Management Message

President's Message



Representative Director
and President
Arata Shimizu

Advancing Monozukuri through Digital and Physical Capabilities

Driving Monozukuri Innovation

Since becoming President in April 2026, I have continually asked myself what role MISUMI should play for society and our customers in the years ahead. While we must continue to fulfill our responsibilities to society, we cannot build MISUMI's future simply by extending the success of the past. As we look toward our next stage of growth, I believe the time has come to reexamine our purpose.

MISUMI has grown by pursuing "Customer's Time Value" and eliminating waste and inefficiencies from customers' Monozukuri processes. By transforming conventional procurement, pursuing Reliable and Quick Delivery, and embracing digital technologies, we have enabled customers to devote more time to creative, higher-value work. Creating Customer's Time Value is where MISUMI began.

At the same time, advances in AI have brought the Monozukuri industry to an unprecedented turning point. Existing industries are being reshaped, the way companies create value is changing, and new industries such as robotics and humanoids are emerging. Against this backdrop, MISUMI must redefine its role. I want to take the creation of Customer's Time Value to a new level and make MISUMI a company that changes not only Monozukuri processes, but the very nature of Monozukuri itself.

We have therefore redefined our role as "Driving Monozukuri Innovation." By adding AI and technology to our strengths in business process transformation, we are set to greatly expand the scope of that transformation. MISUMI will move beyond serving as a parts-supply infrastructure that delivers what manufacturers need, to become a company that drives the future of Monozukuri. We deliberately use "Monozukuri" rather than "Manufacturing" because our ambition extends beyond transforming individual functions or processes. The goal is to fundamentally reshape the entire value chain, from concept and design through procurement and production to market delivery. MISUMI will take on the challenge of Monozukuri innovation that goes beyond incremental efficiency and improvement.

What I think about most is how far AI can amplify the strengths MISUMI has built over many years. The value we deliver and the capabilities that support it have been built through years of continuous practice and innovation. By combining AI with this foundation, we can elevate both the quality and the reach of that value. As President, my responsibility is to unlock the full potential of these strengths while building on MISUMI's legacy of MODEL Innovation and its spirit of challenge.

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AI Is Transforming the Industrial Structure

I view the changes now being driven by AI as an industrial transformation comparable to the spread of the Internet some 30 years ago. Looking only at developments such as generative AI risks overlooking the broader significance of what is happening. The real transformation is that AI is beginning to reshape the structure of industry itself.

As AI advances, core industries such as semiconductors and data centers are expanding, giving rise to new markets in fields such as robotics and humanoids. These developments are beginning to transform the way companies operate and the very nature of Monozukuri. This transformation extends across every Monozukuri process, from design and procurement to production and logistics. Its impact extends far beyond improving the efficiency of individual tasks. As data connects the entire process, it will accelerate execution, enhance productivity, transform decision-making, and ultimately lead to the redesign of industry itself. I believe this transformation will be a defining factor in industrial competitiveness in the years ahead.

Numerous uncertainties remain, including tariff policies, geopolitical risks, and market fluctuations, and the business environment offers little room for short-term optimism. Yet in an era when changes that once unfolded over years now occur within months, allowing uncertainty to distract us and stall transformation would mean missing opportunities for growth. We must therefore continue investing and transforming our businesses with a view to long-term structural change, even as we respond to immediate developments. We cannot wait for the path ahead to become clear. We must make decisions amid change itself.

The industrial transformation now underway is not a threat, but our greatest opportunity for growth. MISUMI has grown by identifying inefficiencies and waste in business processes and replacing them with new mechanisms. As AI transforms the world, opportunities are emerging to reach new customers, enter new markets, and create new value. Our task now is to embrace this change and build the next MODEL.

Turning Change into Opportunity with Our Accumulated Strengths

We began laying the groundwork before AI opened the door to a new era. Over the past several years, MISUMI has completely renewed its core systems, completing deployment across 13 countries and regions, including Japan, this fall. This has established a foundation that can connect flexibly and securely with external systems and AI. We are also developing people who can solve problems across the boundaries of business and IT. This AI-ready foundation provides the platform for our next transformation.

Through continuous MODEL Innovation and the development of this foundation, we now serve more than 339,000 customers worldwide and have built a global supply network with approximately 4,000 Sourcing Partners. Our capabilities extend far beyond receiving orders digitally. We also possess the physical operating



capabilities to turn those orders into products and deliver them to customers worldwide with consistent quality. This digital-to-physical model, seamlessly integrating digital technologies, manufacturing, procurement, and logistics, is the source of MISUMI's competitive advantage.

We are now in a position to translate these strengths into our next phase of growth. By connecting our customer base, products, data, manufacturing capabilities, and supply network more closely, we will convert these resources into greater customer value. Significant room for growth still lies ahead.

The integration of U.S.-based Fictiv, which we acquired in June 2025, is another important step in unlocking this potential. The true value of the acquisition lies in accelerating the growth of both companies by combining Fictiv's digital manufacturing platform, AI technologies, and diverse talent with MISUMI's product strength, supply capabilities, and global network. The United States is a center of innovation, accounting for approximately 60% of global R&D investment, and new players continue to emerge in fields such as robotics, medical technology, and agritech. We see significant growth potential in this market. This is why we appointed Fictiv co-founder Dave Evans as President of MISUMI Americas Business Company* in March 2026. By bringing together the strengths and cultures of both companies, we are building the capability to meet customers' diverse Monozukuri needs through a single digital platform. We will harness this momentum to capture global growth opportunities and create new value that will help shape the future of Monozukuri.

* "MISUMI Americas" refers to MISUMI Americas Business Company, MISUMI's U.S. subsidiary.

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Realizing the Next Stage of Growth through Three Growth Strategies

To convert industrial transformation into sustainable growth, we have organized our growth strategy around three pillars: Global Expansion, Digital MODEL Shift, and Entry into Growth Industries. By advancing these strategies in concert rather than separately, we will expand MISUMI's business domain in three directions: regions, processes, and industries.

Pillar 1: Global Expansion

MISUMI already operates around the world, yet the global Monozukuri market remains vast. Many regions and customers have yet to benefit fully from the value we can provide.

What matters in global expansion is not simply replicating the model that succeeded in Japan. We must understand the distinct industrial structures and customer needs of each region and operate in the way best suited to each market. Guided by "Think Global, Act Local," we will combine a common management foundation with local agility.

Among the overseas markets in which MISUMI operates, the United States is one region where we see significant growth opportunities. In this market, where new Monozukuri industries continue to emerge, we believe there is substantial room for growth by combining the customer bases and complementary strengths of MISUMI and Fictiv.

In China, we will further deepen our local-for-local operations. Across Asia, including India and Vietnam, we will expand customer touchpoints and business coverage. We intend to develop our local subsidiaries in India and Vietnam into businesses with net sales exceeding ¥10 billion each. We view ¥10 billion not as a destination, but as a milestone toward further growth.

In this way, we will combine MISUMI's shared strengths with local agility, allocating the necessary talent and management resources appropriately to maximize growth in each region and drive the growth of MISUMI as a whole.

Pillar 2: Digital MODEL Shift

Our goal is to reshape the entire process, from design and procurement through production and logistics, and transform how our customers approach Monozukuri. By integrating customer touchpoints, data, manufacturing capabilities, and the supply chain, we will deliver the value customers need with greater reliability and speed.

Digitalization is advancing rapidly across Monozukuri. Yet consistently delivering high-quality products still depends on strong physical capabilities. This is why our digital and physical capabilities must advance together.

Our investments in AI and DX are also steps toward this goal. We will invest not only to improve efficiency, but also to transform the customer experience and create new value. Together with our customers, we will help shape the next era, not simply as a parts supplier, but as a company that transforms Monozukuri.

Pillar 3: Entry into Growth Industries

MISUMI has grown alongside markets that have supported Japan's industrial competitiveness, particularly the automotive and electronics sectors. These established markets will remain an important foundation for our growth.

At the same time, advances in AI are poised to transform the industrial structure itself. AI-driven growth industries such as semiconductors, data centers, energy, robotics, humanoid robots, aerospace, and agritech are emerging in rapid succession, and the companies leading these fields are beginning to shape the future of Monozukuri. In these areas, competitiveness depends heavily on how quickly products and services can progress from concept through prototyping and validation to market launch. We aim to serve as a "launch partner," working closely with customers as they bring new products and services to market. Drawing on the product strengths, supply capabilities, digital technologies, and global network we have built over many years, we will support customers from concept and development through market launch, enabling them to focus on bringing their innovations to life.

We will support the growth of new industries while building on the strengths we have developed in established markets. I am convinced that expanding our business domain through these two complementary approaches and contributing to the transformation of Monozukuri worldwide will drive MISUMI's next phase of growth.

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The Growing Importance of People in Driving Transformation

Ultimately, people will execute the three growth strategies outlined above. I believe that precisely because we are in the age of AI, the value of people will only increase. Even as AI takes over many tasks, people will continue to identify the issues to address and determine the value to create. Technology alone does not produce innovation. People who discern change, form hypotheses, and continue taking on challenges are the source of corporate growth.

This is why I remain committed to fostering a culture in which “MODEL Innovation is the mission of every employee.” MISUMI’s competitiveness has been built on the efforts of our people to understand customers’ challenges, anticipate change in the external environment, and continually ask what should be changed next and what new value can be created. I believe that combining the spirit of challenge we have upheld since our founding with new technologies will be the driving force that turns change into growth opportunities. As President, it is my responsibility to make MISUMI “The Best Place to Grow,” where every employee can grow through challenge.

To realize innovation, MISUMI will place greater emphasis than ever on expertise. Transforming Monozukuri requires more than performing well within existing frameworks. The people who will drive MISUMI forward are those who take on challenges with no ready answers and forge their own path forward.

The localization of talent is also essential to our global expansion. The people who best understand the markets and customers in each country are those working directly with them in those regions. Guided by shared global values and quality standards, I want each region to grow autonomously and become a driver of value creation. By fully embracing “Think Global, Act Local,” we will remain a company where people around the world can thrive.

Commitment to Long-Term Growth

In FY2025, MISUMI achieved record-high net sales of ¥441.3 billion and operating income of ¥47.6 billion. For FY2026, we are targeting further record highs, with net sales of ¥532.0 billion and operating income of ¥67.0 billion.

In the near term, we expect a highly uncertain business environment to persist due to tariffs, geopolitical risks, and market fluctuations. Over the medium to long term, however, AI is driving a major transformation of the industrial structure, creating new markets and business opportunities. We must capture this structural change and translate it into stronger growth and profitability.

To achieve this, we will make effective use of the capital entrusted to us by investors while maintaining a robust financial foundation. To generate growth and returns exceeding our cost of capital, we have established a growth investment framework of up to ¥150.0 billion over the next three years. Guided by our three growth strategies, we will allocate capital to areas that can generate future growth in net sales and profit. Rather than pursuing scale for its own sake, we will invest based on a careful assessment of market growth potential and the value MISUMI can provide, balancing our commitment to sustainable growth with investment discipline.



At the same time, we regard balancing growth investment with shareholder returns as part of management’s responsibility. The introduction of a progressive dividend clearly demonstrates that commitment. While continuing to invest in the future, we will steadily improve profit and EPS and share the value created through growth with our shareholders.

We also intend to deepen our dialogue with investors. The business environment is changing rapidly and requires flexible management decisions. We therefore do not believe that setting and disclosing fixed numerical targets several years ahead, as in a conventional medium-term management plan, is necessarily the best approach. At the same time, we will clearly communicate our priority markets and approach to capital allocation and provide a clear medium- to long-term direction for growth and shareholder returns.

I believe MISUMI has significant growth potential that has yet to be fully realized. By combining our customer base, supply chain, data, digital capabilities, and Monozukuri expertise, we can chart a fundamentally different trajectory of growth.

It is not enough simply to speak about this potential. We must translate the strategies we have set out into tangible results in net sales, profit, ROE, EPS, and shareholder returns. We will transform Monozukuri ourselves and demonstrate that transformation through growth, profitability, and returns. That is my promise as President to our shareholders and investors. I invite you to look forward to MISUMI’s next stage of growth.

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