

**Summary of Consolidated Financial and Business Results of the Third Quarter
for the Fiscal Year 2011(to December 31, 2011) [Japan GAAP]**

(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 February 2, 2012)

February 2, 2012

Company name	Mori Seiki Co., Ltd.
Code Number	6141 Tokyo and Osaka Stock Exchanges (URL http://www.moriseiki.co.jp)
Representative	Title President (the representative director) Name Masahiko Mori
Contact	Title Vice president (the representative director) Accounting / Finance HQ Executive Officer Name Tatsuo Kondo (TEL: 052-587-1811)
Expected date of filing the quarterly financial report	February 10, 2012
Expected payment date of cash dividends	—
Quarterly financial closing supplementary explanatory documents	Yes
Quarterly financial closing presentation	Yes (for analysts and institutional investors)

Note: All amounts less than one million are disregarded.

1. Consolidated business results for the Third quarter of the fiscal year 2011 (April 1, 2011 to December 31, 2011)

(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 2011	110,311	40.8	3,856	—	2,476	—	1,770	—
Third Quarter Fiscal Year 2010	78,360	72.8	-5,366	—	-6,032	—	-5,895	—

(Note)

Comprehensive profit Third quarter of the Fiscal Year 2011: -2,349 million yen. Third quarter of the Fiscal Year 2010: -7,412 million yen

	Net income per share in this quarter		Diluted net income per share	
	yen	yen	yen	yen
Third Quarter Fiscal Year 2011	16	08	15	80
Third Quarter Fiscal Year 2010	-53	32	—	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
Third Quarter Fiscal Year 2011	184,873	88,710	47.2
Fiscal year 2010	171,949	95,328	54.6

(Reference) Equity capital Third quarter of the Fiscal Year 2011 87,300 million yen Fiscal Year 2010 93,855 million yen

2. Dividends

Dividends per share						
	First Quarter	Second Quarter	Third Quarter	The end of the term	Year	
	yen	yen	yen	yen	yen	
Fiscal Year 2010	— —	10 00	— —	10 00	20 00	
Fiscal Year 2011	— —	10 00	— —			
Fiscal Year 2011(Forecast)				10 00	20 00	

Note: Amendment of the latest forecast on dividends No

3. Consolidated earnings forecast for Fiscal Year 2011 (April 1, 2011 to March 31, 2012) (Percent change shows the change from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	million yen	%	million yen	%	million yen	%	million yen	%	yen	
Full year	152,000	26.2	6,300	—	4,100	623.2	3,900	198.2	35 48	

Note: Amendment of the latest consolidated earnings forecast of the fiscal year 2011 No

4. Other

(1) Changes of significant subsidiaries during the financial term (changes in specific subsidiaries involving changes in scope of consolidation) No

(2) Adoption of peculiar accounting methods for preparing quarterly consolidated financial statements No

(3) Changes of important accounting policies, procedures, changes of estimate in view of accounting, and amendment.

- ① Changes along the revision of accounting standards, etc. No
- ② Changes other than mentioned in ① No
- ③ Changes of estimate in view of accounting No
- ④ Amendment No

(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 the fiscal year 2011	118,475,312 shares	Fiscal year 2010	118,475,312 shares
② Treasury stocks at the end of the year	The third quarter of the fiscal year 2011	9,090,308 shares	Fiscal year 2010	7,893,507 shares
③ Number of average shares (during the quarter terms)	The third quarter of the fiscal year 2011	110,066,218 shares	The third quarter of the fiscal year 2010	110,582,128 shares

⊗Implementation of quarterly review

This summary of Consolidated Financial and Business Results is out of scope in the quarterly audit based on Financial Instrument and Exchange Act. At the time of releasing this summary, the audit has not been completed.

⊗Proper use of the earnings forecasts and other notes

(Attention for the forecasts)

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 "1 Qualitative Information/Financial Statements, etc" (3) Qualitative information on consolidated earnings forecast for further information of the forecasts and assumptions.

(How to get the additional explanation)

We will upload additional explanation on February 2, 2012.

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1. Qualitative Information/Financial Statements, etc.

(1) Qualitative information on consolidated operating results

For the consolidated cumulative third quarter (from April 1, 2011 to December 31, 2011), the machine tool industry has seen steady growth in order intake. Although there has been a growing sense of uncertainty about future prospects due to the tight money policy in China, the financial insecurity in Europe, and the long-term appreciation of the yen and falling stock prices, the industry's total order value (from January through December in 2011) released by the Japan Machine Tool Builders' Association has increased by 35.5% compared to the same period in the previous year.

In this business environment, the Mori Seiki Group has established Shanghai Solution Center in Shanghai, China, in November, 2011, to support its sales activities. This Solution Center is equipped with the company's first showroom in China. The showroom showcases the flagship X-class machines to allow visitors to see machining demonstration on the actual machines, offering solutions for any requests. Another aim of the Solution Center is to improve parts supply efficiency. For parts shipment to major cities in China, the Solution Center is expected to achieve a shipping ratio within 24 hours of over 90%.

In Innovation Days 2011 "Next-generation Machines Show", an event that took place in November in the Iga Campus, a total of 40 Mori Seiki machines and DMG machines, including new 13 next-generation models, were on display. The event attracted about 7,000 visitors and many orders.

On the production front, in addition to a new machining plant that is currently under construction within the Iga Campus (scheduled to start operation in February 2012), we have started construction of a new assembly plant for machine tools and units at the Iga Campus. This assembly plant is expected to be operational in May 2012. With these new plants, we will seek to improve the efficiency of the parts machining, unit assembly and machine assembly processes to achieve even greater productivity. Also, the construction of our first North American manufacturing plant (Davis, California), which will go into operation in July 2012, is well underway.

In order to reduce procurement costs and minimize the risk of exchange rate fluctuations, we have been promoting overseas procurement by purchasing more parts from leading European suppliers through our Europe Purchasing Department and castings from China.

With regard to products, we launched the NHX8000, an X-class high-precision horizontal machining center, in October. We will further expand the lineup of our flagship X-class series to meet a wide variety of machining needs, including heavy-duty cutting of casting parts for ships and construction machinery and high-speed cutting of aluminum for aircraft and automotive parts. In December, we released two 5-axis machining centers manufactured by GILDEMEISTER: the ULTRASONIC 65 monoBLOCK equipped with ultrasonic machining functions and the LASERTEC 65 Shape that offers laser machining. Both designs are based on the DMU 65 monoBLOCK 5-axis control machining center. The combination of ultrasonic or laser machining and 5-axis machining enables process integration, which brings increased productivity and reduced costs.

The Mori Seiki Group will continue to expand its business on a global scale and actively implement strategies for medium and long-term growth.

Under the present conditions, our consolidated sales were 110,311 million yen (40.8% increase from the same period last year), consolidated operating profit was 3,856 million yen (the same period last year: consolidated operating loss of 5,366 million yen), consolidated ordinary profit was 2,476 million yen (the same period last year: consolidated ordinary loss of 6,032 million yen) and consolidated net profit was 1,770 million yen (the same period last year: quarterly net loss of 5,895 million yen).

(2) Qualitative information on consolidated financial status

At the end of the Third quarter, total assets were 184,873 million yen, 12,923 million yen increased from the end of the previous fiscal year. The main reasons for the increase are that though Notes and accounts receivable have decreased by 4,544 million yen respectively, Inventories and Investments in securities have increased by 10,439 million yen and 6,152 million yen respectively. Net assets were 88,710 million yen, and shareholders' equity ratio was 47.2%, 7.4 percentage decreased compared to previous fiscal year.

(3)Qualitative information on consolidated earnings forecast

There is not any changes in the forecast for the full year of the fiscal year 2011 (April 1, 2011 to March 31, 2012) and the first half year of it originally announced on October 27, 2011.

2. Consolidated financial statements

(1) The third quarter consolidated balance sheet

(Amount : million yen)

	At the end of the previous consolidated fiscal year (March 31, 2011)	At the end of the 3 rd consolidated quarter (December 31, 2011)
(Assets)		
Current Assets		
1 Cash and deposits	7,418	5,859
2 Notes and accounts receivable	32,085	27,540
3 Securities	101	101
4 Goods and products	12,421	19,526
5 Work in process	7,130	8,557
6 Raw material and Supplies	19,285	21,192
7 Deferred income taxes	2,061	1,863
8 Consumption tax receivable	398	544
9 Other	5,413	6,420
10 Allowance for doubtful receivables	-139	-191
Total current assets	86,177	91,415
Fixed assets		
1 Tangible fixed assets		
(1) Buildings and structures, net	24,581	22,959
(2) Machinery, equipment and vehicles, net	4,101	3,752
(3) Land	18,339	18,921
(4) Lease assets, net	4,026	3,861
(5) Construction in progress	476	3,065
(6) Other, net	2,895	3,149
Total tangible fixed assets	54,421	55,709
2 Intangible fixed assets		
(1) Goodwill	1,575	1,651
(2) Other	4,681	4,963
Total Intangible fixed assets	6,256	6,615
3 Investments and other assets		
(1) Investments in securities	23,082	29,234
(2) Long-term prepaid expenses	85	125
(3) Deferred income taxes	374	403
(4) Other	1,552	1,369
Total investments and other assets	25,094	31,132
Total fixed assets	85,772	93,457
Total assets	171,949	184,873

	At the end of the previous consolidated fiscal year (March 31, 2011)	At the end of the 3 rd consolidated quarter (December 31, 2011)
(Liabilities)		
Current liabilities		
1 Payable-trade	11,451	12,435
2 Short-term bank loans	45,172	32,397
3 Current portion of convertible bonds with stock acquisition rights	—	2,583
4 Lease obligations	278	309
5 Accrued payments	3,796	5,865
6 Accrued expenses	1,734	1,477
7 Accrued income taxes	373	368
8 Advances received	1,336	1,562
9 Accrued consumption taxes	71	65
10 Deferred income taxes	16	15
11 Provision for product warranties	914	828
12 Provision for bonuses	123	80
13 Provision for directors' bonuses	—	20
14 Other	1,035	1,197
Total current liabilities	66,303	59,207
Fixed liabilities		
1 Bonds payable	—	30,000
2 Convertible bonds with stock acquisition rights	2,583	—
3 Lease obligations	3,983	3,835
4 Deferred income taxes	1,387	834
5 Deferred income taxes for land revaluation reserve	1,699	1,485
6 Provision for retirement benefits	309	311
7 Long-term accrued payments	288	419
8 Asset retirement obligations	62	63
9 Other	4	6
Total fixed liabilities	10,317	36,955
Total liabilities	76,621	96,162
(Net assets)		
Shareholders' equity		
1 Capital	41,132	41,132
2 Capital surplus	53,863	53,863
3 Retained earnings	11,910	11,462
4 Treasury stock	-10,545	-11,744
Total shareholders' equity	96,360	94,714
Other comprehensive income		
1 Net unrealized holding gain on securities	1,463	956
2 Net unrealized gain/loss on derivative instruments	476	133
3 Revaluation reserve for land	1,545	1,759
4 Translation adjustments	-5,989	-10,263
Total other comprehensive income	-2,505	-7,413
Subscription rights to shares	469	470
Minority interests	1,003	938
Total net assets	95,328	88,710
Total liabilities and net assets	171,949	184,873

(2) The third quarter consolidated statement of income and statement of comprehensive profit
(The third consolidated quarter total)

(Amount : million yen)

	The previous 3 rd consolidated quarter total (April 1, 2010 to December 31, 2010)	The 3 rd consolidated quarter total (April 1, 2011 to December 31, 2011)
Net sales	78,360	110,311
Cost of sales	54,732	73,708
Gross profit	23,627	36,602
Selling, general and administrative expenses	28,993	32,745
Operating income or loss (-)	-5,366	3,856
Non-operating income		
1 Interest income	28	42
2 Dividend income	177	226
3 Other	190	287
Total of non-operating income	397	557
Non-operating expenses		
1 Interest expense	314	399
2 Exchange loss	260	893
3 Fees and commissions	84	123
4 Equity in losses of affiliates	162	143
5 Other	241	378
Total of non-operating expenses	1,063	1,937
Ordinary income or Ordinary loss (-)	-6,032	2,476
Extraordinary income		
1 Gain on sales of fixed assets	24	17
2 Gain on reversal of subscription rights to shares	—	3
3 Gain on transfer of business	—	583
4 Gain on liquidation of subsidiaries	—	135
Total of extraordinary income	24	739
Extraordinary loss		
1 Loss on sales of fixed assets	20	8
2 Loss on disposal of fixed assets	64	20
3 Loss on revaluation of investments in securities	68	200
4 Loss on revaluation of other investments	3	—
5 Loss on adjustment for changes of accounting standard for asset retirement obligations	15	—
6 Loss on business structural reorganization	270	—
7 Loss on disaster	—	58
Total of extraordinary loss	444	288
Income before income taxes or Loss before income taxes(-)	-6,452	2,926
Income taxes	136	738
Income taxes deferred	-405	214
Total of Income taxes	-268	953
Income before minority interests or Loss before minority interests (-)	-6,183	1,973
Minority interests in income or Minority interests in loss (-)	-287	202
Net income or Net loss(-)	-5,895	1,770

statement of comprehensive income
(The third consolidated quarter total)

(Amount: million yen)

	The previous 3 rd consolidated quarter total (April 1, 2010 to December 31 2010)	The 3 rd consolidated quarter total (April 1, 2011 to December 31, 2011)
Income before minority interests or Loss before minority interests	-6,183	1,973
Other comprehensive income		
Net unrealized holding gain on securities	71	-54
Revaluation reserve for land	—	213
Net unrealized gain/loss on derivative instruments	46	-476
Translation adjustments	-1,286	-1,367
Share of other comprehensive income of associates accounted for using equity method	-61	-2,638
Other comprehensive income	-1,228	-4,323
Quarterly comprehensive income	-7,412	-2,349
Contents		
Comprehensive income attributable to owners of the parent	-7,108	-2,518
Comprehensive income attributable to minority interests	-304	168

(3) Notes about premise of going concern

There are no applicable matters.

(4) Note regarding remarkable fluctuation of shareholders' equity

There are no applicable matters.