DMG MORI

DMG MORI CO., LTD.

Global Head Quarter: 2-3-23 Shiomi, Koto-ku,

Tokyo, 135-0052, Japan TEL: +81(0)3-6758-5900

Press Release

September 20th, 2022

Japan's largest self-use solar power system: DMG MORI to build 130,000 m² / 13,400kW solar rooftop in Iga

DMG MORI CO., LTD. (hereinafter referred to as "DMG MORI") will install a solar power generation system on the rooftops of Iga Campus (Mie Prefecture), the largest production base of the DMG MORI Group. Covering a roof area of 130,000 m² for a capacity of 13,400kW, it will be the largest solar power system for self-use ever built in Japan*1.

The first half of the solar panels will be completed by next year and start providing 5,400 kW (5.4 MW) from February 2023. The second half will start operation by February 2025 to generate additional 8,000 kW (8.0 MW) for a total of approx. 13,400 kW (13.4 MW). From 2025, the complete solar power system will supply 14 million kWh (14,000 MWh) per year, which will cover approx. 30% of the annual power demand at Iga Campus.

The solar power system will be an on-site PPA*2 model provided by TESS Engineering Co., Ltd. (Yodogawa-ku, Osaka). All generated electricity will be used for self-consumption at Iga Campus, reducing the production site's CO₂ emissions by approx. 5,300 tons per year. In the future, DMG MORI's plants in Nara and Davis (California, USA) will also be equipped with solar panels to secure a stable power source for the long term to avoid market fluctuations or fuel supply problems. By this, DMG MORI can strengthen its business resilience and reduce CO₂ emissions through renewable energy.

DMG MORI is making various efforts toward a decarbonized, recycling-oriented, and sustainable society. In the area of renewable energy, DMG MORI is already using CO₂-free electricity at all its sites in Japan and since May 2022, a newly built biomass plant is in operation at Iga Campus that utilizes wood chips as fuel for carbon-neutral power generation.

Furthermore, DMG MORI offsets CO₂ emissions that cannot be reduced by own efforts by investing in internationally recognized sustainable climate protection projects. Since 2021, DMG MORI's entire production – from parts procurement to product shipment – is fully carbon-neutral. Today, all DMG MORI machines worldwide are shipped with the GREENMACHINE mark.

DMG MORI will continue to expand the use of renewable energy within the DMG MORI Group to accelerate the reduction of CO₂ emissions and contribute to the realization of a decarbonized society.

E-mail: users@dmamori.co.ip

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The on-site PPA model is a business model in which a power generation facility is installed on a customer's premises, roof or other space, and the power generated there is sold to the customer.

Solar Power Generation System at Iga Campus-Outline

Location: Plant rooftop of DMG MORI Iga Campus

PPA provider: TESS Engineering Co., Ltd.

Installation area: 130,000 m²

System Description: Self-use solar power generation system (PPA model)

Panel capacity: 13,400 kW (13.4 MW)

Annual power generation: 14 million kWh (14,000 MWh)/year

Estimated CO₂ emission reduction: 5,300 tons/year

Contract term: 20 years

Iga Campus - Outline

Address: 201 Midai, Iga City, Mie 519-1414, Japan

Site area: 578,000 m²

Number of employees: 1,800

Production items: Mill-turn centers, Turning centers, Vertical machining centers, Horizontal

machining centers, Additive manufacturing machines, key components, etc.

Highlights: - Largest production site of DMG MORI Group, in operation since 1970

- Includes assembly and machining plant, as well as:

Development Center with 400 engineers

·Global Solution Center: The world's largest showroom with 60 state-

of-the-art machine tools

E-mail: users@dmgmori.co.ip

Service Center for customer inquiries

DMG MORI Academy: Customer & employee training center for

the latest machine tool technology

^{*1} According to publicly available information on on-site solar power generation for self-use.

^{*2} PPA= Power Purchase Agreement. A form of contract in which electricity consumers purchase renewable energy power directly from power generators.

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TESS Engineering Co., Ltd. - Company Profile

Company name: TESS Engineering Co., Ltd.

President & CEO: Toshihiro Takasaki

Head Office: Shin-Osaka Prime Tower, 6-1-1 Nishinakajima, Yodogawa-ku,

Osaka 532-0011, Japan

Established: May 1979

Capital: JPY 100 million

Business outline: - EPC of energy-saving and renewable energy facilities

- Operation & maintenance (O&M)

- Ownership, operation, and sale of renewable energy power plants

- Energy management services

- 24h remote monitoring services

- ERAB services

- Fuel supply services (LNG, biomass fuel, etc.)

Website: https://www.tess-eng.co.jp/english/



Solar rooftop at DMG MORI Iga Campus (Perspective Image)

E-mail: users@dmgmori.co.jp