DMG MORI

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Press Release

March 21st, 2024

DMG MORI's self-use solar power systems: Iga No. 2 & Nara No. 1 started power generation!

DMG MORI CO., LTD. (hereinafter "DMG MORI") is promoting the group-wide introduction of solar power generation systems. By securing a renewable and stable source of energy independent of power supply fluctuations or fuel shortages, we aim to reduce CO₂ emissions and ensure business continuity.

We started installing solar panels on the rooftops of Iga Campus (Mie, Japan), our largest production base, in August 2022, and are building Japan's largest^{*1} solar power generation system for self-use based on the on-site PPA^{*2} model by Tess Engineering Co., Ltd (Yodogawa-ku, Osaka). We are now pleased to announce that we have successfully commissioned the 2nd batch of solar panels with an additional capacity of 5,200 kW (5.2 MW) in March 2024. Once the third batch begins its operation as planned in January 2025, the solar power system will collectively generate 14 million kWh (14,000 MWh) per year, covering approximately 30% of the Iga Campus annual electricity needs and reducing CO₂ emissions by approximately 6,400 tons per year. To safely maintain the total of 23,000 solar panels, some of which are installed on a steep roof, we will also introduce drones for regular inspections with minimum aerial work.

The self-use solar power generation system has also been installed at Nara Campus, home of our automation system solutions. The construction of the first batch has been completed in January 2024, and now the 354 kW panels generate 320,000 kWh (320 MWh) per year. After the second batch scheduled for completion in October 2024, the panels will cover an area of approximately 29,000 m², with a total capacity of approximately 2,967 kW (3.0 MW) and an annual power generation of 3 million kWh (3,000 MWh). They will provide 30% of the annual electricity demand of Nara Campus and significantly reduce CO₂ emissions by 1,300 tons. Furthermore, we are installing solar power generation systems throughout the group, including our plants in Pfronten (Bavaria, Germany), Seebach (Thuringia, Germany), Davis (California, USA), and Tianjin (China), as well as DMG MORI CASTECH (Izumo, Shimane, Japan).

In addition, to ensure backup power sources for a few hours in the event of a power outage, we plan to install batteries for storing excess solar power at Iga Campus (total: 1,000 kWh) and Nara Campus (total: 600 kWh) within 2024. Iga Campus also has a self-generation system (capacity: 8,000 kW) that can control its output according to the power consumption and last for 3 days or more on reserved fuel. Hybrid operation of these two systems will ensure a stable power supply with minimal fuel consumption during an emergency. For the surrounding communities, we are preparing an EV/PHEV-based system to store and

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deliver energy to nearby shelters by June 2026. In times of high power demand and the government's energy-saving requests, we will use our own power generation facilities and purchase less electricity from external sources to avoid community-wide power shortages.

DMG MORI will continue to expand the use of renewable energy to accelerate the reduction of CO₂ emissions and contribute to the realization of a carbon-neutral society.

*¹ PPA: Abbreviation for Power Purchase Agreement. A form of contract in which electricity consumers purchase renewable energy power directly from power generators. The on-site PPA model is a business model in which a power generation facility is installed on a customer's premises or roof, and the power generated there is sold to the customer.

*2 Based on publicly available information on on-site solar power generation for self-consumption.

[Project Scope: Iga Campus]

Installation area	:130,000 m ²	
Panel capacity	: 13,400kW (13.4MW)	
Power generation/year	: 14 million kWh (14,000MWh)	
	*Covering 30% of the Iga Campus annual electricity needs	
Estimated CO ₂ avoidance	: 6,400 tons/year	

	Operation launch	Panel capacity
1 st batch	February 2023	Approx. 5,400kW(5.4MW)
2 nd batch	March 2024	Approx. 5,200kW(5.2MW)
3 rd batch	January 2025 (plan)	Approx. 2,800kW(2.8MW)

[Project scope: Nara Campus]

Installation area	:29,000 m ²
Panel capacity	:2,967kW(3.0MW)
Power generation/year	: 3 million kWh (3,000MWh)
	*Covering 30% of the Nara Campus annual electricity needs
Estimated CO ₂ avoidance	: 1,300 tons/year

	Operation launch	Panel capacity
1 st batch	January 2024	Approx. 354kW
2 nd batch	October 2024 (plan)	Approx. 2,613kW(2.6MW)

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See also:

- Press release: Japan's largest self-use solar power system: DMG MORI to build 130,000 m2 / 13,400kW solar rooftop in Iga (September 20th, 2022)
 <u>https://www.dmgmori.co.jp/corporate/en/news/pdf/20220920_solar_e.pdf</u>
- Press release: DMG MORI to launch Japan's largest solar power system for self-use First batch (5,400 kW) started power generation on February 1, 2023 (February 6th, 2023) <u>https://www.dmgmori.co.jp/corporate/en/news/pdf/20230206_solar_e.pdf</u>



Solar panels at Nara Campus (1st batch)