

Notice Regarding the Construction of "Solution Center" in Machine Tools Business

We are happy to announce that we will construct a new "Solution Center" on the premises of Kikugawa Factory (Kikugawa, Shizuoka) which serves as a hub for the machine tools business. Details are as shown below.

1. Purposes of the Construction of Solution Center

- (1) We will establish a showroom for permanent exhibition of our company's product lineup and a special room for NC training aiming to enhance our before services such as test processing and practical machine operation training.
- (2) We will establish a large conference room that has a capacity of over 80 persons so that we can hold meetings for providing descriptions of products, presentations of new products, private exhibitions and other events for our customers, distributors and sales subsidiaries from Japan and overseas to enhance our sales activities.
- (3) We will establish an evaluation test room where we can conduct product tests under high-temperature and high-humidity environments and we will enhance product development pursuing high quality and high precision.
- (4) We will develop processing technologies and application software that will help our customers solve their issues aiming to enhance customer satisfaction.

2. Overview of Solution Center

Location: 1500-34 Kitanoya, Misawa, Kikugawa, Shizuoka (on Kikugawa Factory property)

Outline of the structure: Steel three-stories building

Building area: Approximately 1,600 m²

Total floor area: Approximately 3,700 m²

Total project cost: Approximately 1.3 billion yen

Start of construction: March 2019 (To be scheduled)

Completion of construction: March 2020 (To be scheduled)

3. Influence on the Business Performance

There is no influence of this construction on the fiscal 12/2018 consolidated performance.

An image of Kikugawa Factory Solution Center

