

Press Release

March 14, 2007

Establishment of the Resident Engineering Section

As of March 1, 2007, Mori Seiki Co., Ltd. (hereafter Mori Seiki) has established a new Resident Engineering Section within the MTL Department of the Engineering Headquarters. Mr. Morihiro Hideta will be the Manager of the Section.

We send machining experts to our customers' factories when we install our machines. These experts understand both how to operate the machines and the machining processes. We have also dispatched Mori Seiki employees to our customers' factories when they have requested long-term support. Currently, we have 10 employees working with our customers in their factories; these are application engineers who are experts in machine operation and know which machining processes should be used just by looking at the workpiece.

We expect that customers' requests for long-term support will continue to increase, so we have established a specialist section as a part of our organization.

The Resident Engineering Section will offer the following advantages:

- Since our dispatched employees will be aware of the customers' needs and will be able to confer with the customers on site, we will be able to better help the customers utilize our machines.
- We can train our employees to become machining professionals who know how to use the customers' machines and understand their goals and processes.
- We will be able to make proposals and improvements for process designs of our customers' workpieces and other companies' machines, which will raise our customers' productivity.
- We will be able to continuously provide our customers with Mori Seiki's latest machining technologies, and integrate them into their manufacturing processes.
- We will be able to strengthen our relationships with our customers.

In addition to the 10 employees who are currently working at our customers' factories, we have 10 new candidates ready to be dispatched. We are planning to increase the number of resident engineers to 40 in 5 years.

Through these activities, Mori Seiki is doing our utmost to understand our customers, to help them understand our machines, and to improve the quality of our machines. We believe this will result in increased orders in the future.