

August 24, 2006

Notice Concerning Transfer of Wako Industrial Co., Ltd. Precision Machinery Division Operations to MISUMI Group Sub-subsidiary

MISHIMA SEIKI CO., LTD., a sub-subsidiary of MISUMI Group Inc. (headquartered in Koto-ku, Tokyo; Tadashi Saegusa, President and CEO) and a wholly owned subsidiary of SURUGA SEIKI CO., LTD. (a MISUMI Group consolidated subsidiary) recently assumed the business of the Precision Machinery Division of Wako Industrial Co., Ltd. (a company that is currently in civil rehabilitation proceedings) and has started operation.

1. Reasons for transfer of business

Wako's Precision Machinery Division did business for many years as a manufacturer of quality ejector pins and other merchandise for the MISUMI Group's die and mold component business. However, Wako recently filed for civil rehabilitation after doing poorly in its business for construction equipment and materials. Wako offered to transfer its Precision Machinery Division to MISUMI Group, and MISUMI decided that from the perspective of maintaining steady supplies of needed products, it would be in its best interest to accept that offer.

To this end, MISUMI Group established MISHIMA SEIKI CO., LTD. on August 1 this year and on August 8 had it assume the business operations of Wako's Precision Machinery Division.

2. Details of business transfer

- (1) Transferred business division: Precision Machinery Division's plants, facilities, etc. (with rehiring of division's full-time employees and continued engagement of its part-time employees)
- (2) Date of business transfer: August 8, 2006

3. Profile of Wako Industrial Co., Ltd.

- (1) Name: Wako Industrial Co., Ltd.
- (2) Corporate address: 580-49 Tokura, Shimizu-cho, Sunto-gun, Shizuoka
- (3) Representative: Yasuyuki Takashima
- (4) Establishment date: June 15, 1960
- (5) Paid-in capital: 90 million yen
- (6) Business lines: construction equipment and materials, engineering equipment, precision machinery
- (7) Relationship with MISUMI Group Inc.: close capital ties, no personal ties

4. Profile of MISHIMA SEIKI CO., LTD.

- (1) Name: MISHIMA SEIKI CO., LTD.
- (2) Corporate address: 580-49 Tokura, Shimizu-cho, Sunto-gun, Shizuoka
- (3) Representative: Masayuki Takaya
- (4) Establishment date: August 1, 2006
- (5) Business lines: precision machinery
- (6) Shareholders: SURUGA SEIKI CO., LTD. (100%)

5. Future outlook

This business transfer will provide MISUMI Group with a framework that facilitates the continued supply of a wide range of merchandise to its customers. It will not affect the Company's unconsolidated business performance and will have only a marginal impact on consolidated performance.