

**MISUMI Group Inc.****Building Vietnam Plant No. 4 and Strengthening a Global Supply Chain Capable of Delivering on Short Lead Times**

MISUMI Group Inc. (Headquarters in Bunkyo-ku, Tokyo. Representative Director & CEO: Ryusei Ono) is building its fourth plant in Vietnam (Saigon Precision Co., Ltd.). The new plant will strengthen MISUMI's made-to-order parts supply regime and enable the reliable delivery on short lead times of mechanical components for factory automation (FA) on a global basis. The move is designed to support the rapid advance of automation in manufacturing plants around the globe.



Illustration of Vietnam Plant No. 4 once completed

**Background of the expansion in production capacity**

In 1995, MISUMI launched Vietnam Plant No. 1, then added Plant No. 2 in 2005 and Plant No. 3 in 2011. The successive additions to production capacity have strengthened MISUMI's ability to deliver globally on short lead times. Manufacturing plants around the globe are rapidly adopting automation. We expect to see a significant rise in demand for FA mechanical components and a strong need for short delivery lead times. Therefore, we will add production capacity to bolster our supply regime. We aim to begin production operations at Plant No. 4 in the middle of FY2015. We will introduce the MISUMI Production System, which has been refined in Japan and China, and leverage skilled employees from our other three plants in Vietnam to launch the plant quickly.

The new plant will manufacture made-to-order parts that meet customer specifications down to the micron. The plant will be cost competitive with its Asian peers while maintaining the high quality standards set in Japan and delivering reliably on short lead times. Together with our manufacturing assets in China, which already deliver

quality, cost-competitive, made-to-order parts reliably on short lead times, and the mother plant in Japan, the new Vietnam plant will make up a tri-polar structure that achieves a global supply regime capable of delivering FA mechanical components reliably on short lead times.

#### **Current status of the plants in Vietnam**

Trade name:	SAIGON PRECISION Co., Ltd.
Location:	Ho Chi Minh, Vietnam
Gross floor area:	47,078 m <sup>2</sup> *
Number of employees:	2,110 *
Major products manufactured:	Linear bushings, punch blanks, miniature linear guides, motorized stages, and more

\* Figures represent the sum of plants 1-3 as of the end of March 2015

#### **Overview of Vietnam Plant No. 4**

Trade name:	SAIGON PRECISION Co., Ltd.
Location:	Ho Chi Minh, Vietnam
Gross floor area:	15,866 m <sup>2</sup>
Products to be manufactured:	Shafts, locator pins, hexagonal posts, and its line-up will be expanded in sequence
Total investment:	About ¥6.0 billion

#### **About MISUMI Group Inc. (<http://www.misumi.co.jp/english/>)**

After the company was founded in 1963, MISUMI Group has operated as a trading company with manufacturing capabilities working in the background in support of manufacturing activities.

MISUMI Group business operations comprise Factory Automation Businesses, Die Components Businesses, and the VONA (Variation & One-stop by New Alliance) Business, which sells third-party brands alongside MISUMI products under a new distribution business model. Together these three businesses leverage a catalog and web ordering system to deliver 10 million product items of parts, tools and factory consumables from 2,000 makers to more than 170,000 customers worldwide.

Armed with a business model unlike any other in the world, MISUMI strives to drive innovations in high quality (Quality), low costs (Cost) and short delivery times (Time) while we accelerate our global expansion.

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