MISUMI Group Inc. FY2025 Fictiv Business Briefing (Zoom) Q&A (Excerpt)

(October 31, 2025, Friday)

<Q&A>

【Regional/ End-market sales composition】

Q: Could you provide a breakdown of sales by end market and region for the recent financial results?

A: Specific breakdowns are not disclosed. As for end markets, Fictiv's customer base is highly diversified. While humanoid-related projects have gained attention recently, we are also engaged in other sectors such as energy and healthcare. Our approach is not concentrated on a single customer or segment but is based on an even keel spanning multiple industries.

Regarding regions, India and Mexico have recorded strong growth since our operations began two to three years ago, but our greatest strength lies in China, where we have the longest business history. Going forward, we will continue to pursue regional diversification across markets.

【Business MODEL】

Q: What types of AI technologies are utilized within your systems, and in what ways do your initiatives differ from those of other companies or IT firms? In addition, how many AI engineers are a part of the team?

A: Our efforts center on automation, process recommendation, and simplification to transform supply chain and manufacturing operations.

In system development, we utilize a wide range of data—from customers, internal sources, and manufacturing partners—to build system workflows. We also leverage large volumes of 3D data, applying this feedback to both products and manufacturing, while automating scheduling across our global supply chain network.

The number of engineers is not disclosed. Although our company is based in Silicon Valley and software is part of our DNA, we have been utilizing AI since before the recent boom in generative AI, and we plan to continue investing in both AI and software engineering going forward.

【Profitability】

Q: What were the bottlenecks that prevented Fictiv from achieving profitability before the MISUMI acquisition? As profitability is a key focus in the capital markets, what is your plan to generate synergies with MISUMI going forward?

A: We are focusing on several key synergy areas.

One is cost reduction, where we have already seen tangible results, but we believe there remains room for further improvement.

Another area is revenue synergies. Cross-selling initiatives are already underway, with MISUMI products being offered through Fictiv and vice versa. This effort is important to drive both revenue growth and cost synergies.

We do not see any particular bottlenecks in achieving profitability. The 3Q performance has been strong, and we will continue to focus on profitable growth. Market penetration in the U.S. remains low, indicating significant potential for further sales expansion.

【Mid-to long-term growth drivers】

Q: What will be the main drivers of sales growth over the next 2–3 years? Will it come primarily from expanding the customer base, increasing sales per customer, or both?

A: The largest growth driver over the next 2–3 years will be the expansion of production scale. Many customers rely on Fictiv for prototyping at the early stages of development, but as they transition to mass production, being part of the MISUMI Group, which is listed, provides greater trust and confidence in scalability. We believe that strengthening our partnership with MISUMI will further expand production capacity and enhance our supply chain capabilities.