

May 25, 2009

**Notice Concerning the Issue of Stock Options (Stock Acquisition Rights)**

The MISUMI Group Inc. (the Company) announces that at a board meeting held on May 25, 2009, it decided to propose an issue of stock acquisition rights as compensation for directors to our 47<sup>th</sup> Ordinary General Meeting of Shareholders, to be held June 18, 2009, per the following details.

(1) Reason for the Issue of Stock Options

Director compensation is limited to an annual amount of ¥700 million under the 44<sup>th</sup> Ordinary General Meeting of Shareholders, held June 23, 2006.

The assignment of stock acquisition rights to the Company's directors (excluding outside directors) of a combined amount of no more than ¥210 million in our 48<sup>th</sup> business year (From April 1, 2009, to March 31, 2010), separate from the above-mentioned director compensation and set forth under the following guideline for stock acquisition rights, will be proposed, based on a comprehensive consideration of the measure's effects as an incentive to further increase motivation among the Company's directors to enhance the Company's business performance by aligning the Company's share price with earnings received by the Company's directors.

Guideline for stock acquisition rights

(1) Total number of stock acquisition rights and type and number of shares subject to the rights

a. Total number of stock acquisition rights

Up to 4,860 in the 48<sup>th</sup> business year (From April 1, 2009, to March 31, 2010)

b. Type and number of shares subject to the stock acquisition rights

Up to 486,000 of the Company's common shares (of which, 3,000 shares for outside directors) in the 48<sup>th</sup> business year (From April 1, 2009, to March 31, 2010)

Each stock acquisition right shall represent 100 shares (Number of Shares to be Granted).

However, should the Company's common shares be split or merged [reverse split] or should the Company find it otherwise appropriate to adjust the Number of Shares to be Granted, the Company shall apply the treatment considered necessary.

(2) Monetary value of assets to be contributed upon exercise of the stock acquisition rights

Stock acquisition rights are to be exercised in lieu of a cash investment. The monetary value of assets to be contributed for the exercise of one stock acquisition right is the amount obtained by multiplying the Number of Shares to be Granted by the price per share as determined below (Exercise Price).

The Exercise Price is the amount obtained by multiplying by 1.05 the average of the closing price of the Company's common stock on the Tokyo Stock Exchange on all trading days (excluding days where no trades were made) of the month preceding the month in which the allotment date falls. Fractions of less than one yen resulting from said

calculation are rounded up. However, if that amount is less than the closing price of the Company's common stock on the Tokyo Stock Exchange on the allotment date (or on the most recent day a trade was made if no trade was made on the allotment date), then said closing price shall be the Exercise Price.

However, should on or after the allotment date the Company's common shares be split or merged [reverse split] or should the Company find it otherwise appropriate to adjust the Number of Shares to be Granted, the Company shall apply the treatment considered necessary.

(3) Exercise period for the stock acquisition rights

The Board of Directors Meeting, in which the distribution of stock acquisition rights is decided, sets the exercise period, which shall fall between the first day of the month following the month in which the stock acquisition right allotment date falls and a day seven years from then.

(4) Conditions for the Exercise of Stock Acquisition Rights

- a. Company's directors who have received an allotment of stock acquisition rights may exercise those stock acquisition rights provided they remain in office as directors or employees of the Company or a subsidiary or affiliate thereof. However, an individual who has lost said status after commencement of the period stipulated in (3) above may nevertheless exercise his or her allotted stock acquisition rights within two years from the date following his or her date of resignation or retirement or until the exercise period for the stock acquisition rights expires, whichever occurs first.
- b. Conditions other than those listed in a. above for the exercise of stock acquisition rights shall be stipulated in an agreement regarding allotment of stock acquisition rights between the Company and directors who have received an allotment of stock acquisition rights.

(5) Other matters

Other matters related to the stock acquisition rights shall be stipulated by the Board of Directors Meeting where the distribution of stock acquisition rights is decided.

The above details are subject to the approval of the "Decision on the Substance of the Assignment of Stock Options to Directors" at our 47<sup>th</sup> Ordinary General Meeting of Shareholders to be held June 18, 2009.