

DMG MORI CO., LTD.

FY Ending Dec. 2015 1Q IR Meeting

DMG MORI



www.dmgmori.com

Profit & Loss Statements

(Mil. JPY)	2014 1Q (Apr. – Jun.) Former CO basis	2015 1Q (Apr. – Jun.)	End Dec. 2015 (Apr. – Dec.) 9 month forecast	<Reference> End Dec. 2015 (Jan. – Dec.) 12 month forecast
Sales revenue	37,241	96,065	300,000	410,000
Operating result	726	33,965	30,000	40,000
(%)	1.9%	35.4%	10.0%	9.8%
Quarterly profit	1,662	33,893	-	-
(%)	4.5%	35.3%	-	-
Profit attributed to owners of parent company	1,672	32,318	16,500	22,000
(%)	4.5%	33.6%	5.5%	5.4%
EPS (JPY)	12.9	255.7	129.0	172.0
Exchange rate (1USD= **JPY)	102.2	121.4	120.0	119.8
Exchange rate (1EUR= **JPY)	140.1	134.2	130.0	131.0

Impact on PL by Adoption of IFRS and Integration with AG

(Mil. JPY)		2014.1Q (Former CO basis)	2015.1Q
Profits		37,485	134,923
	Sales revenue	37,241	96,065
	Other operating revenues	244	38,857
Cost		36,758	100,958
	Changes in finished goods and work in progress	-1,234	-6,759
	Cost of raw materials, consumables and goods for resale	18,649	49,975
	Personnel costs	9,650	30,483
	Depreciation	1,530	3,813
	Other operating expenses	8,162	23,445
Operating result		726	33,965
	Financial income	115	219
	Financial expense	138	598
	Share of profits and losses of at equity-accounted investments	1,037	92
Earnings before taxes		1,741	33,678
	Income taxes	78	-214
Quarterly profit		1,662	33,893
	Profit attributed to owners of parent company	1,672	32,318
	Profit attributed to minority interests	-9	1,574

■ Other operating revenue

▪ Grained and loss on step acquisition	37.3 Bil. JPY
Integration with AG	36.7 Bil. JPY
Acquisition of majority ownership of DMG MORI Finance	0.6Bil. JPY

■ Impact on operating result

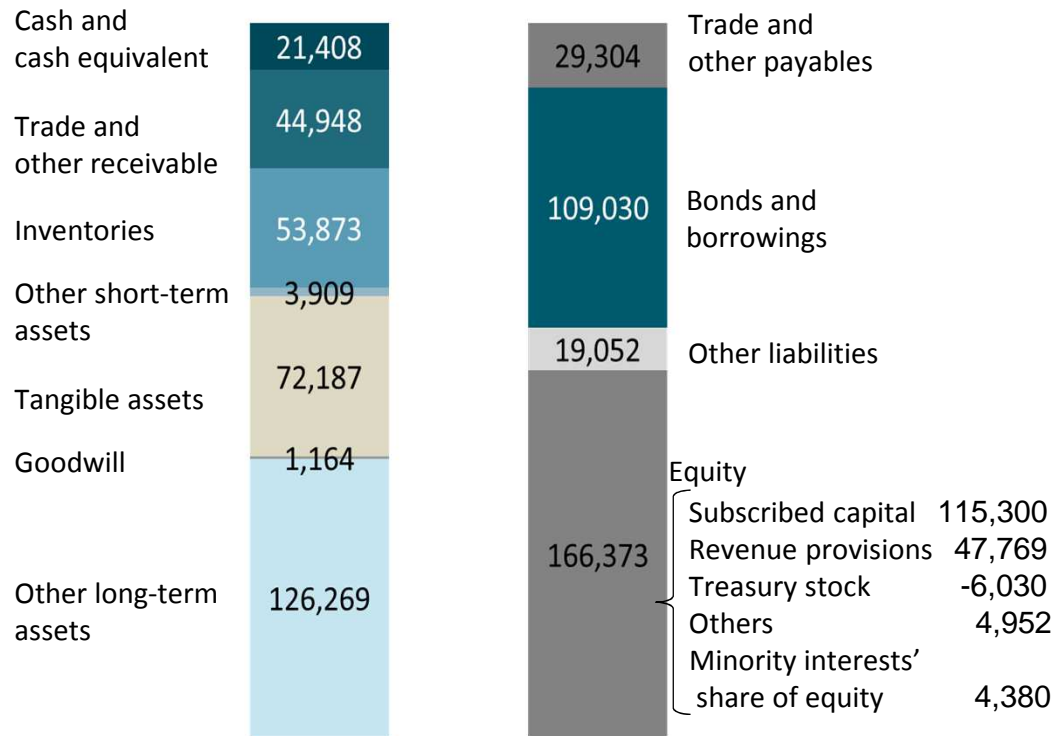
▪ Accounting change due to introduction of IFRS – 2.0 Bil. JPY	
Exchange loss and TOB related costs, etc. (which used to be allocated in non-operating costs or purchase costs under Japanese accounting standard)	
▪ Unrealized profit of cross holding inventories	– 0.5 Bil. JPY
▪ Cost of business restructuring	– 8.9 Bil. JPY
Costs related to inventory devaluation and management integration, etc.	

Total	– 11.4 Bil. JPY
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Balance Sheet

End of Mar. 2015
(Former CO basis)

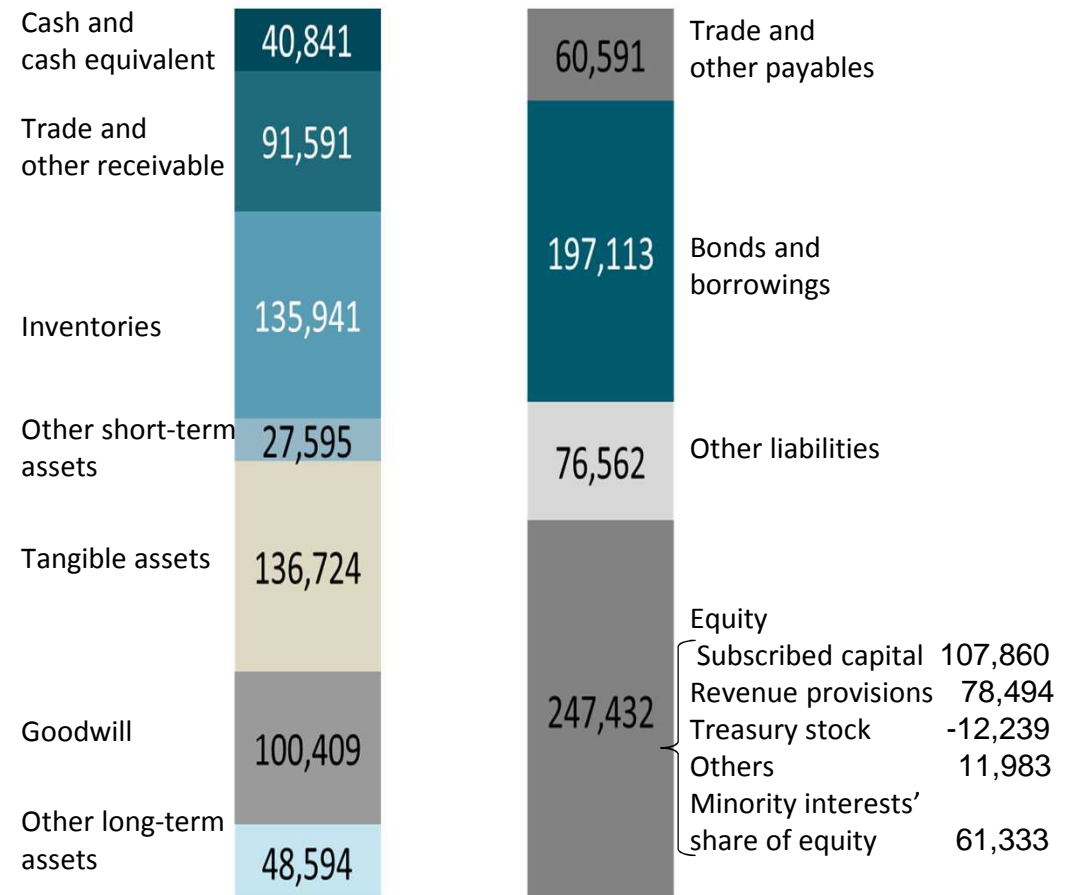
Total assets 323,759 Mil. JPY



Net debt 87,622 Mil. JPY
Shareholders' equity ratio 50.0%

End of June 2015

Total assets 581,698 Mil. JPY



Net debt 156,272 Mil. JPY
Shareholders' equity ratio 32.2%

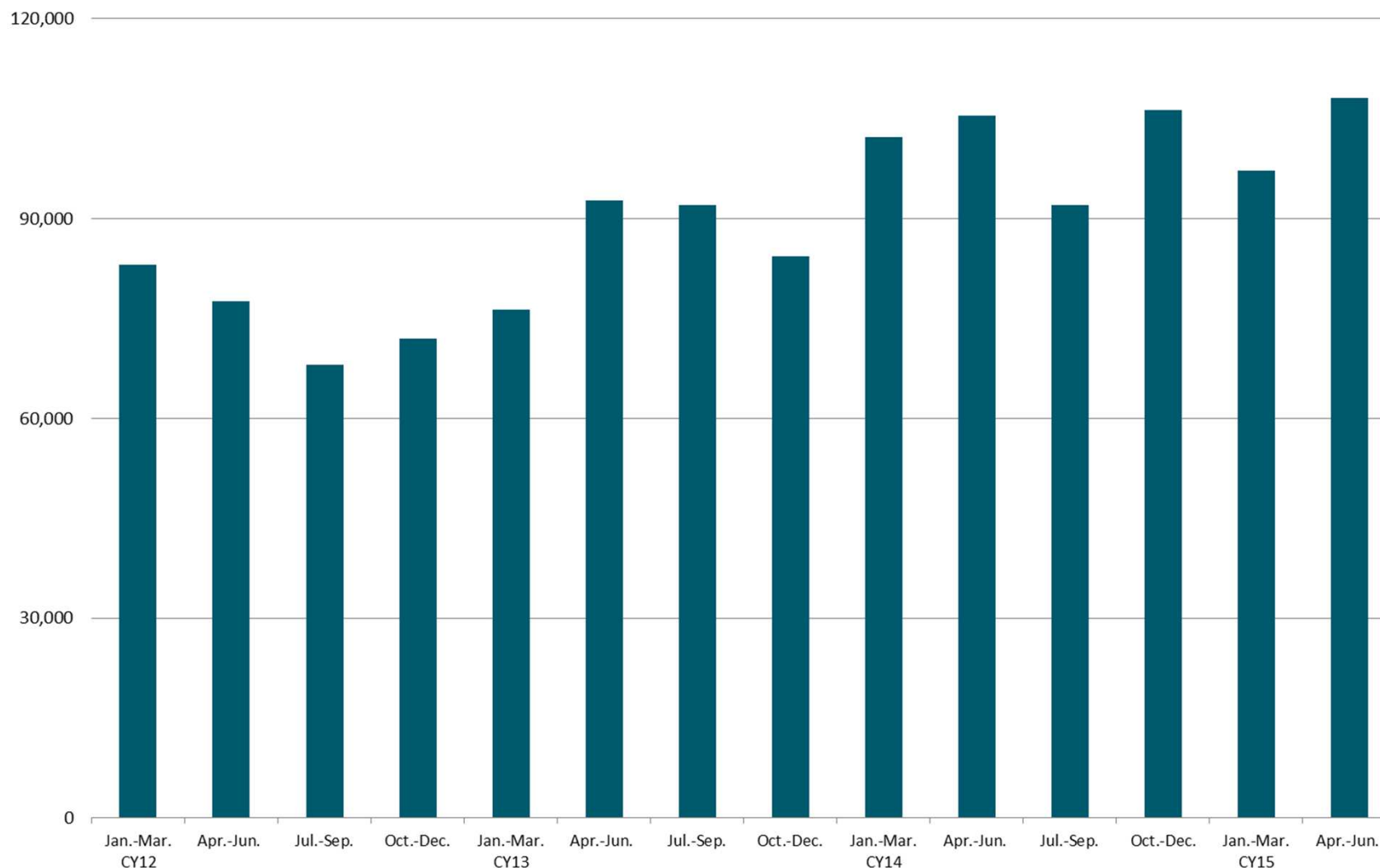
Cash Flow Statements

(Mil. JPY)	CY2015 Apr. – Jun.
Cash flow from operating activities	-13,616
- Amount paid out for changes of working capital	-6,849
Cash flow from investment activities	-11,063
- Amount paid out for investments in tangible assets	-6,135
- Amount paid out for investments in subsidiary stocks	-4,808
Cash flow from financing activities	43,045
Cash and cash equivalents at the end of the period	40,841

AG & CO Consolidated Quarterly Order Intakes (Machine Tool Business only)

AG & CO Consolidated Order : Machine body incl. Taiyo Koki and Wasino and Service & parts, excl. Other subsidiaries and energy solution business
Yen equivalent basis

(Mil. JPY)



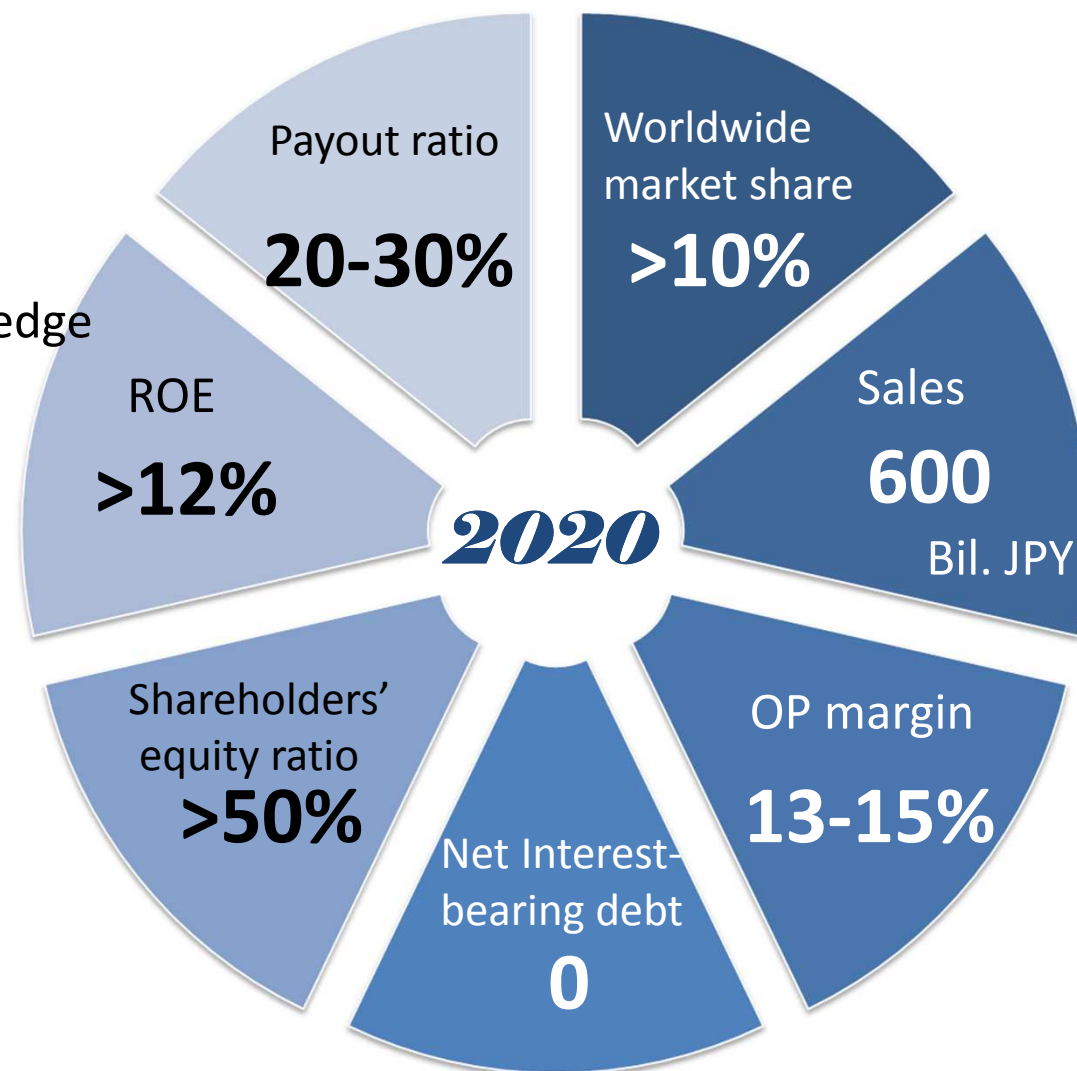
Management Target 2020

Shape the future

<Common Objectives>

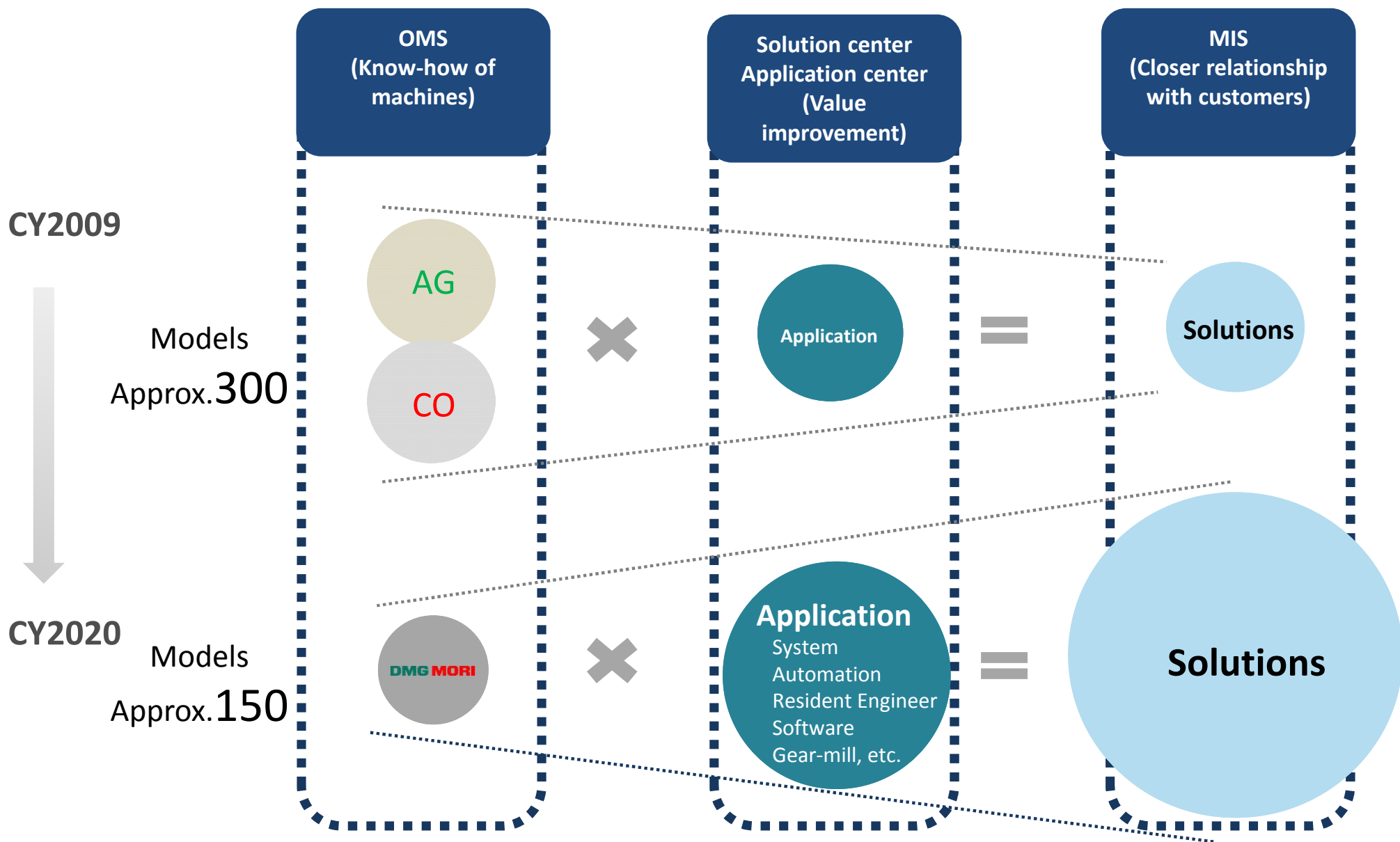
as Machine Tool Manufacturer;

- Strengthen the development of cutting-edge technologies
- Create new customer value that combines products & IT
- Provide more intelligent products faster and efficiently
- Provide best solutions and service for each customer
- Keep on evolving

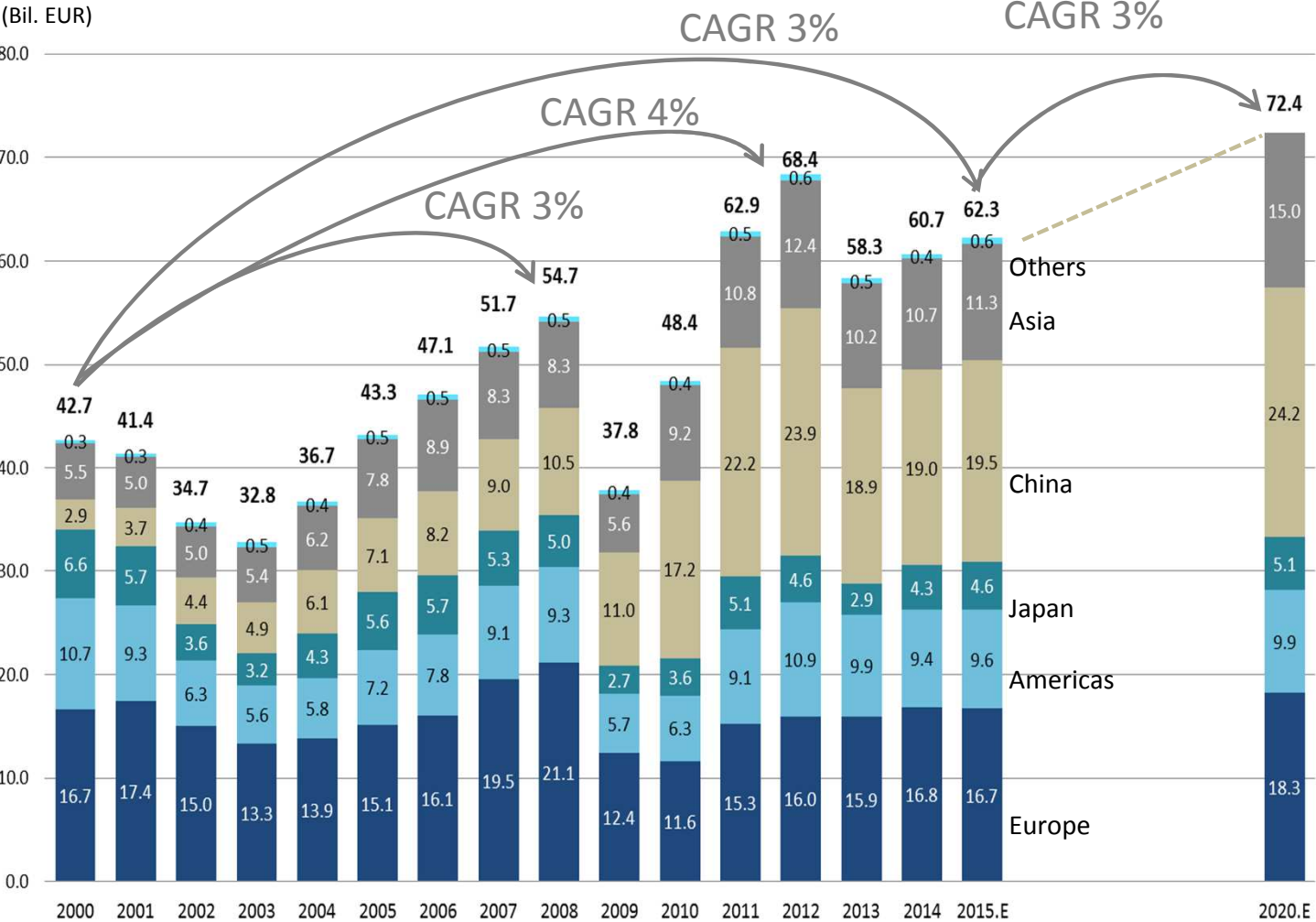


(Assumed exchange rate) 120 JPY / USD , 130 JPY / EUR

Integration of Product Lines and Creation of Customer Value through Solutions



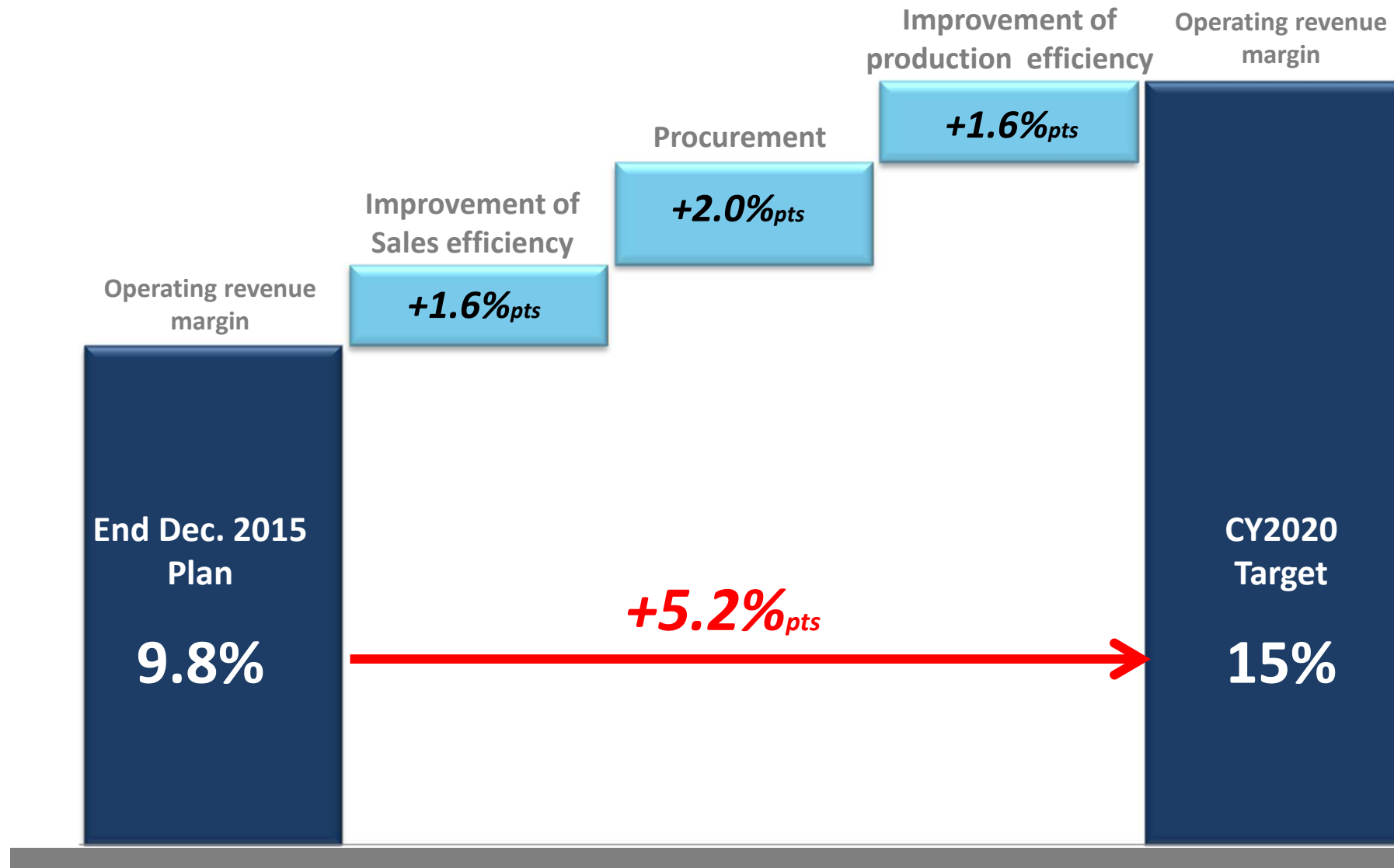
Demand Outlook of Machine Tools



CAGR (%)	CAGR			
	2000 ~ 2008	2000 ~ 2012	2000 ~ 2015E	2015E ~ 2020E
Others	8%	7%	-	-
Asia (excl. China, Japan)	5%	7%	5%	6%
China	17%	19%	13%	4%
Japan	-3%	-3%	-2%	2%
Americas	-2%	0%	-1%	1%
Europe	3%	0%	0%	2%
Total	3%	4%	3%	3%

<Source> CY2000-CY2015.E: VDW / Oxford economics
 CY2020E: DMG MORI CO

Plan to Achieve 15% of Operating Revenue Margin



Disclaimer

This material contains targets, plans, etc, concerning the future of DMG MORI CO., LTD. and the DMG MORI Group. All predictions concerning the future are judgments and assumptions based on information available to DMG MORI at the time of writing. There is a possibility that the actual future results may differ significantly from these forecasts, due to changes in management policy or changes in external factors.

There are many factors which contain elements of uncertainty or the possibility of fluctuation, including the following:

- Fluctuations in exchange rates
- Changes to the laws, regulations and government policies in the markets where DMG MORI CO., LTD. conducts its business
- DMG MORI CO., LTD.'s ability to develop and sell new products in a timely fashion
- Instability of governments in the markets where DMG MORI CO., LTD. conducts its business
- Operational changes by the competent authorities or regulations related to anti-trust, etc.