities	shares of other shareholders	Equity capital
Other group result	-20,267	-	-20,267
Group result	86,312	551	86,863
dividend payments	-40,020	-106	-40.126
consolidation measures	- 81	105	24
As of September 30th, 2020	1,459,090	4,997	1,464,087
Group net income	272.118	520	272,638
Other group result	20,857	-	20,857
Group result	292,975	520	293,495
dividend payments	-40,020	-298	-40,318
consolidation measures	-148	-	-148
As of September 30, 2021	1,711,897	5.219	1.717.116

Notes

Notes on Consolidation and Accounting

1. General information

CLAAS KGaA mbH based in Harsewinkel / Germany is the parent company of the CLAAS Group (hereinafter referred to as "CLAAS" or "CLAAS Group"). The company is entered in the commercial register of the district court of Gütersloh under HRB 3027. The family company CLAAS is a global producer and supplier of agricultural machinery and agricultural information technology.

The present consolidated financial statements of the CLAAS Group were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU) and the additional commercial law provisions to be applied in accordance with Section 315e HGB. The previous year's figures have been determined according to the same principles.

The consolidated financial statements comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements. In order to improve the clarity of presentation, various items in the consolidated balance sheet and the consolidated income statement have been combined. These items are shown and explained separately in the notes to the consolidated financial statements. The consolidated income statement is structured according to the cost of sales method.

Details on the accounting and valuation methods can be found under item 6.

The consolidated financial statements are prepared in euros (€). Unless specifically stated otherwise, the amounts are given in thousands of euros (€ thousand).

These consolidated financial statements relate to the financial year from October 1, 2020 to September 30, 2021.

The management of CLAAS KGaA mbH prepared the consolidated financial statements on November 24, 2021. The approval of the consolidated financial statements by the Supervisory Board is scheduled for the ordinary Supervisory Board meeting on December 8, 2021.

2. New accounting standards

Changes to existing accounting standards or new accounting standards published by the IASB by September 30, 2021 and which will be mandatory in the future are of minor importance for CLAAS.

3. Scope of consolidation

All major companies, including structured companies, that are controlled directly or indirectly by CLAAS KGaA mbH are included in the scope of consolidation. Control exists when CLAAS KGaA mbH has decision-making power based on voting rights or other rights, participates in variable returns and can influence these returns through its decision-making power.

Structured entities are entities that have been designed in such a way that who has the voting or similar rights is not the determining factor in determining whether the entity is controlled. In the CLAAS Group, this applies to the investment fund CHW Fonds, Munich, and the financing company Mercator Purchasing SA, Luxembourg, which are included in the consolidated financial statements as structured companies. The financing company is used by CLAAS to process the revolving sale of receivables.

Associated companies are companies over which CLAAS has significant influence but does not have control or joint management with regard to financial and business policy. Associated companies are accounted for using the equity method.

For companies in which CLAAS exercises joint control with a partner, a distinction must be made as to whether there is joint activity or a joint venture. In a joint venture, the parties that have joint control have rights to the net assets. Joint ventures are generally accounted for using the equity method. A joint operation exists when the parties that have joint control have direct rights to the assets and obligations for the liabilities. In this case, the proportionate assets and liabilities as well as the proportionate income and expenses are to be recorded.

Shares in subsidiaries, joint ventures or associated companies that are of minor importance from a group perspective are accounted for in accordance with IFRS 9.

The composition of the scope of consolidation is shown in the following table:

	09/30/2021	09/30/2020
Consolidated Subsidiaries	62	63
of which: domestic	(21)	(20)
of which: abroad	(41)	(43)
Companies accounted for using the equity method	13	14
of which: domestic	(6)	(6)
of which: abroad	(7)	(8th)

A full list of the CLAAS Group's shareholdings is shown under Note 41.

Start-ups, share purchases and divestments

In the 2021 financial year, there were no significant new foundations, acquisitions of shares in companies or divestments.

4. Consolidation Principles

The financial statements of the companies included in the consolidated financial statements are prepared in accordance with the uniform accounting and valuation guidelines that exist for the CLAAS Group. The financial statements are generally prepared as of the balance sheet date of the consolidated financial statements. Subsidiaries whose fiscal year does not end on September 30 due to country-specific regulations generally prepare interim financial statements as of this date.

Business combinations are accounted for using the purchase method when the Group has obtained control. If the purchase price exceeds the revalued proportionate net assets of the acquired subsidiary, the difference is capitalized as goodwill and subjected to an annual impairment test. If there is a negative difference, it is recorded as other operating income.

First-time consolidations and deconsolidations are generally made at the time of the transfer of control.

All receivables and liabilities, expenses and income as well as interim results between the companies included in the consolidated financial statements are eliminated as part of the consolidation.

Shares in associates and joint ventures are accounted for using the equity method. They are initially recognized at acquisition cost. Any goodwill acquired is not shown separately but is included in the valuation. After initial recognition, the consolidated financial statements contain the proportionate result up to the point at which significant influence or joint control ends.

5. Currency Conversion

Transactions in foreign currencies are recorded using the relevant exchange rates at the time of the transaction. In subsequent periods, financial assets and liabilities in foreign currency are translated at the exchange rate on the balance sheet date. The exchange rate gains and losses from the measurement of financial assets and liabilities up to the balance sheet date are recognized in the income statement.

Assets and liabilities of foreign companies whose functional currency does not correspond to the group currency are translated into euros at the closing rate on the balance sheet date. Equity items are carried at historical rates. The expenses and income of foreign companies are converted into euros using the corresponding average exchange rates for the financial year. Differences from currency translation are reported in equity as other comprehensive income with no effect on income.

The following exchange rates were used to translate the currencies that are important for the CLAAS Group:

		Average rate per €		Closing rate per €	
		2021	2020	09/30/2021	09/30/2020
British pound	GBP	0.87	0.88	0.86	0.91
Chinese renminbi	CNY	7.75	7.89	7.49	8.00
Indian Rupee	INR	87.88	82.82	86.04	86.39
Polish zloty	PLN	4.55	4.40	4.60	4.53
Russian ruble	RUB	89.10	79.12	84.28	91.15
Hungarian forint	HUF	357.97	345.53	358.89	363.23
U.S. dollar	USD	1.19	1.13	1.16	1.17

6. Accounting and Valuation Methods

Intangible Assets

Intangible assets with a limited useful life are capitalized at acquisition or production cost and amortized on a straight-line basis over a period of three to ten years, depending on their estimated useful life. The useful lives are reviewed annually.

The amortization of concessions, property rights and licenses is included in the cost of sales. Amortization and impairment of capitalized development costs are recorded under research and development expenses.

Goodwill is recognized at cost less accumulated impairment losses and tested for impairment annually and whenever there is an indication of possible impairment. The impairment losses are recognized in other operating expenses.

Property, plant and equipment

Property, plant and equipment are valued at acquisition or production cost less accumulated depreciation and accumulated impairments. Borrowing costs are capitalized if the conditions are met and amortized over their expected useful life when the property, plant and equipment begins to be completed. Property, plant and equipment - with the exception of land and land rights - are generally depreciated on a straight-line basis over their usual useful lives. The useful life for buildings is between 20 and 50 years and for other property, plant and equipment between 3 and 25 years. Depreciation and impairments are generally recognized as expenses for the period.

Rights of Use

Right-of-use assets represent the asset that a lessee receives from the right to use a leased asset. The right of use is capitalized at the present value of the lease payments. The usage rights do not include any initial direct costs.

The right-of-use assets are generally amortized on a straight-line basis over the term of the contract.

Leases classified as short-term or of low value are not capitalized and are therefore only recognized in the income statement. IAS 38 continues to apply to intangible assets.

borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the acquisition or production costs. CLAAS defines qualifying assets as development and construction projects or other assets that require at least twelve months to get ready for their intended use or sale. If financing can be specifically attributed to a project, the actual external financing costs are capitalized. However, if there is no direct relationship, the CLAAS Group's average cost of debt is used. A borrowing cost rate of 2.6% pa was used for the year under review

impairments

Goodwill and assets not yet ready for use are not amortized, but are tested for impairment annually on the balance sheet date. Assets subject to amortization are reviewed for impairment whenever there is an indication that the asset's carrying amount may be less than its recoverable amount. The recoverable amount is the higher of the value in use and the fair value less costs to sell. The recoverable amount is determined for each individual asset, unless assets have been combined into a so-called cash-generating unit. When determining the value in use, the present value of the expected future cash flows is used as a basis. If the value in use is lower than the carrying amount, the impairment loss is recognized immediately in profit or loss. Any increases in value that may occur at a later point in time are taken into account accordingly in the context of a write-up, except in the case of an impairment of goodwill. When carrying out the impairment test, the data from the medium-term plan made by

management, which covers a planning period of five years, is used to determine the value in use. The planning assumptions are adapted to the current circumstances. Appropriate assumptions are taken into account, taking into account macroeconomic trends and historical developments. The determination of the cash flow as part of the extrapolation of the cash flow forecast for determining the final value is based on the growth rate of the relevant market segment. This is currently between 0.1% and 1.0% pa. The values in use to be determined were discounted in a range from 4.4% pa to 8.0% pa (previous year: 3.6% pa to 12.3 % pa) as a basis. The discount rate reflects the risk-adjusted minimum rate of return derived from the capital market.

Shares accounted for using the equity method and other investments

Shares in associated companies or joint ventures accounted for using the equity method are initially recognized at acquisition cost and in subsequent periods at the updated proportionate equity. The book values are increased or reduced annually by the proportionate results, the distributions and all other changes in equity. Goodwill is included in the book value of companies included using the equity method. An impairment occurs if the recoverable amount of the shares accounted for using the equity method is lower than their book value.

Other investments are generally recognized at fair value upon addition and in subsequent periods, provided this can be reliably determined. No fair value could be determined for the other investments existing on the balance sheet date; in this respect, the valuation was made at cost less accumulated impairments. If there are indications of an impairment of another investment, this is written off with an effect on income.

Any impairment or reversal of impairment of shares and other investments accounted for using the equity method is recognized in profit or loss in the investment result.

Deferred taxes

Deferred taxes are recognized for temporary differences between the IFRS and tax accounts of the individual companies, including differences from consolidation processes and for unused tax loss carryforwards and tax credits.

The valuation is carried out using the tax rates and tax regulations that apply on the balance sheet date or have essentially been enacted by law and are expected to apply at the time of settlement. Deferred tax assets are only recognized to the extent that it is probable that taxable income will be available against which the temporary differences can be utilised. A tax rate of 29.0% (previous year: 29.0%) was used to calculate deferred taxes in Germany. It consists of the domestic corporation tax rate, the solidarity surcharge on corporation tax and trade tax.

Deferred tax liabilities for temporary differences in connection with investments in subsidiaries and investments accounted for using the equity method are not recognized.

Deferred tax assets and liabilities are netted if they relate to the same taxable entity, are to the same tax authority and have the same maturities.

Stocks

Inventories are stated at the lower of acquisition or production cost and net realizable value. The net realizable value results from the expected sales proceeds less costs still to be incurred. In the case of raw materials, consumables and supplies as well as merchandise, the acquisition costs are determined using the average cost method. In addition to the direct material and production costs, the production costs of self-made work in progress and finished goods also include production-related overheads and production-related administrative costs, based on normal capacity utilization. The acquisition or production costs do not include any borrowing costs.

financial instruments

Financial instruments are contracts that result in a financial asset at one company and a financial liability or equity instrument at another company. Financial instruments are recognized as soon as CLAAS becomes a contractual party to the financial instrument. As a rule, the trade date is decisive for the presentation in the balance sheet. Financial instruments recognized as financial assets or financial liabilities are generally reported gross. Offsetting only takes place if there is a right to set off the amounts at the current time and the intention is to settle on a net basis.

Derivative financial instruments for which a hedging relationship exists generally do not belong to any of these categories. To improve the presentation, however, the derivatives with a hedging relationship were classified as "measured at fair value through profit or loss". According to IFRS 9, the classification of financial assets depends on the business model for controlling and the contractual cash flow characteristics of the financial instruments. The classification of financial liabilities depends on the specific purpose for which the financial instruments were contracted.

Financial instruments are accounted for at amortized cost or at fair value. The amortized cost is determined using the effective interest method. According to IFRS, the fair value of a financial instrument indicates the value at which a financial instrument can be traded as between third parties if there are parties willing to buy and sell and it is not a forced sale or liquidation sale. The fair value generally corresponds to the market or stock exchange value. If there is no active market, the fair value is determined using actuarial methods (eg by discounting the future cash flows with the market interest rate).

The fair value of derivative financial instruments is determined by discounting the future cash flows at the market interest rate and using other recognized financial methods, such as option price models.

However, if the fair value of financial instruments cannot be reliably determined, the financial instruments are measured at amortized cost.

The carrying amounts of financial assets that are not measured at fair value through profit or loss are reviewed at each reporting date to determine whether they are impaired. According to IFRS 9, a risk provision is determined on the basis of expected credit losses (expected credit loss model). According to this, the amount of the allowance recognized as a risk provision for expected credit losses generally depends on the extent to which the default risk has deteriorated since initial recognition. The estimate is based on ratings and continuously updated risk indicators. In the event of an impairment, the resulting expense is recognized in profit or loss.

As in the previous year, there was no need for impairment for financial assets in the 2021 financial year, with the exception of trade receivables.

Receivables and other financial assets

Receivables and other financial assets are recognized at fair value, which corresponds to the nominal value for current receivables and other financial assets.

For expected risks of default on trade accounts receivable, CLAAS uses the simplified procedure of the expected credit loss model in accordance with IFRS 9. The risk provision for expected credit losses is recorded over the remaining term, regardless of the credit quality. In addition to taking existing collateral into account, historical information and forecasts of future economic conditions are included in the determination of the expected loss.

CLAAS sells selected trade accounts receivable on a revolving or one-time basis to a structured entity of the CLAAS Group or other financial institutions. The structured company is an asset-backed securitization company that is refinanced on the capital market. Receivables are derecognized when the opportunities and risks associated with the receivables are transferred to a third party and the cash inflow from the sale is assured. To the extent that the opportunities and risks associated with the receivables, in particular the credit and default risk, remain with the CLAAS Group, these receivables continue to be reported on the balance sheet.

securities

Securities essentially include investment funds, money market paper and promissory note loans with a remaining term of mostly less than one year. At CLAAS, the securities are assigned to the measurement category "measured at fair value through profit or loss".

Recognition and subsequent measurement are at fair value or market price.

liquid funds

Cash and cash equivalents include cheques, cash on hand and bank balances. The liquid funds shown in the cash flow statement correspond to the balance sheet item "Liquid funds".

Derivative financial instruments and hedge accounting

Derivative financial instruments for which a hedging relationship exists are accounted for and measured in accordance with the provisions of IAS 39 in accordance with the transitional provisions in IFRS 9.

Derivative financial instruments are used at CLAAS to hedge financial risks from operating business and the resulting refinancing requirements. These are usually interest rate, currency and commodity price risks. Forward exchange transactions and options are primarily used for hedging.

Derivative financial instruments are measured at fair value upon addition and in subsequent periods. Changes in fair value are recognized in profit or loss in other financial result for the period, unless the derivative financial instruments are in a hedging relationship. Depending on the type of hedging relationship, changes in fair value are recognized in the income statement or recognized directly in equity as other comprehensive income.

In order for hedging relationships to be accounted for (hedge accounting), the conditions of IAS 39 must be met. If this is the case, CLAAS documents the hedging relationship as either a fair value hedge or a cash flow hedge from this point in time. Only cash flow hedges existed in the past financial year.

The fair values of the derivative financial instruments used for hedging purposes are shown in Note 34.

With a cash flow hedge, risks of fluctuating cash flows are hedged. Gains and losses from changes in the fair value of the effective portion of the hedging relationship are initially recognized as equity in other comprehensive income. The transfer to the income statement occurs when the hedged transaction affects income. The ineffective portion of such changes in value is recognized directly in profit or loss in the other financial result for the period.

If the requirements for hedge accounting are no longer met, the derivative financial instruments that were part of the hedging relationship are measured at fair value through profit or loss.

liabilities

Liabilities are initially recognized at fair value, taking into account transaction costs, and subsequently at amortized cost. Foreign currency liabilities are translated at the closing rate.

Contract liabilities represent advance payments received from customers at CLAAS, which are reported under other non-financial liabilities. These are obligations to transfer goods or services to the customer for which customer payments have already been received prior to the contractual performance.

The lease liabilities are recognized in accordance with the right of use at the present value of the lease payments. Discounting is carried out using the incremental borrowing rate. Lease liabilities are reported under current and non-current financial liabilities.

Provisions for pensions

Provisions for pensions are formed for defined benefit obligations from future and ongoing benefits to eligible current and former employees and their surviving dependents. The obligations relate primarily to pensions, some as basic and some as supplementary benefits. The pension commitments are generally based on the length of service and the remuneration of the employees.

The valuation of provisions for defined benefit obligations is based on the actuarial present value of the respective obligation, which is determined using the projected unit credit method. This method not only takes into account the pensions and accrued entitlements known on the key date, but also the increases in salaries and pensions to be expected in the future. The valuation assumptions vary depending on the economic situation in the country in which the pension plans were set up. In Germany, the life expectancy used to calculate the obligation is based on the 2018 G mortality tables from K. Heubeck. Comparable bases are used in the other countries. The provision for pensions results from the balance of the actuarial present value of the defined benefit obligations and the fair value of the plan assets available to cover the pension obligations. The service cost is included in the functional costs in the consolidated income statement. The net interest result is included in the financial result. The service cost is included in the functional costs in the consolidated income statement. The net interest result is included in the financial result. The service cost is included in the functional costs in the consolidated income statement. The net interest result is included in the financial result.

Actuarial gains and losses from remeasurements of the net liability or net asset are recognized in full in the financial year in which they occur. They are posted with no effect on income as part of the other reserves. They will no longer be recognized in profit or loss in future periods either.

The interest rates used for discounting are determined annually as of the reporting date on the basis of high-quality, fixed-interest corporate bonds with the same maturities as the pension payments.

Other provisions

Other provisions are formed if the CLAAS Group has a present legal or constructive obligation as a result of a past event that will probably lead to an outflow of resources in the future and the amount of which can be reliably estimated.

Provisions for obligations from sales business consist largely of product warranty obligations. Provisions for product warranties are accrued at the time the products are sold or the related service is rendered. In order to determine the amount of these provisions, assumptions must be made about the type and scope of future guarantee and goodwill cases and possible special inspections. These estimates are primarily based on historical experience. The provisions are regularly adjusted to reflect new findings.

Provisions are valued at the best possible estimate of the settlement amount for the current obligation as of the balance sheet date. Significant long-term other provisions are discounted. Increases in provisions resulting from pure compounding are recognized in profit or loss as interest expenses for the period.

Revenue Recognition

The usual business activity of the CLAAS Group is the sale of products and services in agricultural engineering. All income related to ordinary business activities is shown as sales less sales deductions such as discounts and price reductions. Revenue is generally recognized when the services have been rendered or the goods or products have been delivered, ie the customer has gained control of the goods or services.

cost of sales

The cost of sales includes the manufacturing costs of the products sold, the acquisition costs of the goods sold and expenses for commissions, freight and packaging, insurance and production-related logistics costs.

Research and Development Expenses

Development costs for future series products developed in-house are capitalized at cost of manufacture, provided the manufacture of the products is associated with an economic benefit for CLAAS and the other criteria for recognizing internally generated intangible assets are met.

The production costs include all costs directly attributable to the development process as well as an appropriate portion of the development-related overheads. Borrowing costs are capitalized as part of the production costs if the requirements are met. Depreciation takes place on a straight-line basis from the start of production over the estimated product life, which is usually six to ten years.

Research costs, amortization and impairments on capitalized development costs and development costs that cannot be capitalized are generally recognized as expenses for the period under research and development expenses.

Government grants

Government grants are only recognized if there is reasonable assurance that the associated conditions will be met and the grants will be received. Grants that are not related to investments are generally recognized in profit or loss as other operating income in the periods in which the expenses are incurred that the grants are intended to compensate for. Grants for investments are generally recognized as a reduction in the acquisition or production costs of the assets concerned and result in a corresponding reduction in scheduled depreciation in subsequent periods.

Management Estimates and Judgments

When preparing the consolidated financial statements, assumptions and estimates have to be made to a certain extent that affect the amount and disclosure of the assets and liabilities, income and expenses and contingent liabilities in the reporting period. They essentially relate to the assessment of the recoverability of assets, the determination of the useful lives of property, plant and equipment across the Group, and the accounting and valuation of provisions. The assumptions and estimates are based on premises that are based on the currently available state of knowledge. In particular, with regard to the expected future business development, the circumstances existing at the time the consolidated financial statements were prepared and the realistic future development of the global and industry-related environment were used as a basis. Developments in these framework conditions that deviate from the assumptions and are beyond the control of management can result in actual amounts deviating from the estimates originally expected.

At the time the consolidated financial statements were prepared, there were no significant changes to the underlying assumptions and estimates.

Notes to the consolidated income statement

7. Revenues

Sales are almost exclusively attributable to the delivery of goods. Sales break down by region as follows:

in thousand €	2021	2020
Germany	931,805	805,529
France	827,556	751,916
Rest of Western Europe	963,055	790,676
Central and Eastern Europe	1.136.171	905.807
Non-European countries	939.171	788,410
revenues	4,797,758	4,042,338

The following table shows the expected revenue for the next five financial years that will result from performance obligations that have already been contracted as of the balance sheet date:

in thousand €	09/30/2021	09/30/2020
Due within one year	20,196	16,186
Due between one and two years	20,072	17,142
Due between two and three years	12,500	10,456
Due between three and four years	5,245	4,725
Due between four and five years	1,805	1,759
Total of the future expected revenues from existing performance obligations	59,818	50,268

8. Research and Development Expenses

in thousand €	2021	2020
Research and development costs (total)	-262,325	-237,377
Capitalization of development costs	53,248	52,622
Amortization of capitalized development costs	-42,852	-41,461
Research and development expenses recognized in the income statement	-251,929	-226,216
Activation rate (in %)	20.3	22.2

9. Personnel Expenses and Employees

The personnel expenses recorded in the functional costs break down as follows:

in thousand €	2021	2020
Direct and Indirect Remuneration	-674,811	-605,955
Social charges and expenses for assistance	-133,720	-123,606
Expenses for retirement benefits	-11,314	-12,672
personnel expenses	-819,845	-742,233

The average number of employees in the financial year is as follows:

	2021	2020
Direct employees	4,437	4,268
Indirect employees	6,525	6,368
trainee	682	684
employees on average over the year	11,644	11,320

Direct employees are directly involved in the production process, while indirect employees support the processes in production, organization and administration.

10. Other operating income and expenses

Other company income

in thousand €	2021	2020
---------------	------	------

in thousand €	2021	2020
Release of provisions	43,543	39,055
receivables assessment	6,760	5,325
allowances and grants	4,394	3,924
Disposal of intangible assets and property, plant and equipment	2,277	3,716
insurance compensation	2,148	1,596
further calculations	1,279	1,399
Rent, lease and lease	309	382
Other Income	36,509	38,599
Other company income	97,219	93,996

Other operating expenses

in thousand €	2021	2020
personnel expenses	-9,453	-9,439
receivables assessment	-7,789	-11,344
Fees, Duties and Insurance	-5,532	-2,961
Impairment of property, plant and equipment	-1,637	-2,106
Disposal of intangible assets and property, plant and equipment	-1,316	-1,806
Other Expenses	-38,659	-61,570
Other operating expenses	-64,386	-89,226

11. Income from investments

in thousand €	2021	2020
Earnings from investments accounted for using the equity method	22,362	18,613
Other investment result	-259	92
investment result	22,103	18,705

12. Financial Result

in thousand €	2021	2020
interest expense	-26,969	-27,858
of which: profits transferred based on a partial profit transfer agreement (CMG)	(-6,966)	(-4,145)
Accrued interest on long-term provisions	-2,781	-2,004
Interest expense from leases	-756	-829
Capitalization of Borrowing Costs	2,755	3,249
Interest and similar expenses	-27,751	-27,442
interest income	8,258	8,237
Earnings from securities and loans	7,133	-916
Interest and securities result	-12,360	-20,121
Other financial result	-19,551	3,187
financial result	-31,911	-16,934

The remuneration for the silent participation of CMG CLAAS Mitarbeiterbeteiligungs-Gesellschaft mbH (CMG), which is based on the success of the CLAAS Group, is included in the item "Profits transferred on the basis of a partial profit transfer agreement (CMG)".

Interest expenses and income result from financial liabilities and assets measured at amortized cost.

The remaining financial result is made up as follows:

in thousand €	2021	2020
course result	-14,987	7,539
Other financial result	-4,564	-4,352
Other financial result	-19,551	3,187

13. Income Taxes

in thousand €	2021	2020
Actual Income Taxes	-105,399	-38,028
Deferred taxes	20,933	-12,959
income taxes	-84,466	-50,987

The underlying income tax rates for foreign companies were between 9.0% and 32.0% (previous year: between 9.0% and 33.3%).

In the year under review, income taxes were €19.1 million lower than the theoretical tax expense that would have resulted if the combined domestic Group tax rate of 29.0% had been applied to earnings before income taxes.

The following table shows the reconciliation from the theoretical to the effective tax expense:

	2021		2020	
	in thousand €	in %	in thousand €	in %
Earnings before income taxes	357,104		158,117	
Theoretical tax expense	-103,560	29.0	-45,854	29.0
Differences to foreign tax rates	10,815	-3.0	8,222	-5.2
Tax effects from previous years	-749	0.2	1,364	-0.9

	2021		2020	
	in thousand €	in %	in thousand €	in %
Tax-free income and non-deductible expenses	-4,676	1.3	-12,838	8.1
Accounting for investments accounted for using the equity method	6,485	-1.8	5,398	-3.4
Impact of Tax Losses	7,364	-2.1	-8,374	5.3
Other consolidation effects	897	-0.2	62	0.0
Miscellaneous	-1,042	0.3	1,033	-0.7
Effective tax expense	-84,466	23.7	-50,987	32.2

The deferred tax assets and liabilities are distributed among the following balance sheet items:

in thousand €	09/30/2021		09/30/2020	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible Assets	4,605	70,106	5,751	64,448
Property, plant and equipment	3,745	15,640	4,298	15,939
Stocks	53,704	1,464	46,655	2,821
Receivables and other assets	13,482	14,273	13,963	13,568
accruals	139,874	2,087	121,533	3,130
Liabilities and Other Debts	8,244	202	4,621	319
loss carryforwards	57,598	-	75,582	-
gross value	281,252	103,772	272,403	100,225
Value adjustments on tax loss carryforwards and similar	-35,886	-	-52,464	-
netting	-99,673	-99,673	-97,711	-97,711
balance sheet approach	145,693	4,099	122,228	2,514

Tax loss carryforwards, most of which can be used indefinitely, amounted to €222.3 million (previous year: €293.6 million). This includes a partial amount of €138.3 million (previous year: €212.3 million) on which deferred tax assets of €35.9 million (previous year: €52.5 million) were written down are.

A positive effect of €1.3 million (previous year: €0.3 million) arose from the use of tax loss carryforwards for which no deferred tax assets had been formed to date.

The following amounts are included in equity as a result of offsetting deferred taxes:

in thousand €	09/30/2021	09/30/2020
Derivative financial instruments	1,800	-4,445
currency effects	-1,091	-1,524
Deferred taxes in accumulated other comprehensive income	709	-5,969
Reassessments of defined benefit pension plans	31,009	37,812
Deferred taxes in other reserves	31,718	31,843

Notes to the consolidated balance sheet

14. Intangible Assets

in thousand €	Concessions, industrial property rights and similar property rights and assets and licenses to such rights	goodwill	Advance payments made	Capitalized development costs	In total
Acquisition / production costs					
Status 01.10.2019	78,193	70,636	13,672	286,742	449,243
currency differences	-333	-166	-	-1,131	-1,630
additions	4,295	-	12,441	55,728	72,464
departures	-1,668	-	-	-30,317	-31,985
transfers	4,877	-	-4,745	-	132
As of September 30th, 2020	85,364	70,470	21,368	311,022	488,224
currency differences	480	28	-	162	670
additions	7,617	-	11,601	55,881	75,099
departures	-2,290	-	-4	-20,965	-23,259
transfers	4,321	-	-4,202	-	119
As of September 30, 2021	95,492	70,498	28,763	346,100	540,853
Depreciation / Impairment					
Status 01.10.2019	58,492	55,758	-	67,588	181,838
currency differences	-252	-	-	-193	-445

in thousand €	Concessions, industrial property rights and similar property rights and assets and licenses to such rights	goodwill	Advance payments made	Capitalized development costs	In total
Additions according to plan	8,034	-	-	41,461	49,495
departures	-1,570	-	-	-30,317	-31,887
As of September 30th, 2020	64,704	55,758	-	78,539	199,001
currency differences	327	-	-	30	357
Additions according to plan	8,365	-	-	38,828	47,193
additions impairment	-	-	-	4,024	4,024
departures	-2,277	-	-	-20,965	-23,242
As of September 30, 2021	71.119	55,758	-	100,456	227,333
book values					
As of September 30th, 2020	20,660	14,712	21,368	232,483	289,223
As of September 30, 2021	24,373	14,740	28,763	245,644	313,520

Development costs were capitalized in the amount of €55.9 million (previous year: €55.7 million). This includes capitalized borrowing costs of €2.6 million (previous year: €3.1 million). The necessary impairment tests have shown that the capitalized development costs need to be impaired. The impairment loss for the financial year amounts to €4.0 million (previous year: €0.0 million).

15. Property, Plant and Equipment

in thousand €	land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account and assets under construction	In total
Acquisition / production costs					
Status 01.10.2019	482,932	545,684	268,311	70,486	1,367,413
currency differences	-14,962	-14,553	-4,306	-2,733	-36,554
additions	23,189	16,603	20,175	54,731	114,698
departures	-7,961	-12,391	-12,590	-13	-32,955
transfers	11.164	12,450	22,879	-46,625	-132
As of September 30th, 2020	494,362	547,793	294,469	75,846	1,412,470
currency differences	5,488	4,064	1,684	1,366	12,602
Change in the scope of consolidation	-	-145	-147	-	-292
additions	22,981	16,857	15,835	63,194	118,867
departures	-2,294	-22,318	-18,842	-893	-44,347
transfers	16,785	23,977	5,858	-46,739	-119
As of September 30, 2021	537,322	570,228	298,857	92,774	1,499,181
Depreciation / Impairment					
Status 01.10.2019	214.187	414.206	196,258	961	825,612
currency differences	-6,631	-12,416	-3,140	-43	-22,230
Additions according to plan	11,597	37,321	20,402	-	69,320
additions impairment	223	341	892	1.158	2,614
departures	-2,225	-11.907	-10.302	-	-24,434
As of September 30th, 2020	217.151	427,545	204.110	2,076	850,882
currency differences	2,700	3,742	1,324	143	7,909
Change in the scope of consolidation	-	-145	-147	-	-292
Additions according to plan	12,844	34,081	21.122	-	68,047
additions impairment	192	772	673	81	1,718
departures	-1,470	-22,048	-17,783	-	-41.301
As of September 30, 2021	231,417	443,947	209,299	2,300	886,963
book values					
As of September 30th, 2020	277.211	120,248	90,359	73,770	561,588
As of September 30, 2021	305,905	126,281	89,558	90,474	612.218

The additions to the acquisition or production costs of the assets under construction include capitalized borrowing costs of €0.1 million (previous year: €0.1 million). As in the previous year, property, plant and equipment were not pledged as security for debts.

16. Use Rights

in thousand €	land and buildings	vehicles	Internal transport vehicles	Other	In total
acquisition cost					
Status 01.10.2019	66,311	15,238	6,000	11,944	99,493
currency differences	-80	-18	-	-	-98
additions	6,794	4,861	2,001	1,411	15,067
departures	-83	-1,382	-400	-96	-1,961
As of September 30th, 2020	72,942	18,699	7,601	13,259	112,501
currency differences	836	273	-	7	1,116
additions	7,311	13,142	2,001	831	23,285
departures	-5,547	-4,030	-800	-291	-10,668
As of September 30, 2021	75,542	28,084	8,802	13,806	126,234
depreciation					
Status 01.10.2019	-	-	-	-	-
currency differences	-191	- 73	-	-6	-270
Additions according to plan	11,479	7,541	2,001	5,388	26,409
departures	-83	-1,195	-400	-94	-1,772
As of September 30th, 2020	11,205	6,273	1,601	5,288	24,367
currency differences	230	80	-	1	311
Additions according to plan	11,775	7,616	2,001	5,537	26,929
departures	-2,941	-3,937	-800	-247	-7,925
As of September 30, 2021	20,269	10,032	2,802	10,579	43,682
book values					
As of September 30th, 2020	61,737	12,426	6,000	7,971	88,134
As of September 30, 2021	55,273	18,052	6,000	3,227	82,552

The other rights of use essentially relate to IT hardware. The expense from leases classified as low-value or short-term recognized in the income statement in the fiscal year amounts to €13.1 million.

17. Investments accounted for using the equity method

The following table shows summarized financial information on associates and joint ventures accounted for using the equity method that are individually and collectively immaterial to the CLAAS Group:

in thousand €	Associated Companies		joint venture	
	2021	2020	2021	2020
At equity result	5,473	4,672	16,889	13,941
Carrying amounts of the shares accounted for using the equity method	38,741	35,176	122,025	121,594

The shares accounted for using the equity method primarily include the holdings in the CLAAS Financial Services companies, which offer financing solutions for investments in CLAAS machines.

18. Inventories

in thousand €	09/30/2021	09/30/2020
Raw materials and supplies	180,287	180,204
Unfinished products	96,698	84,436
Finished Goods and Goods	649,507	641,114
Stocks	926,492	905,754

The decrease in the impairment of inventories recognized in profit or loss in the year under review amounted to €2.6 million (previous year: decrease of €7.1 million) and was recognized in the cost of sales. As in the previous year, the inventories were not pledged as security for debts.

19. Trade Receivables

in thousand €	09/30/2021	09/30/2020
gross book value	482,965	414,591
allowances	-41,669	-40,822
net book value	441,296	373,769

The allowances for trade receivables developed as follows:

in thousand €	2021	2020
Value adjustments on 01.10.	40,822	38,198
Making use of	-1,365	-1,587
Net addition / reversal	750	5,808
currency differences	1,462	-1,597
Value adjustments on 30.09.	41,669	40,822

The following table shows the breakdown of trade receivables according to the criteria of impairment and overdue:

in thousand €	09/30/2021	09/30/2020
Neither overdue nor individually impaired	370,706	318,395
Not individually impaired and overdue in the following time bands:		
up to 30 days	35,960	30,244
31 to 60 days	13,007	11,777

in thousand €	09/30/2021	09/30/2020
61 to 90 days	8,445	5,671
over 90 days	11,610	5,457
Individually impaired receivables	1,568	2,225
Requests from deliveries and services	441,296	373,769

Only an insignificant amount of interest income was received from impaired financial assets. Existing credit risks from trade accounts receivable are explained in Note 35.

Asset-backed securitization

Trade accounts receivable are sold on a revolving basis as part of the asset-backed securitization program (ABS program). At the end of the financial year, the nominal volume of the receivables sold was €159.8 million (previous year: €175.1 million), which led to them being derecognised from the balance sheet.

As part of these sales, in some cases the CLAAS Group retains a portion of the receivables sold, which may be offset by future credits or offsetting. As of the balance sheet date, the resulting assets amounted to €56.3 million (previous year: €66.6 million).

As part of these sales, the CLAAS Group recognized assets of €12.5 million (prior year: €12.4 million) for the partially retained bad debt reserves as of the balance sheet date. The financial liabilities associated with the sales amount to €17.7 million (previous year: €11.5 million).

20. Other financial assets

in thousand €	short term	long term	09/30/2021	short term	long term	09/30/2020
loans	-	12,078	12,078	-	7,675	7,675
Receivables from holdings	10,704	4,665	15,369	5,559	4,565	10,124
Derivative financial instruments	22,465	9,511	31,976	21,051	19,872	40,923
Accounts payable	7,080	-	7,080	4,356	-	4,356
loan receivables	789	-	789	802	-	802
Other Financial Assets	115,304	20,175	135,479	128,837	14,993	143,830
Other financial assets	156,342	46,429	202,771	160,605	47,105	207,710

21. Other non-financial assets

in thousand €	short term	long term	09/30/2021	short term	long term	09/30/2020
income tax claims	11,556	3,521	15,077	5,667	3,152	8,819
prepaid expenses	21,571	1,288	22,859	15,181	-	15,181
Other taxes	42,452	-	42,452	37,109	-	37,109
Overfunding of funded pension claims	-	13,143	13,143	-	5,662	5,662
Advance payments made	15,285	-	15,285	19,661	-	19,661
Other non-financial assets	4,057	4,372	8,429	3,224	14,748	17,972
Other non-financial assets	94,921	22,324	117,245	80,842	23,562	104,404

22. Securities

Investment funds accounted for €104.7 million (previous year: €97.4 million) of the securities with a total value of €698.8 million (previous year: €383.6 million). The remaining volume is accounted for by money market paper and promissory note loans, most of which have a remaining term of less than one year.

From the securities available at the beginning of the financial year, securities with historical acquisition costs totaling €286.2 million (previous year: €80.0 million) were disposed of in the financial year.

Securities with a total value of €10.7 million (previous year: €10.1 million) are pledged in order to meet the legal requirements under the Partial Retirement Act.

23. Cash and cash equivalents

A total of €22.3 million of the cash and cash equivalents is restricted (previous year: €12.7 million), of which €17.7 million (previous year: €11.5 million) relates to incoming payments from transferred receivables from the ABS Program that is not freely available and must be paid to contractual partners.

24. Equity

The corresponding amounts from the individual financial statements of CLAAS KGaA mbH are shown as subscribed capital and capital reserves in the consolidated financial statements. The subscribed capital of CLAAS KGaA mbH consists of three million no-par registered shares with voting rights. The general partner without a capital contribution is Helmut Claas GmbH; Limited shareholders of CLAAS KGaA mbH are exclusively family members, directly or indirectly. The capital reserve contains only other contributions from shareholders.

The consolidated statement of changes in equity shows the development of equity as well as detailed information on the change in retained earnings and the accumulated other comprehensive income.

The dividend distributed to shareholders in the past financial year amounted to €40.0 million.

Capital management at CLAAS is fundamentally defined by corporate law provisions. The managed capital corresponds to the balance sheet equity of the CLAAS Group. The aim of capital management is an appropriate equity ratio.

If contractual provisions have to be complied with, the capital is also controlled according to these parameters.

25. Financial Debt

in thousand €	short term	long term	09/30/2021	short term	long term	09/30/2020
bonds	163,878	94,877	258,755	-	255,384	255,384
Liabilities to credit institutions	26,619	10,853	37,472	36,344	4,656	41,000
promissory note loan	-	300,000	300,000	-	300,000	300,000
shareholder loan	4,119	41,991	46,110	4,594	41,991	46,585
lease liabilities	39,034	75,980	115,014	38,717	77,604	116,321
financial debt	233,650	523,701	757,351	79,655	679,635	759,290

The table below shows details of the privately placed bond and the promissory notes:

	nominal volume	Book value 09/30/2021	Coupon in % pa	Due date
Bond 2012	190,000T USD	€163,878 thousand	3.98	08.2022
Bond 2012	110,000T USD	€94,877 thousand	4.08	11.2022
Promissory note loan 2015	€50,000 thousand	€50,000 thousand	1.75	08.2024
Promissory note loan 2020	€215,000 thousand	€215,000 thousand	0.6 or 0.6±6M Euribor (at least 0)	08.2027
Promissory note loan 2020	€35,000 thousand	€35,000 thousand	0.75	08.2029

Interest rates of between 0.25% pa and 4.6% pa apply to liabilities to banks denominated in various currencies. €1.3 million (previous year: €1.5 million) of these liabilities are secured. The liabilities relate in part to very short-term liabilities as part of the ABS program.

The shareholder loans primarily relate to liabilities to limited shareholders.

Depending on the term of the lease, the lease liabilities were discounted at incremental borrowing rates of between 0.45% pa and 1.16% pa. The following table shows the maturities of the lease liabilities as of the reporting date:

in thousand €	09/30/2021	09/30/2020
Due within one year	39,034	38,717
Due between one and five years	58,527	58,195
Due after more than five years	17,453	19,409
lease liabilities	115,014	116,321

Lease payments due in the future are offset by expected receipts from minimum lease payments from non-cancelable sub-lease agreements for CLAAS machines in the amount of €35.6 million.

In addition, as of the balance sheet date, the CLAAS Group had lines of credit with banks available for general financing purposes, as well as a flexibly usable syndicated loan with a total volume of €686.5 million, of which €649.0 million was not utilized.

26. Silent Participation

CMG's silent participation is remunerated depending on the result and is to be treated subordinatedly in the event of liability. According to IFRS, repayable capital commitments represent financial liabilities. The fair value of the silent participation cannot be reliably determined, so the book value is shown here.

For its subordinate contribution, CMG receives remuneration based on the success of the CLAAS Group; a corresponding obligation to participate in the event of a loss also exists. In the case of the silent participation, €8.0 million can be terminated by September 30, 2022. Ordinary termination options exist for a further €26.6 million between the 2023 and 2026 financial years.

27. Other financial liabilities

in thousand €	short term	long term	09/30/2021	short term	long term	09/30/2020
Derivative financial instruments	20,721	-	20,721	3,874	-	3,874
accrued interest	2,464	-	2,464	2,671	-	2,671
Other financial liabilities	22,333	579	22,912	15,529	556	16,085
Other Financial Liabilities	45,518	579	46,097	22,074	556	22,630

28. Other non-financial liabilities

in thousand €	short term	long term	09/30/2021	short term	long term	09/30/2020
contract liabilities	112,070	-	112,070	71,376	-	71,376
prepaid expenses	75,892	-	75,892	67,508	-	67,508
Other taxes	56,185	-	56,185	59,322	-	59,322
Social Security	7,478	-	7,478	7,078	-	7,078
Other non-financial liabilities	355	-	355	647	-	647
Other non-financial liabilities	251,980	-	251,980	205,931	-	205,931

29. Provisions for pensions

Defined benefit pension plans

The provisions for pensions in the CLAAS Group include both obligations from current pensions and entitlements from future pensions to be paid for old-age, disability and surviving dependants' benefits. The pension commitments are generally based on the length of service and the remuneration of the employees. In principle, the defined benefit pension plans in the Group vary according to the economic, tax and legal situation in the respective countries. There are individual commitments for members of the Executive Board. The obligations from defined benefit pension plans for Group employees relate primarily to obligations in Germany,

The pension plans in Germany have been closed to new members since 2006 and in the UK since 2008.

The composition of the defined benefit obligations is as follows:

in €k/30.09.2021	Defined benefit obligations (DBO)	fair value of plan assets	net obligation
Germany	289,213	487	288,726
France	35,103	-	35,103
Great Britain	78,391	91,534	-13,143
Other countries	3,766	-	3,766
balance sheet approach	406,473	92,021	314,452
of which: provisions for pensions			327,595
of which: other non-financial assets			13,143

In € thousand / September 30, 2020	Defined benefit obligations (DBO)	fair value of plan assets	net obligation
Germany	305,201	486	304,715
France	35,747		35,747
Great Britain	73,885	79,547	-5,662
Other countries	3,707		3,707
balance sheet approach	418,540	80,033	338,507
of which: provisions for pensions			344,169
of which: other non-financial assets			5,662

The changes in the present value of the defined benefit obligations are as follows:

in thousand €	2021	2020
Present value of the defined benefit obligations on 01.10.	418,540	433,982
Current service cost	9,537	10,742
interest expense	3,863	3,404
Actuarial Gains and Losses	-18,869	-17,255
Past service cost, curtailments and settlements	-86	-186
currency differences	4,307	-1,841
Pension payments made	-11,020	-10,538
Miscellaneous	201	232
Present value of defined benefit obligations on September 30th.	406,473	418,540

Most of the actuarial gains and losses result from changes in financial assumptions.

The change in the fair value of the plan assets is shown in the following table:

in thousand €	2021	2020
Fair value of the plan assets on 01.10.	80,033	84,633
interest income	1,199	1,461
Income / expenses from plan assets without amounts already included in the interest	5,836	-4,286
employer contributions	2,063	2,116
employee contributions	201	232
currency differences	4,658	-2,196
Pension payments made from plan assets	-1,969	-1,927
Fair value of the plan assets on September 30.	92,021	80,033

The following amounts are recognized in comprehensive income for defined benefit plans:

in thousand €	2021	2020
Current service cost	-9,537	-10,742
past service cost	86	186
interest expense	-3,863	-3,404
interest income	1,199	1,461
Components of defined benefit plans recognized in the income statement	-12,115	-12,499
Income / expenses from plan assets without amounts already included in the interest	5,836	-4,286
Actuarial Gains and Losses	18,869	17,255
Components of defined benefit plans recognized directly in equity	24,705	12,969

Interest expense and interest income are included in the financial result. The service cost and the past service cost are generally reported in the functional costs.

The total income from the plan assets amounted to €7.0 million in the past financial year (previous year: expense of €2.8 million).

The following key assumptions (average) were used as a basis for the actuarial calculation of the defined benefit pension plans:

	09/30/2021		09/30/2020	
in %	Germany	Rest	Germany	Rest
discount rate	0.95	1.59	0.80	1.26
salary trend	2.50	2.80	2.50	2.49
pension trend	1.75	-	1.75	-

The plan assets are mainly attributable to the plan in Great Britain and break down as follows:

	09/30/2021		09/30/2020	
	in thousand €	in %	in thousand €	in %
Shares	28,441	30.9	24,616	30.7
bonds	61,240	66.6	53,023	66.3
liquid funds	1,853	2.0	1,908	2.4
Miscellaneous	487	0.5	486	0.6
plan assets	92,021	100.0	80,033	100.0

The equity and bond positions are held in the form of funds for which redemption prices are regularly provided. Market price listings on active markets exist for the stocks and bonds contained in the fund. The market value of the plan assets is largely determined by the situation on the capital markets. Unfavorable developments, especially in stocks and bonds, could reduce the market value. The investment risk is limited by the broad diversification of the bond positions in the funds held and the high quality of the bond issuers.

The plan assets are mainly managed on the basis of a trust agreement by a trust association in Great Britain, which, among other things, defines the principles and the strategy for the capital investment activity.

In the investment strategy, attention is paid to sufficient diversification in order to spread the investment risk across different markets and asset classes. In addition, value is placed on sufficient congruence between the risk drivers on the investment and obligation side. When investing the plan assets, specifications regarding the type of investment and the geographic markets are observed. In the financial year and in the previous period, investments focused on securities from Great Britain.

Assuming otherwise unchanged assumptions, the increase in the discount rate by 25 basis points, as the relevant actuarial assumption, would lead to a reduction in the present value of the defined benefit obligations by €20.0 million. A reduction in the discount rate by 25 basis points corresponds to an increase in the present value of the defined benefit obligation by €19.2 million. The reality will likely differ.

An increase or decrease in the pension trend by 50 basis points would have a comparable impact on the present value of the obligations as a change in the discount rate by 25 basis points, all other assumptions remaining unchanged. However, a possible change in the salary trend would be insignificant.

On September 30, 2021, the weighted average term of the defined benefit obligations was 19.6 years (previous year: 19.0 years).

Pension payments of €9.8 million are expected for the 2022 financial year. Employer contributions to plan assets are expected to amount to €2.1 million.

Defined Contribution Plans

In addition to the defined benefit pension plans, there are also defined contribution plans in Germany, North America and China. In addition, contributions were paid to state pension insurance institutions in Germany.

The total expense for defined contribution plans breaks down as follows:

in thousand €	2021	2020
Defined contribution plans	3,381	2,994
State Plans	30,190	28,599
Total expense defined contribution plans	33,571	31,593

30. Provisions for income taxes and other provisions

in thousand €	Income tax provisions	Employee-Related Obligations	Other provisions Obligations from the sales business	Other Obligations
As of October 1st, 2020	21,854	164,653	374,226	74,992
Making use of resolution	-7,524	-123,920	-218,901	-12,112
feeding	-1,199	-2,784	-32,110	-8,303
Interest portion / interest rate change	46,650	166,125	330,414	26,702
currency differences	531	96	19	1
As of September 30, 2021	60,312	649	2,705	2,273
of which: long-term	-	204,819	456,353	83,553
of which: short-term	60,312	30,311	24,738	25,591
		174,508	431,615	57,962
in thousand €			Other provisions	In total
As of October 1st, 2020			613,871	635,725
Making use of resolution			-354,933	-362,457
feeding			-43,197	-44,396
Interest portion / interest rate change			523,241	569,891
currency differences			116	116
As of September 30, 2021			5,627	6,158
of which: long-term			744,725	805,037
of which: short-term			80,640	80,640
			664,085	724,397

Income tax provisions include obligations from current income taxes.

The employee-related obligations essentially include provisions for partial retirement, outstanding vacation, anniversaries and special annual payments. The obligations from the sales business mainly include provisions for warranty claims, sales bonuses and rebates as well as other sales promotion measures.

Other notes

31. Contingent Liabilities and Other Financial Obligations

As of the reporting date, the CLAAS Group has the following obligations:

in thousand €	09/30/2021	09/30/2020
Obligations to purchase property, plant and equipment	22,143	25,527
Bills of exchange, guarantees, etc.	18,644	23,748

As of September 30, 2021, there are future financial obligations of €12.1 million from leases that have already been concluded but not yet commenced.

32. Litigation and Claims for Damages

Companies of the CLAAS Group are involved in various lawsuits and official procedures in the course of general business operations or are exposed to claims by third parties or such procedures could be initiated or asserted in the future (e.g. relating to patents, product liability and deliveries and services). Even if the outcome of the individual proceedings cannot be predicted with certainty in view of the imponderables associated with legal disputes, according to current estimates, this will not have a significant negative impact on the earnings position beyond the risks considered as liabilities or provisions in the financial statements of the CLAAS Group.

33. Additional Disclosures on Financial Instruments

Carrying amounts of financial assets and liabilities by category

in thousand €	09/30/2021	09/30/2020
---------------	------------	------------

in thousand €	09/30/2021	09/30/2020
Financial assets at fair value through profit or loss	738,329	431,218
Financial assets at fair value through other comprehensive income	2,707	1,907
Financial assets measured at amortized cost	1,111,006	1,032,697
Financial liabilities at fair value through profit or loss	20,721	3,874
Financial liabilities measured at amortized cost	1,004,556	949,862

The carrying amounts of the financial assets and liabilities generally correspond to their fair values.

The values for financial liabilities differ: the carrying amount of financial liabilities was €757.4 million (previous year: €759.3 million), the fair value was €772.1 million (previous year: €774.0 million). €. The entire amount was attributable to Level 2 of the fair value hierarchy.

Fair value hierarchy

The market values of the financial assets and liabilities measured at fair value can be derived from the following basic data in accordance with the fair value hierarchy.

The following table shows the carrying amounts of the financial assets and liabilities measured at fair value, broken down by their measurement level. There were no reclassifications between the categories.

The individual levels according to IFRS 13 are defined as follows:

- Level 1 Valuation based on stock market prices from active markets for similar financial instruments
- Level 2 Valuation based on input data, which are not the stock exchange prices from active markets considered in Level 1, but which can be observed either directly or indirectly
- Level 3 Valuation based on models that are not based on input data observable on the market

in thousand €	09/30/2021			09/30/2020		
	level 1	level 2	level 3	level 1	level 2	level 3
securities	698,774	-	-	383,551	-	-
Derivative financial instruments	-	31,976	-	-	40,923	-
Other financial assets	-	-	10,286	-	-	8,651
Financial assets measured at fair value	698,774	31,976	10,286	383,551	40,923	8,651
Derivative financial instruments	-	20,721	-	-	3,874	-
Financial liabilities measured at fair value	-	20,721	-	-	3,874	-

Net result from financial instruments

The net gains or losses on financial instruments recognized in the consolidated income statement can be allocated to the following categories:

in thousand €	2021	2020
Financial assets and liabilities at fair value through profit or loss	-2,233	4,074
Financial assets measured at amortized cost	3,967	331
Financial liabilities measured at amortized cost	-27,403	-22,510
Net result from financial instruments	-25,669	-18.105

The net gains or losses on financial assets and liabilities measured at fair value through profit or loss mainly include the results from changes in market value.

In the case of financial assets measured at amortized cost, the net gains or losses include interest income, exchange rate effects, impairments, write-ups, realized gains on disposal and subsequent receipts from financial instruments that have been written off.

The net gains or losses on financial liabilities measured at amortized cost mainly include interest expenses and exchange rate effects.

34. Financial Derivative Instruments and Hedge Accounting

No hedge accounting is used for some of the derivative financial instruments. The changes in the market value of these derivatives are recognized in profit or loss. When using hedge accounting, derivative financial instruments are used to hedge future cash flows (cash flow hedge). There were no other hedging relationships in the financial year. The following table provides an overview of the derivative financial instruments used and their recognized fair values:

in thousand €	09/30/2021		09/30/2020	
	assets	liabilities	assets	liabilities
Forward Exchange Transactions	30,179	14,770	32,974	2,650
of which: cash flow hedges	(26,655)	(11,716)	(31,872)	(707)
Currency Options Transactions	1,797	5,951	7,845	1,224
of which: cash flow hedges	(723)	(-)	(4,886)	(-)
Other	-	-	104	-
of which: cash flow hedges	(-)	(-)	(-)	(-)
Derivative financial instruments	31,976	20,721	40,923	3,874
of which: long-term	9,511	-	19,872	-
of which: short-term	22,465	20,721	21,051	3,874

The cash flows from currency risks of long-term financial liabilities, which are hedged with cash flow hedges, are due in 2022 and are recognized in profit or loss. The realization of the underlying transactions of the cash flow hedges for currency risks from the operating business is mainly expected in the next 12 to 18 months. The effect of these hedges on earnings will therefore primarily be in the coming financial year.

The changes in value of cash flow hedges reclassified from equity to exchange rate results in the financial year amounted to €9.5 million (previous year: €-2.7 million).

The ineffective portion of cash flow hedges, which was recognized in profit or loss in the exchange rate result, amounted to €1.7 million (previous year: €0.3 million).

35. Financial Risk Management

Risk Management Principles

Due to its business activities, the CLAAS Group is exposed to market price risks, especially exchange rate and interest rate risks. On the procurement side, there are raw material price risks and risks relating to the general security of supply. In addition, credit risks arise from trade accounts receivable and from accounts receivable in connection with financial transactions, such as the investment of liquid funds or the purchase of securities. Liquidity risks could result from a significant deterioration in operational business, but also as a consequence of the aforementioned risk categories.

Market price risks are identified throughout the Group and measured, monitored and controlled centrally by Group Treasury. Systematic, central foreign exchange and interest rate management is used to limit and control exchange rate and interest rate risks. In addition to operational measures to limit risk, all common financial instruments, including derivative instruments, are used to control risk. All transactions are concluded exclusively on the basis of existing transactions or those based on concrete planning and are renewed on a rolling basis if necessary. Business partners are exclusively banks with very good credit ratings.

Credit risks are identified, monitored and controlled group-wide by the respective decentralized units, supplemented by the group credit management. The activities of the decentralized units focus on the operational monitoring and control of the respective risks, taking into account the locally adapted general conditions that were specified by the Group credit management. Group credit management defines general guidelines, which are used to monitor and control the decentralized transactions.

Since the management and supervisory bodies at CLAAS attach great importance to orderly risk management, a comprehensive monitoring system has been installed that takes legal requirements into account. In this context, the efficiency of the hedging instruments used and the reliability of the internal control systems are regularly checked through internal and external audits.

CLAAS practices strict risk management. Derivative financial instruments are used exclusively for risk management purposes, ie to limit and control risks in connection with the operative business. There is a strict spatial and organizational separation of functions between business transactions on the one hand and control and posting on the other. The scope for action in terms of amount and content is set out in internal guidelines. In the finance area, risk positions are continuously evaluated and analyzed using suitable systems. The analysis includes, among other things, simulation and scenario calculations. The responsible committees are regularly informed about the risk positions.

credit risks

CLAAS is exposed to credit risks in its operating business and from financing activities. These risks include the danger of an unexpected economic loss caused by a contractual partner not meeting its contractual payment obligations. They include both the direct default risk and the risk of a deterioration in creditworthiness, combined with the danger of a concentration of individual risks. The maximum risk from financial assets corresponds to the book value.

The effective monitoring and control of credit risks is a fundamental part of the risk management system. Group credit management has defined Group-wide principles for credit risk management. CLAAS carries out internal creditworthiness checks and classifications for all customers with a credit requirement that exceeds certain limits. The data for this is based not only on the closing documents to be submitted by the customer, but also on information from external credit rating agencies, on previous default experiences on the part of CLAAS and on experience from long-term partnerships with the customer.

The maximum default risk of trade receivables results from the book values recognized in the balance sheet. Default risks are covered by value adjustments. Specifically, no customer was responsible for a significant portion of the total volume of trade receivables.

In the course of the financial year and on the reporting date, there were no indications that the debtors of trade receivables that were neither impaired nor overdue would not meet their payment obligations.

The collateral held to minimize potential credit risks essentially includes credit insurance, guarantees from customers or banks and, in some cases, retention of title. There were no significant defaults in the 2021 financial year or in the previous year.

The CLAAS Group is exposed to credit risks when investing in cash and securities. There is a risk that debtors or issuers will not meet their payment obligations. In order to minimize these risks, issuers and debtors are carefully selected. According to the classification of the rating agency Standard & Poor's, these must have a rating of at least BBB. In order to further limit the potential default risk, the investments are broadly diversified. This is continuously monitored using a market and rating-oriented limit system. The basic annual investment strategy and the limit system are approved by the responsible bodies of the CLAAS Group.

Derivative financial instruments are used exclusively for risk management purposes. They are either measured individually at fair value or are part of hedge accounting. The maximum credit risk from derivative financial instruments corresponds to their positive market values. The influence of the counterparty risks on the market values is quantified using a credit value adjustment. Counterparties are exclusively international banks. The creditworthiness of the counterparties is checked on an ongoing basis using the credit ratings from rating agencies and using the market prices for default insurance. In addition, the default risk is limited by a broad diversification strategy.

Risks can also arise from financial guarantees issued. As of September 30, 2021, the maximum risk of an imminent claim was €1.6 million (previous year: €1.1 million). The fair value was determined at the time of addition using the expected value method. Credit risk reductions (proceeds from realization) and risks that could arise with a default probability of 5% to 10% (previous year: 5% to 10%) were taken into account.

liquidity risks

The CLAAS Group takes a variety of measures to effectively counteract liquidity risks. Ensuring solvency at all times is the absolutely necessary basic objective for liquidity management. In addition, a comfortable and cost-efficient level of liquidity is sought, which allows an appropriate, opportunity-oriented reaction to a dynamic market environment. The provision of financing commitments (see item 25) and liquid funds serve these goals, as does the ABS program (see item 19) and international cash management. Liquidity development is continuously monitored in the form of daily, weekly and monthly analyzes and reports with an increasing level of detail, and future liquidity requirements are regularly forecast as part of the financial planning process. The financial planning process includes a rolling three-month plan as well as a one- and five-year plan. In addition, the development of financing conditions for CLAAS on the financial markets is continuously monitored in order to be able to proactively counter refinancing risks at an early stage.

The following overview shows the undiscounted, contractually agreed payment obligations from the liabilities in the following financial years:

in €/30.09.2021	2022	2023	2024	2025	2026	thereafter
financial debt	266,412	137,021	75,039	14,089	10,854	316,436
silent participation	7,984	5,614	9,356	5,754	5,913	23,846
liabilities from goods and services	278,375	-	-	-	-	-
Derivative financial instruments	20,746	-	-	-	-	-
Other financial liabilities	22,333	579	-	-	-	-
payouts	595,850	143,214	84,395	19,843	16,767	340,282
in €/30.09.2021						In total
financial debt						819,851
silent participation						58,467
liabilities from goods and services						278,375
Derivative financial instruments						20,746
Other financial liabilities						22,912
payouts						1,200,351
in €/30.09.2020	2021	2022	2023	2024	2025	thereafter

in €k/30.09.2020	2021	2022	2023	2024	2025	thereafter
financial debt	103,741	225,032	116,933	67,203	13,446	318,245
silent participation	5,707	5,240	5,693	9,544	5,837	23,000
liabilities from goods and services	233.115	-	-	-	-	-
Derivative financial instruments	3,880	-	-	-	-	-
Other financial liabilities	15,529	556	-	-	-	-
payouts	361,972	230,828	122,626	76,747	19,283	341,245
in €k/30.09.2020						In total
financial debt						844,600
silent participation						55.021
liabilities from goods and services						233.115
Derivative financial instruments						3,880
Other financial liabilities						16,085
payouts						1,152,701

currency risks

Due to the international orientation of the CLAAS Group, risks from exchange rate fluctuations are associated with the operating business and financial transactions. These result in particular from fluctuations in the US dollar, the pound sterling, the Polish zloty, the Hungarian forint, the Russian ruble and the Chinese renminbi against the euro. A currency risk arises in the operating business above all when revenue is generated in a different currency than the associated costs (transaction risk). In order to counteract these effects effectively, CLAAS operates a central currency management system, which is the responsibility of Group Treasury.

In order to determine the overall risk positions, the future operational cash inflows and outflows per currency are recorded centrally for each financial year. A basic hedging strategy is developed for the resulting net positions, taking into account the risk-bearing capacity, the market assessment and the competitive situation in the respective target market. This should effectively protect the CLAAS Group from negative market developments, but also enable it to participate in beneficial developments. The hedging horizon is typically between one and two years. The hedging strategy is approved by the responsible body of the CLAAS Group and implemented by the Group Treasury through the conclusion of financial derivatives. The implemented hedging strategy is continuously monitored by Group Treasury and adjusted if necessary. The management and the responsible body are regularly informed about the current status of the currency risk position by means of a corresponding reporting system.

Financing and investment-related currency risks are - insofar as this is possible and appropriate - integrated into operational exposure planning or hedged individually, ie on a case-by-case basis.

The following scenario analysis shows the value of the financial instruments denominated in foreign currency with a price development of plus 10% or minus 10% compared to the actual closing rate. They are reported separately, depending on whether the items are recorded in equity (through hedge accounting) or at market value (fair value) in the result. In accordance with the requirements of IFRS 7, the future underlying transaction positions that the derivatives portfolio actually serves to hedge are not included here. Findings within the framework of the considerations made here relate exclusively to derivative financial instruments. The values therefore have no meaningfulness with regard to the future overall effects of exchange rate fluctuations on the cash flow or earnings of the CLAAS Group. In addition to the analysis of the market value risk of the currency derivatives listed here, the internal risk management and the regular information to the responsible committees are based primarily on meaningful scenario analyzes with regard to the overall risk position, which take into account both the underlying transaction positions and the hedging portfolio. Foreign currency loans are usually hedged using forward exchange transactions. In addition to the analysis of the market value risk of the currency derivatives listed here, the internal risk management and the regular information to the responsible committees are based primarily on meaningful scenario analyzes with regard to the overall risk position, which take into account both the underlying transaction positions and the hedging portfolio. Foreign currency loans are usually hedged using forward exchange transactions. In addition to the analysis of the market value risk of the currency derivatives listed here, the internal risk management and the regular information to the responsible committees are based primarily on meaningful scenario analyzes with regard to the overall risk position, which take into account both the underlying transaction positions and the hedging portfolio. Foreign currency loans are usually hedged using forward exchange transactions.

	09/30/2021		09/30/2020	
in thousand €	Equity capital	Result	Equity capital	Result
Actual Market Value	15,657	-4,417	36,057	890
Market value with a price development of +10%	30,667	22,072	43,875	25,466
U.S. dollar	8,596	14,493	19,432	19,567
British pound	11,642	7,544	11,081	4,593
Polish zloty	8,057	3,175	5,806	1,349
Russian ruble	2,712	-3,285	8,097	-1,480
Chinese renminbi	1,290	672	1,409	1,482
Hungarian forint	-1,630	-4,278	-1,950	-2,772
Other	-	3,751	-	2,727
Market value with a price development of - 10%	6,420	-44,822	32,987	-29,521
U.S. dollar	29,669	-27,116	40,162	-18,419
British pound	-11,695	-11,701	-6,274	-5,667
Polish zloty	-3,941	-4,081	-2,511	-2,060
Russian ruble	-6,180	2,503	1,894	1,918
Chinese renminbi	-2,840	-2,217	-955	-2,432
Hungarian forint	1,407	1,478	671	657
Other	-	-3,688	-	-3,518

There are also exchange rate risks relating to the translation of the net assets tied up at foreign subsidiaries outside the euro zone and their income and expenses (translation risk), against which the CLAAS Group does not generally hedge based on efficiency and materiality considerations.

interest rate risk

In principle, CLAAS is exposed to interest rate risks for assets and liabilities. These risks can result from financing measures such as bonds or liabilities to banks, but also from the effects of interest rate changes on liquidity positions. For the CLAAS Group, both the original procurement and investment of capital and the subsequent management of items within the framework of targets, including with regard to maturities and fixed interest rates, are carried out centrally by Group Treasury in

consultation with the responsible committees. Derivative interest rate instruments are also used for control purposes. These items are recorded at market value and continuously monitored on a market value basis. The resulting risks are measured, among other things, through the use of value-at-risk analyses.

The value at risk is determined on the basis of a Monte Carlo simulation. The confidence level is 99.0% and a holding period of ten days is assumed. The resulting key figure is therefore the loss in market value of the portfolio of all interest-sensitive instruments, which after ten days will only be exceeded with a probability of 1.0%. Currency derivatives are not included. Although these may be subject to interest rate-related changes in value, the extent is insignificant. As of the balance sheet date, the value at risk of all interest-sensitive financial instruments was €1.6 million (previous year: €2.4 million).

commodity price risks

CLAAS is exposed to risks from changes in goods prices from the procurement of advance services. Derivative financial instruments are used to a limited extent, in particular to hedge against risks arising from price changes for industrial metals and natural rubber. The resulting risks are insignificant.

36. Information on the consolidated cash flow statement

The consolidated cash flow statement is broken down into cash flows from operating, investing and financing activities. The effects of changes in the scope of consolidation on cash and cash equivalents are shown separately in the cash flow from investing activities. The influence of exchange rate changes on cash and cash equivalents has been eliminated from the individual cash flows and is shown separately.

The following cash flows are included in the cash flow from operating activities:

in thousand €	2021	2020
Interest Paid	23,622	26,152
Interest Received	7,736	7,594
Dividends Received	19,554	2,668
Income Taxes Paid	68,736	39,732

Liabilities from financial debt changed as follows:

in thousand €	2021	2020
Financial debts on 01.10.	759,290	777,171
Cash inflows / outflows	-31,404	-12,594
currency differences	1,906	-1,178
Foreign currency valuation of bonds	3,370	-19,845
Non-cash lease changes	24,189	15,736
Financial debts on 09/30	757,351	759,290

37. Relationships with related companies and persons

Associated companies and joint ventures accounted for using the equity method and persons who can exercise a significant influence on the CLAAS Group are referred to as related companies and persons. The latter include the members of the Group Management, the Supervisory Board and the Shareholders' Committee as well as members of the Claas families.

The following table shows the extent of the CLAAS Group's business relationships with related companies:

in thousand €	Associated Companies		joint venture	
	2021	2020	2021	2020
income	33,106	29,849	208,136	132,827
expenditure	6,455	4,103	248,893	215,976
requirements	8,654	8,960	35,220	31,320
liabilities	62	90	17,532	15,225

Receivables and liabilities mainly result from deliveries and services.

In the year under review, members of the Claas family granted loans totaling €46.1 million (previous year: €46.6 million), of which €4.1 million (previous year: €4.6 million) within are due one year.

Other than that, the CLAAS Group has not conducted any significant transactions with related companies or persons.

All transactions with affiliated companies and persons were processed on the terms customary with third parties.

The remuneration of the Supervisory Board and the Shareholders' Committee totaled €1.5 million in the 2021 financial year (previous year: €1.5 million).

The following remuneration accrued to the members of the Executive Committee:

in thousand €	2021	2020
Current payments	5,770	4,436
Provisions for retirement benefits	85	68
Total remuneration of the members of the Executive Committee	5,855	4,504

Retirement benefits of €0.7 million (previous year: €0.8 million) were paid to former members of the management of CLAAS KGaA mbH / Group management. The recognized obligations for current pensions and entitlements of former members of the management of CLAAS KGaA mbH / Group Management amounted to €13.0 million as of the balance sheet date (previous year: €15.5 million).

38. Auditor's Fees

The following fees were recognized as expenses for the services rendered by the auditor of the consolidated financial statements, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, in the year under review:

The auditing services include the audit of the annual financial statements of CLAAS KGaA mbH and the consolidated financial statements as well as the audits of the financial statements of the domestic subsidiaries.

in thousand €	2021	2020
Final Examination Services	633	632
Other Confirmation Services	31	42
Tax Advisory Services	158	154
Other services	11	5

in thousand €	2021	2020
Auditor's Fees	833	833

39. Utilization of Section 264 (3) HGB and Section 264b HGB

The following domestic subsidiaries have partially made use of the exemption provision of Section 264 (3) HGB and Section 264b HGB:

- 365 FarmNet Group KGaA mbH & Co KG, Harsewinkel
- Claas Investment Management GmbH, Harsewinkel
- CLAAS E-Systems GmbH, Dissen am Teutoburg Forest
- CLAAS Global Sales GmbH, Harsewinkel
- Claas Industrietechnik GmbH, Paderborn
- Claas Material Handling GmbH, Harsewinkel
- Claas Saulgau GmbH, Bad Saulgau
- CLAAS self-propelled harvesting machines GmbH, Harsewinkel
- Claas Service and Parts GmbH, Harsewinkel
- CLAAS Vertriebsgesellschaft mbH, Harsewinkel

40. Events after the Balance Sheet Date

There were no events or developments after the end of the financial year that would have led to a material change in the presentation or the valuation of the individual assets or liabilities as of September 30, 2021 or that would have to be reported.

41. Statement of Shareholdings

	Company name and registered office	capital share in %	Held via serial no.
I. Affiliated companies included in the consolidated financial statements			
running No.	inland		
1	CLAAS limited partnership on shares Ltd., Harsewinkel		
2	BLT Brandenburger Landtechnik GmbH, Liebenthal	50.6	17
3	CHW Fund, Munich		
4	Claas Investment Management GmbH, Harsewinkel	100.0	1
5	CLAAS Bordesholm GmbH, Bordesholm	82.4	17
6	CLAAS Braunschweig GmbH, Schwülper	100.0	17
7	Claas Central Asia Investment GmbH, Harsewinkel	100.0	1
8th	CLAAS E-Systems GmbH, Dissen am Teutoburg Forest	100.0	1
9	CLAAS Global Sales GmbH, Harsewinkel	100.0	1
10	Claas Industrietechnik GmbH, Paderborn	100.0	1
11	Claas Material Handling GmbH, Harsewinkel	100.0	1
12	Claas Eastern Europe Investments GmbH, Harsewinkel	100.0	1
13	Claas Saulgau GmbH, Bad Saulgau	100.0	1
14	CLAAS self-propelled harvesting machines GmbH, Harsewinkel	100.0	1
15	Claas Service and Parts GmbH, Harsewinkel	100.0	1
16	CLAAS Thuringia GmbH, Schwabhausen	90.0	17
17	CLAAS Vertriebsgesellschaft mbH, Harsewinkel	100.0	1
18	CLAAS Weser Ems GmbH, Molbergen	100.0	17
19	365 FarmNet GmbH, Berlin	100.0	20
20	365 FarmNet Group KGaA mbH & Co KG, Harsewinkel	100.0	1/21
21	365 FarmNet Verwaltungs GmbH, Gütersloh	100.0	1
	Abroad		
22	Canada West Harvest Center Inc., Kelowna / Canada	100.0	29
23	CLAAS Agricoltura SRL, Milan / Italy	100.0	41
24	CLAAS Agricultural Machinery (Shandong) Co. Ltd., Gaomi / China	100.0	36
25	CLAAS Agricultural Machinery Private Limited, New Delhi / India	100.0	9/15
26	CLAAS Agricultural Machinery Trading (Beijing) Co. Ltd., Beijing / China	100.0	30
27	CLAAS América Latina Representação Ltda., Porto Alegre / Brazil	100.0	1/9
28	CLAAS Argentina SA, Sunchoales / Argentina	100.0	1
29	CLAAS Canada Holdings Inc., Kelowna / Canada	100.0	1
30	CLAAS East Asia Holding Ltd., Hong Kong / China	100.0	1

	Company name and registered office		capital share in %	Held via serial no.
31	CLAAS Eastern Ltd., Saxham / Great Britain		100.0	53
32	Claas Financial Services Inc., Wilmington / Delaware / USA		100.0	45
33	CLAAS France Holding SAS, Velizy / France		100.0	1
34	CLAAS France SAS, Ymeray / France		100.0	33
35	CLAAS Global Sales Americas Inc., Wilmington / Delaware / USA		100.0	9
36	CLAAS Greater China Holding Ltd., Hong Kong / China		100.0	1
37	CLAAS Holdings Ltd., Saxham / Great Britain		100.0	1
38	CLAAS Hungária Kft., Törökszentmiklós / Hungary		100.0	1
39	CLAAS Ibérica SA, Madrid/Spain		100.0	1
40	CLAAS India Private Ltd., Faridabad / India		100.0	1
41	CLAAS Italia SpA, Vercelli / Italy		100.0	1
42	CLAAS Manns Ltd., Saxham / Great Britain		100.0	53
43	CLAAS Middle East - FZE, Dubai / United Arab Emirates		100.0	9
44	CLAAS North America Holdings Inc., Omaha / Nebraska / USA		100.0	1
45	CLAAS of America Inc., Omaha / Nebraska / USA		100.0	44
46	CLAAS Omaha Inc., Omaha / Nebraska / USA		100.0	44
47	CLAAS Polska Sp. z oo, Poznań / Poland		100.0	1
48	CLAAS Regional Center Central Europe GmbH, Spillern / Austria		100.0	1
49	CLAAS Regional Center South East Asia Ltd., Bangkok / Thailand		100.0	1
50	CLAAS Regional Center South East Europe SRL, Afumați / Romania		100.0	1
51	CLAAS Réseau Agricole SAS, Ymeray / France		100.0	52
52	CLAAS Tractor SAS, Velizy / France		100.0	33
53	CLAAS UK Ltd., Saxham / Great Britain		100.0	37
54	CLAAS Western Ltd., Saxham / Great Britain		100.0	53
55	Mercator Purchasing SA, Luxembourg / Luxembourg			
56	Nebraska Harvest Center Inc., Wilmington / Delaware / USA		100.0	44
57	OOO CLAAS Vostok, Moscow / Russia		100.0	1
58	OOO CLAAS, Krasnodar / Russia		99.0	12
59	S@T-INFO SAS, Chalon-sur-Saône / France		100.0	33
60	TOV CLAAS Ukraina, Kyiv / Ukraine		100.0	1
61	Usines CLAAS France SAS, Metz-Woippy / France		100.0	33
62	365 FarmNet France SAS, Ymeray / France		100.0	33
II. Associated companies accounted for using the equity method				
63	CLAAS Financial Services LLC., San Francisco/California/USA		49.0	45/32
64	GJ's Harvest Center Inc., Ontario / Canada		34.5	29
65	Mecklenburger Landtechnik GmbH, Prützen / Germany		25.1	17
66	Schmahl Landtechnik Upahl GmbH & Co., Upahl / Germany		45.0	17
67	Schmahl Landtechnik Upahl Verwaltungs GmbH, Upahl / Germany		45.0	17
68	SM3 CLAAS SAS, Fleury / France		42.0	51
69	Worch Landtechnik GmbH, Schora / Germany		39.0	17
III. Joint ventures and joint operations accounted for using the equity method				
70	Claas Financial Services Ltd., Basingstoke / Great Britain		49.0	53
71	Claas Financial Services SAS, Puteaux / Paris / France		49.0	1
72	Fricke Landtechnik GmbH, Demmin / Germany		25.1	17
73	GIMASAS, Beauvais / France		50.0	52
74	TechnikCenter Grimma GmbH, Mutzschen / Germany		30.0	17
75	Uz CLAAS Agro MChJ, Tashkent / Uzbekistan		49.0	7
IV. Significant other investments				
		Subscribed capital	capital share in %	Held via serial no.
76	AGRAVIS Technik Hessen-Pfalz GmbH, Fritzlar / Germany	EUR 700,000	10.0	17
77	AgXeed Holding BV, Venray / Netherlands	EUR 183	3.7	4
78	BayWa AG Center Ltd., Crossfield / Alberta / Canada	CAD 555,557	10.0	29
79	CLAAS Main-Donau GmbH & Co. KG, Gollhofen / Germany	EUR 1,200,000	10.0	17

	Company name and registered office			capital share in %	Held via serial no.
80	CLAAS Nordostbayern GmbH & Co. KG, Altenstadt an der Waldnaab / Germany	EUR	750,000	10.0	17
81	CLAAS Southeast Bavaria GmbH, Töging am Inn / Germany	EUR	700,000	10.0	17
82	CLAAS Württemberg GmbH, Langenau / Germany	EUR	800,000	10.0	17
83	CS Parts Logistics GmbH, Bremen / Germany	EUR	1,550,000	50.0	15
84	DESICO SA, Florentino Ameghino / Buenos Aires / Argentina	ARS	13,333	10.0	28
85	German Research Center for Artificial Intelligence GmbH, Kaiserslautern / Germany	EUR	1,248,000	4.2	1
86	E-FARM GmbH, Hamburg / Germany	EUR	34,628	11.8	4
87	Landtechnik Steigra GmbH, Steigra / Germany	EUR	615,000	15.1	17
88	LTZ Chemnitz GmbH, Hartmannsdorf / Germany	EUR	750,000	10.0	17
89	MD-Betriebs-GmbH, Munich / Germany	EUR	25,000	10.0	17
90	NOB-Betriebs-GmbH, Altenstadt an der Waldnaab / Germany	EUR	25,000	10.0	17
91	Pellenc Languedoc Roussillon SAS, Lézignan-Corbières / France	EUR	1,000,000	35.0	51
92	Tingley Implements Inc., Lloydminster / Canada	CAD	1,092,000	10.0	45

Management statement on the preparation of the consolidated financial statements

These consolidated financial statements as of September 30, 2021 and the group management report were prepared on November 24, 2021 by the management of CLAAS KGaA mbH, which is responsible for the completeness and correctness of the information contained therein. The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU). The previous year's figures have been determined according to the same principles. The consolidated financial statements were supplemented by a group management report and other explanations required under Section 315e HGB.

The correctness and compliance of the consolidated financial statements and the Group management report with the legal requirements are guaranteed by the internal control systems, Group-wide guidelines and the continuous training and further education of the employees. Compliance with the guidelines set out in the Group-wide risk management manual and the reliability and functionality of the control systems are continuously checked by the internal audit department. After carefully examining the current risk situation, we have found that there are no specific risks that could jeopardize the continued existence of the CLAAS Group.

Harsewinkel, November 24, 2021

The Executive Board of the CLAAS Group