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**Mitsui Seiki Announces New Headquarters and Manufacturing Plant Opening in
Kawajima-cho, Japan**

(Franklin Lakes, NJ – July 2002) Mitsui Seiki Kogyo Co., Ltd., parent company of Mitsui Seiki U.S.A., officially opened their new 150,000+ square foot headquarters and manufacturing plant in Kawajima-cho, Hiki-gun, Saitama Prefecture, Japan. The new facility is more than twice the size of the former factory in Ota-ku, Tokyo.

Mitsui Seiki's new plant was christened on May 22, 2002, with a traditional Japanese opening ceremony. The all day event concluded with a speech from guest of honor Scott Walker, President of Mitsui Seiki U.S.A., Inc., and the tapping of a large wooden Sake barrel by five of Mitsui Seiki's board members. Attendees of the traditional ceremony included vendors, stockholders, customers, dealers, trading companies, employees, and even some of Mitsui Seiki's closest competitors. The new factory is designed to build custom machines for special applications, incorporating a new material management system and the most strict temperature-controlled assembly environment in the industry.

According to Walker, "the material management system was based on the latest management techniques, developed by one of our largest automotive customers in the

manufacture of their own special purpose machines.” In contrast with the majority of Japanese machine tool companies, Mitsui’s approach is the efficient manufacture of sophisticated, specialized, machine tools individually, rather than through batch or mass production means. The highest standards in quality control and part component accuracy are upheld at Mitsui Seiki’s new facility.

Several of the new factory’s features are geared towards the extraordinary precision requirements of Mitsui Seiki’s sophisticated tool line, consisting of 5-axis machining centers, ultra-precision (under 20 microns true positioning capabilities) vertical and horizontal machining centers, jig borers, jig grinders, thread grinders and special purpose machines. Mitsui’s assembly areas are closely regulated for optimum temperature control at 20 degrees Celsius, with a tolerance of +/- 0.2 degrees. Enormous time savings are realized at machine assembly, as a result of Mitsui’s tightly controlled environment and strict quality standards.

Material handling efficiency is enhanced at Mitsui Seiki’s new facility with the incorporation of larger assembly bays and bigger cranes. Stable and rigid machine support during assembly and testing is reached through a specially engineered flooring system. The concrete floors in the machine assembly bays are one meter thick, and are supported by 40-meter deep pilings, spaced every 10 square meters. “[The] combination of a solid infrastructure and strict environmental controls provides the best conditions for bench-marking our machine’s capabilities before customer installation,” states Walker.

In addition to enhancing product integrity, Mitsui Seiki has incorporated a new system for streamlining design engineering and purchasing strategies, referred to as the “one-off” production approach. Mitsui’s new approach incorporates assigning a serial

number to each new machine project so that design engineers can specify and itemize the required components for each project. This new approach reduces overhead involved with ordering and storing large amounts of components purchased for the sake of receiving quantity discounts. With regards to manufactured components, the machine shop has been restructured into cells for the manufacturing of assembled components on an “as needed” basis. Once the machine design is completed and approved, then the internal and external purchase orders are released. Again, Mitsui’s new approach greatly reduces the quantity of parts stored on premise and further streamlines the production process.

“The goal,” according to Walker, “is to completely automate this system. Currently, outside purchase orders are automated through the internet. [And] a new integrated accounting system is presently being tied into the system for tracking and accounts payable management. Our vendors are participating in this [new] system to support our [streamlined approach].”

Components produced in the factory, along with those received from outside vendors, are organized via serial number in a storage/staging department, adjacent to the assembly area. Once all parts for a given project have been received, the entire lot is relocated to the assembly area. An ample-sized staging area is vital to the optimization of “the space in the critical, temperature-controlled assembly area. We couldn’t do this in the old factory,” says Walker.

“Even though the worldwide machine tool economy is slow, the factory move disrupted the production flow. Mitsui Seiki expensed the entire factory move this fiscal year, ending March 31, 2002, yet we will still generate a profit. Next year is looking

positive also. We expect our improved efficiencies and increased output capacity will better serve our customers' specialized machine tool needs," explains Walker.

Mitsui Seiki's new headquarters' address and phone numbers are:

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Kawajima-cho, Hiki-gun, Saitama 350-0193
JAPAN
Phone: 049-297-555
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For more information, contact Mitsui Seiki U.S.A., Inc., (201) 337-1300.

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Note to editor: IMAGE CAPTION

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