

**Summary of Consolidated Financial and Business Results of the Third Quarter  
for the Fiscal Year 2014 (to December 31, 2014) [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 13, 2015)

February 13, 2015

<b>Company name</b>	<b>DMG Mori Seiki Co., Ltd.</b>
Code Number	6141 Tokyo Stock Exchanges ( URL <a href="http://www.dmgmorseiki.co.jp">http://www.dmgmorseiki.co.jp</a> )
Representative	Title President (the representative director) Name Masahiko Mori
Contact	Title Vice president Accounting / Finance HQ Executive Officer Name Tatsuo Kondo (TEL: 052-587-1811)
Expected date of filing the quarterly financial report	February 13, 2015
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 yen are disregarded.

1. Consolidated business results for the Third quarter of the fiscal year 2014 (April 1, 2014 to December 31, 2014)

(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 2014	118,455	4.9	5,697	25.8	10,802	75.6	8,862	69.5
Third Quarter Fiscal Year 2013	112,953	3.9	4,529	96.0	6,153	175.3	5,229	114.7

(Note)

Comprehensive profit Third quarter of the Fiscal Year 2014: 10,808 million yen (-25.5%)

Third quarter of the Fiscal Year 2013: 14,504 million yen (376.1%)

	Net income per share in this quarter		Diluted net income per share	
	yen		yen	
Third Quarter Fiscal Year 2014	68.	21	68.	20
Third Quarter Fiscal Year 2013	48.	13	48.	11

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Third Quarter Fiscal Year 2014	258,528	163,078	61.4	1,221. 28
Fiscal year 2013	241,670	155,501	62.6	1,164. 59

(Reference) Equity capital Third quarter of the Fiscal Year 2014 158,690 million yen Fiscal Year 2013 151,324 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 2013	— —	10. 00	— —	12. 00	22. 00
Fiscal Year 2014	— —	12. 00	— —		
Fiscal Year 2014(Forecast)				12. 00	24. 00

Note: Amendment of the latest forecast on dividends: No

## 3. Consolidated earnings forecast for Fiscal Year 2014 (April 1, 2014 to March 31, 2015)

(Percent change shows the change from the previous 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	174,000	8.3	14,000	49.6	19,000	69.0	13,000	37.7	100. 05

Note: Amendment of the latest consolidated earnings forecast of the fiscal year 2014: Yes

### ※ Notes

(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 2014	132,943,683 shares	Fiscal year 2013	132,943,683 shares
② Treasury stocks at the end of the year	The third quarter of the fiscal year 2014	3,005,754 shares	Fiscal year 2013	3,005,226 shares
③ Number of average shares (during the quarter terms)	The third quarter of the fiscal year 2014	129,938,197 shares	The third quarter of the fiscal year 2013	108,638,519 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 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 Statement, etc" (3) Explanation on earnings forecast and etc for further information of the forecasts and assumptions.

(How to get the additional explanation)

We will upload additional explanation on February 13, 2015.

## Index of the Attachment

1. Qualitative Information / Financial Statement, etc .....	2
(1) Explanation on operating results .....	2
(2) Explanation on financial status .....	3
(3) Explanation on earnings forecast and etc .....	3
2. Consolidated financial statements .....	4
(1) The third quarter consolidated balance sheet .....	4
(2) The third quarter consolidated statement of income and statement of comprehensive profit .....	6
Consolidated statement of income	
The third consolidated quarter total .....	6
Statement of comprehensive profit	
The third consolidated quarter total .....	7
(3) Notes (Consolidated financial statements) .....	8
Notes about premise of going concern .....	8
Note regarding remarkable fluctuation of shareholders' equity .....	8
Significant subsequent events .....	8

1. Qualitative Information/Financial Statement, etc.

(1) Explanation on operating results

During the consolidated cumulative third quarter of the fiscal year ending March 31, 2015 (from April 1 to December 31, 2014), the machine tool industry saw favorable trends in both domestic and external demand, and the machine tool order results (January to December 2014) reported by the Japan Machine Tool Builders' Association showed a 35.1% increase over the same period a year earlier. With robust order intake particularly in Japan and the Americas, the DMG MORI SEIKI group will continue to strive to secure a high level of orders.

In this business environment the DMG MORI SEIKI group exhibited 32 cutting-edge machine tools at JIMTOF 2014 held from October 30 to November 4 in Tokyo. All of the exhibited machines were equipped with the newest operating system CELOS. The DMG MORI booth attracted more than 25,000 visitors during the event, resulting in many inquiries and orders exceeding our targets.

In October we decided to take over the lathe division of AMADA MACHINE TOOLS CO., LTD., a wholly owned subsidiary of AMADA CO., LTD., on April 1, 2015. The lathe division has made active efforts to meet a wide range of customer needs and provided super-high-precision compact lathes, which include not only universal lathes but also specialized machines, mainly for the automotive parts and optical industries. These efforts made it possible to establish the WASINO brand. We believe that by combining their technology, quality and well-established brand name with DMG MORI's strong global sales, engineering and service networks, we will be able to significantly increase the value of the lathe business.

On the product front, we launched the second generation model of the NTX 1000 and the NZX 4000 multi-axis turning center in October. The new NTX 1000 is a next-generation machine tool that employs an innovative operating system CELOS and incorporates cutting-edge technologies for automation, high precision and energy saving in one machine. The NZX 4000, which boasts greater rigidity than the existing models, offers high and stable cutting performance in both turning and milling operations. Also, we began taking orders for i 50. The i 50 is a high-speed horizontal machining center for mass production parts and will contribute to global expansion for our customers in the automotive industry and the industry itself especially in emerging countries. Furthermore, we receive a favorable level of orders for 3D additive/subtractive machine, LASERTEC 3D series, which fuse cutting-edge multi-axis machine with additive manufacturing. DMG MORI SEIKI will continue to respond to the high demand for high-speed high-precision machine tools, aiming to contribute to customers' greater efficiency and productivity.

We have decided to implement a tender offer (the "Tender Offer") based on German law with respect to DMG MORI SEIKI AKTIENGESELLSCHAFT ("AG"), with which we have a relationship of capital and business collaboration and which is accounted for as an affiliated company under the equity method for the purpose of the consolidated accounting of us. The purpose of the Tender Offer is to raise the current voting ratio of us in AG, which is 26.5%, to more than 50%, which percentage is necessary for us to operate AG as an integral part and consolidated company thereof. A successful Tender Offer will realize the integration of AG and us as consolidated companies, from which more cooperative effects can be expected. Over the next 5 years, these efforts for expanded sales and enhanced profitability will generate a cash flow which exceeds the invested amount, and will enhance corporate value.

Also, we have resolved to voluntarily apply the International Financial Reporting Standards ("IFRS") in place of Japanese GAAP, which have been conventionally applied with respect to our consolidated financial report and the consolidated financial statements, and to change our fiscal year-end to December 31 subject to the approval at the 67<sup>th</sup> Ordinary General Shareholders' Meeting to be held in late June 2015. Introduction of the global standard IFRS will enable improved international comparability of financial information, standardization of accounting settlement within the group, and enhance convenience of stakeholders.

Under the current circumstances, our consolidated sales were 118,455 million yen, (4.9% increase from the same period last year), consolidated operating income was 5,697 million yen (25.8% increase from the same period last year), consolidated ordinary income was 10,802 million yen (75.6% increase from the same period last year) and consolidated net income was 8,862 million yen (69.5% increase from the same period last year).

(2) Explanation on financial status

At the end of the third quarter, total assets were 258,528million yen, 16,857 million yen increased from the end of the previous fiscal year. The main reasons for the increase are that Notes and account receivable have increased by 3,575 million yen, Goods and products by 4,128 million yen, Work in progress by 3,566 million yen and Raw material and stocks by 4,668 million yen.

Net assets were 163,078 million yen, and shareholders' equity ratio was 61.4%, 1.2 points decreased from the end of the previous fiscal year.

(3) Explanation on earnings forecast and etc

We announce that we have revised the forecast for the full year of the fiscal year 2014(April 1, 2014 to March 31, 2015) announced on October 27, 2014. The full year consolidated ordinary income and net income for the year have been revised to 19,000 million yen and 13,000 million yen respectively taking a low yen into consideration.

The forecast is based on the information available as of the release date of this report and assumptions of several uncertain factors which may affect the company's results. Actual results might be different from the estimates due to subsequent changes in the circumstances.

## 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, 2014)	At the end of the 3rd consolidated quarter (December 31, 2014)
<b>(Assets)</b>		
<b>Current Assets</b>		
1 Cash and deposits	18,935	8,585
2 Notes and accounts receivable	32,989	36,564
3 Goods and products	15,886	20,015
4 Work in progress	7,709	11,276
5 Raw material and stocks	17,173	21,842
6 Deferred tax assets	3,066	2,789
7 Consumption tax receivable	484	1,061
8 Other	3,313	7,594
9 Allowance for doubtful receivables	-207	-201
<b>Total current assets</b>	<b>99,353</b>	<b>109,529</b>
<b>Fixed assets</b>		
<b>1 Tangible fixed assets</b>		
(1) Buildings and structures, net	29,412	32,327
(2) Machinery, equipment and vehicles, net	8,247	8,873
(3) Land	22,253	23,022
(4) Lease assets, net	3,802	3,838
(5) Construction in progress	1,766	800
(6) Other, net	3,527	4,016
<b>Total tangible fixed assets</b>	<b>69,009</b>	<b>72,878</b>
<b>2 Intangible fixed assets</b>		
(1) Goodwill	704	602
(2) Other	5,408	6,319
<b>Total Intangible fixed assets</b>	<b>6,112</b>	<b>6,921</b>
<b>3 Investments and other assets</b>		
(1) Investments in securities	64,736	66,095
(2) Long-term prepaid expenses	640	1,187
(3) Long-term loans	87	54
(4) Deferred tax assets	274	424
(5) Other	1,455	1,436
<b>Total investments and other assets</b>	<b>67,194</b>	<b>69,198</b>
<b>Total fixed assets</b>	<b>142,317</b>	<b>148,998</b>
<b>Total assets</b>	<b>241,670</b>	<b>258,528</b>

(Amount : million yen)

	At the end of the previous consolidated fiscal year (March 31, 2014)	At the end of the 3rd consolidated quarter (December 31, 2014)
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
1 Payable-trade	11,937	15,018
2 Short-term bank loans	90	130
3 Current portion of bonds	15,000	—
4 Lease obligations	443	370
5 Accrued payments	6,483	5,888
6 Accrued expenses	1,942	2,203
7 Advances received	2,141	1,970
8 Accrued income taxes	1,017	2,002
9 Accrued consumption taxes	140	335
10 Deferred tax liabilities	6	5
11 Allowance for product warranties	943	907
12 Allowance for bonuses	171	—
13 Others	1,138	1,609
<b>Total current liabilities</b>	<b>41,454</b>	<b>30,442</b>
<b>Fixed liabilities</b>		
1 Bonds	35,000	35,000
2 Long-term borrowing	—	20,000
3 Lease obligations	3,853	4,043
4 Deferred tax liabilities	2,577	2,905
5 Deferred tax liabilities for land revaluation	1,485	1,485
6 Accrued retirement benefits	379	418
7 Long-term accrued payments	681	539
8 Asset retirement obligations	101	49
9 Other	635	565
<b>Total fixed liabilities</b>	<b>44,714</b>	<b>65,006</b>
<b>Total liabilities</b>	<b>86,169</b>	<b>95,449</b>
<b>(Net assets)</b>		
<b>Shareholders' equity</b>		
1 Capital	51,115	51,115
2 Capital surplus	64,153	64,153
3 Retained earnings	25,501	31,171
4 Treasury stock	-3,609	-3,610
<b>Total shareholders' equity</b>	<b>137,161</b>	<b>142,830</b>
<b>Other comprehensive profit</b>		
1 Valuation difference on available-for-sale securities	4,003	4,989
2 Deferred gains on hedges	2	-31
3 Land revaluation reserve	1,759	1,759
4 Translation adjustments	8,797	9,529
5 Remeasurements of defined benefit plans	-399	-385
<b>Total other comprehensive profit</b>	<b>14,163</b>	<b>15,860</b>
Stock acquisition rights	34	—
Minority interests	4,142	4,388
<b>Total net assets</b>	<b>155,501</b>	<b>163,078</b>
<b>Total liabilities and net assets</b>	<b>241,670</b>	<b>258,528</b>

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

(Amount : million yen)

	The previous 3rd consolidated quarter total (April 1, 2013 to December 31, 2013)	The 3rd consolidated quarter total (April 1, 2014 to December 31, 2014)
Net sales	112,953	118,455
Cost of sales	75,975	78,209
Gross profit	36,977	40,245
Selling, general and administrative expenses	32,447	34,547
Operating income	4,529	5,697
Non-operating income		
1 Interest income	17	13
2 Dividend income	352	451
3 Exchange gain	1,953	3,236
4 Share of profit of entities accounted for using equity method	33	1,789
5 Other	165	274
Total of non-operating income	2,522	5,765
Non-operating expenses		
1 Interest expense	427	385
2 Fees and commissions	155	168
3 Other	316	107
Total of non-operating expenses	899	660
Ordinary income	6,153	10,802
Extraordinary gain		
1 Gain on sales of fixed assets	17	5
2 Gain on sales of investment securities	4	—
3 Gain on sales of shares of subsidiaries and associates	—	230
3 Gain on change in equity	3,432	56
4 Gain on reversal of subscription rights to shares	373	32
5 Gain on sales of other investments	—	8
6 Gain on transfer from business divestitures	—	162
7 Gain on liquidation of subsidiaries and associates	—	42
Total of extraordinary income	3,828	537
Extraordinary loss		
1 Loss on sales of fixed assets	3	0
2 Loss on disposal of fixed assets	51	39
3 Loss on valuation of other investments	1	—
4 Loss on change in equity	895	—
5 Business structure improvement expenses	2,774	—
6 Loss on sales of other investments	—	1
Total of extraordinary loss	3,727	40
Income before income taxes	6,254	11,299
Income taxes	817	2,350
Income taxes deferred	75	-75
Total of Income taxes	892	2,275
Income before minority interests	5,361	9,024
Minority interests	132	161
Net income	5,229	8,862



Statement of comprehensive profit  
(The third consolidated quarter total)

(Amount: million yen)

	The previous 3rd consolidated quarter total (April 1, 2013 to December 31 2013)	The 3rd consolidated quarter total (April 1, 2014 to December 31, 2014)
Income before minority interests	5,361	9,024
Other comprehensive profit		
Valuation difference on available-for-sale securities	1,288	1,672
Defferred gains on hedges	-449	70
Translation adjustments	2,907	2,727
Remeasurements of defined benefit plans	—	7
Share of other comprehensive income of associates accounted for using equity method	5,396	-2,693
Other comprehensive profit	9,143	1,784
Quarterly comprehensive profit	14,504	10,808
(Contents)		
Comprehensive income attributable to owners of the parent	14,367	10,557
Comprehensive income attributable to minority interests	136	251

(3) Notes (Consolidated financial statements)

(Notes about premise of going concern)

There are no applicable matters.

(Note regarding remarkable fluctuation of shareholder's equity)

There are no applicable matters.

(Significant subsequent events)

Tender offer by consolidated company (DMG MORI GmbH) of DMG MORI SEIKI CO., LTD. with respect to DMG MORI SEIKI AKTIENGESELLSCHAFT, Germany

DMG MORI SEIKI CO., LTD. ("CO") has resolved at the meeting of the board of directors held on January 22, 2015 that our consolidated company, DMG MORI GmbH, implements a tender offer (the "Tender Offer") based on German law with respect to DMG MORI SEIKI AKTIENGESELLSCHAFT ("AG"), with which CO has a relationship of capital and business collaboration and which is accounted for as an affiliated company under the equity method for the purpose of the consolidated accounting of CO.

AG has resolved to agree to the Tender Offer at its board of directors meeting and its supervisory meeting.

1. Purpose of the Tender Offer

CO entered into a business/capital collaboration agreement with AG in March 2009, and since then, as best partners optimally complementing their respective operations in terms of, inter alia, geographic sales regions, product lines and management resources, CO and AG have intensified their collaboration in the areas particularly of sales, development, purchase and production. In October 2013, they changed their respective names to the current company names to be consistent with the uniform brand "DMG MORI", and thereby further consolidated their collaboration. Also, CO and AG have regularly held meetings of a "Joint Committee", in order to realize results from their business affiliation. Further, their capital relationship which had started in the form of a 5% mutual holding of voting rights has been further enhanced so that currently CO holds a 26.5% voting ratio in AG and AG holds a 9.6% voting ratio in CO.

Although the business collaboration between CO and AG has brought more success than was expected at the time of the start of their collaboration, 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.

A successful Tender Offer will realize the integration of AG and CO as consolidated companies, from which more cooperative effects can be expected. In the area of sales, centralization of information will enable proposals and support that better meet customer needs and will contribute to further sales. In the areas of development and production, fusion with AG's technologies such as 5-axis control technology and laser technology will promote the development of more attractive products, and will lead to enhanced profitability through integration of product models, standardization of

components, and production at the place of demand. Over the next 5 years, these efforts for expanded sales and enhanced profitability will generate a cash flow which exceeds the invested amount, and will enhance corporate value. Also, CO will seek to strengthen its services and foster human resources, in order to provide more support to its customers throughout the world.

## 2. Outline of AG

(1) Registered Name	DMG MORI SEIKI AKTIENGESELLSCHAFT
(2) Location	Gildemeisterstraße 60, 33689 Bielefeld, Germany
(3) Representative	Dr. Rüdiger Kapitza
(4) Main Business	Manufacturing and selling machine tools
(5) Capital Amount	€ 204.9 million (or JPY 27,661 million, converted at the exchange rate of JPY135/EUR)
(6) Establishment Date	October 1, 1870
(7) Total Number of Outstanding Shares	78.81 million shares

## 3. Outline of the Tender Offer

The Tender Offer is planned to be implemented through our consolidated company, DMG MORI GmbH, against all AG shares held by shareholders excluding CO. Examination of the public offer document regarding the Tender Offer by the German federal financial supervisory agency (Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin")) has been completed and official notice of the document is currently open to the public. While CO aims to achieve more than 50% holding ratio of shares, which will allow CO to operate the two companies together in an integrated manner, the holding ratio of shares after the Tender Offer is subject to change according to the actual response from shareholders thereto.

### (1) Tender Offer Period

From February 11, 2015 to March 11, 2015 (4 weeks)

### (2) Announcement of Tender Offer Results (scheduled)

March 16, 2015

### (3) Additional Tender Offer Period (scheduled)

From March 17, 2015 to March 30, 2015 (2 weeks)

### (4) Announcement of Additional Tender Offer Results (scheduled)

April 7, 2015

### (5) Tender Offer Price

Per common share: €27.5 (or JPY 3,713, obtained at the exchange rate of JPY135/EUR)

### (6) Number of Shares, Etc. Scheduled to be Purchased

CO aims to purchase 50% of the total outstanding shares of AG plus one share thereof at least (total number of

shares to be purchased: more than 18,523,317 shares). The minimum target number of shares of AG to be offered for will be set as 50% plus 1 share. There will be no maximum target number of shares of AG to be offered.

(7) Estimated Funds necessary for Purchase

In case of acquisition of minimum target number of shares:

€ 509 million (or JPY 68.7 billion, obtained at the exchange rate of JPY135/EUR)

In case of acquisition of 100% of voting rights:

€ 1,593 million (or JPY 215.0 billion, obtained at the exchange rate of JPY135/EUR)

CO plans to finance the purchase through bank loan.