

## MISUMI Group Inc. FY2013 1Q Consolidated Business Performance Record-high Quarterly Sales and Profit

Today, MISUMI Group Inc. announced its consolidated financial results for FY2013 1Q (April 1 through June 30, 2013). Major performance measures are as follows.

	<u>FY2012 1Q</u> Million Yen	<u>FY2013 1Q</u> Million Yen	<u>Change</u> %
Net Sales	32,687	<b>40,274</b>	+23.2%
EBITDA*	4,673	<b>5,660</b>	+21.1%
Operating Income	4,673	<b>5,164</b>	+10.5%
Net Income	2,833	<b>3,188</b>	+12.6%
Earnings per Share	¥31.71	<b>¥35.25</b>	

\*Here, EBITDA refers to operating income before the amortization of goodwill and other intangible fixed assets related to the acquisition in November 2012 of Dayton Progress Corporation and Anchor Lamina, Inc. of North America (hereinafter collectively referred to as Dayton and Anchor Lamina).

### <Highlights of FY2013 1Q consolidated financial results>

#### 1. Sales and profits renew record highs as penetration of the MISUMI Business Model in overseas markets absorbs the effects of slower growth rates in Asian markets

- In FY2013 1Q (April 1 through June 30, 2013), sales reached a new record high for a quarter. Net sales were ¥40.2 billion, up 23.2% compared to the same period in the previous year.
- Despite some optimistic signs—a recovery in the US economy and improved earnings among Japanese exporters benefiting from a weaker yen—China and other Asian nations saw production activity slow, as exports to Europe stalled in response to prolonged economic stagnation in the region.
- Amid this environment, MISUMI bolstered its sales force by introducing e-catalogs overseas and expanding its network of sales offices primarily in Asia, as part of the company's effort to drive penetration of the MISUMI Business Model. Furthermore, sales grew significantly with the addition of customers of Dayton and Anchor Lamina, which were acquired in November 2012.
- Operating income was ¥5.1 billion (up 10.5%) and net income was ¥3.1 billion (up 12.6%). We thus achieved record highs in both sales and profits. The double-digit growth in both operating and net income was made possible by increased sales overseas, a weaker yen and advances in promoting local sourcing through both production and procurement.
- Note that sales grew 9.0% and operating income 11.9% stripping out the effects of contributions to FY2013 1Q results from Dayton and Anchor Lamina.

#### 2. Sales increased in all segments

- Sales in 1Q by business segment were as follows.

Business Segment	Net Sales (Yen)	Year-on-Year Comparison
Factory Automation	23.7 billion	+11.6%
Die Components	13.8 billion	+87.2%
Electronics	3.1 billion	+2.0%
Others	1.7 billion	+3.1%

- Sales in our Die Components businesses grew significantly, thanks to strong demand for automotive applications and contributions from sales posted by Dayton and Anchor Lamina acquired in November 2012.

### 3. International sales accounted for 44.2% (+14.3 ppt) of total sales—a record high

- International sales in the quarter were ¥17.8 billion (up 82.1% on a yen basis and up 51.2% in local currency). International sales accounted for 44.2% of total sales, up 14.3 percentage points. These both represent record highs for a quarter.
- Sales in the US and Europe grew at particularly high rates, thanks to progress in driving penetration of the MISUMI Business Model in international markets and contributions from sales posted by Dayton and Anchor Lamina.
- Sales by geographical region were as follows.

Geographical region	Net Sales (Million Yen)		Year-on-Year Percentage Change	
	FY2012 1Q	FY2013 1Q	In Yen	In local currency
Japan	22,906	<b>22,457</b>	-2.0%	—
International	9,781	<b>17,816</b>	+82.1%	+51.2%
International, broken out				
Asia (excl. China)	4,061	<b>5,767</b>	+42.0%	+12.1%
America	1,368	<b>5,309</b>	+287.9%	+262.1%
China	3,204	<b>4,175</b>	+30.3%	+8.5%
Europe	961	<b>2,006</b>	+108.8%	+79.9%
Other regions	184	<b>557</b>	+201.4%	+180.9%

- We will further strengthen the MISUMI Business Model to accelerate global growth.

### 4. We reiterate our forecasts for FY2013 consolidated business performance

- Forecasts remain unchanged from the forecasts we announced May 13, 2013.
- We are forecasting a repeat of record-high sales and profit.

#### Consolidated earnings forecasts for FY2013 (April 1, 2013, through March 31, 2014)

	Net Sales	Operating Income	Ordinary Income	Net Income	Earnings per Share	Dividends per Share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen	Yen
1H	77,000	8,200	8,200	4,800	53.12	13.30
Full Year	160,000	17,500	17,500	10,300	113.98	28.50

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

Although forecasts for FY2013 ending March 2014 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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