

**Summary of Consolidated Financial and Business Results of the Third Quarter
for the Fiscal Year 2008 (to March 31, 2009)**

(All financial information has been prepared based on the original Japanese-language document, Summary of Consolidated Financial and Business Results of the Third Quarter announced on January 30, 2009)

January 30, 2009

Company name Mori Seiki Co., Ltd.

Code Number 6141 Tokyo and Osaka Stock Exchanges

(URL <http://www.moriseiki.co.jp/>)

Representative Title President

Name Masahiko Mori

Contact Title Senior Managing Officer
Accounting / Finance HQ Executive Officer

Name Tatsuo Kondo (TEL: 052-587-1811)

Note: All amounts less than one million are disregarded.

1. Consolidated business results for the third quarter of fiscal year 2008 (April 1, 2008 to December 31, 2008)

(1) Consolidated business results

(Percentage shows the change from the previous third Quarter)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Third Quarter Fiscal Year 2008	132,066	—	10,028	—	6,906	—	2,067	—
Third Quarter Fiscal Year 2007	148,426	22.3	22,606	36.7	20,780	23.8	11,931	10.3

	Net income per share In this quarter		Diluted net income per share	
	yen		yen	
Third Quarter Fiscal Year 2008	22	45	22	38
Third Quarter Fiscal Year 2007	123	50	120	12

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	yen
Third Quarter Fiscal Year 2008	175,183	122,702	68.9	1,362.35
Fiscal Year 2007	174,270	131,761	74.7	1,388.52

(Reference) Equity capital Third Quarter Fiscal Year 2008 120,636million yen Fiscal Year 2007 130,214million yen

2. Dividend

Dividend per share					
	First Quarter	Second Quarter	Third Quarter	The end of the term	Year
	yen	yen	yen	yen	yen
Fiscal Year 2007	—	25.0	—	25.0	50.0
Fiscal Year 2008	—	20.0	—	—	—
Fiscal Year 2008(Forecast)	—	—	—	20.0	40.0

Note: Amendment of dividend for the third quarter of Fiscal Year 2008 No

3. Consolidated earnings forecast for Fiscal Year 2008 (April 1, 2008 to March 31, 2009) (Percent change shows the change from the previous interim or full year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	160,000	-20.9	5,000	-84.0	1,500	-94.8	-1,000	—	-10.86

Note: Amendment of consolidated earnings forecast for the third quarter of Fiscal Year 2008 Yes

4. Other

(1) Changes of significant subsidiaries during the financial term (increasing/deletion in the scope of consolidation) No

Increase — (Name) Decrease — (Name)

(2) Adoption of simplified accounting methods and peculiar accounting methods for making quarter accounting statements No

(3) Change of important accounting policies, procedures, and ways of display (description as the change of basis for preparing quarter consolidated financial statements)

① Changes along the revision of accounting standard, etc Yes

② Changes mentioned other than mentioned in ① Yes

Note: Please refer to page No.4 on "Qualitative Information/Financial Statements, etc." 4. Other for further details.

(4) Number of shares outstanding (Common Stocks)

① Number of shares outstanding at the end of the year (Including treasury stocks)	The third quarter of fiscal year 2008	96,475,312 shares	Fiscal year 2007	96,475,312 shares
② Treasury stocks at the end of the end of the year	The third quarter of fiscal year 2008	7,925,315 shares	Fiscal year 2007	2,695,892 shares
③ Number of average shares (During quarter consolidated terms)	The third quarter of fiscal year 2008	92,099,362 shares	The third quarter of fiscal year 2007	96,550,487 shares

※Proper use of the earnings forecasts and other notes

(1) The above forecasts are based on information available as of the release of this report and assumptions of several uncertain factors which may affect the company's results. Actual results might be different from the above estimates due to subsequent changes in the circumstances. Please refer to "Qualitative Information/Financial Statements, etc" 3 Qualitative information about consolidated earnings forecast on page No.4 for further information of the forecasts and assumptions.

(2) [Accounting standards regarding quarter financial statements] (Administration of financial accounting standards Article 12 on March 14, 2007) and [application guideline regarding quarter financial statements] (Administration of financial accounting standards application guideline Article 14 on March 14, 2007) are applied from the current consolidated fiscal year. Quarterly consolidated financial statements are made according to the regulation of quarter consolidated financial statements.

Qualitative Information/Financial Statements, etc.

1. Qualitative information about consolidated operating results

During the nine months from April 1st to December 31st, 2008 (hereinafter referred to as "the third quarter"), the financial crisis originating in the United States had a serious impact on the real economy, causing a credit crunch, decline in consumption and investment, increase in unemployment and stagnation of trade throughout the world. In Japan, the sharp appreciation of the yen greatly affected the profits of export-oriented companies as well as car sales. In the machine tool industry, manufacturers have been confronted with rapid market shrinkage, especially since October, 2008.

Following is the Mori Seiki Group's current business environment by region:

In Japan, we have been experiencing decline in orders not only from the automobile and electrical industries, which have now refrained from investment in plant and equipment, but also from the aircraft and construction machinery industries, in which demand for machine tools had been high. This decreased demand is likely to continue for the foreseeable future. However, we hope Japanese monetary and fiscal policies will encourage investment in plant and equipment, mainly in the environment and energy sectors.

In the Americas, the machine operating rate has remained high in the aircraft, energy, medical equipment and construction machinery industries, where a strong potential demand for machine tools exists; however, many manufacturers started to refrain from investment in plant and equipment due to the current economic slowdown, causing decline in orders since October, 2008. Although the measures for financial stabilization and economic stimulus have been taken in the U.S., it will take a considerable amount of time before these measures help stimulate demand.

In Europe, we have received satisfactory orders from the medical equipment and energy industries as well as the aircraft industry that needs to machine new materials. On the other hand, demand has been falling in the automobile industry and other related industries. However, with the economic measures taken by each country, we expect the investment environment of each company will be improved, leading to stimulation of demand.

In Asia, our sales have decreased overall, and this tendency is remarkable particularly in China. In the southern district where a lot of exporting companies are located, a growing number of companies have refrained from investing in plant and equipment. In the northern district, however, the infrastructure industry including the energy and construction machinery industries have shown a strong demand. Therefore, it is expected that we will regain favorable sales results in future if the government's economic policy will effectively recover the economy at an early date.

Other emerging markets: In Brazil, although the automobile and agricultural machinery industries have refrained from investing in plant and equipment, the infrastructure industry has shown an active demand, so the sales will remain strong in future. In Russia, despite the worsened business confidence due to the decrease in operating rate in the energy and construction machinery related industries, which enjoyed a steady growth until now, the number of inquiries has stayed the same and potential demand has remained strong. In Turkey, a growing number of companies have experienced funding difficulties because of the credit contraction and have refrained from investing in plant and equipment. Also, the automobile related industries which previously made an active investment have reduced the production due to the business recession. However, we expect the future sales to grow as the medical equipment and aircraft industries still show a strong demand.

Under such rapidly changing market conditions, the Mori Seiki Group has worked on scheduled reduction of output and has effectively controlled production, sales and inventory by taking recent trend in demand into consideration, while continuously promoting diversifications in market, industry and customers' company size in order to mitigate effects from business fluctuations. Moreover, we have promoted a stricter cost reduction strategy than ever before in order to strengthen our financial structure. In addition, we have continuously strengthened our management structure in preparation for the coming market recovery, through the efforts with the second medium-term management plan, the PQR555, including quality enhancement activities and the research and development plan drawn up at the beginning of this fiscal year.

Against this business environment, for the third quarter of this fiscal year, consolidated sales were 132,066 million yen, and consolidated operating profit was 10,028 million yen.

2. Qualitative information about consolidated financial status

At the end of the third quarter, total assets were 175,183 million yen, 912 million yen up from the end of the previous fiscal year. The main reasons for the increase are that though cash and deposits, inventories, and intangible fixed assets have increased by 10,455, 3,405, and 538 million yen each, notes and accounts receivable have decreased by 15,700 million yen.

Net assets were 122,702 million yen, and shareholders' equity ratio was 68.9 %, 5.8 percentage points down from the end of the previous fiscal year.

(Situation of Cash flows)

For the third quarter, the balance of cash and cash equivalents were 28,350 million yen, 10,434 million yen up from the end of the previous fiscal year.

Net cash provided by operating activities was 2,938 million yen. The main increasing factors are income before income taxes and minority interests of 5,203 million yen and 13,297 million yen decreased in notes and accounts receivable, etc. The main decreasing factors are 6,288 million yen increased in inventories and income taxes payments of 14,885 million yen, etc.

Net cash used in investing activities was 7,485 million yen. This is mainly due to purchases of tangible fixed assets of 5,673 million yen and intangible fixed assets of 1,602 million yen.

Net cash used in financing activities was 15,857 million yen. The main increasing reason is short-term loans of 25,782 million yen increased. The main decreasing reason is dividend payments of 4,031 million yen and purchases of treasury stock of 5,932 million yen.

3. Qualitative information about consolidated earnings forecast

The financial crisis originating in the United States had a serious impact on the real economy, causing a credit crunch, decline in consumption and investment, increase in unemployment and stagnation of trade. In the machine tool industry, manufacturers have been confronted with rapid market shrinkage, especially since October, 2008.

The Mori Seiki Group has been reducing production in a planned manner and efficiently controlling our production, sales and inventory in order for us not to be affected by the badly changing market conditions. However, we have concluded that the forecast that we announced before was not achievable. In accordance with this, we have reviewed consolidated sales to 160,000 million yen and consolidated operating income to 5,000 million yen for the full-year earnings forecast.

4. Other

(1) Important changes in subsidiary companies (changes in subsidiaries which could affect the size of the consolidated Group) during the term

There are no applicable matters.

(2) Adoption of simpler accounting practices and accounting practices peculiar to quarterly consolidated financial statements

There are no applicable matters.

(3) Changes in rules, procedures, ways of description, etc. for preparing quarterly consolidated financial statements

1. From this fiscal year, we applied "Accounting Standard for Quarterly Financial Statements" (ASBJ Statement No. 12, March 14, 2007), and "Implementation Guidance for Accounting Standard for Quarterly Financial Statements" (ASBJ Guidance No. 14, March 14, 2007). Also, our quarterly consolidated financial statements were created in accordance with the "Rules for Quarterly Consolidated Financial Statements."

2. Previously, inventories (which were held for the ordinary purpose of marketing) at Mori Seiki Co., Ltd. and its domestic consolidated subsidiaries had been stated principally at cost determined by the gross average method, and those at the overseas consolidated subsidiaries had been stated principally at the lower of cost or market, cost being determined by the first-in, first-out method. However, since the "Accounting Standard for Measurement of

Inventories" (ASBJ Statement No. 9, July 5, 2006) was applied from the 1st quarter of this fiscal year, the inventories were stated principally at cost determined by the gross average method (The value to be carried on the balance is calculated by the write-down of book value due to the decline in profitability).

This change has almost no effect on profit and loss.

3. From the 1st quarter of this fiscal year, we applied the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18, May 17, 2006), and made modifications necessary for the consolidated settlement of accounts.

This change has almost no effect on profit and loss.

4. Previously, finance lease not accompanying the transfer of ownership had been recognized in the same manner as operating leases. However, the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 (June 17, 1993 (The First Committee of Business Accounting Council), revised on March 30, 2007)) and "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16 (January 18, 1994 (The Japan Institute of Certified Public Accountants), revised on March 30, 2007)) have become available for quarterly consolidated financial statements for this fiscal years beginning on or after April 1, 2008. Therefore, these accounting standards were applied from the 1st quarter of this fiscal year, and the leases were accounted by the method for ordinary sales transactions. Depreciation related to leased property is calculated by the straight-line method over the respective lease terms assuming a nil residual value. Finance leases not accompanying the transfer of ownership, which became effective in or before March 2008, are accounted in the same manner as operating leases.

This change has almost no effect on profit and loss.

5. Consolidated financial statements

(1) The 3rd quarter consolidated balance sheet

(Amount : million yen)

	At the end of the 3rd consolidated quarter (December 31, 2008)	At the end of the previous consolidated fiscal year (March 31, 2008)
(Assets)		
I Current Assets		
1 Cash and deposits	28,439	17,984
2 Notes and accounts receivable	22,726	38,427
3 Merchandise and finished goods	15,122	13,703
4 Work in process	9,657	7,867
5 Raw material and Supplies	17,370	17,172
6 Deferred income taxes	3,333	3,280
7 Consumption tax receivable	447	711
8 Other	9,684	2,953
9 Allowance for doubtful receivables	(114)	(126)
Total current assets	106,667	101,976
II Fixed assets		
1 Tangible fixed assets		
(1) Buildings and structures, net	24,724	25,448
(2) Machinery, equipment and vehicles, net	7,918	8,152
(3) Land	15,853	15,165
(4) Construction in progress	1,032	1,131
(5) Other, net	3,765	3,911
Total property ,plant and equipment	53,293	53,808
2 Intangible fixed assets		
(1) Goodwill	835	1,012
(2) Other	4,142	3,427
Total Intangible fixed assets	4,977	4,439
3 Investments and other assets		
(1) Investments in securities	8,395	11,541
(2) Long-term prepaid expenses	371	401
(3) Deferred income taxes	390	1,115
(4) Other	1,086	987
Total investments and other assets	10,244	14,045
Total fixed assets	68,515	72,294
Total assets	175,183	174,270

	At the end of the 3rd consolidated quarter (December 31, 2008)	At the end of the previous consolidated fiscal year (March 31, 2008)
(Liabilities)		
I Current liabilities		
1 Accounts payable	6,668	11,517
2 Short-term bank loans	26,478	696
3 Accrued payments	5,222	6,962
4 Accrued expenses	1,466	637
5 Advances received	2,362	1,637
6 Accrued income taxes	821	11,623
7 Accrued consumption taxes	14	42
8 Deferred income taxes	103	79
9 Allowance for product warranties	1,975	1,555
10 Allowance for bonuses to directors and corporate auditors	—	163
11 other	1,089	2,237
Total current liabilities	46,202	37,151
II Fixed liabilities		
1 Convertible bonds with stock acquisition rights	2,583	2,583
2 Deferred income taxes	1,263	643
3 Deferred income taxes for land revaluation reserve	1,699	1,699
4 Employee retirement benefit reserve	645	—
5 Long-term accrued payment	—	431
6 Other	86	—
Total fixed liabilities	6,277	5,357
Total liabilities	52,480	42,508
(Net assets)		
I Shareholder's equity		
1 Capital	32,698	32,698
2 Capital surplus	45,429	45,429
3 Retained earnings	54,460	56,750
4 Treasury stock	(10,588)	(4,768)
Total shareholder's equity	121,999	130,109
II Valuation and translation adjustments		
1 Net unrealized holding gain on securities	1,033	1,570
2 Net unrealized loss on derivative instruments	1,677	(1,026)
3 Land revaluation reserve	1,545	1,545
4 Translation adjustments	(5,619)	(1,984)
Total adjustment gains and losses	(1,363)	104
III Stock acquisition rights	702	369
IV Minority interests	1,363	1,177
Total net assets	122,702	131,761
Total liabilities and net assets	175,183	174,270

(2) The 3rd quarter consolidated statement of income
(The 3rd consolidated quarter total)

(Amount : million yen)

	The 3rd consolidated quarter total (April 1, 2008 to December 31, 2008)
I Net sales	132,066
II Cost of sales	78,988
Gross profit	53,078
III Selling, general and administrative expenses	43,050
Operating income	10,028
IV Non-operating income	
1 Interest income	107
2 Dividend income	197
3 Equity method income	23
4 Other	249
Total of Non-operating income	578
V Non-operating expenses	
1 Interest expense	98
2 Exchange loss	2,994
3 Fees and commissions	150
4 Other	456
Total of Non-operating expenses	3,699
Ordinary income	6,906
VI Extraordinary gain	
1 Gain on sales of fixed assets	77
2 Reversal of allowance for doubtful receivables	17
Total of Extraordinary income	94
VII Extraordinary loss	
1 Loss on sales of fixed assets	40
2 Loss on disposal of fixed assets	601
3 Impairment loss	13
4 Loss on revaluation of investments in securities	1,139
5 Loss on revaluation of other investments	2
Total of Extraordinary loss	1,798
Income before income taxes and minority interests	5,203
Income taxes	3,214
Deferred	(307)
Total of Income taxes	2,907
Minority interests in net income of consolidated subsidiaries	228
Net income	2,067

(3) The 3rd quarter consolidated statement of Cash flows

(Amount : million yen)

	The 3rd consolidated quarter total (April 1, 2008 to December 31, 2008)
Operating activities	
Income before income taxes and minority interests	5,203
Depreciation and amortization	5,029
Loss (gain) on sales of fixed assets	(36)
Loss on disposal of fixed assets	601
Loss on impairment of fixed assets	13
Loss (gain) on sales of investments in securities	1,139
Amortization of goodwill	302
Stock-based compensation	333
Profit on equity method	(23)
Loss on revaluation of other investments	2
Increase (decrease) in allowance for doubtful receivables	(17)
Increase (decrease) in allowance for employee retirement benefit	692
Increase (decrease) in allowance of products warranties	422
Interest and dividend income	(305)
Interest expense	98
Unrealized exchange loss (gain)	4,412
Decrease (increase) in accounts receivable	13,297
Decrease (increase) in inventories	(6,288)
Increase (decrease) in accounts payable	(4,860)
Decrease (increase) in accrued consumption tax	264
Increase (decrease) in accrued consumption tax	(28)
Increase (decrease) in other accrued payments	(1,818)
Bonuses to directors and statutory auditors	(163)
Other	(666)
Sub-total	17,604
Interest and dividend income received	319
Interest paid	(100)
Income taxes paid	(14,885)
Net cash provided by operating activities	2,938
Investing activities	
Decrease (increase) in long-term deposit	(24)
Increase in investments in securities	(50)
Increase in investments in subsidiaries and affiliates	(373)
Sales of property, tangible fixed assets	359
Purchases of tangible fixed assets	(5,673)
Purchases of intangible fixed assets	(1,602)
Other	(120)
Net cash used in investing activities	(7,485)
Financing activities	
Increase (decrease) in short-term bank loans, net	25,782
Proceeds from disposal of treasury stock	71
Purchase of treasury stock	(5,932)
Cash Dividend	(4,031)
Cash dividend for minority shareholders	(21)
Other	(9)
Net cash used in financing activities	15,857
Effect of exchange rate changes on cash and cash equivalents	(1,237)
Increase (decrease) in cash and cash equivalents	10,073
Cash and cash equivalents at the beginning of the year	17,916
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	361
Cash and cash equivalents at the end of the third quarter	28,350

Effective the current fiscal year, the Company has adopted Accounting Standard for Quarterly Financial Report (ASBJ statement No.12 on March 14, 2007) and Implementation Guidance for Accounting Standard for Quarterly Financial Statements" (ASBJ Guidance No. 14, on March 14, 2007). The quarterly consolidated financial statements are prepared on "Rules for Quarterly Consolidated Financial Statements."

(4) Important changes in subsidiary companies during the term.
Nothing is suitable for the requirements.

(5) Segment Information

a. Business segment information

The 3rd consolidated quarter total (April 1, 2008 to December 31, 2008)

The Company and its consolidated subsidiaries are primarily engaged in manufacturing and selling of same types and series of products, machine tools, considering that types and series of the products, the manufacturing methods, and the markets are similar. Therefore, business segment information is omitted.

b. Geographical Segment Information

The 3rd consolidated quarter total (April 1, 2008 to December 31, 2008)

(Amount: million yen)

	Japan	The Americas	Europe	Asia and Oceania	Total	Eliminations	Consolidated
Sales and operating income							
(1) Sales to third parties	64,456	25,436	39,385	2,787	132,066	—	132,066
(2) Inter-group sales	56,786	782	1,280	1,049	59,898	(59,898)	—
Total Sales	121,242	26,219	40,666	3,837	191,965	(59,898)	132,066
Operating income	11,442	(314)	581	(485)	11,224	(1,196)	10,028

c. Overseas sales

The 3rd consolidated quarter total (April 1, 2008 to December 31, 2008)

	The Americas	Europe	Asia and Oceania	Total
I Overseas sales (million yen)	29,258	40,199	17,176	86,634
II Consolidated net sales (million yen)	—	—	—	132,066
III Ratio of overseas sales to consolidated net sales	22.2	30.4	13.0	65.6

(6) Note regarding remarkable fluctuation of shareholder's equity

At the end of the third quarter of this fiscal year, the balance of treasury stock is 10,588 million yen, increased by 5,820 million yen from the end of the last fiscal year.

The major reason of this increase is purchases of treasury stock of 3,907 and 2,021 million yen from August 13 to October 15 and from October 20 to November 21, 2008 through the exchange market based on the resolution in the board meeting on June 18 and October 10, 2008.

Reference Data

The previous 3rd quarter consolidated financial statement
(1) (Summary) Consolidated income statement

	The previous 3rd consolidated quarter total (April 1, 2007 to December 31, 2007)
Subject	(Amount: million yen)
I Net sales	148,426
II Cost of goods sold	84,886
Gross margin	63,537
III Selling, general and administrative expenses	40,931
Operating profit	22,606
IV Non operating profit	621
1 Interest income	117
2 Dividend income	215
3 Equity method income	69
4 Other	219
V Non operating expenditure	2,447
1 Interest expense	26
2 Exchange loss	2,189
3 Fees and commissions	67
4 Other	164
Ordinary profit	20,780
VI Extraordinary gain	249
1 Gain on sales of fixed assets	56
2 Gain on reversal of allowance for doubtful receivables	36
3 Gain on change of equity	156
VII Extraordinary loss	565
1 Loss on sales of fixed assets	220
2 Loss on disposal of fixed assets	270
3 Loss on revaluation of investments in securities	73
Income before income taxes and minority interests	20,464
Income taxes	9,351
Deferred	(910)
Minority interests in net income of consolidated subsidiaries	92
Net income	11,931

(2) The previous 3rd quarter consolidated statement of cash flows

(Amount : million yen)

	The previous 3rd consolidated quarter total (April 1, 2007 to December 31, 2007)
I Operating activities	
1 Income before income taxes and minority interests	20,464
2 Depreciation and amortization	4,575
3 Loss on sales of fixed assets	220
4 Loss on disposal of fixed assets	270
5 Gain on sales of fixed assets	(56)
6 Loss on revaluation of investments in securities	73
7 Amortization of goodwill	607
8 Equity method income	(69)
9 Gain on change of equity	(156)
10 Increase in allowance for bonuses to directors and corporate auditors	132
11 Bond redemption expense	13
12 Decrease in allowance for doubtful receivables	(105)
13 Increase in allowance of product warranties	440
14 Interest and dividend income	(333)
15 Interest expense	26
16 Unrealized exchange gain	(709)
17 Increase in accounts receivable	(6,658)
18 Increase in inventories	(9,979)
19 Increase in accounts payable	2,218
20 Bonuses to directors and corporate auditors	(158)
21 Other	(612)
Sub-total	10,205
22 Interest and dividend income received	333
23 Interest paid	(33)
24 Income taxes paid	(6,267)
Net cash provided in operating activities	4,238

(Amount : million yen)

	The previous 3rd consolidated quarter total (April 1, 2007 to December 31, 2007)
II Investing activities	
1 Increase in short-term bank deposit, net	(17)
2 Increase in investments in securities	(917)
3 Purchase of stock of affiliated company	(615)
4 Proceeds from sales of fixed assets	837
5 Purchase of fixed assets	(6,448)
6 Purchase of Intangible assets	(1,320)
7 Increase in short-term loan	(81)
8 Other	(362)
Net cash provided by investing activities	(8,925)
III Financing activities	
1 Increase in short-term bank loans, net	(692)
2 Proceeds from disposal of treasury stock	1,836
3 Purchase of treasury stock	(6,046)
4 Increase of minority interests	538
5 Cash Dividend	(4,538)
Net cash provided by financing activities	(8,902)
IV Effect of exchange rate changes on cash and cash equivalents	141
V Decrease in cash and cash equivalents	(13,447)
VI Cash and cash equivalents at beginning of the year	29,959
VII Increase in cash and cash equivalents resulting from inclusion of a subsidiary in consolidation	613
VIII Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(2)
IX Cash and cash equivalents at end of 3rd quarter	17,122

(3) Segment information

a. business

The previous consolidated 3rd Quarter (April 1, 2007 to December 31, 2007)

The Company and its consolidated subsidiaries are primarily engaged in manufacturing and selling of same types and series of products, machine tools, considering that types and series of the products, the manufacturing methods, and the markets are similar. Therefore, business segment information is not omitted.

b. geographic region

The previous consolidated 3rd Quarter (April 1, 2007 to December 31, 2007)

(Amount : million yen)

	Japan	Americas	Europe	Asia and Oceania	Total	Eliminations	Consolidated
Sales and operating income							
(1) Sales to third parties	73,734	27,230	44,309	44,309	148,426	—	148,426
(2) Inter-group sales	60,574	561	810	1,101	63,047	(63,047)	—
Total sales	134,308	27,792	45,120	4,252	211,474	(63,047)	148,426
Operating profit	21,750	486	1,621	47	23,906	(1,299)	22,606

c. Overseas sales

The previous consolidated 3rd Quarter (April 1, 2007 to December 31, 2007)

	Americas	Europe	Asia and Oceania	Total
I Overseas sales (million yen)	30,364	43,807	18,711	92,883
II Consolidated Sales (million yen)	—	—	—	148,426
III Overseas sales as a percentage of total consolidated sales (%)	20.5	29.5	12.6	62.6