



May 5, 2015

To: All concerned parties:

Company Name	DMG MORI SEIKI CO., LTD.
Representative	Masahiko Mori, Representative Director and President (Securities Code: 6141 Tokyo Stock Exchange, First Section)
Contact	Tatsuo Kondo, Representative Director, Vice President and General Manager of Accounting and Finance HQ (Tel: 052-587-1811)

Notice of Implementation of Settlement relating to Tender Offer against DMG MORI SEIKI AG and Consolidation of DMG MORI SEIKI AG

As DMG MORI SEIKI CO., LTD. (the “Company”) announced in the “Notice of Tender Offer by Consolidated Company (DMG MORI GmbH) of DMG MORI SEIKI CO., LTD. with Respect to DMG MORI SEIKI AG, Germany” dated January 22, 2015, the Company implemented a tender offer through its consolidated company against DMG MORI SEIKI AG, Germany (“AG”) (the “Tender Offer”). The Company hereby announces that, since the approvals of the antitrust law and anti-competition law authorities of the countries concerned have been obtained in all of the countries in which the Company filed notifications, the Company will implement the settlement of the 9,377,464 tendered shares on May 6. Upon completion of the settlement, AG will become one of the Company’s consolidated companies.

1. Reason for Acquisition of Shares

As the Company and AG have continued to collaborate in sales, development, procurement, production and certain other fields since March 2009, they have come to the conclusion that in order

to further create corporate value, it will be the best solution that they are operated together in an integrated manner also in terms of capital. The Company has released “Notice of Tender Offer by Consolidated Company (DMG MORI GmbH) of DMG MORI SEIKI CO., LTD. with Respect to DMG MORI SEIKI AG, Germany” on January 22, 2015 and announced its decision to make a tender offer the target of which is to acquire more than 50% of the shares of AG.

2. Outline of AG

①Trade Name	DMG MORI SEIKI AKTIENGESELLSCHAFT		
②Location	Gildemeisterstraße 60, 33689 Bielefeld, Germany		
③Representative	Dr. Rüdiger Kapitza		
④Main Business	Manufacturing and selling machine tools as well as related services		
⑤Capital Amount	€204.9 million (JPY26,637 million, converted at the exchange rate of JPY130/EUR)		
⑥Establishment Date	October 1, 1870		
⑦Total Number of Outstanding Shares	78,817,994 shares		
⑧Fiscal Year-End	December 31		
⑨Major Shareholder(s) and Voting Ratio	The Company’s group 52.5% (upon completion of the settlement)		
⑩Relationship with the Company			
	Capital Relationship	The Company and AG have formed a capital collaboration and AG holds 9.6% of the shares of the Company.	
	Personnel Relationship	The representative director of the Company is a supervisory board member of AG.	
	Business Relationship	The Company and AG have formed a business collaboration.	
	Whether or not to be a related party	Since the Company is the major shareholder of AG, AG is its related party.	
⑪Management Performance and Financial Position for the Last Three Years (Consolidated)			
Fiscal Year	December 2012	December 2013	December 2014
Sales	€2,037 million	€2,054 million	€2,229 million
Operating Profit	€133 million	€148 million	€183 million
Net Profit before taxes	€120.1 million	€135.0 million	€175.3 million

Net Profit for the Period	€82.4 million	€93.2 million	€121.1 million
Net Profit per share for the period (undiluted)	€1.32	€1.33	€1.41
Dividend per share	€0.35	€0.50	€0.55 (Proposal for the AGM 2015)
Total Equity	€775 million	€1,164 million	€1,266 million
Total assets	€1,619 million	€2,010 million	€2,230 million
Net assets per share	€12.9	€14.8	€16.1
⑫ Management Performance and Financial Position for the Last Three Years (Consolidated) as converted to Japanese Yen at the exchange rate of JPY 130/EUR			
Fiscal Year	December 2012	December 2013	December 2014
Sales	JPY264,810 million	JPY267,020 million	JPY289,770 million
Operating Profit	JPY17,290 million	JPY19,240 million	JPY23,790 million
Net Profit before income taxes	JPY15,613 million	JPY17,550 million	JPY22,789 million
Net Profit for the Period	JPY10,712 million	JPY12,116 million	JPY15,743 million
Net Profit per share for the period (undiluted)	JPY171	JPY172	JPY183
Dividend per share	JPY45	JPY65	JPY71 (Proposal for the AGM 2015)
Total Equity	JPY100,750 million	JPY151,320 million	JPY164,580 million
Total assets	JPY210,470 million	JPY261,300 million	JPY289,900 million
Net assets per share	JPY1,677	JPY1,924	JPY2,088

(The Japanese Yen figures shown in ⑫ “Management Performance and Financial Position for the Last Three Years (Consolidated) as converted to Japanese Yen” above have been obtained with any fraction of less than one (1) Japanese Yen resulting from the conversion being discarded.)

3. Changes in Shareholding Ratio

Before announcement of the Tender Offer: 19,176,223 shares (voting ratio: 24.3%)
Upon completion of the Tender Offer: 41,408,563 shares (voting ratio: 52.5%)
Date of settlement of the Tender Offer: May 6 (in German time)
The amount of share acquisition cost: €667 million (including the shares acquired through individual transactions after the announcement of the Tender Offer) (the Japanese Yen figures will vary by the exchange rate on the date of settlement)

4. Future Outlook

It is estimated that the impact of the acquisition of the above shares on the announced earnings estimates for the fiscal year ending March 2015 will be insignificant, and the impact on the financial results of the Company for the fiscal year ending December 2015 will be disclosed on the announcement date for financial results, which is scheduled for May 12, 2015.

END