

## MISUMI Group Inc. FY2020 consolidated financial results

**~Impact from COVID-19 continues, but overseas capital investment demand recovered from the latter half of the fiscal year**  
**Profit increase secured as fundamental profitability improvement measures take effect~**

MISUMI Group Inc. announced its consolidated financial results for FY2020 (April 1, 2020- March 31, 2021) today. Major performance measures are as follows.

(Million yen)	FY2019	FY2020	YoY change
Net sales	313,337	<b>310,719</b>	-0.8%
Operating income before amortization of goodwill*	24,247	<b>27,789</b>	+14.6%
Operating income	23,640	<b>27,199</b>	+15.1%
Net income	16,504	<b>17,138</b>	+3.8%
Earnings per share	58.18 yen	<b>60.36 yen</b>	

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

### < Highlights of FY2020 consolidated financial results >

#### 1. Sales decreased slightly year-on-year despite China driving the growth; profits increased due to the effect of profitability improvement measures

- The global economy during FY2020 was impacted by the spread of COVID-19 infection throughout the entire fiscal year; notwithstanding, the economy in China recovered quickly primarily in the manufacturing industry, and business conditions in other overseas regions also improved from the latter half of the fiscal year with capital investment demand on a recovery trend. In Japan, although there were signs of recovery in some industries such as semiconductors at the end of the fiscal year, full-scale demand did not recover.
- 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. Although demand of overseas regions recovered gradually throughout the year, sales decreased slightly year-on-year due to the impact of sluggish business conditions in the first half. Profits, on the other hand, increased due to the effects of profitability improvement measures.

- Consequently, consolidated net sales were ¥310,719 million, a decrease of 0.8% year-on-year (0.3% decrease on a local currency basis). In terms of profits, operating income was ¥27,199 million (15.1% increase year-on-year) owing to the thorough control of SG&A expenses by fundamentally eliminating inefficient operations, while carefully selected and continuing upfront investment essential for sustainable growth. Ordinary income was ¥27,189 million (17.0% increase year-on-year), and net income attributable to owners of parent was ¥17,138 million (3.8% increase year-on-year).

## 2. FA and VONA secured a year-on-year increase in light of recovery in customer demand and the cultivation of new customers

Segment sales for FY2020 are shown in the table below.

	Net sales (million yen)		YoY change	
	FY2019	FY2020	Yen basis	Local Currency basis
FA business	99,403	<b>102,244</b>	+2.9%	+3.2%
Die components business	72,413	<b>66,871</b>	-7.7%	-6.4%
VONA business	141,519	<b>141,602</b>	+0.1%	+0.4%
Total	313,337	<b>310,719</b>	-0.8%	-0.3%

- In the FA business, in addition to China's strong performance throughout the year, other regions showed a recovery trend in the latter half of the fiscal year, sales increased 2.9% year-on-year.
- In the Die components business, although the automobile-related business showed a gradual recovery in the second half, it could not compensate for the shortfall in the first half, sales decreased 7.7% year-on-year.
- In the VONA business, despite the impact of sluggish capital investment in Japan, overseas sales were favorable on the whole, owing to reliable quick deliveries being bolstered as well as the cultivation of new customers. Sales increased 0.1 % year-on-year.

### 3. Sales in China increased significantly; other overseas regions recovered from the latter half of the fiscal year, but Japan's recovery trend was dull

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

	Net sales (million yen)		YoY change	
	FY2019	FY2020	Yen basis	Local currency basis
Japan	168,331	<b>154,748</b>	-8.1%	—
Overseas	145,006	<b>155,970</b>	+7.6%	+8.8%
China	50,406	<b>63,517</b>	+26.0%	+26.3%
Asia	44,872	<b>43,126</b>	-3.9%	-2.1%
United States	28,001	<b>27,548</b>	-1.6%	+1.1%
Europe	15,999	<b>16,089</b>	+0.6%	-1.4%
Other	5,724	<b>5,689</b>	-0.6%	+5.7%

- In Japan, although there were signs of recovery in some industries such as semiconductors at the end of the fiscal year, full-scale demand did not recover, resulting in an 8.1% decrease year-on-year in sales.
- Overseas, China drove sales significantly, resulting in a 7.6% increase year-on-year.

### 4. Annual dividend payout is expected to be ¥15.09 per share

- MISUMI established its shareholder return policy by comprehensively taking into account various factors, including the expansion of its management structure, the strengthening of its balance sheet, and the enhancement of its capital efficiency, to realize sustainable growth and to improve its corporate value.
- As for dividends, we have set a payout ratio of 25% from the second half of the fiscal year ending March 2012, and we will continue to maintain this standard for the fiscal year ending March 2021.
- Accordingly, we plan to payout a year-end dividend per share of ¥9.18 (an increase of ¥2.14 year-on-year) to reflect our earnings performance in FY2020. Combined with the interim dividend per share of ¥5.91, we plan to pay an annual dividend per share of ¥15.09 (an increase of ¥0.54 year-on-year).

	Annual per-share dividend					
	Interim		Year-end		Annual total	
	Yen	Payout ratio	Yen	Payout ratio	Yen	Payout ratio
Previous forecast	—	—	8.18	25.0%	14.09	25.0%
Actual results this year	5.91	25.0%	9.18	25.0%	15.09	25.0%
Actual results previous year	7.51	25.0%	7.04	25.0%	14.55	25.0%

## 5. Consolidated earnings forecast

The consolidated earnings forecast for the fiscal year ending March 31, 2022 is as follows. Note that this earnings forecast may change due to changes in the business environment such as the spread of COVID-19 infection in the future. We will promptly notify the public when an event that should be disclosed occurs.

FY2021 (April 1, 2021-March 31, 2022) 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	340,000	38,000	37,600	27,400	96.50
Actual results this year	310,719	27,199	27,189	17,138	60.36
Increase ratio (%)	+9.4%	+39.7%	+38.3%	+59.9%	—

### [Notes regarding forward-looking statements]

The outlook for the fiscal year ending March 31, 2022 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 earnings results report for details on consolidated earnings results for the fiscal year ending March 31, 2021.

Please direct any inquiries to:  
IR/SR Team  
Corporate Relations Department,  
MISUMI Group Inc.  
Tel: +81-3-5805-7037  
Fax: +81-3-5805-7014  
Email: cc@misumi.co.jp