

MORI SEIKI
THE MACHINE TOOL COMPANY

Mori-568 PLAN
Review of the 3 years

April, 2005 ~ March, 2008

Vision and Objective of Mori-568 PLAN

- Vision

To make the 10 best companies in each industry our major customers, and to become Global One in the machine tool industry.

Mori-5: Attain a **5%** share of the world market

Mori-6: Achieve a consolidated cost of sales ratio of **60%**

Mori-8: Establish a system that produces a minimum of **800 machines per month**

【Result of Mori-568 PLAN (Market rate)】

Greatly Exceeded Our Target

| | | FY2005 (1 st year) | FY2006 (2 nd year) | FY2007 (3 rd year) |
|---------------|--------|----------------------------------|----------------------------------|----------------------------------|
| Mori-5 | Target | ¥141 bil. | ¥157.5 bil. | ¥175 bil. |
| | Result | ¥145.3 bil. | ¥172.3 bil. | ¥202.3 bil. |
| Mori-6 | Target | 64.0% | 62.0% | 60.0% |
| | Result | 61.9% | 59.4% | 57.4% |
| Mori-8 | Target | 608units/m | 644units/m | 748units/m |
| | Result | 592units/m | 632units/m | 675units/m |

March 2008: produced 814 units

【Result of Mori-568 PLAN (Internal rate)】

Achieved Our Target

| | | FY2005 (1 st year) | FY2006 (2 nd year) | FY2007 (3 rd year) |
|---------------|--------|----------------------------------|----------------------------------|----------------------------------|
| Mori-5 | Target | ¥141 bil. | ¥157.5 bil. | ¥175 bil. |
| | Result | ¥141.2 bil. | ¥162.4 bil. | ¥187.6 bil. |
| Mori-6 | Target | 64.0% | 62.0% | 60.0% |
| | Result | 63.7% | 61.6% | 60.0% |
| Mori-8 | Target | 608units/m | 644units/m | 748units/m |
| | Result | 592units/m | 632units/m | 675units/m |

March 2008: produced 814 units

Mori-568 PLAN

Objectives for March 2008

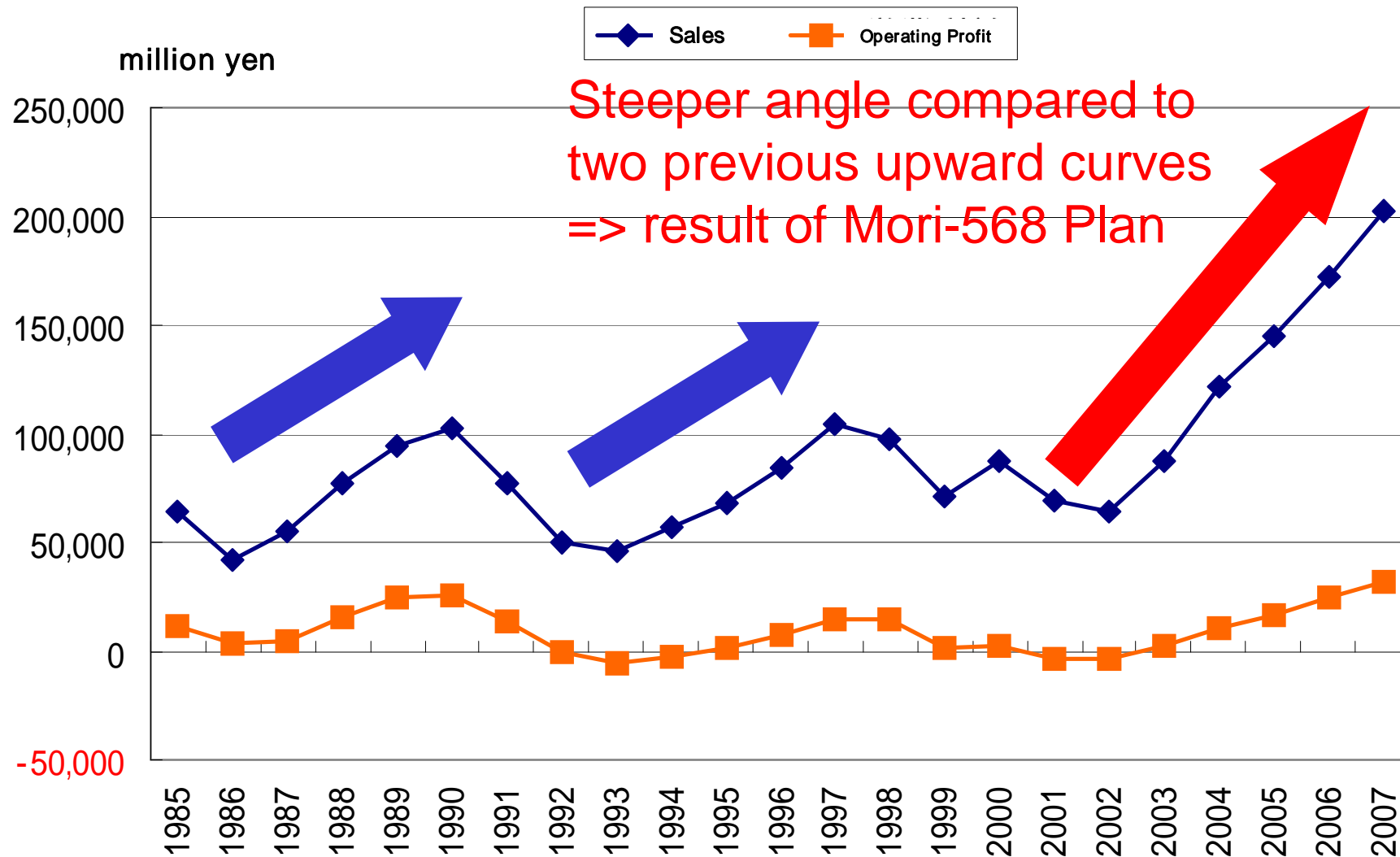
Mori-5: Attain a **5%** share of the world market

Mori-6: Achieve a consolidated cost of sales ratio of 60%

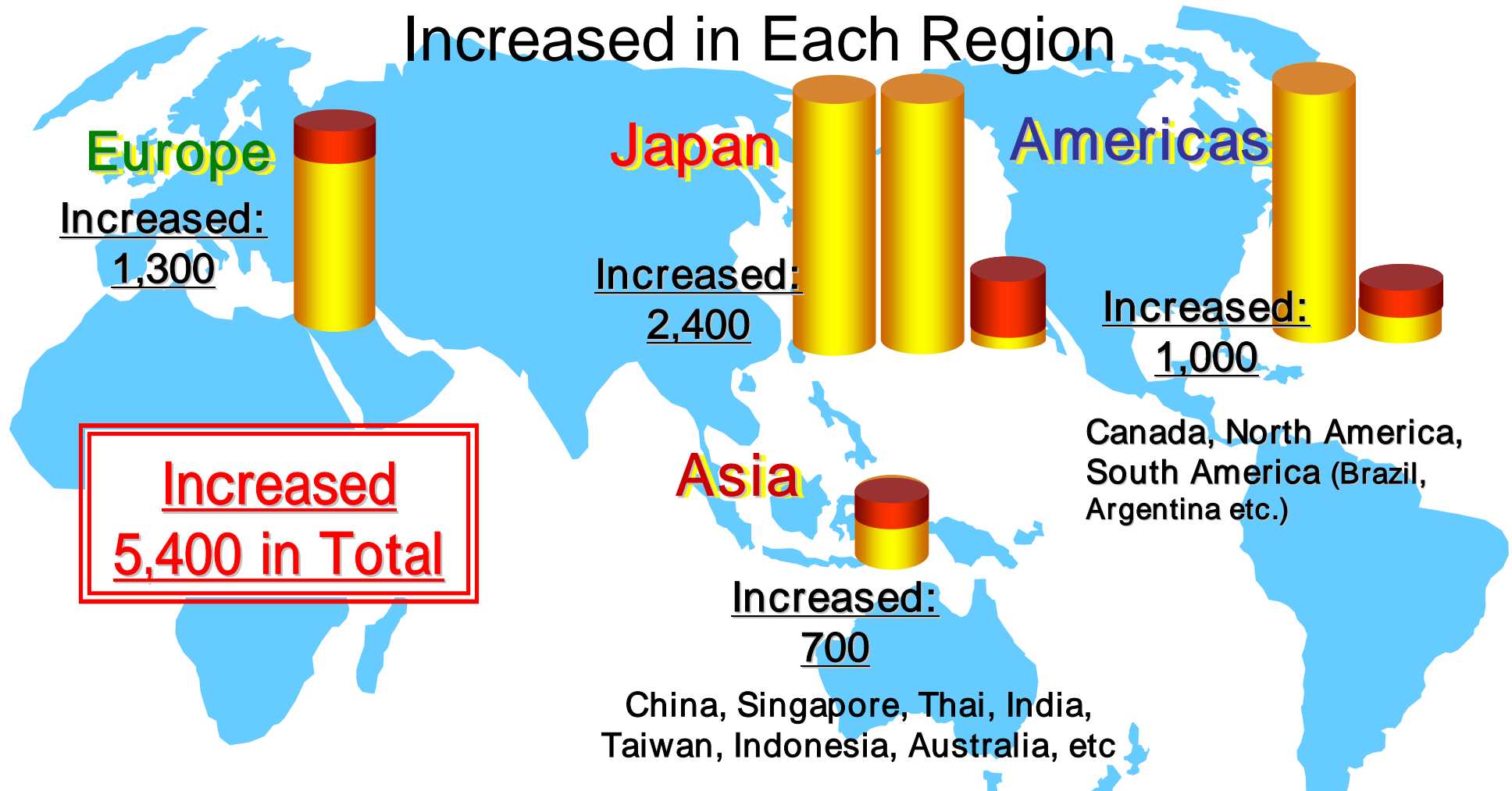
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[Trends in Sales & Operating Profit]

Steep Growth Curve with Mid-term Management Plan



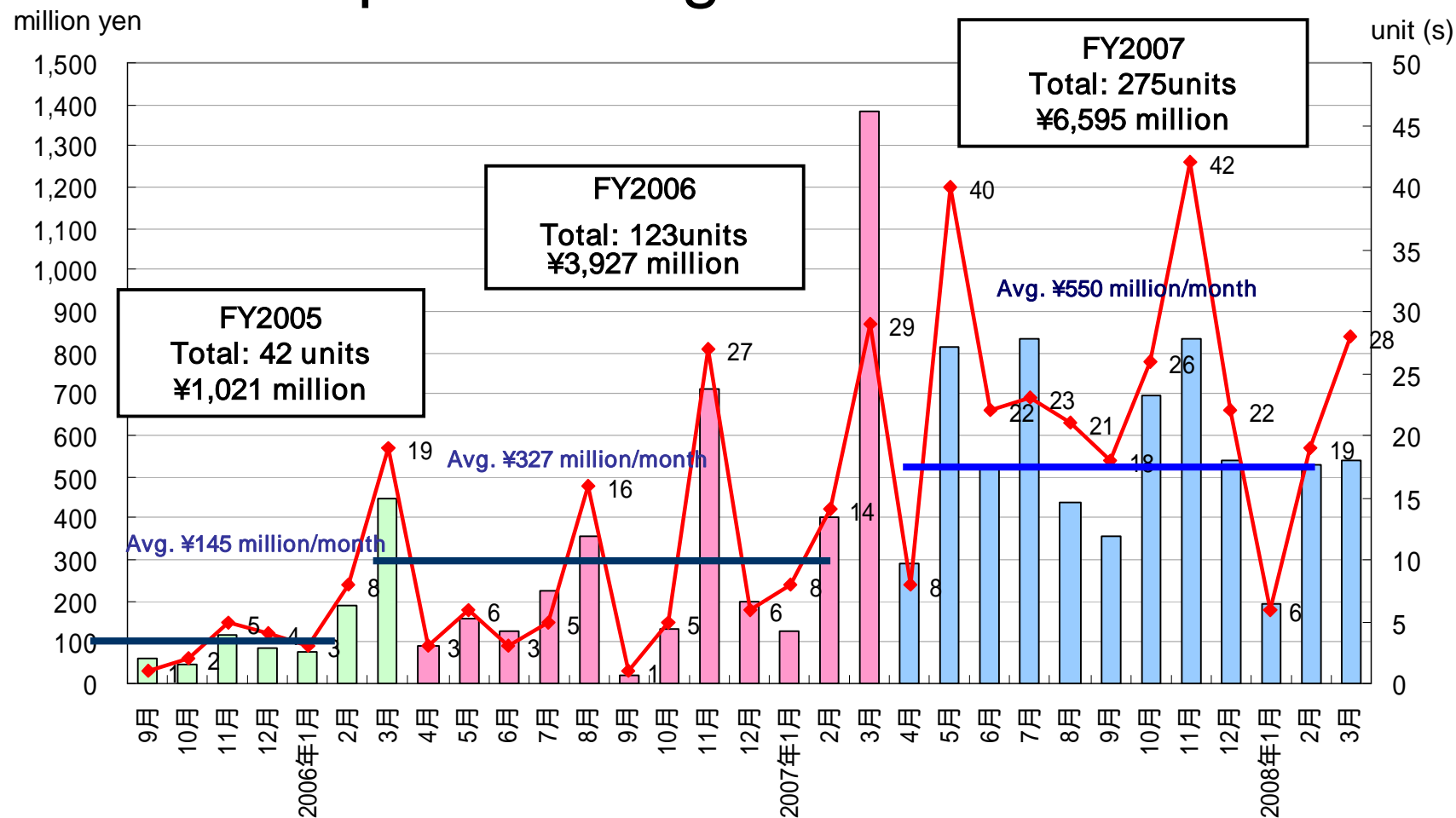
**【Number of Customers increased over the past 3 years】
Number of New Customers Has Dramatically
Increased in Each Region**



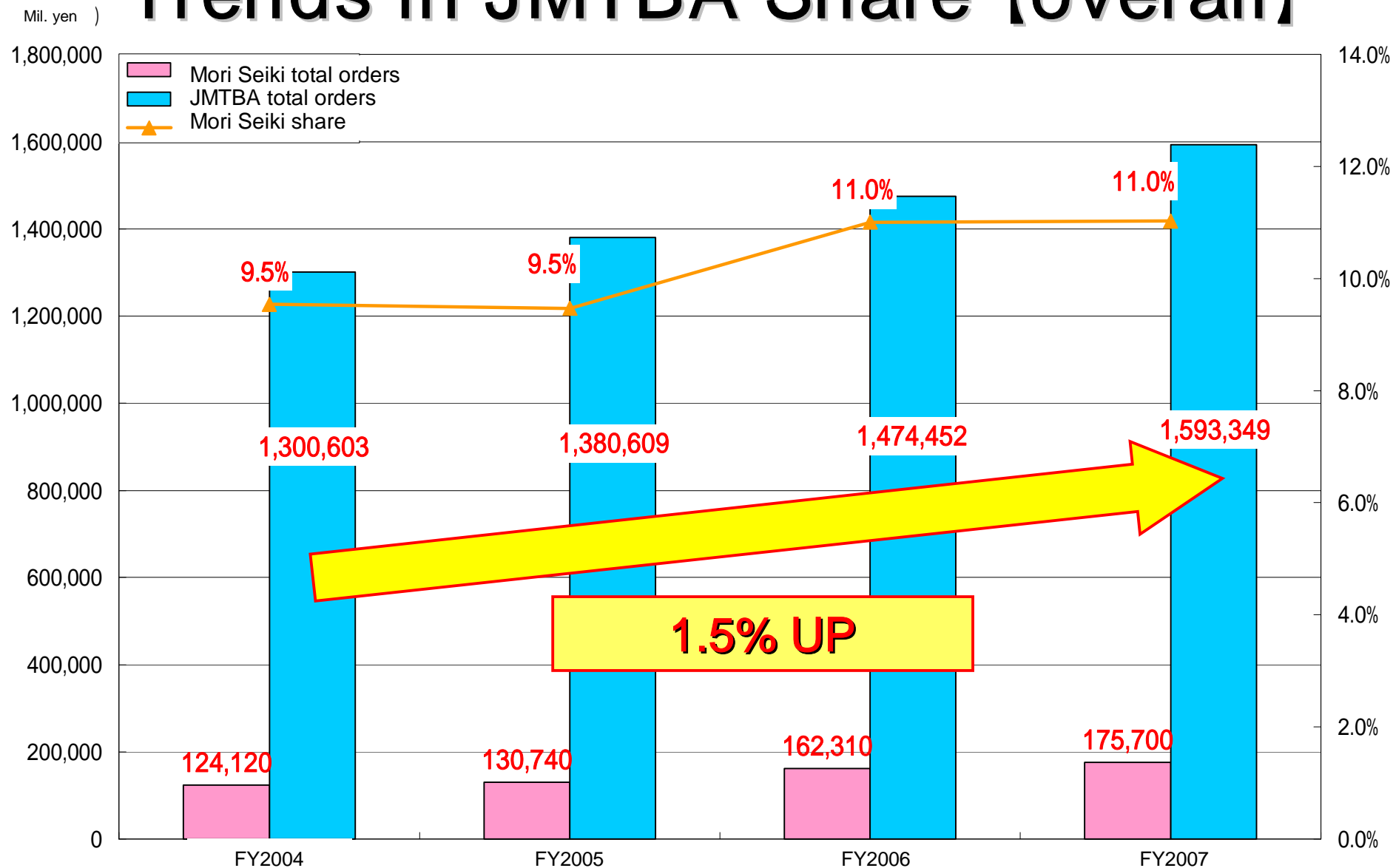
Number of customers increased between Apr. 2005 and Mar. 2008

[Trends in Orders from Major Customers]

Sales Activities for Major Customers produced good results

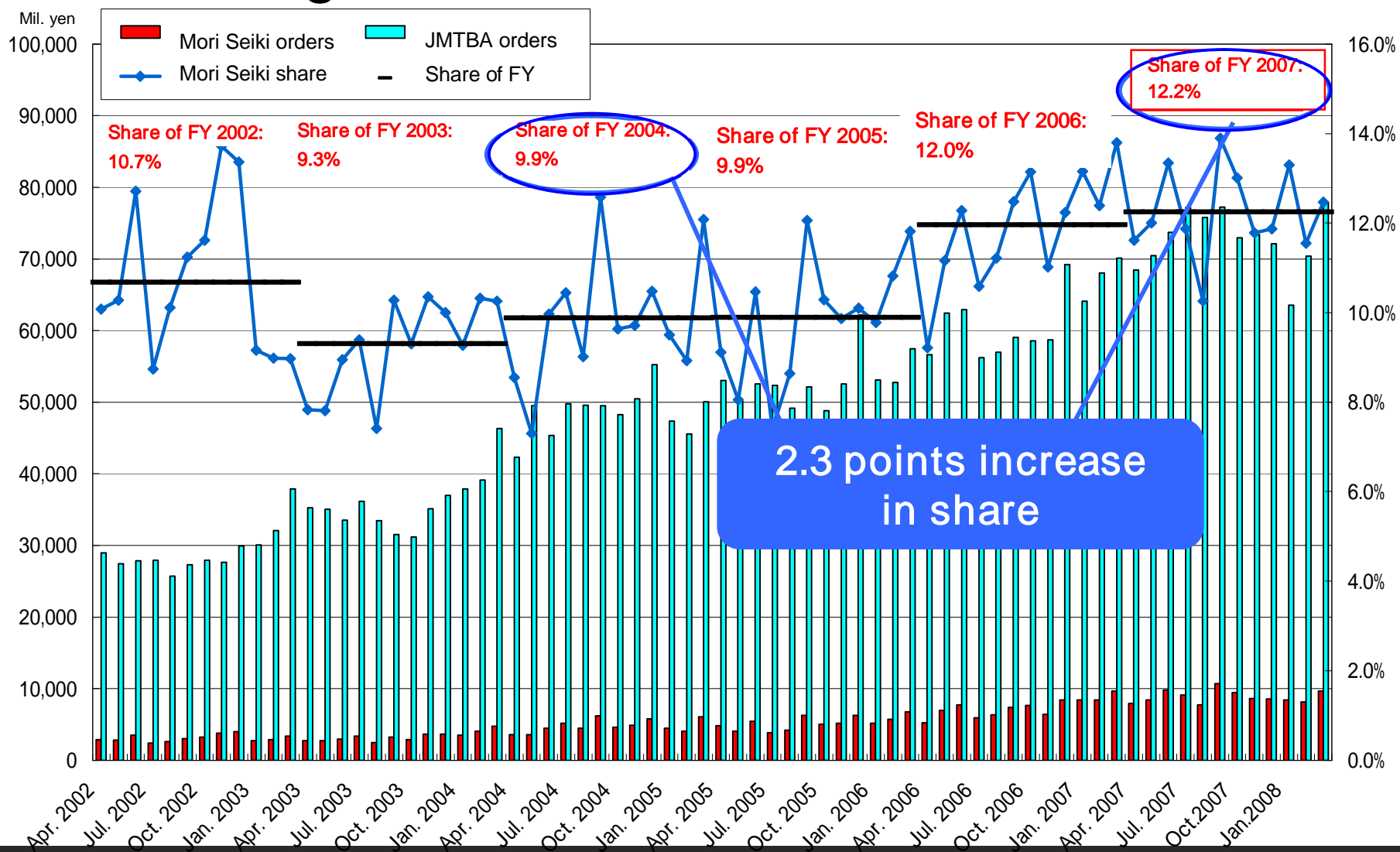


Trends in JMTBA Share (overall)



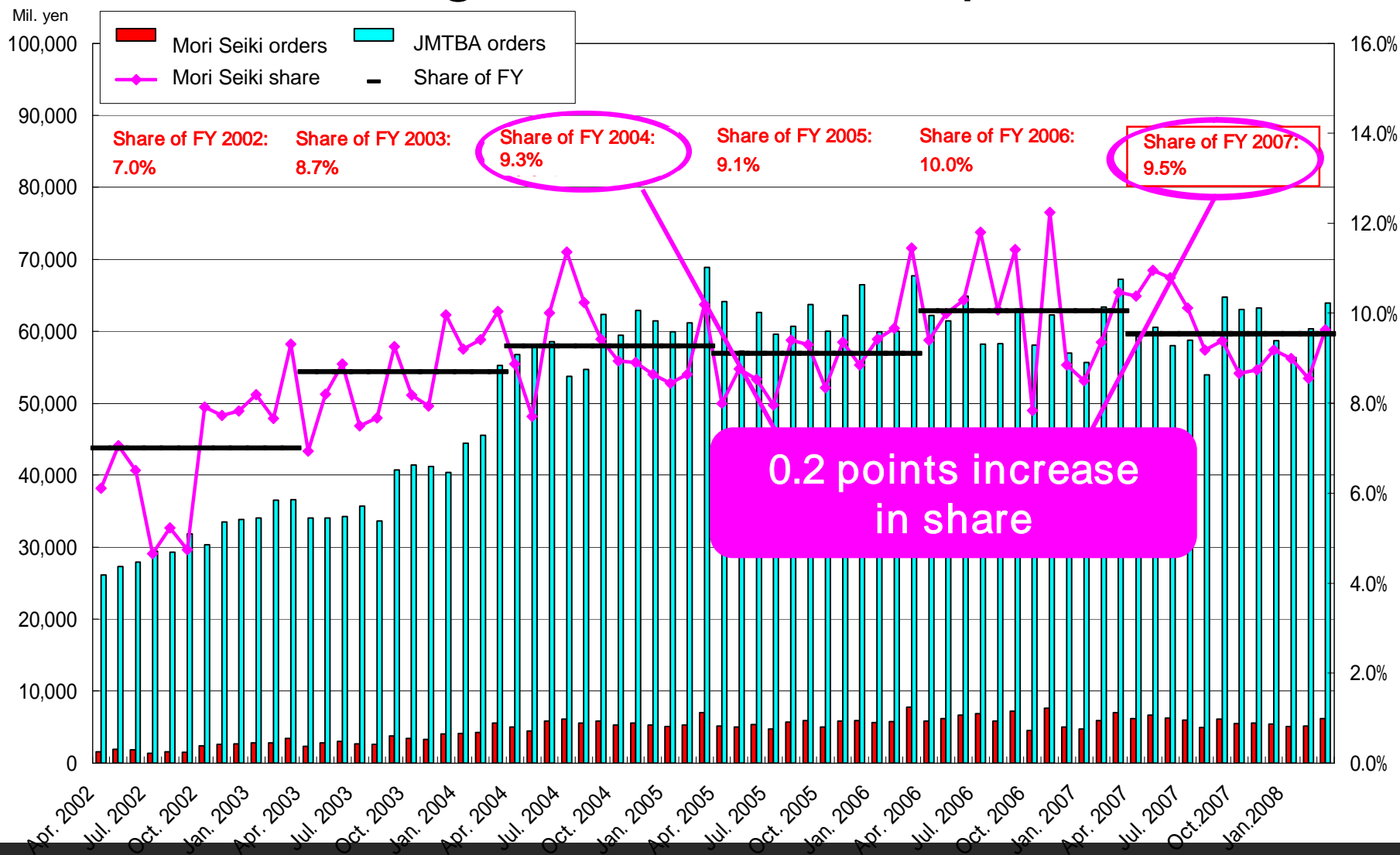
[JMTBA Share (overseas)]

Significant Increase in Overseas



【 JMTBA Share (Japan)】

Slight Increase in Japan



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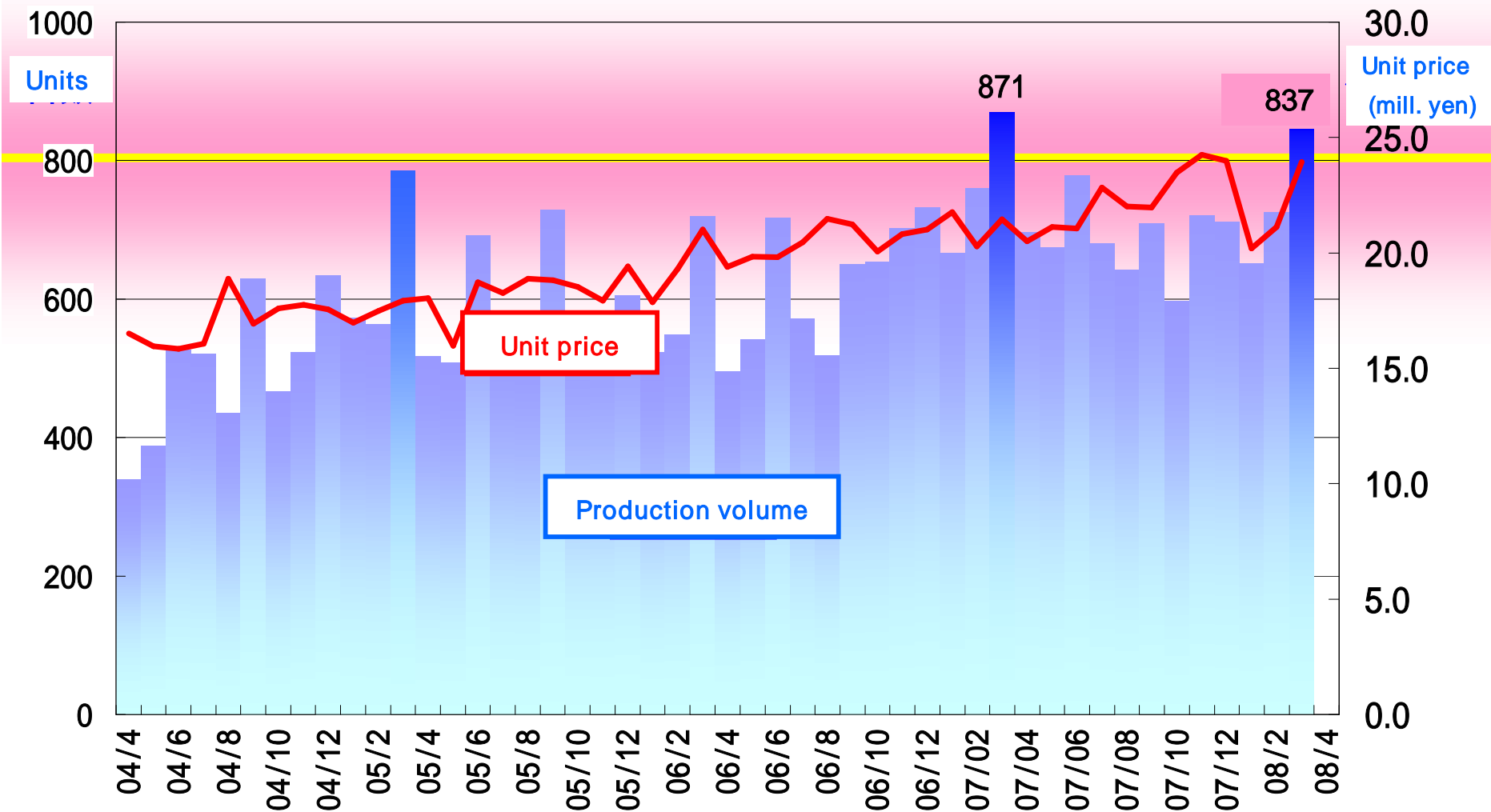
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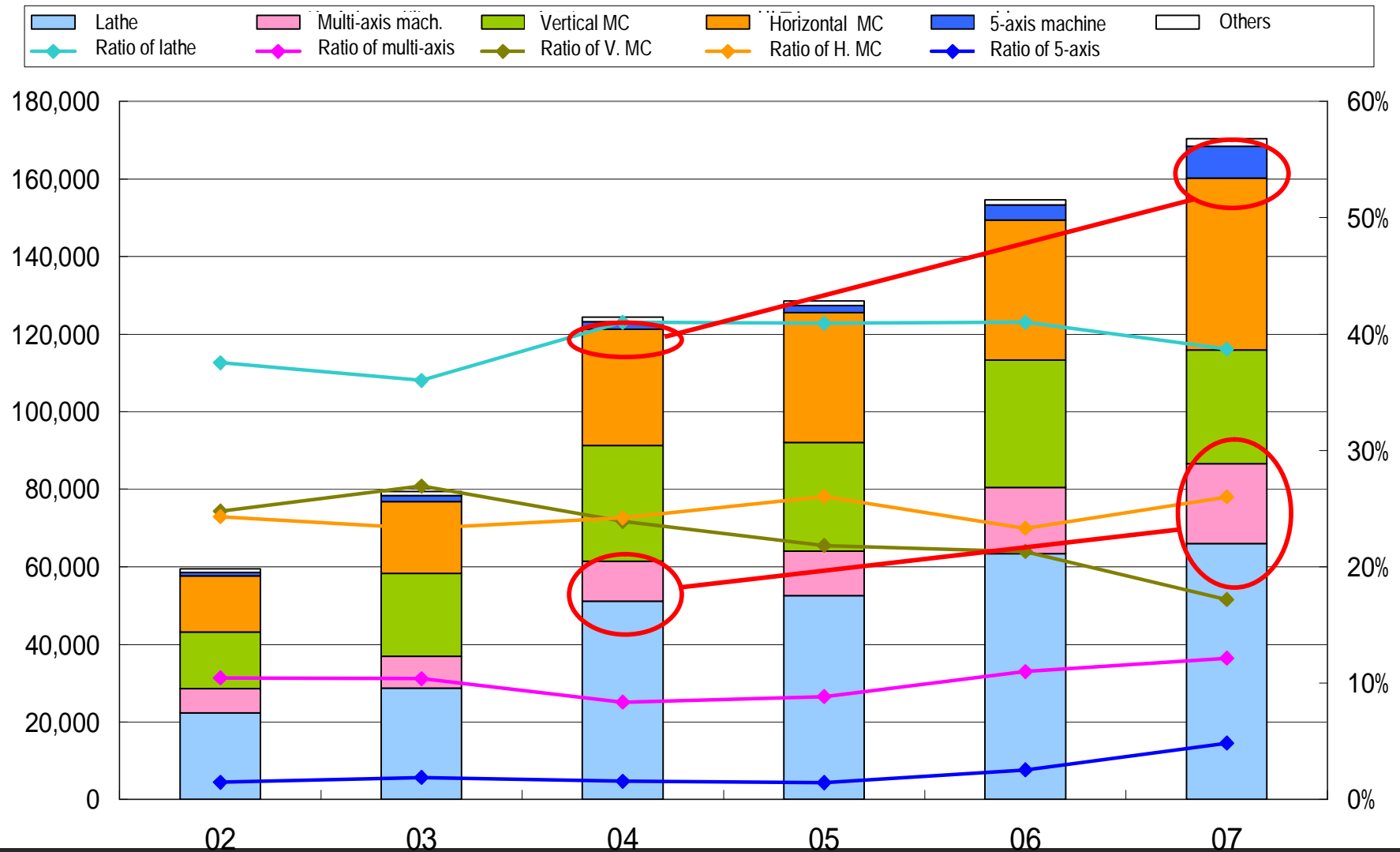
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Trends in Production Volume



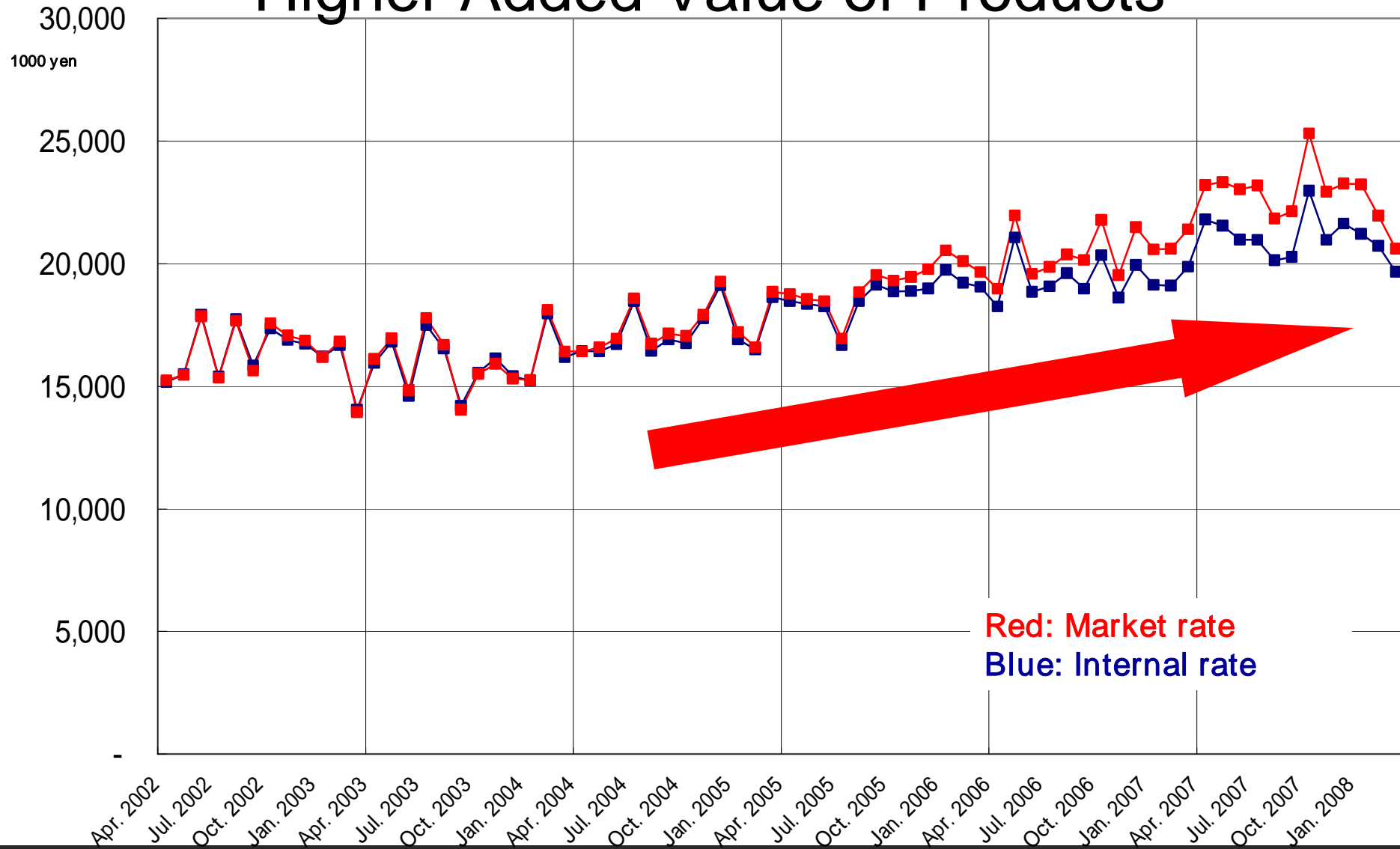
Trends in Sales by Model

Ratio of Large Multi-axis Machines Has Been Increasing



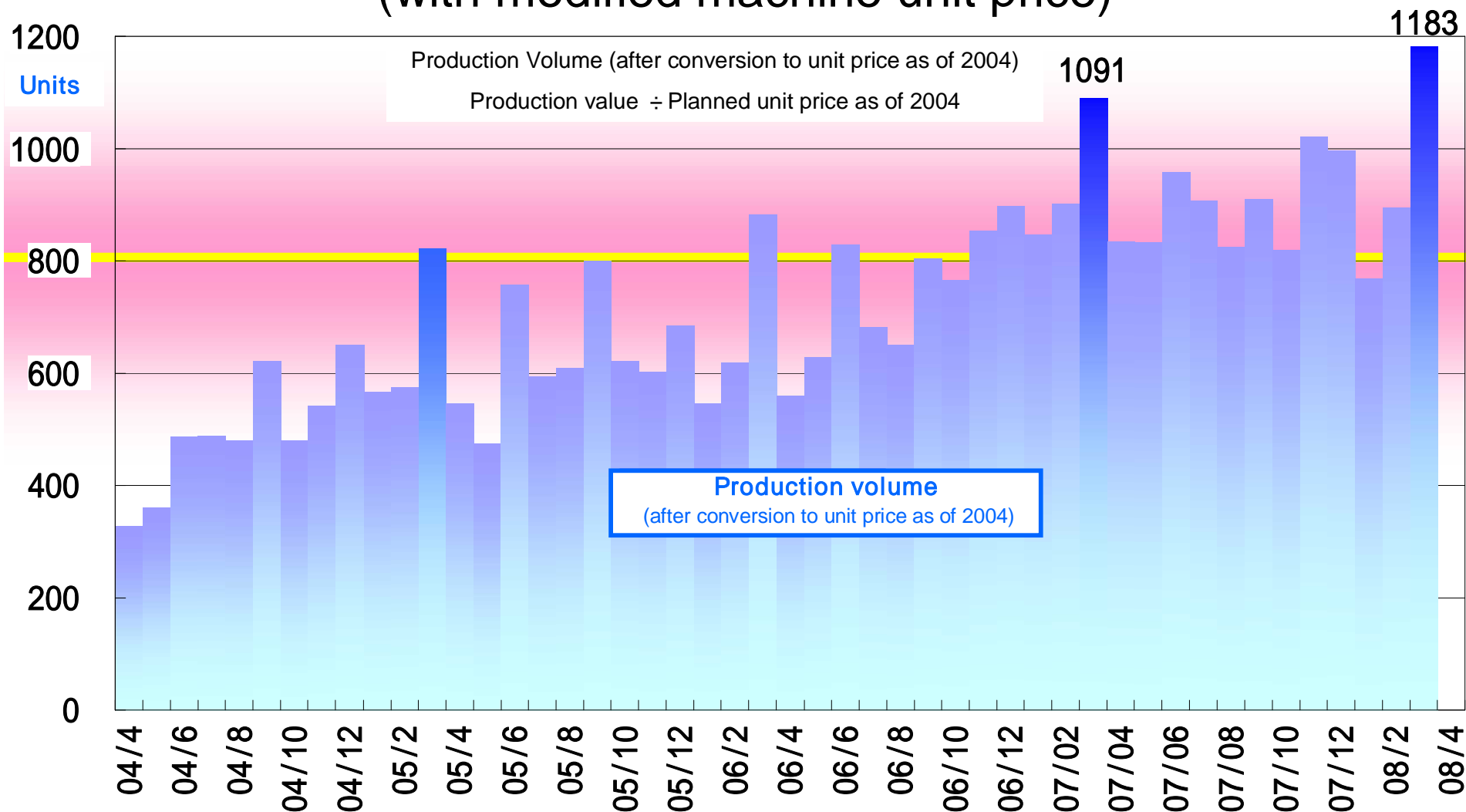
Trends in Average Unit Price of Product

Higher Added Value of Products



Trends in Production Volume

(with modified machine unit price)



MORI-568 PLAN

Biggest Achievement

Established the management system whereby progress is measured daily, weekly, monthly, quarterly and yearly, using indicators.

Go to the next medium-term management plan!