

## News Release

February 1, 2006

### Announcement of the Completion of the Chiba No.2 Plant

Mori Seiki has completed the construction of its Chiba No.2 Plant at the Chiba Campus (Funabashi, Chiba Prefecture). A completion ceremony was held by Mori Seiki employees and the constructors on January 27.

At the Chiba Campus, we concentrate on developing and manufacturing the NT Series of integrated mill turn centers, which was released in September. At Mori Seiki we are aiming to increase production of the NT Series, positioning it as one of our strategic machines in the Mori-568PLAN (Medium-term Management Plan). However, with our current plant and equipment in Chiba, we could not secure sufficient space for machining and assembly of the Series to keep up with the steadily increasing number of orders. Therefore, we urgently needed to expand our factory.

The new factory has a total land area of about 17,000 square meters, with about 7,000 square meters of floor space. We invested approximately 4 billion yen for the land, construction, machines and equipment.

We will increase monthly production from the current 50 machines to 100 units by the end of Fiscal Year 2007 by dividing the factory into two parts; assembly in the Chiba No.1 Plant (existing factory) and machining in the Chiba No.2 Plant (newly built factory).

The construction of the No.2 Plant has made the Chiba Campus the same size as the Nara Campus.

The No.2 Plant will start full-scale operation around the end of April or May.

We made this investment in order to achieve our company's Medium-Term Management Plan, Mori-568PLAN. Through full-scale operation of this factory, we will increase production of the NT Series and meet all our customers' orders.



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HF148-240A-02