

**MISUMI Group Inc.**  
**FY2020 third quarter consolidated financial results**

**Even with the continued COVID-19 pandemic, business conditions are on a global recovery trend but uncertainty remains going forward**  
**Continue to invest aiming for sustainable growth and to thoroughly reduce costs**

MISUMI Group Inc. announced its consolidated financial results for the cumulative third quarter period of FY2020 (April 1, 2020- December 31, 2020) today. Major performance measures are as follows.

(Million yen)	FY2019 3Q cumulative basis	FY2020 3Q cumulative basis	YoY change
Net sales	235,786	<b>223,014</b>	-5.4%
Operating income before amortization of goodwill*	18,564	<b>17,975</b>	-3.2%
Operating income	18,109	<b>17,533</b>	-3.2%
Net income	12,919	<b>12,183</b>	-5.7%
Earnings per share	45.54 yen	<b>42.91 yen</b>	

\*Operating income before amortization of other intangible fixed assets associated with the acquisition of Dayton Lamina Corporation.

**< Highlights of FY2020 cumulative third quarter consolidated financial results >**

**1. Even though overseas sales such as China are driving the recovery trend, demand decline in the first half affected the cumulative business results**

- The global economy during the consolidated cumulative third quarter of FY2020 experienced the continuing impact from the spread of COVID-19 infection and US-China trade conflict. However, during October to December of 2020, in addition to economic recovery in China, business conditions in the Americas, Europe, and Asia started to pick up, and capital investment and operations in the manufacturing industry have been on a gradual recovery trend. In Japan, although recovery was seen in some industries such as the semiconductor-related, capital investment demand has not yet recovered on a full-scale. Going forward, the business conditions related to global manufacturing industry still remain unclear due to the impact of COVID-19 infection.

- Even in such an economic environment, MISUMI Group is leveraging its unique business model, which encompasses both manufacturing and distribution businesses, and by advancing the business foundation that supports these businesses globally, we are contributing to the manufacturing industry worldwide by responding to customer's reliable quick delivery needs. Amidst the continued impact of COVID-19, we continued to steadily provide products meeting customers' reliable and quick delivery needs, by fully utilizing the strong business foundations built to date in IT, logistics and production; as well as leveraging the global network. In the cumulative third quarter, although business conditions are on a recovery trend globally, both sales and profits decreased year on year due to the impact of sluggish capital investment in the manufacturing industry in the first half.
- Consequently, consolidated net sales were ¥223,014 million, a decrease of 5.4% year-on-year (4.2% decrease on a local currency basis). In terms of profit, although the impact of decrease in sales was significant, thorough cost reduction had an effect causing operating income to be ¥17,533 million (3.2% decrease year-on-year) and ordinary income to be ¥17,459 million (1.1% decrease year-on-year). Net income attributable to owners of parent was ¥12,183 million (5.7% decrease year-on-year).

## 2. Demand for 5G, rechargeable batteries drove sales of FA back to similar level of last year, but other segments were negative on a cumulative basis

Segment sales for FY2020 cumulative third quarter are shown in the table below.

	Net sales (million yen)		YoY change	
	FY2019 3Q cumulative basis	<b>FY2020 3Q cumulative basis</b>	Yen basis	Local currency basis
FA business	74,560	<b>74,055</b>	-0.7%	+0.4%
Die components business	55,408	<b>48,520</b>	-12.4%	-10.4%
VONA business	105,818	<b>100,438</b>	-5.1%	-4.2%
Total	235,786	<b>223,014</b>	-5.4%	-4.2%

- In the FA business, strong performance in China and the recovery trend in other overseas regions compensated for the continued slump in Japan. Sales recovered to the same level of last year on a local currency basis.
- Sales in the Die components business decreased 12.4% year-on-year with the automotive industry showing recovery, but the impact of the slump in the first half was significant.
- In the VONA business, in addition to China, performance in Europe and the Americans was also solid, except Japan, where negative growth continued and sales decreased 5.1% year-on-year.

### 3. Overseas sales secured an increase due to strong performance in China and the decrease in negative margins in other regions

Regional break down of sales for FY 2020 cumulative third quarter was as follows.

	Net sales (million yen)		YoY change	
	FY2019 3Q Cumulative basis	FY2020 3Q Cumulative basis	Yen basis	Local currency basis
Japan	125,329	<b>110,768</b>	-11.6%	—
Overseas	110,457	<b>112,246</b>	+1.6%	+4.2%
China	39,620	<b>46,633</b>	+17.7%	+20.1%
Asia	33,689	<b>30,732</b>	-8.8%	-5.6%
United States	20,954	<b>19,662</b>	-6.2%	-3.3%
Europe	11,977	<b>11,599</b>	-3.2%	-3.7%
Other	4,215	<b>3,618</b>	-14.2%	-6.8%

- In Japan, some of the capital investment in the manufacturing industry showed recovery, but overall it remained weak, resulting in an 11.6% year-on-year decrease in sales.
- Overseas, China continued to perform well, and other regions also showed a recovery trend, sales increased 1.6% year-on-year.

### 4. Consolidated business performance forecast for the fiscal year ending March 2021 remain unchanged

- As of the previous forecast announced on July 30, 2020, full-year consolidated business forecast for the fiscal year ending March 31, 2021 remain unchanged.

#### FY2020 (April 1, 2020-March 31, 2021) consolidated earnings forecast

	Net sales	Operating income	Ordinary income	Net income	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Full year forecast	300,000	20,900	20,500	14,900	52.48
Previous year's actual results	313,337	23,640	23,245	16,504	58.18
Increase ratio (%)	-4.3%	-11.6%	-11.8%	-9.7%	—

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

The outlook for the fiscal year ending March 31, 2021 and the forward-looking statements in this document have been prepared on the basis of information available at the time of preparation. This includes the domestic and foreign economic climate, changes in foreign exchange rates for various currencies, and other factors that may affect business performance, that have been determined to be reasonable by MISUMI Group Inc. as well as risks and uncertainties. In light of this, please refrain from making investment decisions solely on the basis of this outlook. Actual business performance may differ greatly from this outlook due to various factors that affect MISUMI Group Inc., including economic climate, market trends and exchange rates.

Please refer to our quarterly earnings results report for details on consolidated earnings results for the cumulative third quarter of the fiscal year ending March 31, 2021.

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