April 7, 2016

To: All parties concerned,

Company Name	DMG MORI CO., LTD.
Representative	Masahiko Mori, Representative Director and President (Securities Code: 6141 Tokyo Stock Exchange, First Section)
Contact	Tatsuo Kondo, Representative Director, Vice President (Tel: +81-3-6758-5900)

Notice concerning Acquisition of over 75% of shares in DMG MORI AG and Enhancement of Collaboration

In order to enhance the integration of DMG MORI AKTIENGESELLSCHAFT ("**AG**"), DMG MORI CO., LTD. ("**the Company**") has acquired further shares in AG and reached a total shareholding of 76.03% of shares in AG, including the shares held by our consolidated company, DMG MORI GmbH.

In addition, the Company has made a resolution on April 6, 2016 to start preparations for entering into a Domination and Profit and Loss Transfer Agreement ("**the Domination Agreement**") based on the laws and regulation of the Federal Republic of Germany ("**Germany**") between DMG MORI GmbH and AG in order to further strengthen the ties within the DMG MORI group and to utilize management resources more efficiently.

The effectiveness of the Domination Agreement will allow further alignment of measures and policies taken by the Company and AG. Through enhancing the integration with AG and optimizing the group-wide resources by such measures and policies, the Company intends to further develop its machine tool business and maximize its corporate value.

Since the Domination Agreement requires the majority approval of more than 75% of the share capital represented at the general meeting of AG, it is expected that it will come in effect in the latter half of this year.

Note

1. Changes in the ownership ratio of the Company in AG

	Number of Shares	Ownership Ratio (voting rights)	Ownership Ratio (total shares)
Shares owned prior to the change	47,816,421	60.67%	60.67%
Shares owned after the change	59,924,858	76.03%	76.03%

2. Settlement Date
   April 6, 2016 (European Time)

3. General Explanation about the Domination Agreement
   A domination agreement is an agreement based on the laws of Germany that allows the controlling company to issue direct instructions to the decision-making body of the controlled company, i.e. the executive board. The Domination Agreement needs to be approved by the general shareholders' meeting of the company to be controlled (in this case, AG). Under the Domination Agreement, the controlling company (in this case, DMG MORI GmbH) is required to annually pay a certain fixed recurring compensation, based on the theoretical dividend per share in the future, to the outside shareholders of AG. The outside shareholders are entitled to either request the controlling company to purchase their shares in exchange for a cash compensation or receive the recurring compensation. The purchase of the shares and the payment of the fixed recurring compensation will be made at fair and adequate amounts which will be approved by a court-appointed auditing firm.

4. Details of DMG MORI AKTIENGESELLSCHAFT

Name	DMG MORI AKTIENGESELLSCHAFT
Main Business	Production and sales of machine tools
Foundation Date	October 1, 1870 (Original name at the time of foundation: Werkzeugmaschinenfabrik GILDEMEISTER & Comme)
Main Address	Gildemeisterstr. 60, D-33689 Bielefeld, Germany

Capital	204,927 thousand EUR
Employees	7,462 (Consolidated)

5. Impact to its Future Results of Operations

   The cash compensation and the fixed recurring compensation which will be paid to the outside shareholders under the Domination Agreement are expected to have an impact to the Company's future results of operations. Therefore, the Company will consider such impact after signing the Domination Agreement and make a disclosure if necessary.

End