

May 25, 2012

## **MISUMI Group FY2011 Consolidated Business Performance**

Record-high sales and profit affirm the strength of MISUMI's business model.  
Forecasting another record year in FY2012.

Today, MISUMI Group Inc. announced its consolidated financial results through FY2011 (April 1, 2011, to March 31, 2012). Major performance measures are as follows.

	<u>FY2010</u>	<u>FY2011</u>	<u>Change</u>
	Million Yen	Million Yen	%
Net Sales	121,203	<b>130,212</b>	+7.4
Operating Income	15,562	<b>16,646</b>	+7.0
Net Income	9,007	<b>9,414</b>	+4.5
Earnings per Share	¥101.16	<b>¥105.14</b>	+¥3.98
Dividends per Share	¥20.2	<b>¥23.2</b>	+¥3.0

### <Highlights of FY2011 consolidated financial results>

#### 1. Record-high sales and profit for the first time in four years

- Sales in FY2011 (April 2011 through March 2012) reached ¥130.2 billion (up 7.4% compared to the previous year), renewing a record high for the first time in four years.
- The business environment surrounding our company grows increasingly harsh as the European sovereign debt crisis intensifies, China and the rest of East Asia see slower economic growth and the yen appreciates. Amid this environment, MISUMI booked record-high sales in overseas as we drove penetration of the MISUMI business model and grew our customer bases in global markets.
- Operating income was ¥16.6 billion (up 7.0%), also a record high. To secure future growth, we expanded our sales office network, invested in new plants, added employees in Asia and implemented other forward-looking measures. These upfront investments weighed on operating income. However, that increased burden was absorbed by more sales and improved gross margins. As a result, we beat our revised forecasts and booked record-high profits.

#### 2. Sales increased in all segments

- Sales by business segment were as follows.

Business Segment	Net Sales (Yen)	Year-on-Year Comparison
Factory Automation	80.7 billion	+7.9%
Die Components	27.6 billion	+4.0%
Electronics	12.4 billion	+9.0%
Diversified	9.7 billion	+7.3%
- Driven by demand for factory automation, our Factory Automation segment renewed record-high sales levels for the second consecutive year.

#### 3. International sales accounted for 27.5% of total sales

- Cumulative sales by geographical region were as follows.

Geographical Region	Net Sales (Yen)	Year-on-Year Comparison
Japan	94.3 billion	+7.1%
Asia	26.7 billion	+4.8%
North & South America	5.3 billion	+17.5%
Europe	3.6 billion	+23.7%
- International sales accounted for a record-high 27.5% of total sales, up 0.2 percentage point year-on-year. The stronger yen nearly offset the increase in international sales as a percentage of total sales.
- Moving forward, we will continue to refine the MISUMI business model in global markets and grow our international businesses.

#### 4. Annual dividend payout to be a record-high ¥23.2 per share (up ¥3)

- Effective beginning the second half of FY2011, we have increased our dividend payout ratio to 25% from 20%. This change to our shareholder return policy was announced November 9, 2011. The decision to increase shareholder returns resulted from a comprehensive review that took into account the business environment and performance trends and forecasts, as well as the levels of balance-sheet strength, capital efficiency and retained earnings required to establish a stable financial standing over the long-term, among other factors.
- Consolidated sales and operating income in FY2011 renewed record highs respectively for the first time in four years. Net income also beat our revised forecast.
- As a result, we increase our year-end dividend to ¥13 per share (up ¥2.5 compared to the same period in the previous year). With this change, MISUMI plans to pay out a record high level of annual dividends per share of ¥23.2 (up ¥3), including the interim dividend of ¥10.2 per share paid out already.

	Annualized dividend					
	End of Q2		Year-end		Annual total	
	Yen	Payout ratio	Yen	Payout ratio	Yen	Payout ratio
Actual this year	10.20	19.2%	13.00	25.0%	23.20	22.1%
Previous forecast	—	—	12.30	—	22.50	—
Actual last year (FY2010)	9.70	17.5%	10.50	23.0%	20.20	20.0%

#### 5. Forecasting another record-high year of sales and profit in FY2012

- Although uncertainties continue to muddy the outlook for the global economy, we will continue to refine the MISUMI business model in global markets.
- As a result, we forecast a second consecutive year of record-high sales, operating income. Moreover, we forecast reaching a new high in net income for the first time in five years.

#### Consolidated earnings forecast for FY2012 (April 1, 2012, through March 31, 2013)

	Net Sales	Operating Income	Ordinary Income	Net Income	Earnings per Share	Annual Dividends per Share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen	Yen
Forecast	138,000	17,000	17,000	9,850	110.31	27.60
Year-on-year	+6.0%	+2.1%	△0.3%	+4.6%	+5.17円	+4.4円

※The above table is based on the revised forecast announced on May 17, 2012.

#### [Disclaimer regarding forward-looking statements]

Although forecasts for FY2012 ending March 2013 and forward looking statements contained in this material are based on assumptions applied and judged to be reasonable by the Company and its Group reflecting currently available information, including domestic or international economic circumstances, fluctuations in currency exchange rates, and other factors that may influence our business performance, they are subject to risk and uncertainty. Therefore, investors should avoid making their investment decisions based entirely and exclusively on the forward-looking statements herein. Please be advised that our actual business performance may differ substantially from the forecasts indicated in this document.

The material factors that may influence our actual performance include economic circumstances, market trends, and exchange rates, among others.

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