

Announcement regarding the revision of consolidated business forecast and annual dividends

Our Board of Directors met on July 28 to review the latest business performance trends. As a result, we have revised our consolidated business forecast for the second quarter (cumulative) of the fiscal year ending March 2024 (from April 1, 2023, to September 30, 2023) and the full-year consolidated business forecast for the fiscal year ending March 2024 (from April 1, 2023, to March 31, 2024). These forecasts were initially announced on April 27, 2023. In addition, we have adjusted our dividend forecast to align with these changes. We are now announcing these revisions.

1. Revision to consolidated business forecast

- (1) Revision of the first half consolidated business forecast for the fiscal year ending March 31, 2024 (April 1, 2023- September 30, 2023)

	Sales	Operating income	Ordinary income	Net income attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A) (announced on Apr 27, 2023)	188,000	25,200	25,400	18,700	65.72
Revised forecast (B)	181,000	20,000	20,800	14,000	49.73
Difference (B-A)	-7,000	-5,200	-4,600	-4,700	
Ratio of difference (%)	-3.7%	-20.6%	-18.1%	-25.1%	
(Reference) 1H results for the previous year (FY 2022)	188,158	26,898	27,527	20,240	71.18

- (2) Revision of the full-year consolidated business forecast for the fiscal year ending March 31, 2024 (April 1, 2023- March 31, 2024)

	Sales	Operating income	Ordinary income	Net income attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A) (announced on Apr 27, 2023)	396,000	51,000	51,400	37,800	132.84
Revised forecast (B)	377,000	42,800	43,600	30,500	108.35
Difference (B-A)	-19,000	-8,200	-7,800	-7,300	
Ratio of difference (%)	-4.8%	-16.1%	-15.2%	-19.3%	
(Reference) Previous year's results (FY 2022)	373,151	46,615	47,838	34,282	120.53

(3) Reasons for the revision

Regarding the consolidated results for the first quarter, we diligently gauged customer demand. We saw positive progress in our new business policies, including developing new products and services for sustainable growth, primarily as planned. However, the delayed economic recovery in China significantly impacted us, resulting in sluggish demand in China and Asia, similar to the machine tool industry. Looking ahead to future market conditions, we anticipate a delay in the recovery of demand due to growing concerns about an economic slowdown in major countries like China and the United States, compared to our projections on April 27, 2023. Considering our business performance and current demand trends, we have revised our consolidated earnings forecasts for the cumulative second quarter and full year, as mentioned earlier.

As always, we remain committed to promptly disclosing any material matters that may affect our business performance in response to changes in the business environment.

Note: Due to the current foreign exchange situation, we have revised the average exchange rates for the full year from 130.0 yen to 136.0 yen per U.S. dollar, 138.0 yen to 147.0 yen per euro, and the exchange rate of 1 yuan = 19.0 yen has been left unchanged, as previously announced on April 27.

2. Revisions to dividend forecasts

	Annual dividend		
	Interim	Year-end	Total
Previous forecast (announced on Apr 27, 2023)	16.43 yen	16.79 yen	33.22 yen
Current revised forecast	12.44 yen	14.66 yen	27.10 yen
Previous year's results (FY 2022)	17.80 yen	12.34 yen	30.14 yen

<Reasons for the revision>

To maintain our competitive advantage, achieve sustainable growth, and increase shareholder value in the future, we continue to innovate MISUMI's Business MODEL by proactively strengthening our business foundation in IT, production, logistics, and supply chain.

This means striking a balance between medium- to long-term investments in growth and returns to shareholders.

In terms of dividends, we will pay a dividend payout ratio of 25%, considering the expansion of our management base, the strengthening of our financial position, and improvement of capital efficiency. Given the revised consolidated earnings forecast for the fiscal year ending March 31, 2024, our dividend forecast has also been updated. For the second quarter end, we now anticipate a dividend of 12.44 yen per share, which is a decrease of 5.36 yen from the previous year. However, for the full year, we forecast a dividend of 14.66 yen per share, an increase of 2.32 yen from last year. As a result, our annual dividend forecast stands at 27.10 yen per share.

※ The above forecasts were prepared based on information available at the announcement date of this material; actual results may differ from forecasts due to various factors in the future.