

Press Release

December, 21, 2006

Mori Seiki Acquires DIXI Machines, Ltd.

After being in talk with DIXI Machines, Ltd. of Neuchatel, Switzerland, Mori Seiki Co., Ltd. announced that it has successfully executed a purchase agreement between DIXI pursuing collaborative ties between the two companies.

Subsequent to this agreement, Mori Seiki has formed Mori Seiki International (General Manager: Akihiko Takeda) in Neuchatel, Switzerland, in order to enhance marketing and sales under Mori Seiki's global system, The new company will also be engaged in improvement of production methods, purchasing new equipment and enhance parts procurement methods formerly conducted at DIXI Machines.

As Mori Seiki International being Mori Seiki Group's first overseas manufacturing base, the new company will not only continue to manufacture and market products under the DIXI brand, but also plans to expand its capacity in order to manufacture and sell Mori Seiki branded products as well.

Through this purchase, Mori Seiki Group intends to increase its presence in the European market.

<Outline of DIXI Machines, Ltd.>

Location	Le Locle, Neuchatel, Switzerland
Founded	1904
Representative Director	Mr. Paul Castella
Products	Jig boring machines, machining centers