

Press Release

October 19, 2006

Completion of Mori Seiki Sheet Metal Plant

Mori Seiki has recently completed the construction of our Sheet Metal Plant within the Iga Campus (Iga City, Mie). We used to have an area at the Iga Machining Plant (Iga No.1 Plant) which was designated for the manufacture of sheet metal, but we decided to establish this specialist Sheet Metal Plant in order to expand our in-house production capacity.

At this plant, we have the latest equipment and machines, which create programs based on the 3D data automatically using the sheet metal development system, and which can machine using turret punch presses and automatic bending machines.

Machining capacity has been made 5 times greater, and coating capacity has been made 8 times greater, compared with before. We used to mainly manufacture the sheet metal for electric cabinets, but in future we will put emphasis on the sheet metal for our machines as well. We are planning to manufacture about 30% of all the machine covers in-house.

Thanks to the establishment of this plant, we will also be able to reduce delivery times. As a result of in-house tests, we have been able to reduce the time taken for machining of sheet metal for electrical cabinet housings from 1 week to 3 days.

In the Mori-8 part of our Mori-568PLAN, we have a monthly production target of 800 units. In order to achieve this, we will start in-house production at our own Sheet Metal Plant, in addition to purchasing sheet metal from our superior suppliers.

The floor space of the Sheet Metal Plant is 5,170 m².

We invested a total of 2 billion yen in this plant, 1 billion for construction and another 1 billion for installation of new machines and equipment.

We held a completion ceremony with the people from the construction companies and Mori Seiki employees on October 16. Now we are ready for full operation.

Enhancing the in-house manufacture of sheet metal will help us dramatically improve our QCD. In order to respond to the current favorable order environment, we will strive to reduce our cost of sales ratio (Mori-6) through in-house production, and to contribute to increased production by reducing delivery times even further (Mori-8).

