

For Immediate Release



November 1, 2017
MISUMI Group Inc.

MISUMI to establish a local subsidiary in Mexico
~ Supports further expansion of the Americas business with
full-scale operation beginning in April 2018 ~

MISUMI Group (located in Bunkyo-ku, Tokyo, and represented by Representative Director, President, and CEO, Ryusei Ono) announced today that it is fully committed to entering the Mexican market where high growth is anticipated to further expand business in the Americas region. Beginning in April 2018, the Mexican subsidiary will base its operations around MISUMI's strength of 'reliable, quick delivery' in order to support local manufacturing companies.

[Background]

The automotive industry continues to shift production to Mexico based on the lower costs of production. In addition, Japanese companies have been aggressively investing in the region since 2000 to better service the North American market. There is no business capable of supplying all the manufacturing equipment, components, and auxiliary production materials used by these manufacturers, and there is a growing need to consolidate this type of procurement. In a response to these market conditions, MISUMI will be establishing a local subsidiary in Querétaro City, Mexico, where there is already a concentration of Japanese manufacturers. MISUMI Mexico will offer high quality factory automation components, die and mold components, electrical supplies, tools, and MRO products to meet the diverse needs of the region with local inventory predicated on reliable, quick delivery.

Through its new subsidiary, MISUMI will be able to provide one day shipping on local inventory, and shorten the shipping to no more than 10 days on products imported from Japan. MISUMI will continue to improve its manufacturing capabilities to enhance the QCT (high Quality, low Cost, and reliable, quick delivery Time) model, and expand the distribution of third-party brands (VONA Business) to provide the best overall value to manufacturers in Mexico, thereby contributing to reducing procurement inefficiencies.

【Outline of the subsidiary in Mexico to be established】

Company: MISUMI Mexico S. de R. L. de C. V.

Location: Querétaro City, Querétaro

Investors: MISUMI USA (99%), MISUMI Investment USA (1%)

Capital: Yen 450 million

Number of employees: 30 (expected as of April 2018)

Business activities: Manufacturing and sale of Factory Automation components; Die and mold components; and Auxiliary Production materials

[Inquiries from the press]

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