



FY2011 3rd Quarter Financial Results

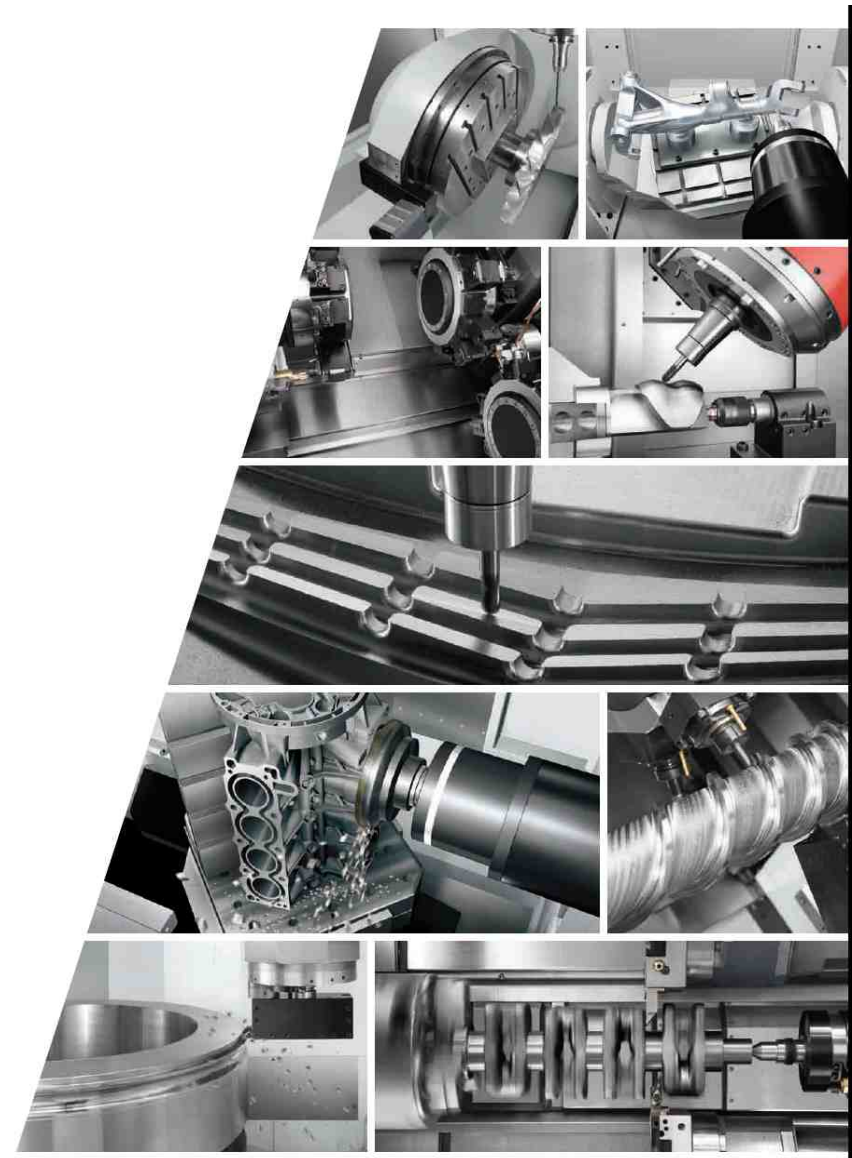
MORI SEIKI CO., LTD.

2012/2/2

This material contains targets, plans, etc, concerning the future of Mori Seiki and the Mori Seiki Group. All predictions concerning the future are judgments and assumptions based on information available to Mori Seiki at the time of writing. There is a possibility that the actual future results may differ significantly from these forecasts, due to changes in management policy or changes in external factors.

There are many factors which contain elements of uncertainty or the possibility of fluctuation, including the following:

- Fluctuations in exchange rates
- Changes to the laws, regulations and government policies in the markets where Mori Seiki conducts its business
- Mori Seiki's ability to develop and sell new products in a timely fashion
- Instability of governments in the markets where Mori Seiki conducts its business





Key Messages

FY2011 3Q Result (cumulative)

Sales 110.3 Bil Yen Operational Profit 3.9 Bil Yen

1. 3rd quarter sales and profit as planned
- 2 . Order intake remains at high level
Recovery demand from Thai flood boosts up Asian OI
- 3 . Sales and service collaboration with DMG starts in Europe
- 4 . Consolidated production capacity over 500/m on avg.



Consolidated Profit and Loss Statement

(Million Yen)	FY2010			FY2011		
	1st Half Result	3Q Result	Full Year Result	1st Half Result	3Q Result	Full Year Plan (as of 2011/10)
Net sales	46,590	78,360	120,428	71,812	110,311	152,000
Operating profit	-5,740	-5,366	320	2,328	3,856	6,300
Operating margin	-12.3%	-6.8%	0.3%	3.2%	3.5%	4.1%
Ordinary profit	-6,305	-6,032	566	1,075	2,476	4,100
Ordinary margin	-13.5%	-7.7%	0.5%	1.5%	2.2%	2.7%
Net profit	-6,108	-5,895	1,307	1,225	1,770	3,900
Exchange rate (1USD=)	88.9	86.8	85.7	79.8	79.0	78.0
Exchange rate (1EUR=)	113.8	113.3	113.1	113.8	110.6	108.0

*4Q exchange rate forecast 1USD=¥75, 1EURO=¥100



Consolidated Balance Sheet

Unit: Mill Yen

As of Mar 2011 Total Asset 171,949

Cash	7,418	Accounts payable	11,451
Account receivables	32,085	Debt	47,755
Inventories	38,836	(Financial liabilities)	45,172
		(Convertible bonds)	2,583
		Other liabilities	17,415
Long-term tangible assets	54,421	Net assets	95,328
		(Shareholders' Equity)	96,360
Other assets	39,189		
Net Debt			40,337
Shareholders' Equity Ratio			54.6%



As of Dec 2011 Total Asset 184,873

Cash	5,859	Accounts payable	12,435
Account receivables	27,540	Debt	64,980
Inventories	49,275	(Financial liabilities)	32,397
		(Convertible bonds)	2,583
		(straight bonds)	30,000
		Other liabilities	18,747
Long-term tangible assets	55,709	Net assets	88,710
		(Shareholders' Equity)	94,714
Other assets	46,490		
Net Debt			59,121
Shareholders' Equity Ratio			47.2%



Cash Flow

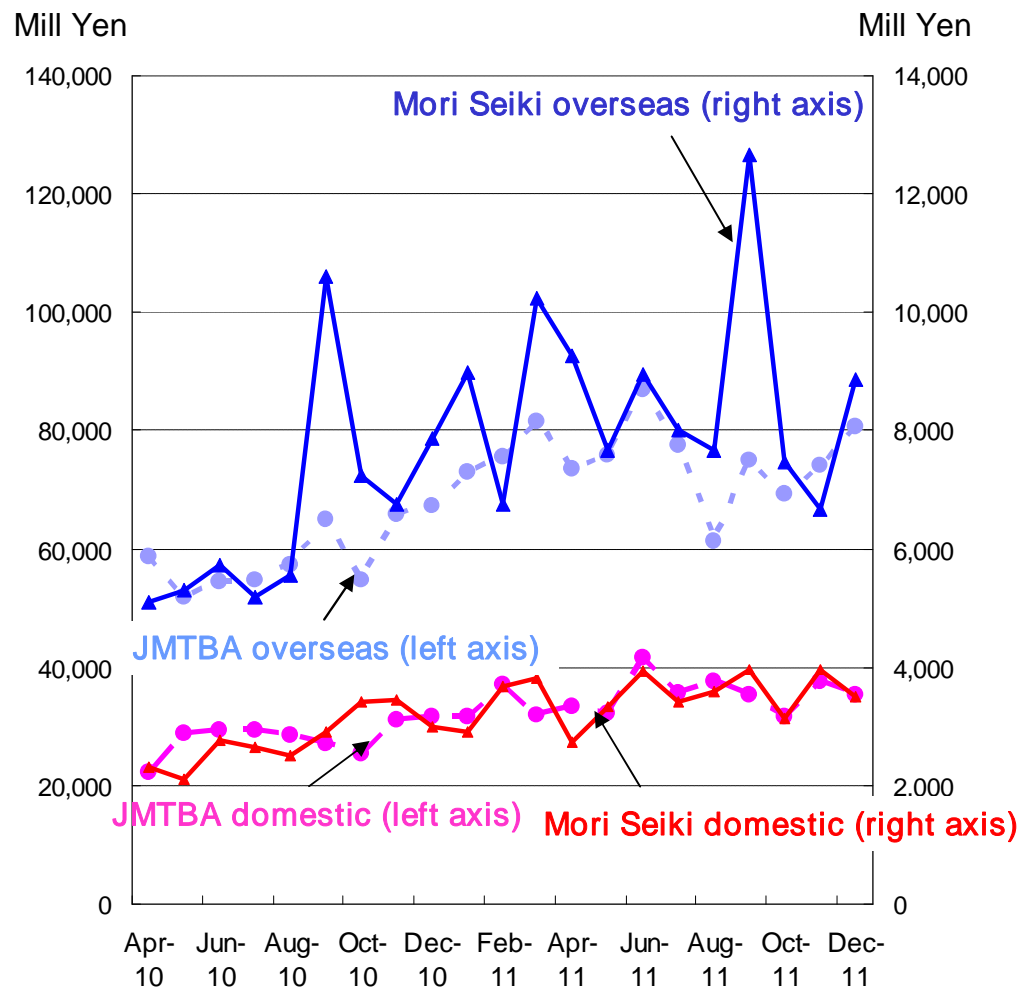
(Million Yen)	FY2010 3Q(4-12) Result	FY2011 3Q(4-12) Result
Net cash flow used in operating activities	-10,108	3,226
Net cash flow used in investing activities	-2,790	-18,985
Net cash flow used in financing activities	12,407	14,648
Cash and cash equivalents at end of the Quarter	6,917	5,855



Order Intake JMTBA / Mori Seiki

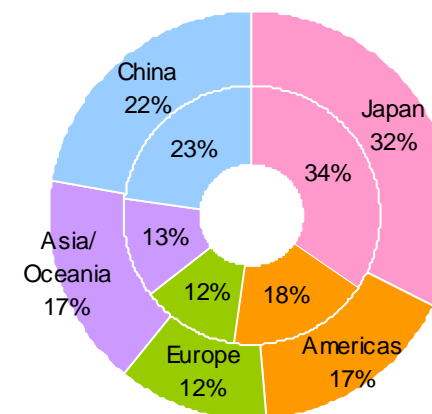
➤ Asian order ratio increased for both JMTBA and Mori Seiki

*Based on amount
*Machine body + S&P



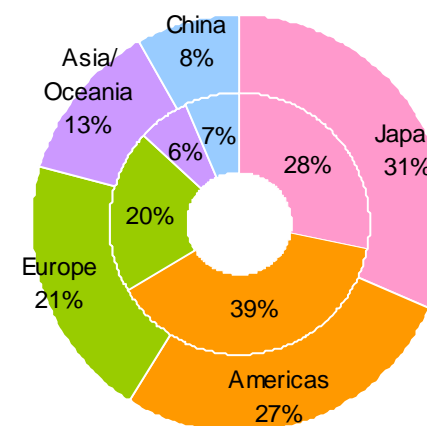
[JMTBA]

Inner circle: FY2011_ Apr-Sep
Outer circle: FY2011_Oct-Dec



[Mori Seiki]

Inner circle: FY2011_ Apr-Sep
Outer circle: FY2011_Oct-Dec





3Q Order Breakdown (by Industry)

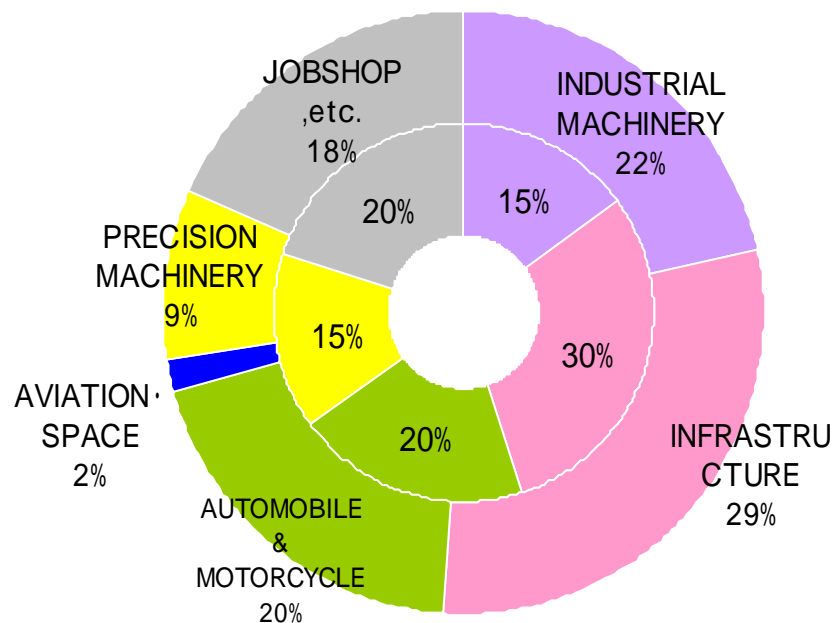
- In domestic markets, general machinery customers increased
- In overseas markets, automobile and motorcycle customers increased

*Based on amount

*Machine body

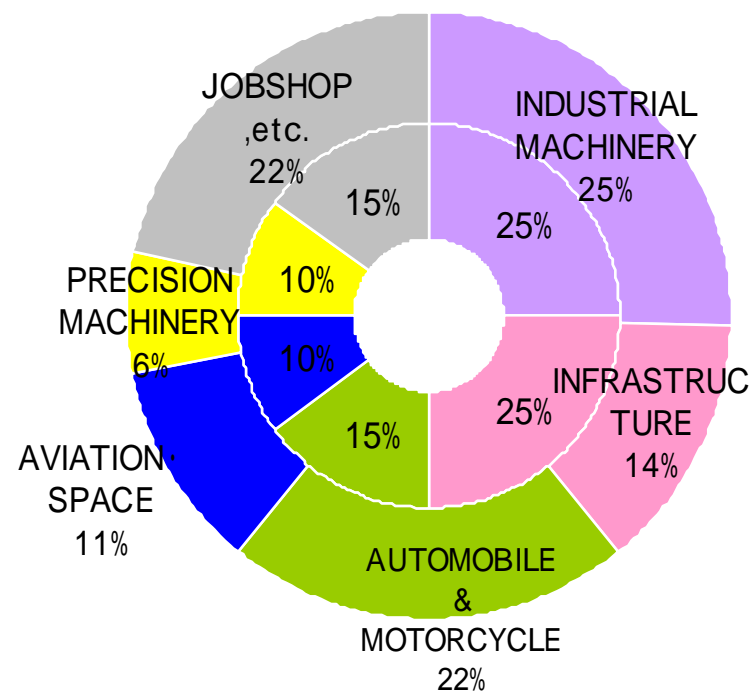
[Domestic]

Inner circle: FY2011_ Apr-Sep
Outer circle: FY2011_ Oct-Dec



[Overseas]

Inner circle: FY2011_ Apr-Sep
Outer circle: FY2011_ Oct-Dec

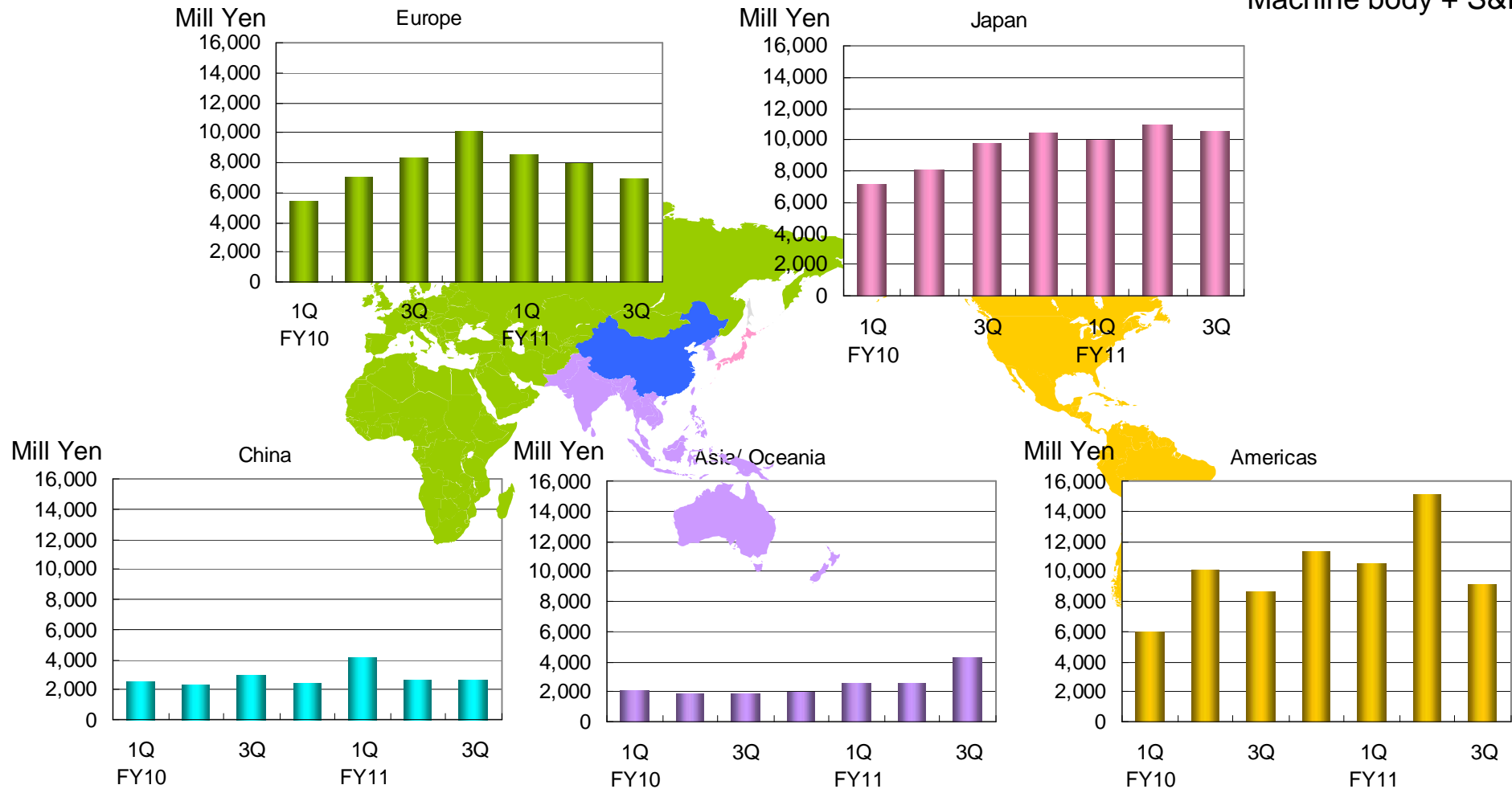




Regional Order Trend

➤US and Japan : steady movement, Asia: double increase

*Based on amount
*Machine body + S&P





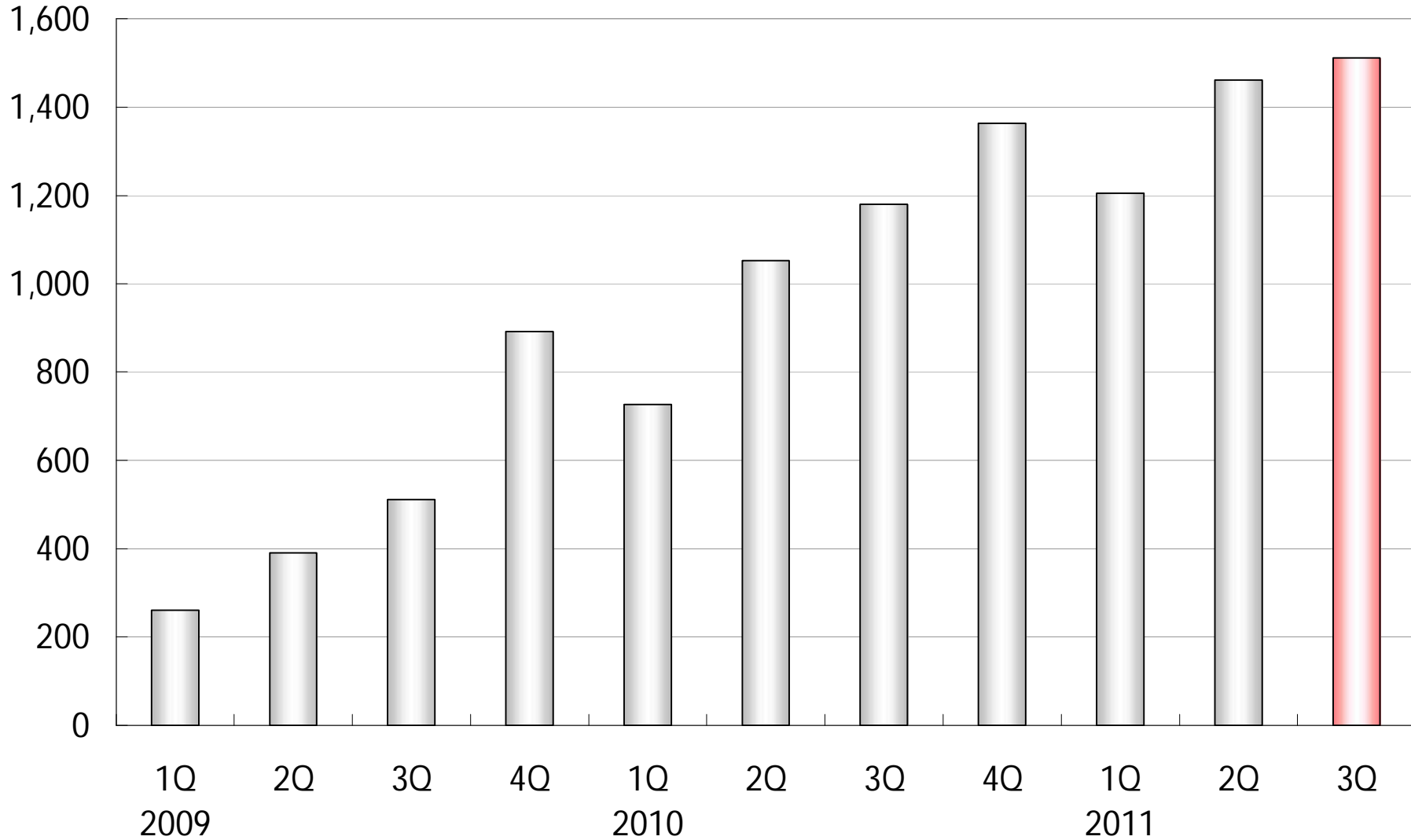
Regional Sales

(Million Yen)	FY2010 3rd Q (4-12)		FY2011 3rd Q (4-12)		FY2010 Full Year		FY2011 Full Year Forecast	
				(Y/Y growth)				(Y/Y growth)
Net sales	78,360	110,311	40.8%		120,428	152,000	26.2%	
Domestic	28,864	36,390	26.1%		44,531	53,200	19.5%	
Overseas	49,496	73,921	49.3%		75,897	98,800	30.2%	
Americas	19,352	32,052	65.6%		29,695	42,100	41.8%	
Europe	16,759	25,886	54.5%		25,912	34,000	31.2%	
Asia(Incl. China)	13,384	15,981	19.4%		20,288	22,700	11.9%	



Trend of Units Produced (Consolidated)

➤ 1,511 units produced in 3Q, 500 units/m production is underlined





Historical order intakes and backlogs (Consolidated)





Flood Recovery in Thailand

- Steep order increase in Thailand and surrounding countries from November

[Field Inspection and Service]

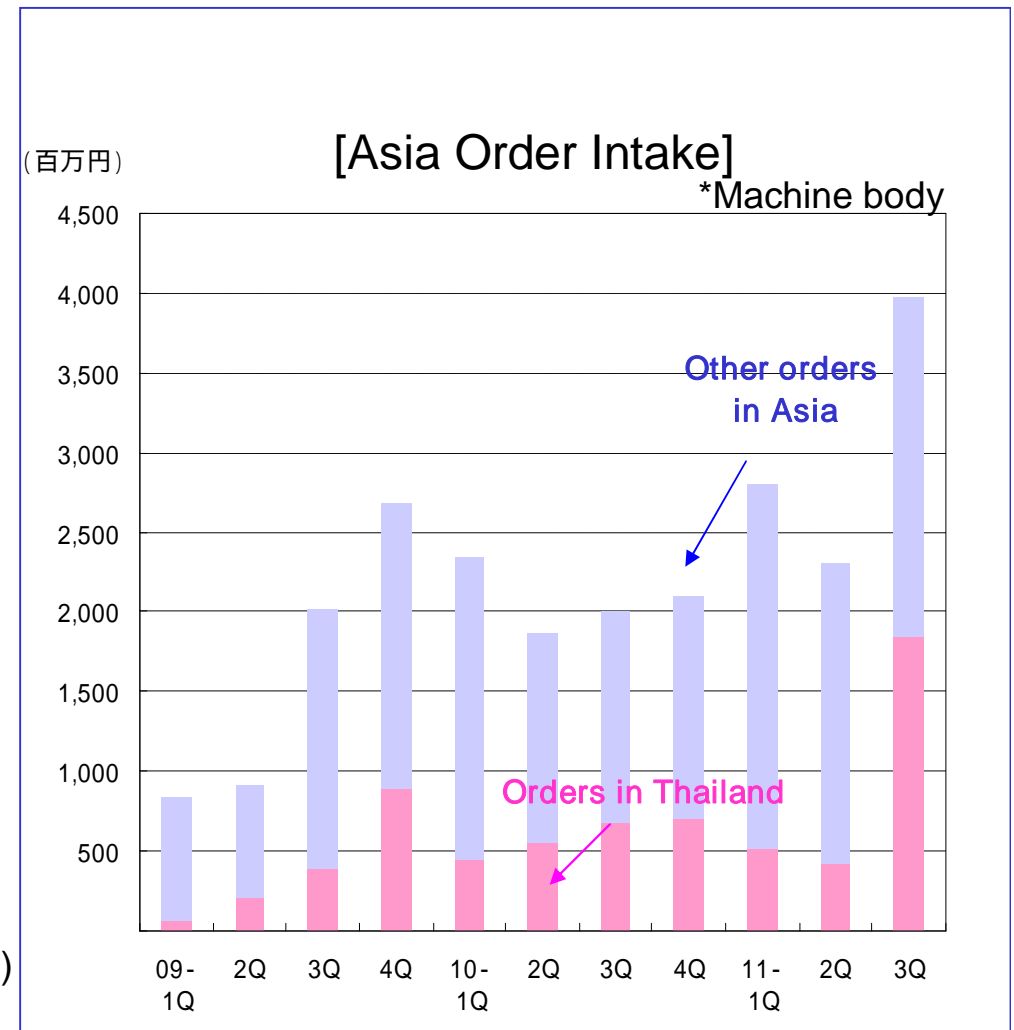
December 20 staff, January 10 staff

[Production]

Machines for replacement demand will be produced from Jan to Apr 2012



Discharging water (picture taken near Ayutthaya TC)





Progress of Collaboration with DMG

Procurement (Common parts)



Integrate Sales Service network

Collaboration start



DMG machines sold by MoriSeiki (units)

MoriSeiki machines sold by DMG (units)

29

198

180

353

329

R&D/Production

New Ecoline
DMU50/70
NHX5000 (Siemens)
NLX2500

Procurement

Casting
Standardization of Control panel

CY2009

2010

2011

2012

March: Obtained 5% of DMG shares

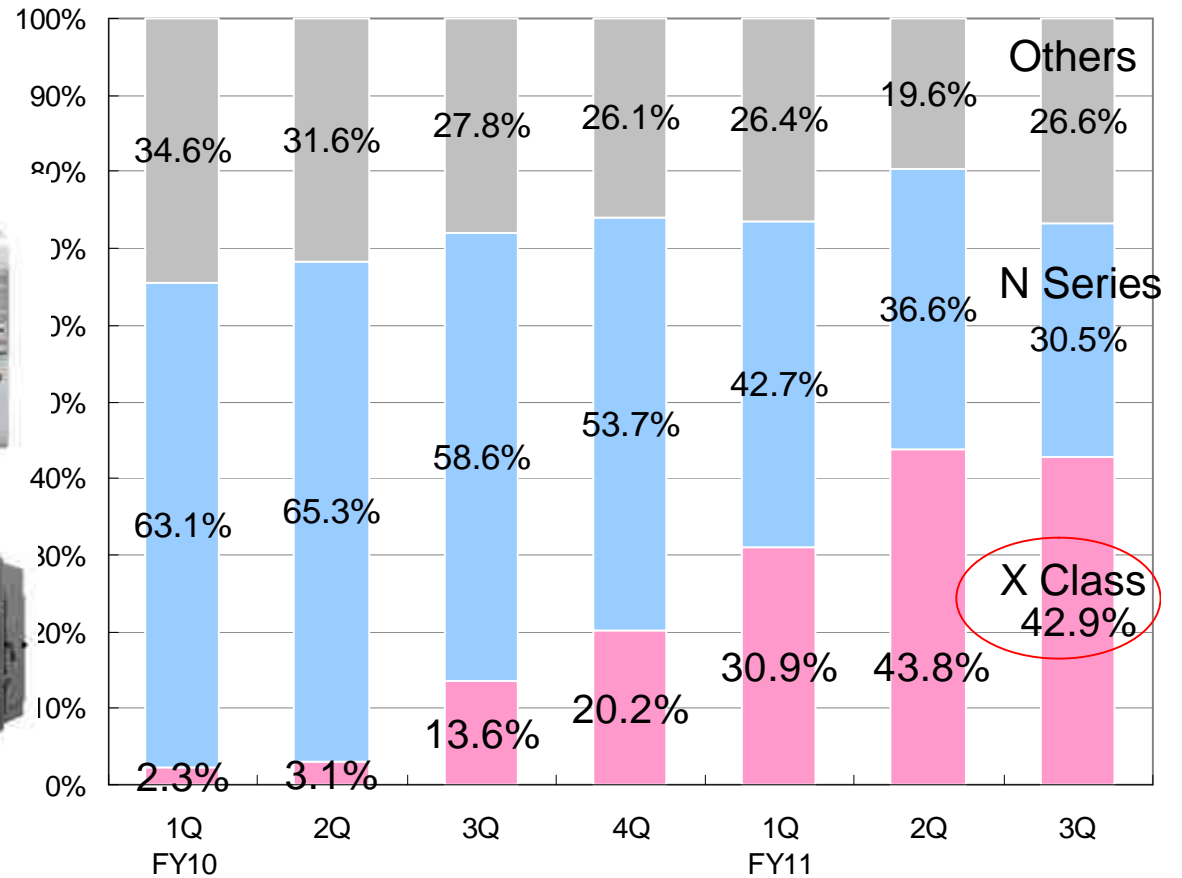
April: Obtained 20.1% of DMG shares



Progress of GQ-C-SI 123

➤ X-Class is well received by market. Further refinement is our next target.

*Based on order intake unit





Grand Opening of Shanghai Solution Center



Period : November 11-14, 2011 (Opening Ceremony November 10, 2011)

Place : Shanghai Solution Center

No 331, Guang Zhong Road, Minhang District Shanghai

Machines : NH6300 DCGII, NHX4000 w/RPP, NL3000Y/1250, NLX2500Y/700,
NZX2500/600L, NVX5080/40, NZX2000/800SY2, NTX2000/1500SZM

Visitors : approx. 400



Innovation Days 2011 “Next-Generation Machine Show”

MORI SEIKI
THE MACHINE TOOL COMPANY



Period : November 17-19, 2011

Place : Iga Campus (201 Midai, Iga City, Mie Prefecture, Japan)

Machines : 39 units in Total

DMU 65 monoBLOCK, LASERTEC 40 Shape,

NZX2000/800STY3, NLX2500Y/1250, NVX7000/50, NHX5500 etc.

Visitors : approx. 7,000



Important Exhibitions in 2012

Stuttgart Show
AMB Stuttgart
Sep 18th-Sep 22nd

Tokyo Show
JIMTOF Tokyo
Nov 1st-Nov 6th

Chicago
IMTS Chicago
Sep 10th-Sep 15th



Dusseldorf Show
METAV Dusseldorf
Feb 28th-Mar 3rd

Milan Show
BIMU Milan
Oct 2nd-Oct 6th

Beijing Show
CIMES Beijing
June 12th-June 16th



DMG/MORI SEIKI Pfronten Open House



Period : Feb 7-11, 2012

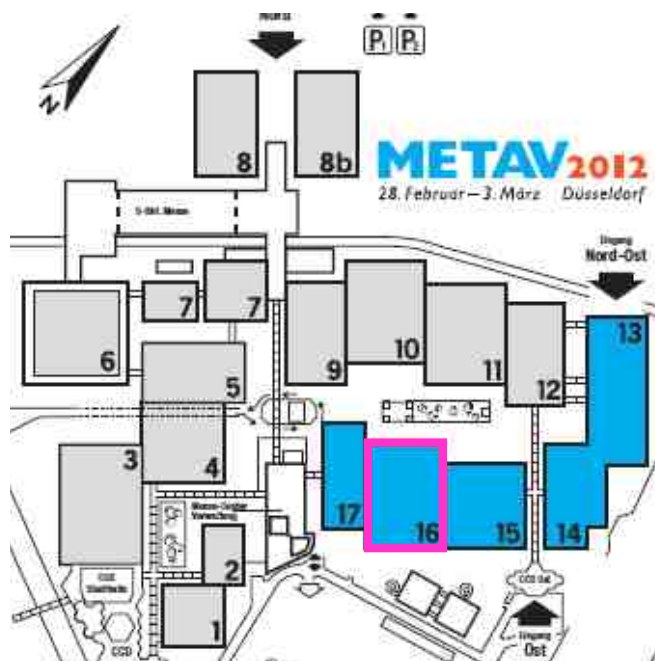
Visitors : Target 5,000 visitors (from 3,500 companies)

Machines : Total 59 units

NHX4000 (Siemens), NHX4000 (MAPPS),
NHX5000, NHX5500, NHX6300,
NLX2500SY/700, NZX2000/800STY2,
NTX1000, NTX2000/1500SZ etc.



METAV Dusseldorf 2012



Period : Feb 28-March 3, 2012

Visitors : Target 4,500 visitors (from 3,000 companies)

Booth Size : 1,380m²

Machines : Total 28 units

NHX5000, NVX5080/40,

NTX2000/1500SZ,

NLX2500SY/700, NZX2000/800T etc.



Global Production Network

Pfronten*
(Germany)



A

6

Tobler
(France)



5

DIXI
(Switzerland)



4

Taiyo Koki

3

Chiba Campus

2

Iga Campus

1

Nara Campus

7

North America
(USA)



B
Shanghai**
(China)



Transportation cost
R&D cost
Currency risk



DMG Factory



Mori Seiki Factory

* DMG factory licensed to manufacture Mori Seiki machines

** DMG factory which produces Ecoline



Construction of Iga New Assembly and Machining Factories



Progress of New Assembly Factory

Image of Completed Assembly Factory



New Assembly and Machining Factories at a Glance

- Purpose : Process optimization for improvement of productivity
- Object of assembly : Machine tools and machine tool components
- Object of machining : Large machining parts such as bed and column
- Location : 201 Midai, Iga City, Mie 519-1414, Japan (Iga campus)
- Total floor area : approx. 13,000m² (each for machining and assembly)
- Start of operation : Jan 2012 (machining), May 2012 (assembly)
- Investment amount : approx. 8 Bill Yen



Progress of North American Factory

MORI SEIKI
THE MACHINE TOOL COMPANY

Factory (=20,000m² Capacity 80 units/m) : Steel frames for the roof



Machining : Machining Test at Iga Plant

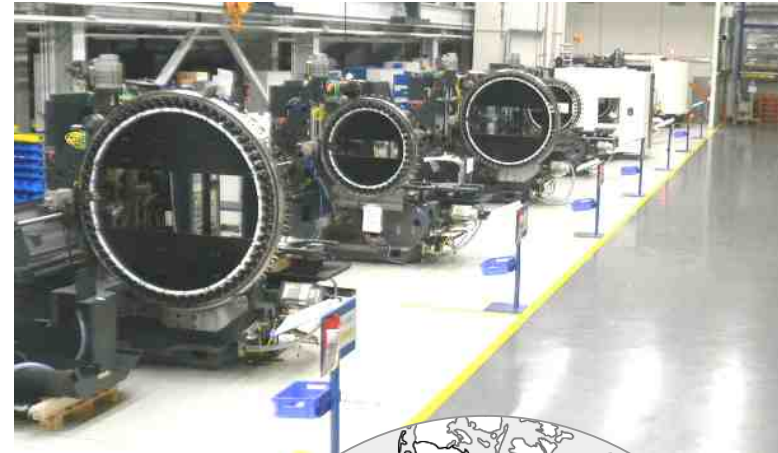
Assembly : Start at DTL



- Mid April Installation of machining equipments
- June 18th Handover of factory
- from July Start production of NHX4000 and NHX5000



Pfronten Factory: NHX4000 Production



NHX4000
MAPPS & Siemens



Munich Int'l Airport

Pfronten Factory



Magnescale



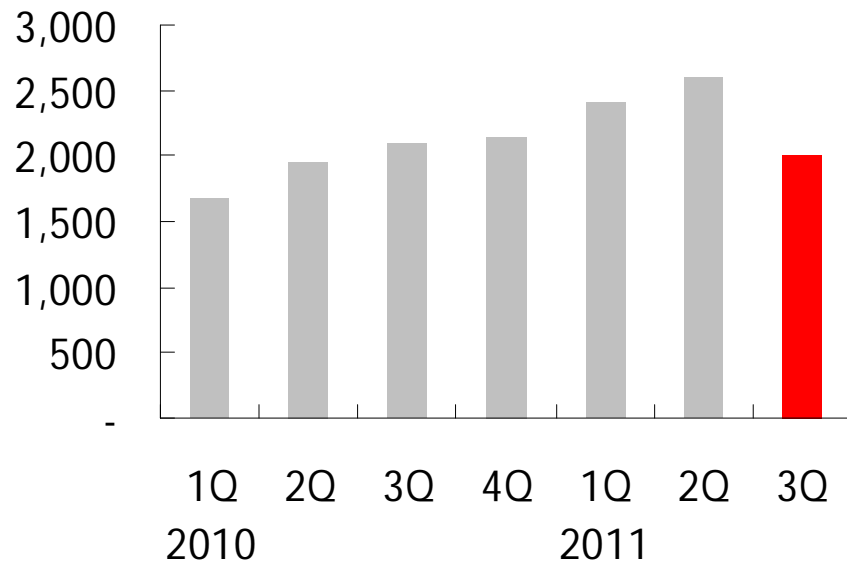
FY2011 3Q (cumulative) Sales 7 Bill Yen

Laserscale: Decline due to restrain of investments by semi-conductor makers
Made in Europe (plan)

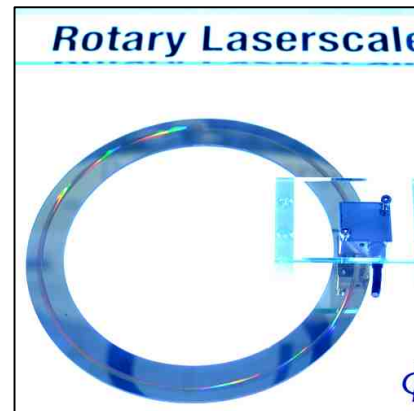
Magnescale: Stable demand for scales on automobile and machine tool
Made in Iga

Mill Yen

Sales Trend



New: rotary laser scale with ultra high-resolution



Iga New Factory





Reference Material

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Americas	19,352	32,052		65.6%	29,695	42,100		41.8%
Europe	16,759	25,886		54.5%	25,912	34,000		31.2%
Asia(Incl. China)	13,384	15,981		19.4%	20,288	22,700		11.9%
Operating profit	-5,366	3,856		-	320	6,300		19.7 times
Ordinary profit	-6,032	2,476		-	566	4,100		624.3%
Net profit	-5,895	1,770		-	1,307	3,900		198.4%
Exchange rate (1USD=)	¥86.8	¥79.0		-	¥85.7	¥78.0		-
Exchange rate (1EUR=)	¥113.3	¥110.6		-	¥113.1	¥108.0		-
CAPEX	3,055	7,734		153.2%	4,600	9,000		95.7%
Depreciation	4,900	4,941		0.8%	6,635	7,000		5.5%
R&D	3,758	2,975		-20.8%	4,809	4,000		-16.8%



Q&A

Q: How is your business plan of fiscal year ending Mar, 2013 ?

A: We don't have a specific numbers yet since we are formulating future business plan right now. Even though we are under severe economic environment such as the strong Yen, we will make the best efforts to double the result of our second half in this fiscal year through expanding market share etc.

Q: What are the factors that increased inventories by around 10 billion yen from the end of Mar. 2011 ? Also how do you estimate the situation in future ?

A: The increased inventories are results of advanced orders for components to ensure production volume and producing machines ahead of schedule. Another factor was expanding stock volume of DMG service parts. We are on our way to optimize the amount of stocks by establishing constant output against demand; however inventory reduction on a full scale will start from next fiscal year.

Q: How much will the production capability grow with the start of new factories in US and Iga ?

A: We will start production in the US from July; however it will take until the end of fiscal 2012 for full set up. We aim to have a stabilize production capability of 500 units per month through optimizing production flow etc.



Q&A

Q: How do you see the feasibility of 4Q sales target?

A: Most of 4Q sales is consisted of order backlog; therefore it is high possibility to achieve sales target as long as the actual economic circumstances stay.

Q: Is there any probability that material costs will increase ?

A: Material costs are stable at the moment.

(Answered by: Mr. Tatsuo Kondo, Vice President in charge of Accounting and Finance)