



MISUMI Group Inc.

FY2016 (ended March 2017)

Earnings Report

May 12, 2017
 Representative Director, President and CEO
 Ryusei Ono

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FY 16 Earnings Overview

FX rates (vs Yen)	FY 15 Actual	FY 16 Actual
USD	¥120.2	¥109.0
EUR	¥132.4	¥119.4
RMB	¥19.2	¥16.2

FY 16 Earnings Overview

Absorbed major yen headwinds to book sixth straight year of record-high sales and profit

Sales and profit mostly in line with plan

Million Yen

Category	FY 15 Actual	FY 16		Percentage Change	
		Plan	Actual	YoY	Vs Plan
Net Sales	240,139	253,500	259,015	+7.9%	+2.2%
Operating Income (Before amortization of goodwill, etc.)*	28,228	29,500	29,421	+4.2%	-0.3%
Margin	11.8%	11.6%	11.4%	-0.4pt	-0.2pt
Operating Income	25,690	27,200	27,127	+5.6%	-0.3%
Margin	10.7%	10.7%	10.5%	-0.2pt	-0.2pt
Ordinary Income	25,119	26,600	26,462	+5.3%	-0.5%
Net Income	16,907	17,800	18,387	+8.8%	+3.3%

*Operating income before the amortization of goodwill and other intangible fixed assets associated with the acquisition of Dayton Lamina Corporation of North America (DL).

FY 16 Sales by Business Segment

Sales up in all segments

FA: Strong growth by bolstering QCT and capturing avid demand for automation

Die Components: Sustained growth on demand tied to new automotive dies and molds

VONA: Strong growth on product lineup enhancements, more short lead-time availability

Million Yen

Category	FY 15	FY 16		
	Actual	Actual	YoY	
			In yen	In local currency
Total	240,139	259,015	+7.9%	+14.6%
FA Businesses	76,369	84,669	+10.9%	+16.5%
Die Components Businesses	69,732	69,797	+0.1%	+9.2%
VONA Business	93,758	104,548	+11.5%	+16.2%
Other factors and adjustments	279	-	-	-

*1. FY 15 also reflects new reporting segments (introduced in FY 16)

*2. Effective FY 16 all consolidated subsidiaries report April-March business years. That eliminates adjustments from time lags in reporting periods.

FY 16 Operating Income by Business Segment

Die Components and VONA down yoy but up double-digits in local currency

Mixed bag by business line, but mostly in line with plan

Million Yen

Category	FY 15		FY 16			
	Actual	Margin	Actual		YoY	
			Actual	Margin	In yen	In local currency
Total	25,690	10.7%	27,127	10.5%	+5.6%	+27.6%
FA Businesses	12,159	15.9%	14,417	17.0%	+18.6%	+33.9%
Die Components Businesses	3,464	5.0%	3,097	4.4%	-10.6%	+23.0%
Before amortization of goodwill, etc.	6,001	8.6%	5,391	7.7%	-10.1%	+13.3%
VONA Business	10,249	10.9%	9,950	9.5%	-2.9%	+22.7%
Other factors and adjustments	-182	-	-338	-	-	-

*1. FY 15 also reflects new reporting segments (introduced in FY 16)

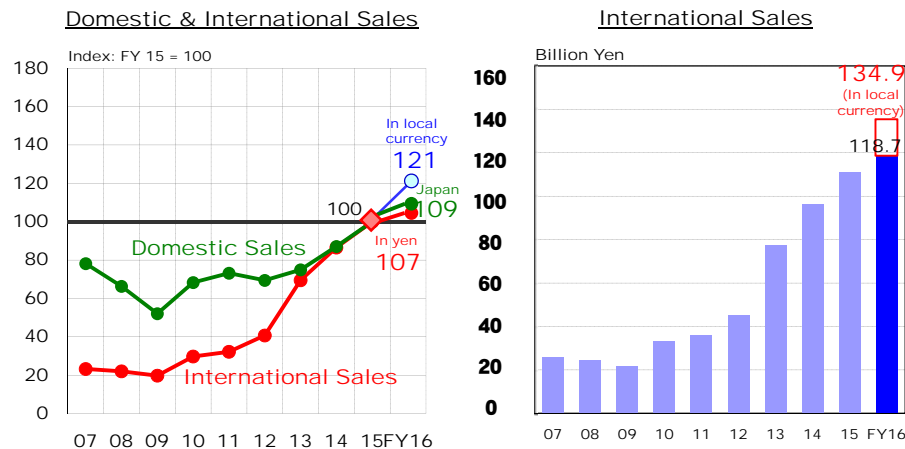
*2. Effective FY 16 all consolidated subsidiaries report April-March business years. That eliminates adjustments from time lags in reporting periods.

FY 16 Domestic & International Sales

Japan: VONA and FA businesses drove performance

Overseas: China, Asia and Europe strong

Overseas sales grew more than 20% in local currencies

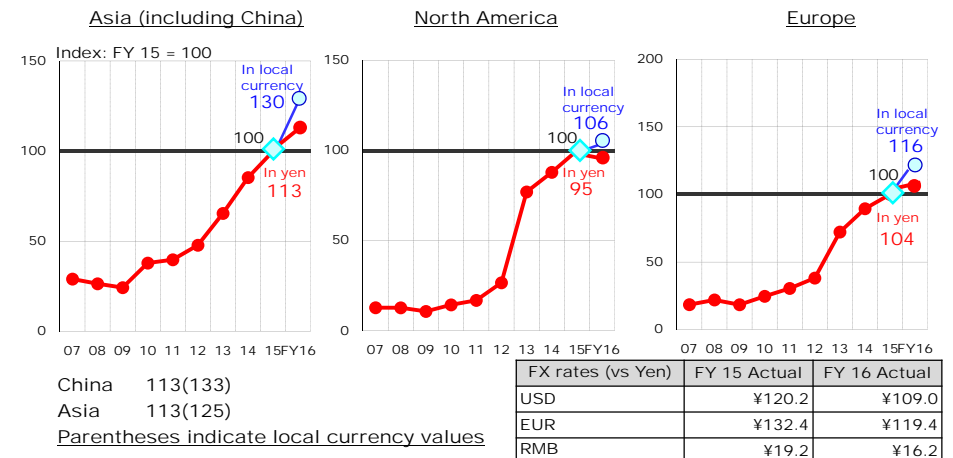


FY 16 Sales by Region (In Local Currency)

Asia: Sales up substantially on adding new customers in China and South Korea

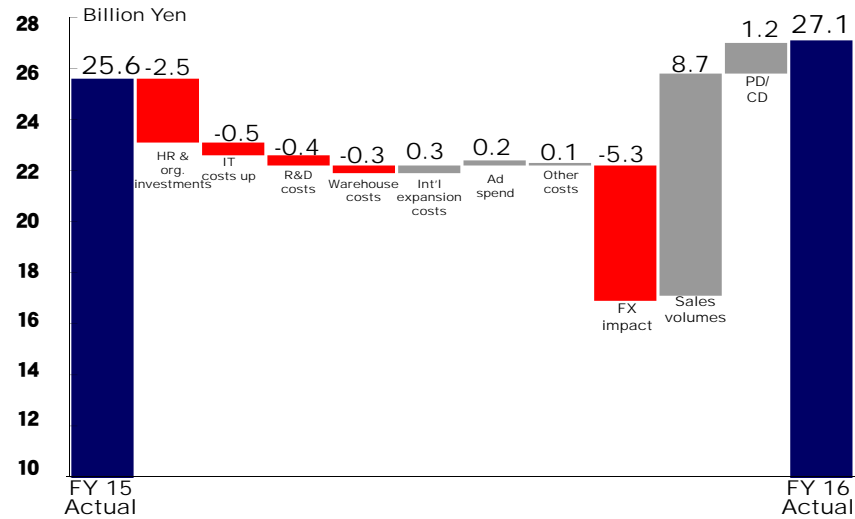
North America: Up on recovery in demand for automotive dies and molds

Europe: Grew in double digits as we captured automotive demand



FY 16 Operating Income Bridge

Strategic HR spend to strengthen business base
Higher sales sustained profit growth in face of FX headwinds and expenses



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FY 17 Full Year Consolidated Earnings Forecasts

FX rates (vs Yen)	FY 16 Actual	FY 17 Plan
USD	¥109.0	¥108.00
EUR	¥119.4	¥116.0
RMB	¥16.2	¥15.8

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FY 17 Full Year Earnings Forecasts

Uncertainty anticipated in 2H despite expectations of strong market conditions
Sales and profit to reach record highs for 7 straight years

Million Yen

Category	FY 16	FY 17	
	Actual	Plan	YoY
Net Sales	259,015	290,000	+12.0%
Operating Income (Before amortization of goodwill, etc.)*	29,421	33,300	+13.2%
Margin	11.4%	11.5%	+0.1pt
Operating Income	27,127	31,700	+16.9%
Margin	10.5%	10.9%	+0.4pt
Ordinary Income	26,462	31,100	+17.5%
Net Income	18,387	21,600	+17.5%

*1. Operating income before the amortization of goodwill and other intangible fixed assets associated with the acquisition of Dayton Lamina Corporation of North America (DL).

*2. FY17 goodwill amortization to conclude in October 2017. (The total in FY17 is 700 million less than the previous fiscal year)

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FY 17 Sales Forecasts by Business Segment

Double-digit sales growth in FA in all regions but Japan

Double-digit sales growth in Die Components in China, Asia and Europe

VONA to expand significantly on Japan growth, contributions from overseas

Million Yen

Category	FY 16 Actual	FY 17 Plan	YoY	
			In yen	In local currency
Total	259,015	290,000	+12.0%	+13.1%
FA Businesses	84,669	92,963	+9.8%	+10.9%
Die Components Businesses	69,797	73,672	+5.6%	+7.1%
VONA Business	104,548	123,364	+18.0%	+18.9%
Other factors and adjustments	-	-	-	-

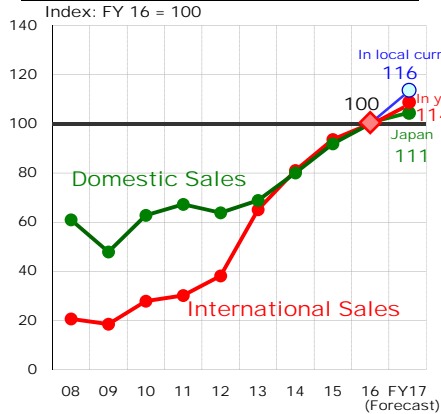
*Effective FY 16 all consolidated subsidiaries report April-March business years. That eliminates adjustments from time lags in reporting periods.

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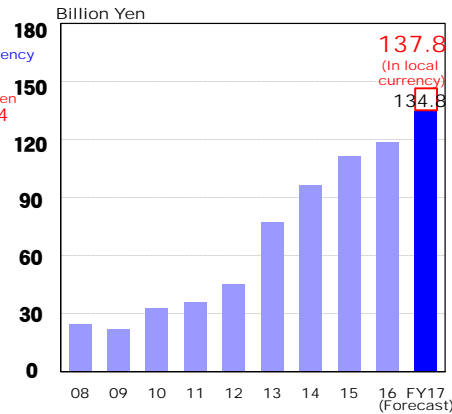
FY 17 Domestic & Int'l Sales Forecasts

Japan: To capture new demand on sustained, strong growth in VONA
 Overseas: Large growth by accelerating global rollout of reliable delivery on short lead times
 Overseas sales to rise 16.1% in local currencies

Domestic & International Sales



International Sales

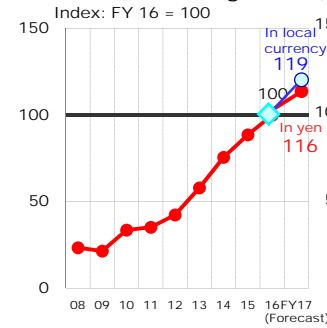


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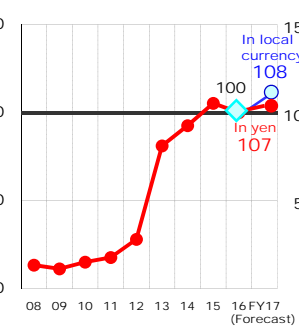
FY 17 Sales Forecasts by Region (In Local Currency)

Asia: Strong growth on greater ability to deliver reliably on short lead times in each market
 NA: Growth due to FA and recovery in demand for mainly automotive dies and molds
 Europe: Large topline growth driven by more strong growth in FA

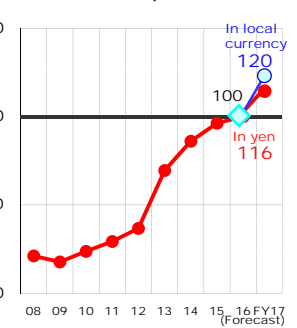
Asia (including China)



North America



Europe



China 116(119)
 Asia 117(119)

Parentheses indicate local currency values

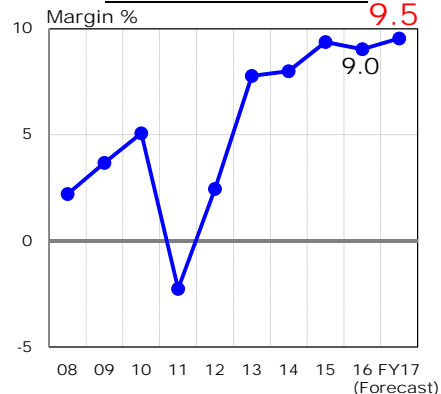
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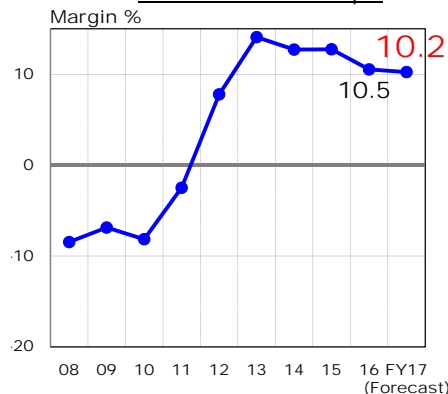
FY 17 Operating Income Forecasts by Region

China/Asia: Help from greater plant efficiencies and lower sourcing costs
 Americas/Europe: Maintain strong profitability utilizing DL footprint

China & Rest of Asia



Americas & Europe

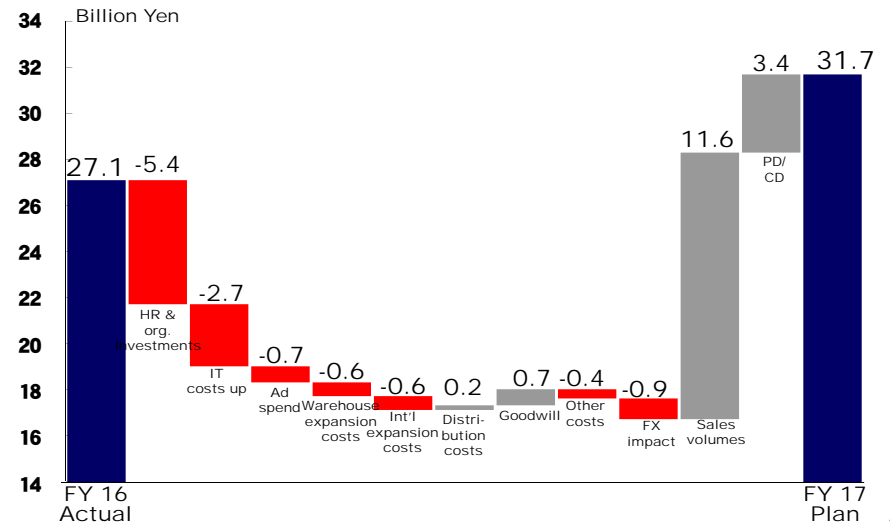


* 1. Based on operating income by region
 * 2. Beginning with FY12, operating income (margin) is disclosed as two regions: Americas & Europe and China & rest of Asia
 * 3. Calculated based on operating income before the amortization of goodwill and other intangible fixed assets associated with the acquisition of Dayton Lamina Corporation of North America (DL).

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FY 17 Operating Income Bridge (YoY)

Continue to aggressively spend on organization, IT to strengthen business base
 New profit high as sales volumes growth absorbs upfront investments



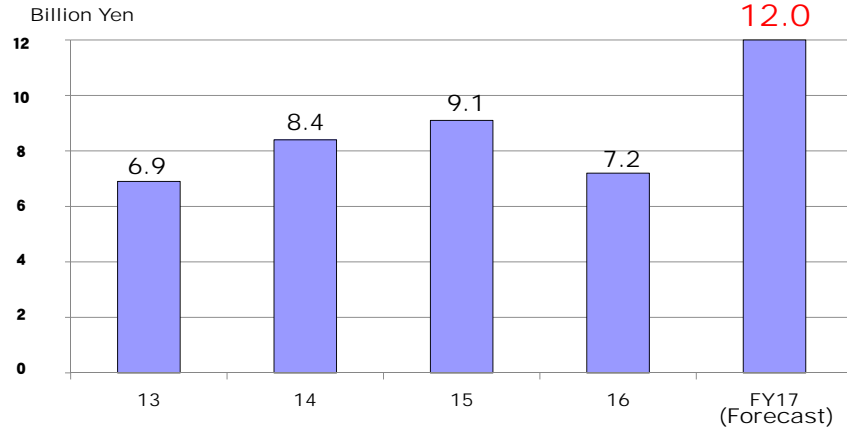
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Investment Plan

FY 16 Actual: ¥7.2 billion

Planning to spend ¥12 bn in FY 17, a significant increase of ¥5 bn YoY

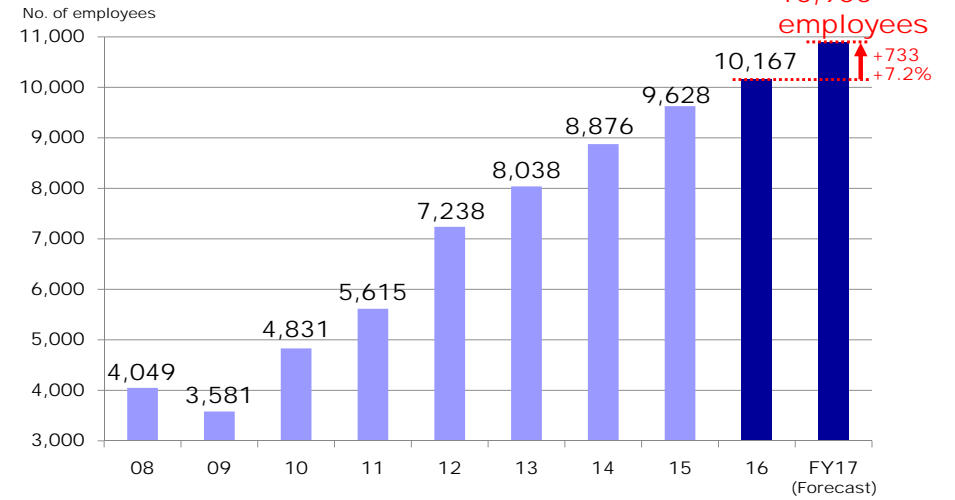
Capital expenditures



Adding Personnel

Beefing up organizations mainly in IT, production and logistics overseas

Number of Employees (as of fiscal year-end)



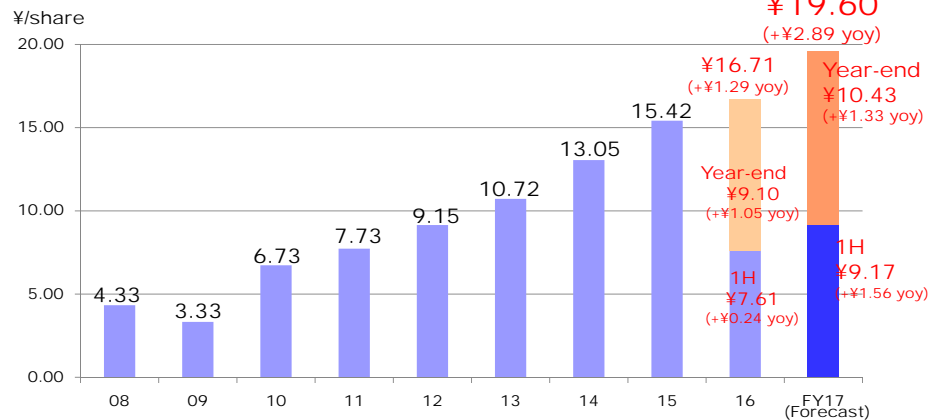
Shareholder Returns

FY 16 total DPS to be 16.71 yen

FY 17 total DPS to be 19.60 yen, making a new record high for 7 straight years

Raising the dividend again on strong results (benchmarking 25% payout ratio)

Dividends per Share



* Effective July 1, 2015, we executed a 3-for-1 stock split. Past DPS amounts have been adjusted to reflect the split.

Summary

Aim for further sustainable growth as we approach net sales of 300 billion yen

