

## Announcing a Change to Our Shareholder Returns Policy Raising Dividend Payout Ratio to 25% and Re-purchasing Shares

### 1. Changing our shareholder returns policy in light of this year's forecast to reach new record highs in sales and profit

- As previously announced on October 31, 2011, MISUMI Group Inc. expects to reach new record highs in sales and operating income in FY2011 (April 1, 2011 through March 31, 2012), for the first time in four years.
- To increase the return of profits to our shareholders, we have decided to raise our dividend payout ratio and implement share buy-backs. Please see below for details. The decision resulted from a comprehensive review that took into account the business environment, performance trends and forecasts, the strength of our balance sheet, capital efficiency and the level of retained earnings required to establish a stable financial standing over the long-term, among other factors.

### 2. Raising our dividend payout ratio benchmark 5 ppt to 25% moving forward

- Starting from the second half of FY2011, we raise the benchmark for dividend payouts to 25% from 20% of earnings.
- As a result, our year-end dividend per share will be ¥12.3, an increase of ¥1.8 compared to the same period in the previous year. That will bring the annualized dividend to ¥22.5, an increase of ¥2.3 compared to the previous year.

	Annualized dividend					
	End of Q2		Year-end		Annual total	
	Yen	Payout ratio	Yen	Payout ratio	Yen	Payout ratio
Previous forecast (Announced May 12, 2011)	—	—	11.80	24.0%	22.00	21.5%
Revised forecast	—	—	12.30	25.0%	22.50	22.0%
Actual this year	10.20	19.2%	—	—	—	—
Actual last year (FY2010)	9.70	17.5%	10.50	23.0%	20.20	20.0%

### 3. Re-purchasing company shares to increase shareholder returns through improved capital efficiency

- We plan to re-purchase up to 910,000 shares (1.01% of outstanding shares) or the equivalent of up to ¥1.5 billion between November 10, 2011, and January 6, 2012. The aim is to improve shareholder returns through enhanced capital efficiency and the nimble management of our capital structure.
- This constitutes the company's first share buy-back as part of a shareholder-returns policy.

Moving forward, we will continue to consider swift and decisive shareholder-returns initiatives attuned to the management strategy in effect at the time and taking into account a comprehensive view of factors including the business environment and performance trends.

#### [Disclaimer regarding forward-looking statements]

Although forecasts for FY2011 ending March 2012 and forward looking statements contained in this material are based on assumptions applied and judged to be reasonable by the Company and its Group reflecting currently available information, including domestic or international economic circumstances, fluctuations in currency exchange rates, and other factors that may influence our business performance, they are subject to risk and uncertainty. Therefore, investors should avoid making their investment decisions based entirely and exclusively on the forward-looking statements herein. Please be advised that our actual business performance may differ substantially from the forecasts indicated in this document.

The material factors that may influence our actual performance include economic circumstances, market trends, and exchange rates, among others.

For more details on revisions to dividend forecasts and plans to re-purchase company shares, see our releases on Announcing Revisions to FY2011 Dividend Forecasts and Announcing the Decision to Re-purchase Company Shares.

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