

For Immediate Release



February 8, 2017

**MISUMI Group Inc.**

## **MISUMI Establishes Local Subsidiary in Vietnam**

Full-fledged sales operations getting underway with launch of e-commerce website from February 8<sup>th</sup>

On July 22, 2016, MISUMI Group Inc. established a local subsidiary, MISUMI Vietnam Co., Ltd. in Vietnam. On February 8, 2017, we will roll out full-fledged sales operations with the launch of our e-commerce website, "MISUMI Vietnam".



Exterior of MISUMI Vietnam Co., Ltd.

### **Background on the establishment of the local subsidiary in Vietnam**

Vietnam has been positioned as one of MISUMI Group's production sites since the opening of a local plant in 1995. We have expanded the sites, opening a fourth plant in 2015. By continuously increasing our production capacity over the years, we have strengthened our capability to provide short-term and reliable deliveries globally.

In recent years, major mobile phone, electrical machinery, and electronics manufacturers have been boosting their production capacity in Vietnam. Given that we handle a wide range of materials used in manufacturing settings, we forecast further growth in this market. In light of this, we decided to establish a local subsidiary in Vietnam. We currently have 60 sales offices in MISUMI Group around the world. MISUMI Vietnam Co., Ltd. is the MISUMI's 12th local subsidiary overseas.

### **Expansion of Sales operations**

On February 8, 2017, "MISUMI Vietnam (<http://vn.misumi-ec.com>)", an e-commerce website went live. We plan to roll out sales of 3 million products, including those for factory automation, mechanical components and

electronic components, and tools etc. We are also planning to publish a paper catalog in Vietnamese.

Previously the delivery of MISUMI brand and third-party brand products in Vietnam required four days as inventory was shipped from Singapore to Vietnam. Now that we have a warehouse ready for inventories in Vietnam, we will be able to carry them locally, making same-day delivery possible. In addition, the delivery time for "Make-to-Order (MTO)" products whose sizes customers can designate down to the micron was previously 6-8 days. However, since mainstay products will be directly shipped from Japan to Vietnam, we will be able to shorten our delivery lead time by two days.

We aim to contribute to improving the efficiency of procuring production materials by manufacturing sites in Vietnam by further reinforcing our QCT model (high quality, low cost, and short and reliable delivery), and increasing our product lineup by constantly expanding our VONA\* business, which handles the sale of third-party brand products. \*VONA: Variation & One-stop by New Alliance

### **Profile of local subsidiary in Vietnam**

Company name: MISUMI Vietnam Co., Ltd.  
Address: Tien Son Industrial Park, Bac Ninh Province  
Investor: MISUMI Group Inc. (100% ownership)  
Capital: ¥200 million  
No. of employees: 72 employees (as of February 1, 2017)

<Reference: existing operations in Vietnam>

### **Profile of sales office in Vietnam**

Name: Ho Chi Minh Sales Office  
Location: Ho Chi Minh City, Vietnam

### **Profile of production site**

Name: SAIGON PRECISION Co., LTD.  
Location: Ho Chi Minh City, Vietnam  
Production items: Linear bushings, punch blanks, shafts, positioning pins, miniature slide guides, etc.  
No. of employees: 2,600 employees (as of December 31, 2016)

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