



May 12, 2021

To whom it may concern

Company	DMG MORI CO., LTD.
Name of the Representative	Masahiko Mori President and Representative Director (Securities Code: 6141 Tokyo Stock Exchange, First Section)
Contact	Hirotake Kobayashi Executive Vice President, Accounting / Finance HQ Executive Officer (Tel: +81-03-6758-5900)

Notice on Changes in Establishment of a Subsidiary

DMG MORI CO., LTD. (hereafter “the Company”) previously passed a resolution at its Board of Directors meeting held on March 29, 2021 to transfer the manufacturing business for machine tool components of the Company group to DMG MORI Precision Components CO., LTD., a company to be established through an incorporation-type company split.

However, at the Board of Directors meeting held on May 12, 2021, the Company decided to establish DMG MORI Precision Components CO., LTD. through investment from the Company instead of an incorporation-type company split.

1. Purpose of the establishment of a subsidiary

By separating the key component manufacturing business as a core technology of machine tools, we are aiming to further improve the competitiveness of this succession business and the corporate value of the Company group through strengthening profitability management, clarifying management responsibilities, speeding up decision making and achieving flexible business operations.

2. Reasons for establishing DMG MORI Precision Components CO., LTD. through investment from the Company instead of an incorporation-type company split

The Company deemed it necessary to control the entire personnel and assets of the group. Following the basic policy, the Company decided to provide personnel, equipment, and other resources to the new subsidiary by transfer from the Company and leasing. Therefore, the Company concluded to establish a subsidiary through investment from the Company.

3. Outline of the new subsidiary

(1)	Company name	DMG MORI Precision Components CO., LTD.
(2)	Business	Manufacture and Sale of Machine Tool Components
(3)	Date of establishment	May, 2021 (planned)
(4)	Location of head office	201 Midai, Iga City, Mie, Japan
(5)	Name of the Representative	Yosuke Nakatsukasa President and Representative Director
(6)	Shareholders & shareholding ratio	The Company 100%

4. Financial Outlook

As the new subsidiary will be a wholly owned subsidiary of the Company, the establishment will have no effect on the consolidated financial performance of the Company.