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 Ryusei Ono
 Representative Director and President

FY2023 earnings overview

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FX rates (vs Yen)	FY22 Actual	FY23 Actual
USD	135.1 yen	144.4 yen
EUR	141.3 yen	156.8 yen
RMB	19.7 yen	20.1 yen

Market changes in FY23 and our interpretation

- We had expected market conditions to improve from mid-year, but the impact of **the downturn in China**, our most important market, was significant
 - The end of Chinese market high growth
 - The rise of the middle-range zone, where quality is less important than price
 - Impact on capital investment and factory operations in other countries
- Measures are already in place to address the situation, but **not enough to cover the enormous impact**
 - Advancement of the Digital MODEL
 - Evolution the region-specific Business MODEL
 - Business foundation enhancement through the core system renewal among others
- FY24 will be a challenging year as **we prepare for the next leap forward** while **confronting these market conditions as best we can**
 - We will strive for honest business and prepare with offensive measures
 - Our hard work resulted in **increased sales and profit in 4Q FY23, YoY**
 - We halted one major move (the South China plant) to allow us assess the timing of the Chinese market recovery

FY2023 earnings overview

Revenues decreased YoY due to lower global demand in capital investment, particularly in China

Profitability declined due to lower sales volumes and increased expenses related to the continued assertive measures, etc.

Million yen

Category	FY22	FY23			
	Actual	7/28 Announced FC	Actual	Percentage change	
				YoY	vs. Announced FC
Net sales	373,151	377,000	367,649	-1.5%	-2.5%
Operating income	46,615	42,800	38,365	-17.7%	-10.4%
Margin	12.5%	11.4%	10.4%	-2.1pt	-0.9pt
Ordinary income	47,838	43,600	41,265	-13.7%	-5.4%
Net income	34,282	30,500	28,152	-17.9%	-7.7%

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Sales and operating income by business segment

FA: The enormous impact of stagnant China could not be offset by the growth in meviy, resulting in lower sales and profits

Die components: Increased sales maintained in Asia and Europe, despite weak sales in other regions. Revenues and profits increased (on Yen basis) through positive exchange rate effects

VONA: Positive exchange rate effects and a recovery trend in 4Q could not offset the decline in demand, resulting in lower sales and profits

Million yen

Category	Net sales			Operating income				
	FY22 Actual	FY23 Actual	YoY change Yen basis (*)	FY22 Actual		FY23 Actual		YoY change Yen basis (*)
				Margin	Margin	Margin		
Total	373,151	367,649	-1.5% (-4.4%)	46,615	12.5%	38,365	10.4%	-17.7% (-25.3%)
FA business	121,932	118,219	-3.0% (-5.9%)	21,384	17.5%	15,097	12.8%	-29.4% (-37.1%)
Die components business	79,125	79,932	+1.0% (-3.4%)	8,723	11.0%	9,139	11.4%	+4.8% (-2.7%)
VONA business	172,093	169,497	-1.5% (-3.7%)	16,506	9.6%	14,128	8.3%	-14.4% (-21.8%)

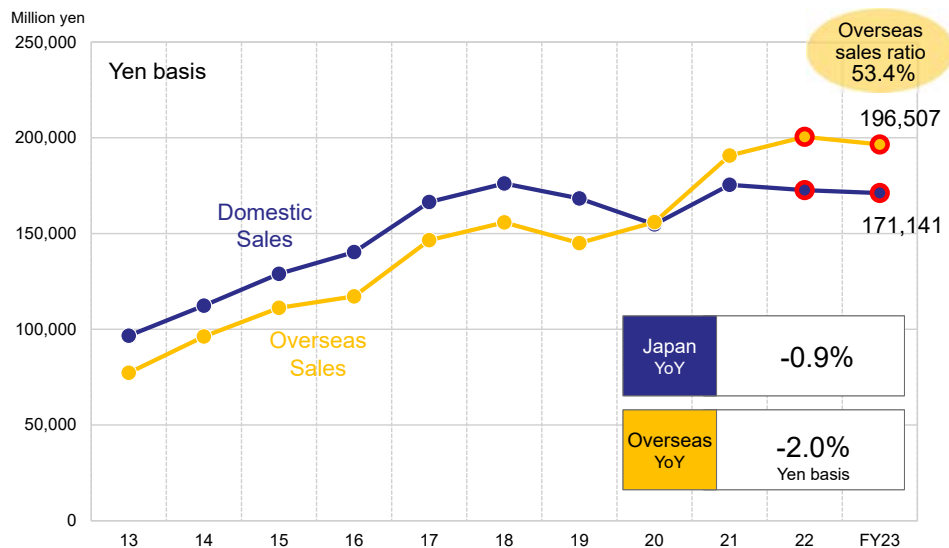
*Local currency basis

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FY2023 Japan & overseas sales

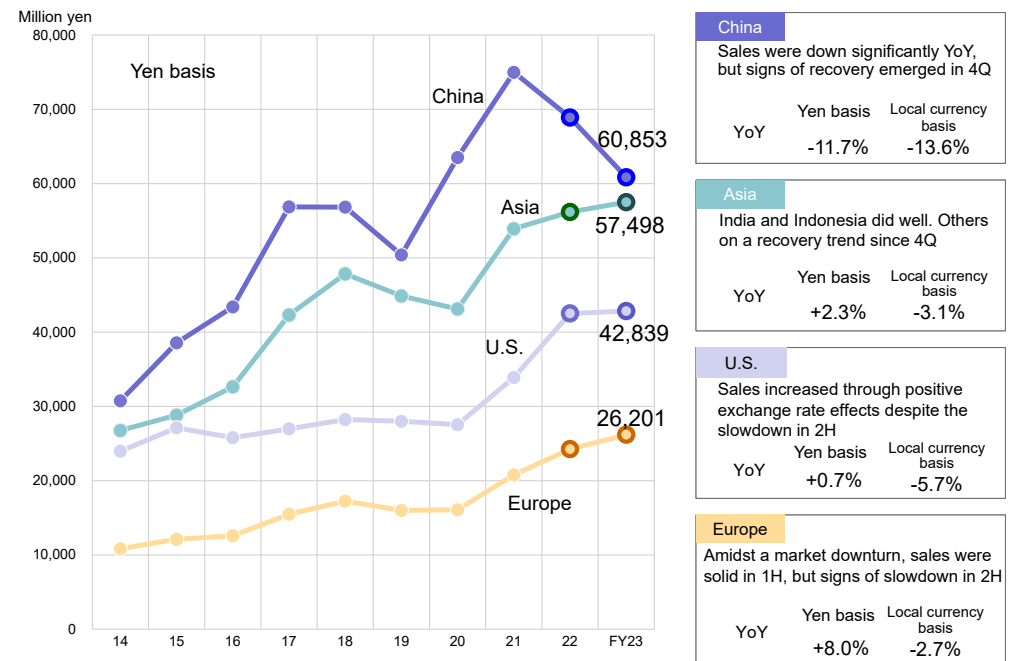
Japan: Nearly leveled with the previous year. Automotive-related demand recovered moderately from 2H of the fiscal year

Overseas: Other than China, revenues increased through exchange rate effects. China and Asia gradually recovering since the 4Q



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FY2023 sales by region

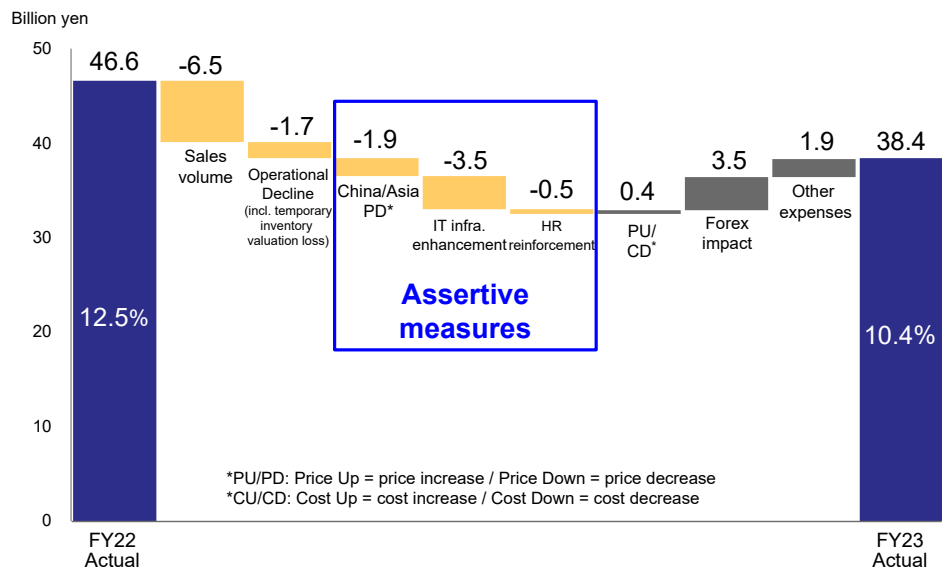


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FY2023 operating income analysis (YoY)

Despite the tough environment with a decreasing demand, assertive measures for growth were implemented almost as planned

PU/CD (Price Increase/Cost Decrease), exchange rate effects, and cost containment measures were not sufficient to mitigate the profit decrease due to lower volumes and capacity utilization



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FY24 market outlook and consolidated earnings forecast

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FY24 market outlook and our initiatives

- Our expectation of **solid mid- to long term demand** in automation industry remains unchanged
 - Demand for automation is growing globally as a solution to social problems
 - Automation will be introduced in full swing, not just in factory automation but in all industries
- Although **uncertainty remains** in the short term, a **recovery trend** is expected from the middle of the fiscal year
 - Uncertain business environment will continue, including geopolitical risks and exchange rate effects
 - Only moderate recovery expected in 1H of the year based on current demand trends
 - The 2H of the year is expected to see a full-fledged demand recovery in capital investment from automotive, semiconductor-related and other sectors
- A **year of competition ahead**: we will ensure to seize the growing demand during the market recovery period. We will
 - Implement the strategic measures prepared by FY23 sequentially
 - Revise the regional portfolio to reflect market realities
 - Accelerate growth through **"the Digital MODEL evolution"** x **"region-specific growth strategy"**

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FY2024 full-year forecast

We are targeting record sales as our unique measures take effect and as market conditions enter a full-fledged recovery in the 2H of the fiscal year

By continuously strengthening our IT infrastructure and organization, we aim to increase profits through volume growth and the PU/CD effect

*PU/CD: Price Up = price increase / Cost Down = cost decrease

Million yen

Category	FY23	FY24		
	Actual	Plan	YoY change	
			Yen basis	Local currency basis
Net sales	367,649	393,000	+6.9%	+7.1%
Operating income	38,365	46,000	+19.9%	+20.5%
Margin	10.4%	11.7%	+1.3pt	+1.3pt
Ordinary income	41,265	47,400	+14.9%	-
Net income	28,152	34,400	+22.2%	-

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FY2024 sales forecast by business segment

FA: High growth is expected as a result of our unique measures and a recovery in capital investment demand in various sectors

Die components/VONA: As the market recovers, we aim to increase revenues through product/service improvements

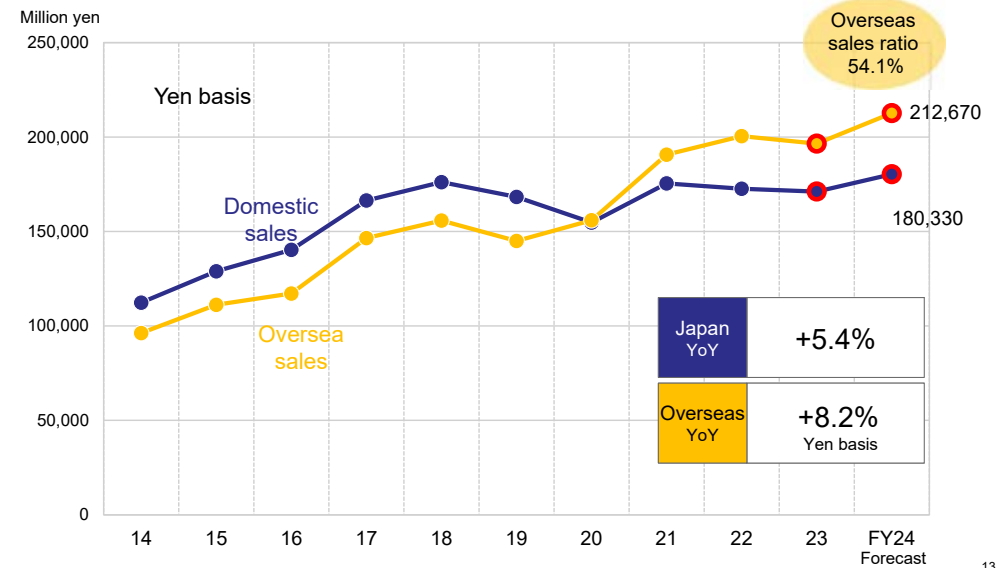
Category	Million yen			
	FY23	FY24		
	Actual	Plan	YoY change	
			Yen basis	Local currency basis
Total	367,649	393,000	+6.9%	+7.1%
FA business	118,219	135,650	+14.7%	+14.9%
Die components business	79,932	82,228	+2.9%	+2.9%
VONA business	169,497	175,122	+3.3%	+3.5%

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FY2024 Japan & overseas sales forecast

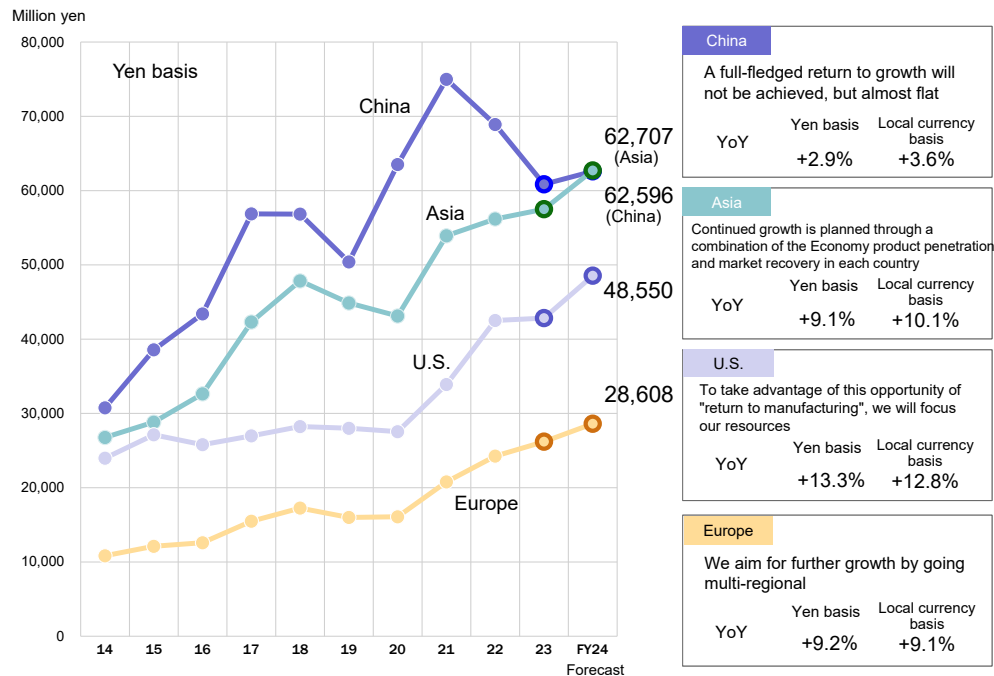
Japan: Demand will recover mainly in automotive and semiconductor-related sectors, leading to high growth over the second half of the year

Overseas: We will strive for further growth, particularly in US, Asia and Europe. China, however, is expected to remain almost flat



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FY2024 sales forecast by region

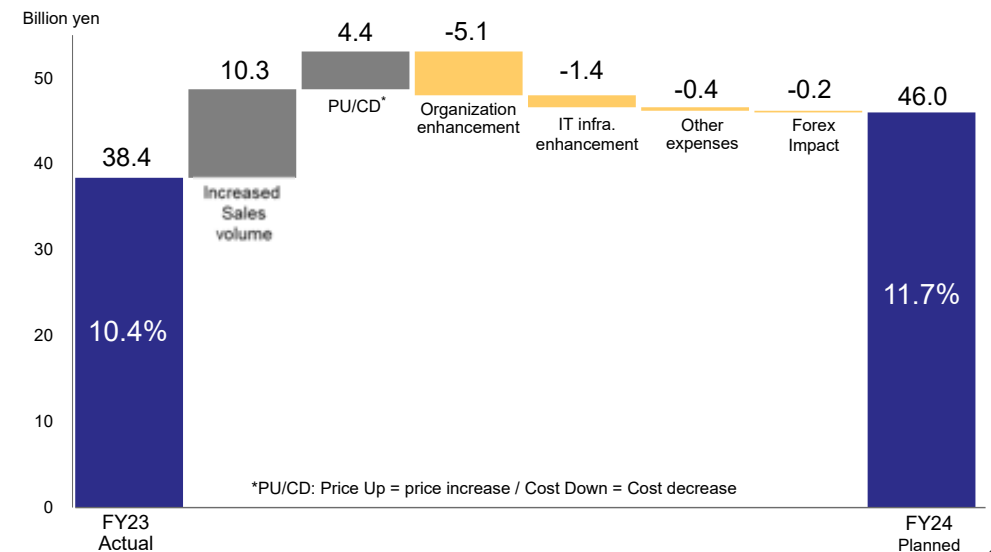


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FY2024 operating income analysis (YoY)

We plan to increase profits through growth in sales volume as market conditions recover, also through improved profitability and the PU/CD effects

Profitability will improve by 1.3pt through continuous renewal of our core system and organization enhancement (the number of employees & personnel expenses)

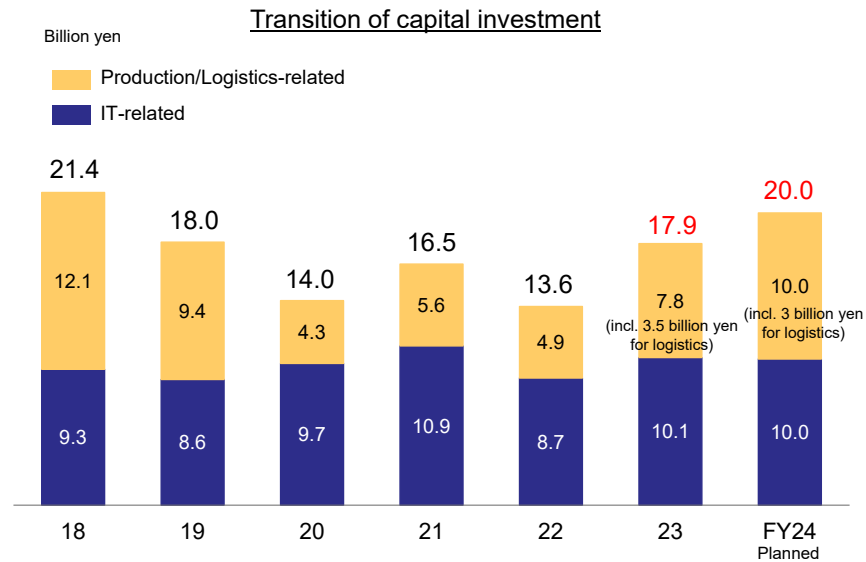


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Capital Investment performance

FY23: The new core system has already been implemented in Japan, our largest base. We expected growth would accelerate

FY24: We will continue to strengthen the IT and other business foundations, and refine our global, reliable and quick delivery capabilities



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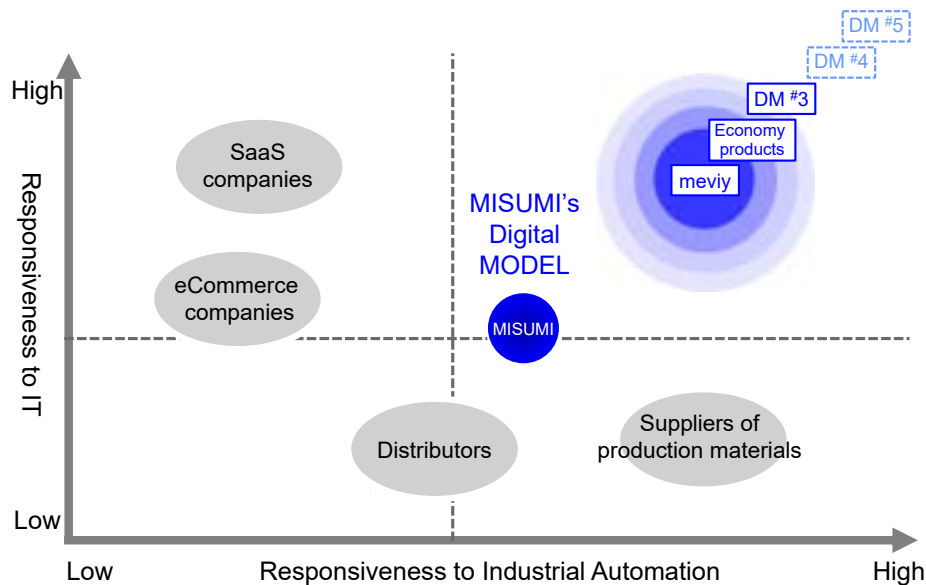
Future growth strategy and FY24 principal initiatives

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The ever-changing MISUMI Digital MODEL

To meet the increasingly diverse needs of our industrial automation customers, we will continue to work on evolving the Digital MODEL

Synergies with the regional growth strategies will give us a unique competitive advantage



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Our growth strategies by region

We are promoting the market-specific Digital MODELS to meet the needs of each market

The competitive environment is different in every region. We will build optimal regional MODELS that adapt to each environment

	Main demand sources		Digital MODEL				Position/ objective of each region
	Equipment design	Mass production	#1 meviy	#2 Economy Series Products	#3 D-JIT	#4 ..	
EUR	○	○	○	○	○	...	Expand to regions other than German-speaking regions
US	○	○	○	○	○	...	Newly appointed as a "Key Strategic Region"
JA	○	○	○	○	○	...	A business development base
CH	○	○	○	○	○	...	Carefully assess when market will recover
ASIA	▲	○	*) ▲	○	○	...	Remain as the "Key Strategic Region"

*) excluding Korea

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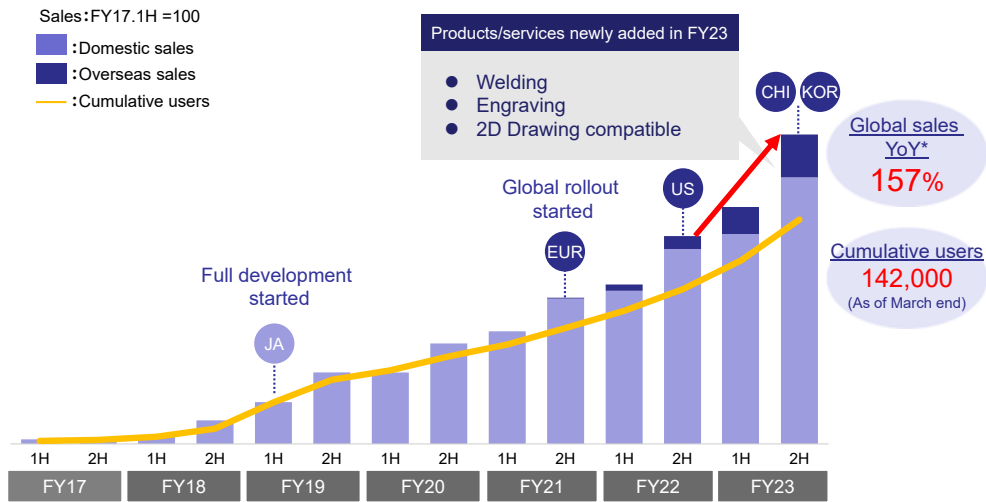
DM #1

meviy: accelerating its development

In addition to the continued growth in Japan, global growth is accelerating, with overseas sales reaching 15%

The growth mechanism is to continue strengthening "product enhancement" x "system integration enhancement"

Global sales and cumulative users



*Die components parts and the Rapid Prototyping will be discontinued in FY20 and April of FY23, respectively.

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DM #1

meviy: expansion plan

We continue to expand the product/service offerings to meet the diverse needs of global customers

We plan to launch new initiatives that leverage meviy's strengths, which will dramatically expand the range of customers

● : To launch in 1H FY24 ○ : To launch in 2H FY24

FY24 Initiative		JPN	EUR	USA	CHN	KOR
Product/service offerings improvement	• Welded parts: expand product ranges	●				
	• Squared parts: expand eligible size (~2m)	○	○	○		
	• Environmental considerations (Degrease cleaning)	●	●	●		
	• Expand production in China	○	○	○		
	• Rapid expansion of product range	○	○	○	○	○
System integration	• Data sharing within one user account	●	●	●	●	●
	• Release a CAD add-on tool	○				
	• Add a marketplace model	○				

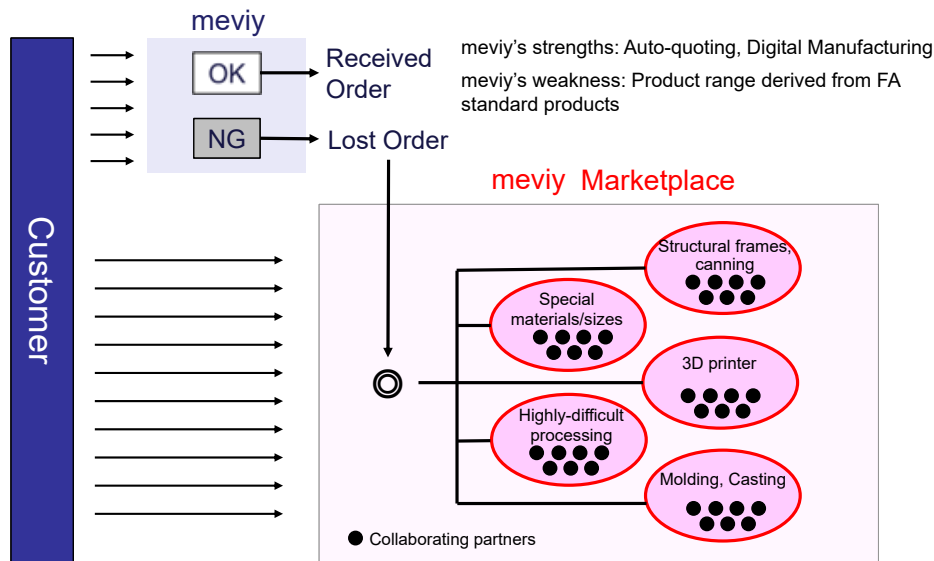
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DM #1

Marketplace MODEL (in FY24)

Collaborating with over 100 carefully selected partners, we will become a platform to accept orders for all types of parts in need of machining

We aim to be a one-stop shop for equipment parts, while expanding our scope to include R&D, prototyping, etc.



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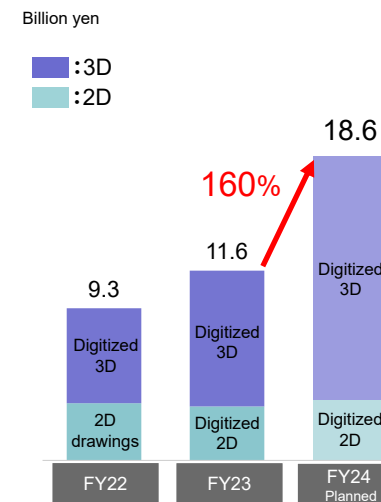
DM #1

The non-standard (custom) products business

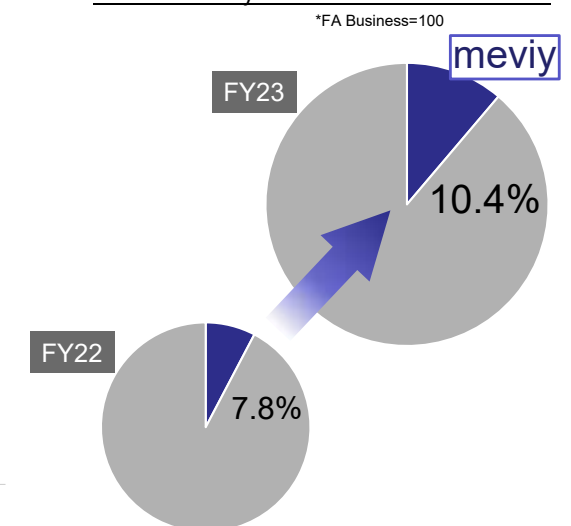
meviy became 2D compatible in the last FY, which digitized many of our existing businesses where only 2D drawings were accepted

Ratio of meviy used for the FA business is growing, but there is still a huge untapped market. We will continue to aggressively penetrate the market

Transition in sales



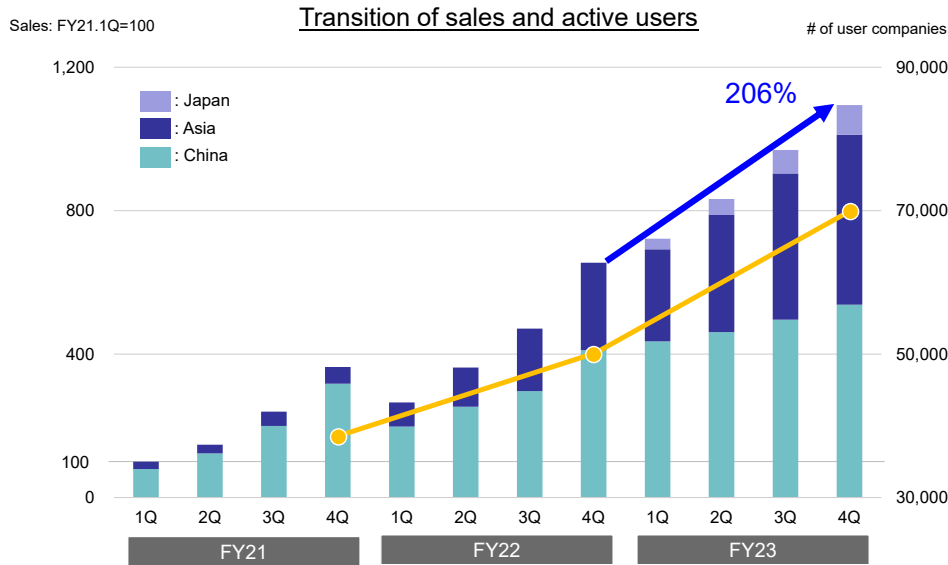
Ratio of meviy used for the FA business*



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DM #2 Economy Series products: market penetration

Strong sales growth in Asia. Growth was even faster than in China, where the product was launched earlier
 Customer base continued to expand in China, Japan and Asia, with over 70,000 customers (FY23)

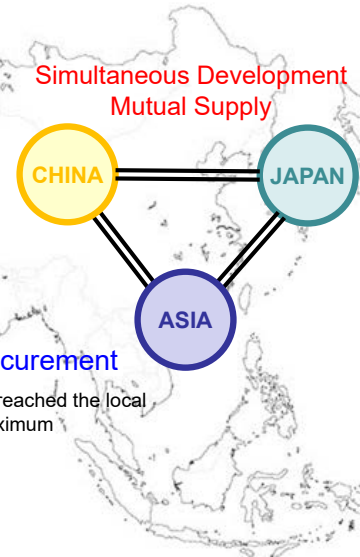


DM #2 Economy Series products: regional enhancement

Our past efforts in product development have successfully expanded the Economy Series product range in basic parts. Going forward, we will focus on product differentiation
 Simultaneous rollout in Japan, China, and Asia will gear up the speed of market penetration

The Economy Module Product

- The Economy Series will be expanded to include not only individual machine parts, but also unit products



RoHS Compatible

- Semi-conductor, Clean Environment Supported

Full-fledged rollout in FY24

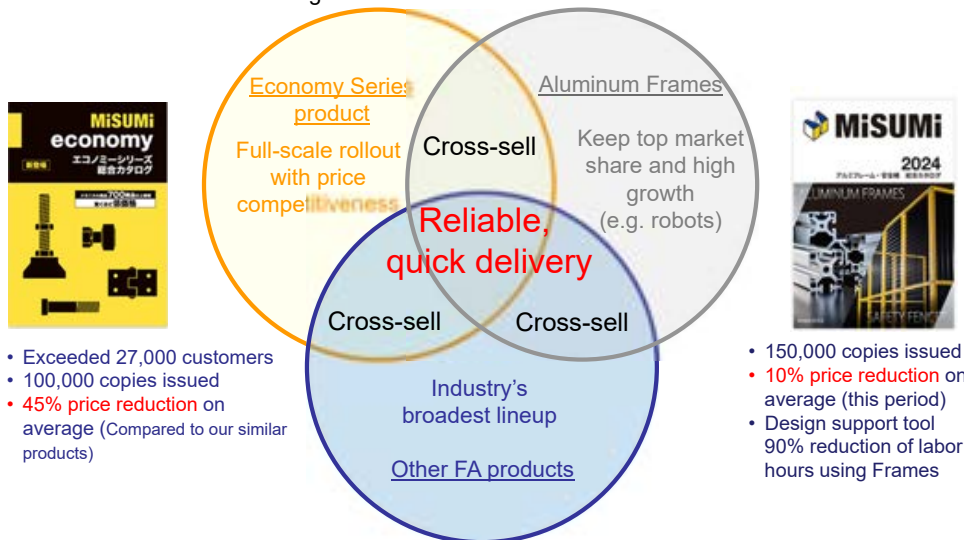


- Exceeded 27,000 customers
- 100,000 copies issued
- 45% price reduction on average (Compared to our similar products)

DM #2 Accelerating penetration to Japanese market

The Aluminum Frame products, which have the greatest affinity with the Economy Series products, will be greatly expanded in the pursuit of synergies

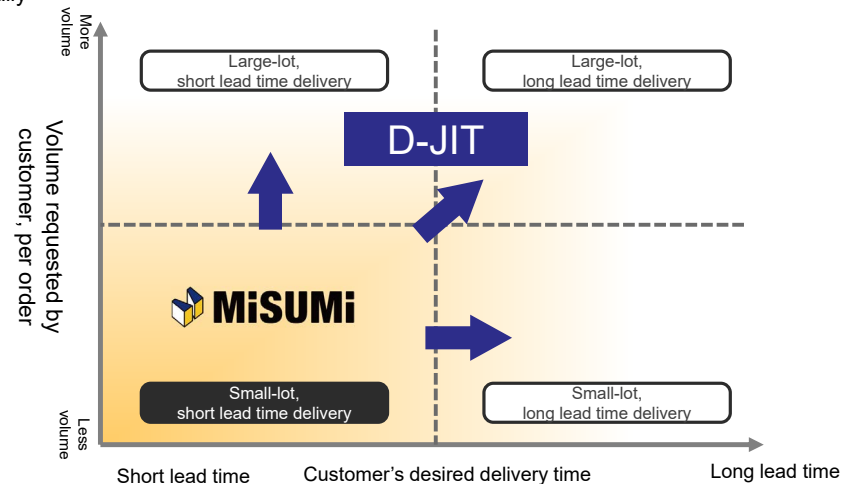
Including other FA products, our competitive advantage is based on reliable and quick delivery, which we will continue to strengthen



DM #3 D-JIT innovates customer procurement process

From "MiSUMI for small-lot, quick delivery" to "MiSUMI for bulk, too", to meet customers' desired volumes

Leveraging our IT capabilities, we will build a "dynamic" supply system in Japan and deploy it globally

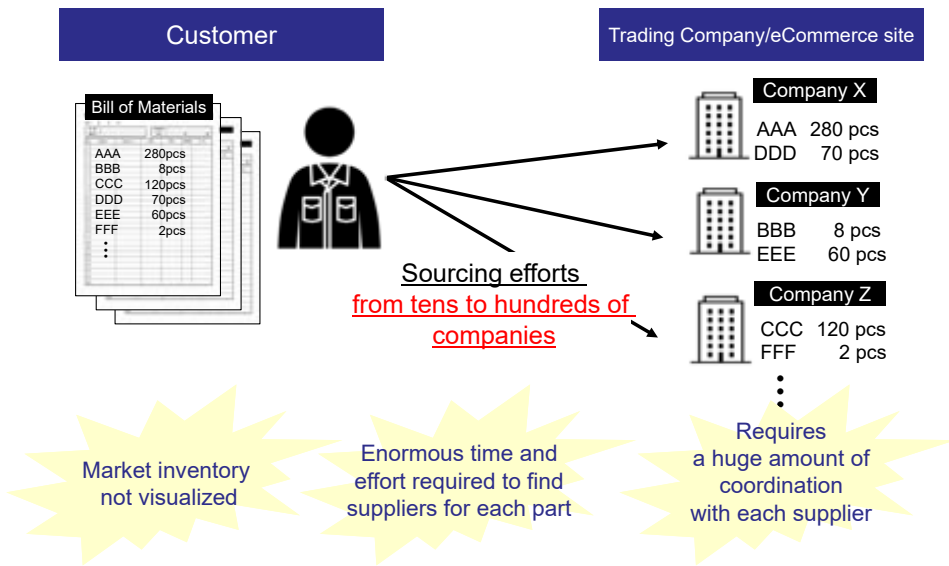


*D-JIT: Digitized "Just In Time"

The customer issue with bulk procurement

Suppliers could only respond with their own inventory, leaving customers to scramble for the quantities they need

To eliminate these inefficiencies, we have developed a unique system to reduce customer hassle



D-JIT: introduction video

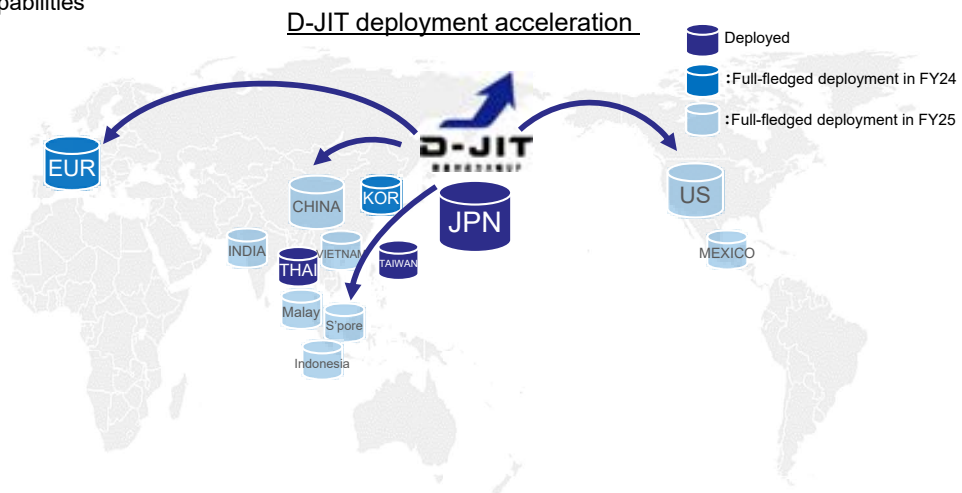


D-JIT: global expansion

With the semi-automated system already deployed, D-JIT will further expand with the introduction of the new core system, NEWTON

D-JIT allows us to accumulate the global inventory levels in real time, thereby eliminating customer hassles **by automating the "scramble up" of inventory**

D-JIT will be adapted to all of MISUMI's businesses (manufacturing, VONA, meviy, and the Economy Series products). This will enable further evolution of our reliable, quick delivery capabilities



Capital policy

Capital policy

- We will prioritize investments in growth from a medium- to long-term perspective to achieve the Growth Chain-reaction management, while balancing this with enhanced shareholder returns, more clearly than ever before
- By targeting a return on capital above the cost of capital, we aim to widen the equity spread

<Cash Allocation>

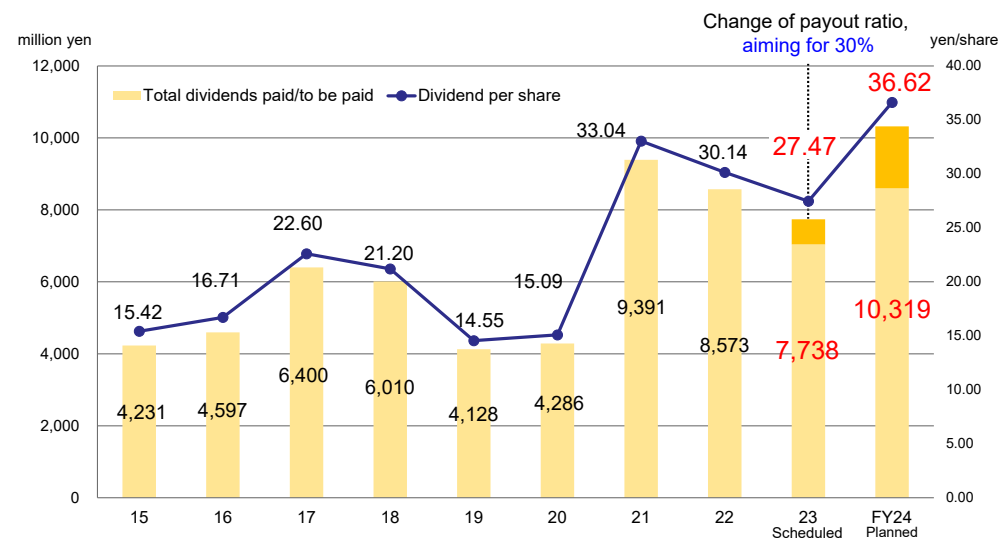
- Cash on hand ensures the necessary funds (of 6 months of operating funds: approximately 100 billion yen) to fulfill our supplier responsibilities to customers in BCP responses, etc., including geopolitical risks and economic crisis
- Future cash flows are reinvested in organic/inorganic growth
- The remaining amount is allocated to the “flexible reserve” for investments in growth and shareholder returns. For this time, priority will be given to increasing the dividend payout ratio (30%) and purchasing 20 billion yen worth of treasury shares

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Shareholder returns

For FY23, annual dividend of 27.47 yen will be paid (payout ratio of 27.5%)
1H: 12.60 yen (-5.20 yen YoY), 2H: 14.87 yen (+2.53 yen YoY)

For FY24, annual dividend of 36.62 yen is expected (payout ratio of 30%)



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Reference materials

Exchange rate/ sensitivity

FX rates (vs Yen)	FY23 Actual	FY24 Assumption
	Full year	Full year
USD	144.4 yen	145.0yen
EUR	156.8 yen	157.0yen
RMB	20.1 yen	20.0yen

	Exchange sensitivity	
	Sales	Operating income
Approximate impact	2 billion yen	0.7 billion yen

*If all traded currencies fluctuate 1% on average

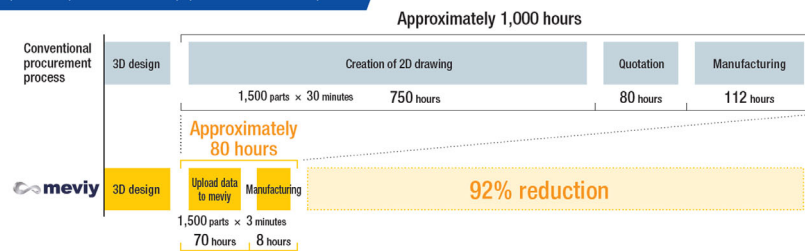
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- Simply upload 3D data of machine parts and the AI will automatically and instantly provide a quote, and our unique platform enables shipping in as little as one day using a digital manufacturing system (free)





Example: Parts procurement for equipment with 1,500 components



- Newly introduced, competitively priced mid-range product line from China



Comparison with existing products

Existing product	Economy product
	
Accuracy -0.009 to 0 (I.D. Intersection)	-0.012 to +0.003 (Middle range accuracy)
Price index 100	30-50

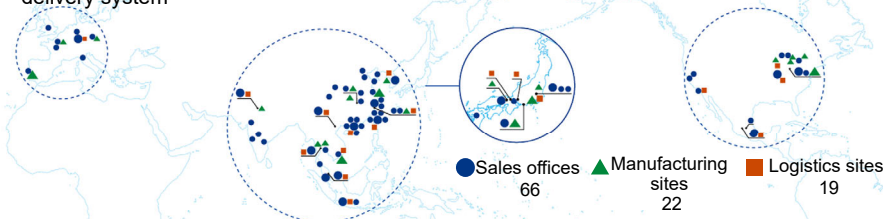
Business foundation

IT

- Our Company has made a proactive investment in IT to promote sustainable growth
- Starting in fiscal year 2021, we began a comprehensive overhaul of the core systems. We aim to triple the rate of new feature development while reducing development costs by one-third. To facilitate this transformation, we have allocated a total investment of approximately 20 billion yen over four years

Production/ Logistics

- Aiming for a more stable supply of products by strengthening the globally reliable, quick delivery system



production We have established a global 5 region production system. In the event of an emergency, we can immediately switch production plants

logistics Expansion of global operations with automation. Strengthen logistics infrastructure through productivity and site expansion