

May 23, 2013

## Notice Regarding the Issuance of Stock Options to Directors

This is to announce that MISUMI Group Inc. (hereinafter “the Company”) plans to propose the following proposal, which was approved at our Board of Directors Meeting held May 24, 2013, regarding the issuance of stock acquisition rights as stock options to directors at our 51<sup>st</sup> Annual General Meeting of Shareholders (hereinafter “the Meeting”), scheduled for June 14, 2013.

### 1. Reason for the proposal

The assignment of stock acquisition rights to the Company’s directors (excluding outside directors) of a combined amount of no more than ¥400 million during the 52<sup>nd</sup> fiscal year (from April 1, 2013, through March 31, 2014) as detailed below will be proposed at the Meeting, based on comprehensive consideration of the measure’s effects as an incentive to further increase motivation among the Company’s directors to enhance the Company’s business performance by aligning earnings received by the Company’s directors with the Company’s share price.

The amount of compensation in the form of the said stock acquisition rights is set separately from the director compensation (up to ¥900 million per year) approved at the 49<sup>th</sup> Ordinary General Meeting of Shareholders held on June 17, 2011.

### Guidelines for stock acquisition rights

(1) Total number of stock acquisition rights and type and number of shares subject to the rights

1) Total number of stock acquisition rights

Up to 5,000 in the 52<sup>nd</sup> fiscal year (from April 1, 2013, through March 31, 2014)

2) Type and number of shares subject to the stock acquisition rights

Up to 500,000 of the Company’s common shares in the 52<sup>nd</sup> fiscal year (from April 1, 2013, through March 31, 2014)

The number of shares subject to each stock acquisition right (hereinafter the “Number of Shares to be Granted”) shall be 100.

However, should the Company’s common shares be split or merged or should the Company find it otherwise appropriate to adjust the Number of Shares to be Granted, the Company shall apply the treatment considered necessary.

(2) Monetary value of assets to be contributed upon exercise of stock acquisition rights

The stock acquisition rights are to be exercised in lieu of a cash investment. The monetary value of assets to be contributed for the exercise of one stock acquisition right is the amount obtained by multiplying the price per share as determined below (hereinafter the “Exercise Price”) by the Number of Shares to be Granted.

The Exercise Price is the amount obtained by multiplying by 1.05 the average of the closing prices of the Company’s common stock on the Tokyo Stock Exchange on all trading days (excluding days where no trades were made) of the month preceding the month in which the allotment date falls. Fractions of less than ¥1 resulting from said calculation are rounded up. However, if that amount is less than the closing price of the Company’s common stock on the Tokyo Stock Exchange on the allotment date (or on the most recent day a trade was made if no trade was made on the allotment date), then said closing price shall be the Exercise Price.

Should the Company’s common shares be split or merged or should the Company find it otherwise appropriate to adjust the Exercise Price after the allotment date, the Company shall apply the treatment considered necessary.

(3) Exercise period for the stock acquisition rights

The exercise period shall fall between the date on which two (2) years and the date on which nine (9) years will have elapsed from the first day of the month that follows the month in which the stock acquisition right allotment date falls.

(4) Conditions for the exercise of stock acquisition rights

1) The Company’s directors who have received an allotment of stock acquisition rights may exercise those rights, provided they remain in office as directors or employees of the Company or a subsidiary or affiliate thereof. However, an individual who has lost said status after commencement of the period stipulated in (3) above may nevertheless exercise the allotted stock acquisition rights within two years from the date following the date of resignation or retirement or until the exercise period for the stock acquisition rights expires, whichever is first.

2) Conditions other than those stated in 1) above for the exercise of stock acquisition rights shall be stipulated in an agreement regarding the allotment of stock acquisition rights between the Company and directors who have received an allotment of stock acquisition rights.

(5) Other matters

Other matters related to the stock acquisition rights shall be stipulated by the Board of Directors where the distribution of stock acquisition rights is decided.