This is an abridged translation of the original notice in Japanese and is intended for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.

Securities Code: 9962
June 3, 2025

To Our Shareholders:

Kosuke Nishimoto
Representative Director and Chairman
MISUMI Group Inc.
6-5 Kudanminami 1-Chome
Chiyoda-ku Tokyo 102-8583
JAPAN

Convocation Notice for the 63rd Annual General Meeting of Shareholders

You are hereby notified of the 63rd Annual General Meeting of Shareholders (the "Meeting") of MISUMI Group Inc. (the "Company") details of which are provided below.

The Electronic Provision Measures have been taken for the convocation of this Meeting, and the Electronic Provision Measures Matters for the Meeting will be available on the Company's website at https://www.misumi.co.jp/english/ir/stock/syousyu.html.
The same information will also be available on the Tokyo Stock Exchange website in Japanese at https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show.

Instead of attending the Meeting, you may exercise your voting rights, either by returning the enclosed Voting Right Exercise Form by mail, indicating your approval or disapproval of the Proposals, or by accessing the website indicated in the enclosed Voting Right Exercise Form and exercising your voting rights over the Internet. **Please review the enclosed Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:00 p.m. JST, on Wednesday June 18, 2025.**

1. Date and Time: June 19, 2025 (Thursday) from 2:00 p.m. (Registration starts at 1:00 p.m.)

2. Place: MISUMI Group Inc.
14th Floor, Kudan Kaikan Terrace
6-5 Kudanminami 1-Chome, Chiyoda-ku, Tokyo, Japan

3. Agenda:

Reports

1. The Business Report, the Consolidated Financial Statements, and Audit Reports on the Consolidated Financial Statements by the independent auditor and our Board of Corporate Auditors for the 63rd Fiscal Year (from April 1, 2024, to March 31, 2025).
2. Financial Statements for the 63rd Year (from April 1, 2024, to March 31, 2025).

Proposals

Proposal 1: Dividend of Surplus
Proposal 2: Election of Ten (10) Directors
Proposal 3: Election of Two (2) Corporate Auditors
Proposal 4: Election of One (1) Alternate Corporate Auditor

4. Instructions for the Exercise of Voting Rights

1) Exercise of voting rights by post
   Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return them so that they arrive by 5:00 p.m. on Wednesday, June 18, 2025. If there is no indication of approval or disapproval of each proposal, it will be treated as if there was an indication of approval.
2) Exercise of voting rights via the Internet
   Please access the voting rights exercise website designated by the Company (https://evote.tr.mufg.jp/)* via the internet. Please exercise your voting rights by 5:00 p.m. on Wednesday, June 18, 2025.
   *Website is available only in Japanese

◎ If attending the Meeting in person, please submit the enclosed Voting Right Exercise Form to the receptionist at the venue.

◎ In case revisions occur regarding Electronic Provision Measures Matters, we will post the revised content on each of our aforementioned websites.

◎ The following items are not included in the paper-based documents delivered to Shareholders who have requested the delivery in accordance with applicable legal provisions and the Company's Articles of Incorporation. The Independent Auditor and the Corporate Auditors have audited the subject documents for the audit including the following items.

- "Matters concerning stock acquisition rights" in the Business Report
- "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- "Notes to Non-Consolidated Financial Statements" in the Non-Consolidated Financial Statements

◎ The results of the resolutions of the General Meeting of Shareholders will be published on the Company's website (https://www.misumi.co.jp/english/ir/stock/).

To Our Shareholders

Representative Director and Chairman
Kosuke Nishimoto
Representative Director and President
Ryusei Ono

We would like to express our sincere gratitude for your exceptional and continued support.

In recent years, the global market environment surrounding MISUMI Group has undergone significant change, with competition growing increasingly fierce. More recently, developments in U.S. policies—particularly in trade policy—have emerged as a concern, further contributing to an uncertain economic outlook.

Under such circumstances, MISUMI Group is committed to strengthening supply chains in the manufacturing industry by continuously accelerating our Business MODEL and by developing and delivering innovative products and services. We believe our foremost mission is to deliver "Time Value" to customers in the Industrial Automation (IA) industry—specifically through the "reduction of our customers' labor time" and "Reliable, Quick Delivery" in procurement of components essential for automation equipment. To fulfill this social mission on a global scale, we aim to establish unmatched competitive advantages in our Business MODEL, organizational structure, strategy, and operations.

The challenges and growth undertaken by MISUMI drive progress not only for our customers but also for the broader IA industry. By contributing to the sustainable development of society, we create a positive chain reaction that supports MISUMI's sustained growth. MISUMI is committed to a "Growth Chain-Reaction Aspired Management" approach, where every employee independently and proactively embraces challenges. This leads to greater Time Value for our customers, fosters sustainable growth for both our customers and society, and, in turn, creates even more growth opportunities for employees.

We sincerely appreciate your continued support and look forward to your ongoing confidence in MISUMI’s future growth and development.

Reference Document

Proposal 1: Dividend of Surplus

MISUMI Group is committed to Growth Chain-reaction Aspired Management, which starts with employees' challenges, and aims to contribute to the sustainable growth of the Industrial Automation (IA) industry- our customer- while also supporting the sustainable development of society through automation and labor saving in the IA industry. To achieve this, we are actively investing in growth in the development of regions, businesses, new products, and services, and are working to advance our Business MODEL that contributes to increasing customer's Time Value. In order to increase corporate value over the medium to long term, the Company will accurately assess the cost of capital and strive to achieve a return on capital that exceeds the cost of capital and widen the equity spread. To this end, we will strike a balance between investing in growth from a medium- to long-term perspective and returning profits to our shareholders.

The Company will revise the benchmark payout ratio from 30% to 35%, considering the strengthening of the management foundation, bolstering of the financial position, and improvement of capital efficiency. Stock repurchases will be implemented flexibly depending on the situation, such as cash position, investment opportunities for growth, and stock market trends.

Based on the revised benchmark described above, the Company is proposing a year-end dividend of **¥23.38** per share.

Pending approval of this proposal, the annualized dividend would be **¥43.21** per share, an increase of **¥15.74** from the previous year's figure, including the interim dividend of **¥19.83** per share (total amount: **¥ 5,462,904,910**) already paid out on **December 3, 2024**.

(1) Type of dividend assets
Cash

(2) Allocation of dividend assets to shareholders and the total amount of dividends
¥23.38 per share of common stock. Total amount: **¥ 6,422,119,215**

(3) Effective date of the dividend of surplus
June 25, 2025

Proposal 2: Election of Ten (10) Directors

The term of office for all nine (9) current Directors will expire at the end of this Meeting. Therefore, the Company proposes the addition of one (1) Outside Director and electing ten (10) Directors including one (1) new Outside Director, in order to strengthen the Board of Directors' management oversight function. The Nomination and Compensation Committee as a voluntary committee (the majority comprises Outside Directors) has deliberated on this Proposal and the Board of Directors has subsequently decided.

If all Director candidates in this proposal are elected, the Board of Directors will consist of ten (10) Directors (seven (7) males and three (3) females), including four (4) Outside Directors.

Candidates for the position of Director are as follows:

	Name		Positions and responsibilities in the Company	Board of Directors Meeting Attendance
1	**Kosuke Nishimoto**	Re-appointment	Representative Director and Chairman	14 out of 14 meetings (100%)
2	**Ryusei Ono**	Re-appointment	Representative Director and President Representative Director and President, MISUMI Corporation	14 out of 14 meetings (100%)
3	**Arata Shimizu**	Re-appointment	Senior Executive Director CIO and Representative Corporate Officer, Digital Transformation System Platform	14 out of 14 meetings (100%)
4	**Tomoki Kanatani**	Re-appointment	Executive Director Chief Executive in charge of China and Asia Business, MISUMI Corporation	14 out of 14 meetings (100%)
5	**Shigetaka Shimizu**	Re-appointment	Executive Director President, Japan Business Company, MISUMI Corporation	14 out of 14 meetings (100%)
6	**Shaochun Xu**	Re-appointment	Director President, China Business Company, MISUMI Corporation Chairperson, MISUMI (China) Precision Machinery Trading Co., Ltd.	14 out of 14 meetings (100%)
7	**Yoichi Nakano**	Re-appointment Outside Director	Lead Outside Director and Chairman of the Nomination and Compensation Committee	14 out of 14 meetings (100%)
8	**Tomoharu Suseki**	Re-appointment Outside Director	Outside Director	14 out of 14 meetings (100%)
9	**Keiko Yano**	Re-appointment Outside Director	Outside Director	11 out of 11 meetings (100%)
10	**Figen Ulgen**	New appointment Outside Director	-	-

Candidate number 1

Kosuke Nishimoto

Re-appointment



Date of Birth:
March 1, 1958

Ownership of the Company's shares
116,900 shares

Profile, positions and responsibilities and important concurrent positions

Apr 1981: Joined Kanebo, Ltd.
Sep 1984: Joined Meitec Corporation (currently Meitec Group Holdings Inc.)
Jun 1995: Director, Meitec Corporation
Jul 1996: Senior Managing Director, Meitec Corporation
Nov 1999: Representative Director and President, Meitec Corporation
Apr 2003: Representative Director and President, and CEO, Meitec Corporation
Apr 2014: Director and Chairman, Meitec Corporation
Jun 2015: Outside Director, Interworks, Inc. (currently Interworks Confidence Inc.)
Apr 2017: Representative Director, Chairman and President, Interworks, Inc.
Jun 2017: Outside Director, MISUMI Group Inc.
Jun 2019: Director and Executive Vice President, MISUMI Group Inc.
Feb 2020: Representative Director and Chairman, MISUMI Group Inc. (incumbent)

Reason for nomination as Director:

Mr. Kosuke Nishimoto has extensive experience as business manager over many years and has extensive knowledge of various manufacturing industries in Japan. With his experience and knowledge, he has appropriately and effectively performed his decision-making and supervisory roles as Director and Executive Vice President since June 2019 and Representative Director and Chairman since February 2020. Accordingly, Mr. Nishimoto has been nominated as a candidate for Director as it is expected that he will make further contributions.

Candidate number 2

Ryusei Ono

Re-appointment



Date of Birth:
October 1, 1964

Ownership of the Company's shares
560,000 shares

Profile, positions and responsibilities and important concurrent positions

Apr 1987: Joined MISUMI Group Inc.
Apr 2002: Corporate Officer, MISUMI Group Inc.
Jun 2007: Director and Corporate Officer, MISUMI Group Inc.
Oct 2008: Representative Director and President, SURUGA Production Platform Co., Ltd.
Oct 2008: Director and Senior Corporate Officer, MISUMI Group Inc.
Jan 2011: Representative Director and President, SURUGA SEIKI Co., Ltd.
Jan 2013: Senior Executive Director, MISUMI Group Inc.
Dec 2013: Representative Director and President, MISUMI Group Inc.
Dec 2013: Representative Director and President, MISUMI Corporation (incumbent)
Jun 2014: Representative Director, President, and CEO, MISUMI Group Inc.
Feb 2020: Representative Director and President, MISUMI Group Inc. (incumbent)

Reason for nomination as Director:

As Representative Director and President, Mr. Ryusei Ono has led MISUMI Group to grow further as a global enterprise while formulating and implementing strategies to enhance the Company's value over the medium to long-term. He has used his extensive experience and knowledge of our business activities, operations, production, and other areas as the basis for appropriate and effective management decision-making and supervision. Accordingly, Mr. Ono has been nominated as a candidate for Director as it is expected that he will make further contributions.

Candidate number 3

Arata Shimizu

Re-appointment



Date of Birth:
June 1, 1972

Ownership of the Company's shares
16,400 shares

Profile, positions and responsibilities and important concurrent positions

Apr 1997: Joined Accenture Japan Ltd.
Sep 2005: Executive Partner, Accenture Japan Ltd.
Jul 2015: Executive Officer, General Manager of Strategic Consulting Headquarters, Accenture Japan Ltd.
Mar 2017: Representative Director, Vice President, and COO, SEAOS Inc.
Jun 2017: Outside Director, Interworks, Inc.
Sep 2017: Outside Director, Trust Tech Inc. (currently Open Up Group Inc.) (incumbent)
Jun 2020: Outside Director, MISUMI Group Inc.
Jun 2021: Director, P&E Directions, Inc.
Jun 2024: Senior Executive Director, MISUMI Group Inc. (incumbent)
CIO and Representative Corporate Officer, Digital Transformation System Platform, MISUMI Group Inc. (incumbent)

Reason for nomination as Director:

Mr. Arata Shimizu has extensive experience as a strategic consultant and business manager over many years and has broad knowledge. With his experience and knowledge, he has appropriately and effectively performed his decision-making and supervisory roles as a Senior Executive Director and CIO since June 2024. Accordingly, Mr. Shimizu has been nominated as a candidate for Director as it is expected that he will make further contributions.

Candidate number 4

Tomoki Kanatani

Re-appointment



Date of Birth:
October 20, 1967

Ownership of the Company's shares
44,500 shares

Profile, positions and responsibilities and important concurrent positions

Apr 1991: Joined Kankaku Securities Co., Ltd.
Apr 1992: Joined Sadoshima Corporation
Jun 2000: Joined MISUMI Group Inc.
Dec 2015: President, China Business Company, MISUMI Corporation
Jul 2020: Senior Corporate Officer, MISUMI Group Inc.
Oct 2020: Chief Executive in charge of China and Asia Business (incumbent)
Jun 2021: Executive Director, MISUMI Group Inc. (incumbent)

Reason for nomination as Director:

Mr. Tomoki Kanatani has participated in the Company's business for a long period of time, including strengthening the foundation of the Company's sales. Since December 2015, he has demonstrated his leadership as the head of the China Business Company. He has been driving the growth of MISUMI Group's business in China, its largest overseas market. In addition, since October 2020, he has been leading the organization as the Chief Executive in charge of China and Asia Business. With his experience and knowledge, he has appropriately and effectively performed business execution, decision-making and supervisory roles. Accordingly, Mr. Kanatani has been nominated as a candidate for Director as it is expected that he will make further contributions.

Candidate number 5

Shigetaka Shimizu

Re-appointment



Date of Birth:
November 28, 1971

Ownership of the Company's shares
58,700 shares

Profile, positions and responsibilities and important concurrent positions

Apr 1995: Joined Okura & Co., Ltd.
Apr 1999: Joined MISUMI Group Inc.
Dec 2015: President, Asia Business Company, MISUMI Corporation.
Jul 2020: Senior Corporate Officer, MISUMI Group Inc.
Oct 2020: President, IM Business Company, MISUMI Corporation
Jun 2021: Executive Director, MISUMI Group Inc. (incumbent)
Apr 2022: President, Japan Business Company, MISUMI Corporation (incumbent)

Reason for nomination as Director:

Mr. Shigetaka Shimizu has participated in the Company's business for a long time, including playing a central role in the establishment of the Company's business in China. Since December 2015, he has been demonstrating his leadership as the head of Asia Business Company, driving growth of MISUMI Group's business in Asia. In addition, he has been leading Japan Business Company as its President since April 2022. With his experience and knowledge, he has appropriately and effectively performed business execution, decision-making and supervisory roles. Accordingly, Mr. Shimizu has been nominated as a candidate for Director as it is expected that he will make further contributions.

Candidate number 6

Shaochun Xu

Re-appointment



Date of Birth:
January 28, 1964

Ownership of the Company's shares
24,900 shares

Profile, positions and responsibilities and important concurrent positions

Sep 1988: Joined the Finance Division, Shanghai Municipal Bureau of Commerce, China.
Sep 1996: Chief of China Investment Department, ITOCHU (China) Holding Co., Ltd.
Aug 1998: General Manager of the Finance Department, Panasonic Electric Works China Co., Ltd.
May 2012: Joined MISUMI (China) Precision Machinery Trading Co., Ltd.
Apr 2017: Corporate Officer, China Business Company, MISUMI Corporation
Apr 2017: General Manager, MISUMI (China) Precision Machinery Trading Co., Ltd.
Oct 2021: Chairperson, MISUMI (China) Precision Machinery Trading Co., Ltd. (incumbent)
Jun 2022: Director, MISUMI Group Inc. (incumbent)
Apr 2025: President, China Business Company, MISUMI Corporation (incumbent)

Reason for nomination as Director:

Ms. Shaochun Xu joined MISUMI (China) Precision Machinery Trading Co., Ltd. after gaining experience in Chinese government offices and the Chinese operations of multiple Japanese companies. She has demonstrated her leadership in the company as General Manager since April 2017 and Chairperson since October 2021. She has been driving the growth of MISUMI Group's business in China, its largest overseas market. With her experience and knowledge, she has appropriately and effectively performed business execution, decision-making, and supervisory roles from a global perspective. Accordingly, Ms. Xu has been nominated as a candidate for Director as it is expected that she will make further contributions.

Candidate number 7

Yoichi Nakano

Outside Director
Re-appointment



Date of Birth:
April 26, 1960

Ownership of the Company's shares
nil

Profile, positions and responsibilities and important concurrent positions

May 1990: Joined International Finance Corporation, World Bank Group
Jun 1996: Joined McKinsey & Company Incorporated, Japan.
Jun 2003: Executive Search Consultant, Jomon Associates Inc.
Aug 2011: Partner, Leadership Consulting, Heidrick & Struggles Japan, GK
Jan 2013: Partner, Executive Search, Heidrick & Struggles Japan, GK
Feb 2016: Representative Director and President, Chuuyou Corporation (incumbent)
Jun 2019: Outside Director, MISUMI Group Inc.
Jun 2024: Lead Outside Director and Chairman of Nomination and Compensation Committee, MISUMI Group Inc. (incumbent)

Reason for nomination as Director and summary of expected roles:

Mr. Yoichi Nakano has proactively provided opinions and advice and supervised MISUMI Group's management from an independent perspective as Outside Director since June 2019. He has extensive experience in various industries on a global basis, namely, finance, consulting, and executive-search, as well as an extensive knowledge of management personnel development. We are nominating Mr. Nakano as a candidate for the position of Outside Director, as it is expected that, with his experience and knowledge, he will continue to provide appropriate advice and oversight with his experience and knowledge to strengthen the Group's management base.

Candidate number 8

Tomoharu Suseki

Outside Director
Re-appointment



Date of Birth:
February 18, 1957

Ownership of the Company's shares
nil

Profile, positions and responsibilities and important concurrent positions

Apr 1979: Joined Sumitomo Electric Industries, Ltd.
Jan 1997: Joined Raychem Corporation
Nov 2001: Representative Director, Tyco Electronics Raychem K.K.
Apr 2003: Executive Officer, D&M Holdings, Inc.
Nov 2004: Representative Director, President and CEO, OCC Corporation
Mar 2007: Executive Officer and COO, Sumida Corporation
Sep 2010: Representative Executive Officer and President, Sumida Corporation
Mar 2020: Director and Chairman of the Risk Management Committee, Sumida Corporation
Mar 2021: Member of the Nomination Committee and the Compensation Committee, Sumida Corporation
Jun 2021: Outside Director, MISUMI Group Inc. (incumbent)

Reason for nomination as Director and summary of expected roles:

Mr. Tomoharu Suseki has proactively provided opinions and advice and supervised MISUMI Group's management from an independent perspective as Outside Director since June 2021. He has ample experience and extensive knowledge from his extensive career in the management of various global companies primarily in the electronics field. We are nominating Mr. Suseki as a candidate for Outside Director, as it is expected that, with his experience and knowledge, he will continue to provide appropriate advice and supervision to strengthen the Group's management base.

Candidate number 9

Keiko Yano

Outside Director
Re-appointment



Date of Birth:
December 18, 1958

Ownership of the Company's shares
nil

Profile, positions and responsibilities and important concurrent positions

Apr 1981: Joined Toyo Kogyo Co., Ltd. (currently Mazda Motor Corporation)
Jan 1988: Joined Ford Motor Company of Japan Limited
Jul 2000: Senior Managing Director and General Manager of Corporate Planning, Japan Climate Systems Corporation, Secondment
Nov 2005: Sales Director, Visteon Japan
Dec 2011: Senior Managing Director and General Manager of Corporate Planning, Japan Climate Systems Corporation
Sep 2012: Mazda General Manager, Johnson Controls Inc.
Jul 2014: Sales Director, Visteon Corporation
Oct 2020: Vice President, Visteon Corporation
Oct 2020: Representative Director, Visteon Japan Ltd.
Jun 2024: Outside Director, MISUMI Group Inc. (incumbent)

Reason for nomination as Director and summary of expected roles:

Ms. Keiko Yano has proactively provided opinions and advice and supervised MISUMI Group's management from an independent perspective as Outside Director since June 2024. She has ample experience and broad knowledge through her extensive career in management of several global companies including joint venture formed by a Japanese and an American company in the automotive and related components industry. We nominate Ms. Yano as a candidate for Outside Director, as it is expected that, with her experience and knowledge, she will provide appropriate advice and supervision to strengthen the Group's management base.

Candidate number 10

Figen Ulgen

Outside Director
New appointment



Date of Birth:
December 6, 1966

Ownership of the Company's shares
nil

Profile, positions and responsibilities and important concurrent positions

Sep 1991: Joined JustSystems Corporation
Sep 1999: Joined McKinsey & Company, Inc. in the U.S.
Apr 2002: Director, Microsoft Corporation in the U.S.
Dec 2012: Senior Director, Microsoft Corporation in the U.S.
Nov 2014: General Manager, Intel Corporation in the U.S.
Mar 2019: Head of Data & Analytics, Woolworths New Zealand Limited
Feb 2021: Chief Customer Officer, Z Energy Limited in New Zealand
Aug 2022: Chief Data Officer, LINE Corporation (currently Z Intermediate Global Corporation)
Apr 2024: Chief Data and AI Officer, Dai-ichi Life Holdings, Inc.
Apr 2025: Executive Officer as Group Chief Data and AI Officer, Dai-ichi Life Holdings, Inc. (incumbent)

Reason for nomination as Director and summary of expected roles:

Ms. Figen Ulgen has demonstrated outstanding leadership in the fields of data science and data governance at several global companies, including major U.S. IT companies. She has ample experience and broad knowledge regarding the business application of information technology including AI. We nominate Ms. Ulgen as a candidate for Outside Director, as it is expected that, with her experience and knowledge, she will provide appropriate advice and supervision to strengthen the Group's management base.

Notes:

1. No special interests exist between the candidates and the Company.
2. The Company has concluded a directors and officers liability insurance agreement as stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company, with all the Directors of the Companies as the insured. The said insurance agreement shall compensate for damages and legal expenses to be borne by the insured. If the candidates are appointed as Company Directors, they will become the insured under the said agreement. The Company plans to renew the said insurance agreement with the same terms at the time of the next renewal when being active as Directors.
3. Information concerning the candidates for Outside Director is as follows.
   (1) Candidates for Director Mr. Yoichi Nakano, Mr. Tomoharu Suseki, Ms. Keiko Yano and Ms. Figen Ulgen are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
   (2) Mr. Yoichi Nakano Mr. Tomoharu Suseki and Ms. Keiko Yano are designated as Independent Officers according to the rules set by the Tokyo Stock Exchange and said designation has been reported to the said stock exchange. Upon the approval of her appointment, Ms. Figen Ulgen will become an Independent Officer according to the rules set by the Tokyo Stock Exchange.
   (3) Number of Years in Office:
      (i) Mr. Yoichi Nakano has been an Outside Director of the Company since June 2019 and will have served as such for about six (6) years upon the closing of the Meeting.
      (ii) Mr. Tomoharu Suseki has been an Outside Director of the Company since June 2021 and will have served as such for about four (4) years upon the closing of the Meeting.
      (iii) Ms. Keiko Yano has been an Outside Director of the Company since June 2024 and will have served as such for about one (1) year upon the closing of the Meeting.
   (4) Attendance at Board of Directors Meetings:
      (i) Mr. Yoichi Nakano attended 14 of the 14 meetings of the Board of Directors during the fiscal year under review and made inquiries and provided advice concerning proposals and discussions mainly from his professional perspective as a business manager.
      (ii) Mr. Tomoharu Suseki attended 14 of the 14 meetings of the Board of Directors during the fiscal year under review and made inquiries and provided advice concerning proposals and discussions mainly from his professional perspective as a business manager.
      (iii) Ms. Keiko Yano attended 11 of the 11 meetings of the Board of Directors since she assumed office on June 13, 2024, and made inquiries and provided advice concerning proposals and discussions mainly from her professional perspective as a business manager.
4. Limited Liability Agreement with Outside Directors
   The Company has entered into Limited Liability Agreements with Mr. Yoichi Nakano, Mr. Tomoharu Suseki, and Ms. Keiko Yano. These Agreements provide that the maximum amount for liability will be ¥10 million, or an amount stipulated by law, whichever is higher. The Company will maintain the Limited Liability Agreement with them if approval is given for their reappointment. If the appointment of Ms. Figen Ulgen is approved, the Company plans to enter into an agreement of the same kind with her.
5. Nomination and Compensation Committee
   The Company has set up the Nomination and Compensation Committee as a voluntary committee to evaluate and decide on the Directors' remuneration, the selection and dismissal of Directors, and succession planning for Representative Directors. If the appointment as Outside Directors of the Company is approved for each candidate, Outside Directors will comprise the majority of the Company's Nomination and Compensation Committee members.
6. MISUMI Group Inc. changed its trade name from MISUMI Shoji Co., Ltd. to MISUMI Corporation in May 1989 and from MISUMI Corporation to MISUMI Group Inc. in April 2005. In April 2005, the current MISUMI Corporation was established through a spin-off from the then MISUMI Group Inc., inheriting all its business operations.
7. SURUGA SEIKI Co., Ltd. was renamed SURUGA Production Platform Co., Ltd. in January 2011. A subsidiary spun off from SURUGA Production Platform in January 2011 has taken over the name of SURUGA SEIKI Co., Ltd., as well as the business operations of its Optical and Scientific Technology Division, which sells products related to optical equipment and factory automation (FA).

Proposal 3: Election of Two (2) Corporate Auditors

The term of office of Corporate Auditor Juichi Nozue and Nanako Aono will expire as of the end of the Meeting. Therefore, the Company proposes the election of the following two (2) Corporate Auditors, one of whom is a new appointee.

The Board of Corporate Auditors has given its consent to this proposal.

Candidates for the position of Corporate Auditor are as follows:

Nanako Aono Outside Corporate Auditor Re-appointment  **Date of Birth:** January 15, 1962 **Ownership of the Company's shares** nil	**Profile, positions and responsibilities and important concurrent positions** Apr 1984: Joined The Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.) Nov 1995: Joined ChuoAoyama Audit Corporation Jul 2002: Joined Busicom Co., Ltd. (currently OAG Busicom Co., Ltd.) Mar 2005: Director, Busicom Co., Ltd. Jun 2008: Outside Corporate Auditor, Duskin Co., Ltd. May 2010: Representative Director and President, GEN Co., Ltd. (incumbent) Jun 2017: Outside Corporate Auditor, MISUMI Group Inc. (incumbent) Jun 2019: Outside Corporate Auditor, Nippon Paper Industries Co., Ltd. (incumbent) Mar 2020: Outside Director, OPTEX GROUP Co., Ltd. (incumbent) Mar 2021: Outside Corporate Auditor, Meiko Network Japan Co., Ltd. Nov 2022: Outside Director and Audit and Supervisory Committee Member, Meiko Network Japan Co., Ltd. (incumbent) **Reason for nomination as Corporate Auditor:** As a certified public accountant, Ms. Nanako Aono has a considerable degree of knowledge concerning financial accounting. She also has extensive insight, cultivated through her career as a business manager and Corporate Auditor. She utilizes her knowledge and insights for enhancing and strengthening the audit structure of the Company and fulfills her roles for fair and objective audit from an independent viewpoint. Her nomination as an Outside Corporate Auditor reflects our judgment that she will continue to carry out the duties of that position appropriately going forward.
Shizuyo Ichikawa Outside Corporate Auditor New appointment  **Date of Birth:** August 1, 1961 **Ownership of the Company's shares** nil	**Profile, positions and responsibilities and important concurrent positions** Apr 1987: Registered as an attorney-at-law Apr 1987: Joined Yoshihara & Co. (currently Komatsu Miwa & Co.) (incumbent) Apr 2000: Full-time Director, DC Loan Servicing Inc. Jun 2020: Outside Corporate Auditor, Kyogoku unyu shoji Co., Ltd. (incumbent) Apr 2022: Executive Director, Saitama University (incumbent) Jun 2022: Alternate Corporate Auditor, MISUMI Group Inc. (incumbent) **Reason for nomination as Corporate Auditor:** Ms. Shizuyo Ichikawa has expertise and experience in legal affairs as a lawyer and ample experience as an Outside Corporate Auditor of another company. Ms. Ichikawa has been nominated as a candidate for an Outside Corporate Auditor in the expectation that she will fulfill her role of a fair and objective auditor from an independent viewpoint using her experience and knowledge.

Notes:

1. No special interests exist between the candidates and the Company.
2. The Company has concluded a directors and officers liability insurance agreement as stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company, with all the Corporate Auditors of the Companies as the insured. The said insurance agreement shall compensate for damages and legal expenses to be borne by the insured. In the event that the candidates are appointed as Corporate Auditor of the Company, they will become the insured under the said insurance agreement. The Company plans to renew the said insurance agreement with the same terms at the time of next renewal.
3. Information concerning the candidates for Outside Corporate Auditor is as follows:
   (1) Candidates for Corporate Auditor Ms. Nanako Aono and Ms. Shizuyo Ichikawa are candidates for Outside Corporate Auditor as stipulated in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
   (2) Ms. Nanako Aono is designated as Independent Officer according to the rules set by the Tokyo Stock Exchange and said designation has been reported to the said stock exchange. Upon the approval of her appointment, Ms. Shizuyo Ichikawa will become an Independent Officer according to the rules set by the Tokyo Stock Exchange.
   (3) Number of Years in Office: Ms. Nanako Aono has been an Outside Corporate Auditor of the Company since June 2017 and will have served as such for about eight (8) years upon the closing of the Meeting.
   (4) Attendance at Board of Directors Meetings and Board of Corporate Auditors Meetings: Ms. Nanako Aono attended 14 of the 14 meetings of the Board of Directors and 23 of the 23 meetings of the Board of Corporate Auditors during the fiscal year under review.
4. Limited liability agreement with Outside Corporate Auditor
   The Company has entered into a limited liability agreement with Ms. Nanako Aono. This agreement provides that the maximum amount for liability will be ¥5 million, or an amount stipulated by law, whichever is higher. The Company will maintain the limited liability agreement if approval is given for her reappointment as Corporate Auditor. If the appointment of Ms. Shizuyo Ichikawa is approved, the Company plans to enter into an agreement of the same kind with her.

Proposal 4: Election of One (1) Alternate Corporate Auditor

If Proposal 3 is approved, the current Alternate Corporate Auditor will assume the position of Outside Corporate Auditor. The Company proposes the election of one (1) Alternate Corporate Auditor as a measure to prevent the number of Corporate Auditors falling below the legal requirement.

Said Alternate Corporate Auditor would take office if the number of Outside Corporate Auditors falls below the legal requirement. In that event, the alternate's term of office would be equivalent to the remaining term of office of the alternate's predecessor. If approved, the decision would remain in effect until the beginning of the Annual General Meeting of Shareholders for the last fiscal year ending within four (4) years from the election of the alternate, per the stipulations of Article 33, Paragraph 3 of the Articles of Incorporation.

The Board of Corporate Auditors has given its consent to this proposal.

Candidate for the position of Alternate Corporate Auditor is as follows:

Kentaro Yadomi	**Profile, positions and responsibilities and important concurrent positions** Dec 2004: Joined KPMG AZSA LLC Mar 2017: Full-time Corporate Auditor, coconala Inc. Nov 2022: Outside Director and Audit and Supervisory Committee Member, coconala Inc. (incumbent) Jan 2023: Partner, Minami-Fuji Audit LLC (incumbent) Mar 2023: Outside Director and Audit and Supervisory Committee Member, Glocalist Co.,Ltd. (incumbent) Jul 2023: Corporate Auditor, Carry On inc. (incumbent)
	**Reason for nomination as Alternate Outside Corporate Auditor:** Mr. Kentaro Yadomi has expertise and experience in affairs regarding accounting, auditing and internal control as a certified public accountant and ample experience as a Corporate Auditor of other companies. Mr. Yadomi has been nominated as a candidate for Alternate Outside Corporate Auditor in the expectation that he will fulfill his role of a fair and objective auditor from an independent viewpoint using his experience and knowledge.
Date of Birth: April 13, 1977 **Ownership of the Company's shares** nil	

Notes:

1. No special interests exist between the candidate and the Company.
2. The Company has concluded a directors and officers liability insurance agreement as stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company, with all the Corporate Auditors of the Companies as the insured. The said insurance agreement shall compensate for damages and legal expenses to be borne by the insured. In the event that Mr. Kentaro Yadomi is appointed as Corporate Auditor of the Company, he will become the insured under the said insurance agreement. The Company plans to renew the said insurance agreement with the same terms at the time of next renewal.
3. Mr. Kentaro Yadomi, the Alternate Corporate Auditor candidate, fulfills the requirements of Outside Corporate Auditor as stipulated in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
4. Mr. Kentaro Yadomi, the Alternate Corporate Auditor candidate, fulfills the requirements of Independent Officer according to the rules set by the Tokyo Stock Exchange. In the event that Mr. Kentaro Yadomi is appointed as Corporate Auditor of the Company, he will be designated as Independent Officer according to the rules set by the Tokyo Stock Exchange and said designation will be reported to the said stock exchange.
5. If Mr. Kentaro Yadomi is appointed as Outside Corporate Auditor, the Company will enter into Limited Liability Agreements with him. This agreement provides that the maximum amount for liability will be ¥5 million, or an amount stipulated by law, whichever is higher. No special interest exists between the candidates and the Company.

(Reference)

Skill Matrix of Directors and Corporate Auditors

The Company has prepared and disclosed a skills matrix that lists each Director's and Corporate Auditor's knowledge, experience, abilities after identifying the skills that Directors and Corporate Auditors should have in light of the Company's management strategy.

When Proposals 2 and 3 are approved, the Board of Directors and Board of Corporate Auditors will comprise members* with the following skills.

*9 males/ 5 females, and 12 Japanese/ 2 foreign nationals

Name	Positions	Corporate Mgt	Business strategy	Global experience (*1)	DX/ IT	Manufacturing/ Operations (*2)	Organizational/ HR strategy	Finance/ Accounting	ESG/ Risk Mgt/ Legal
Kosuke Nishimoto	Representative Director	○	○				○	○	○
Ryusei Ono	Representative Director	○	○	○	○	○			
Arata Shimizu	Director	○	○		○	○			
Tomoki Kanatani	Director		○	○	○	○			
Shigetaka Shimizu	Director		○	○	○	○			
Shaochun Xu	Director			○			○	○	○
Yoichi Nakano	Outside Director	○		○			○	○	
Tomoharu Suseki	Outside Director	○		○		○			○
Keiko Yano	Outside Director	○	○	○			○		
Figen Ulgen	Outside Director			○	○	○			○
Ichiro Otokozawa	Corporate Auditor	○		○				○	○
Takaaki Wada	Corporate Auditor			○		○	○		
Nanako Aono	Outside Corporate Auditor	○						○	
Shizuyo Ichikawa	Outside Corporate Auditor	○							○

*1 Overseas business management, management of regional subsidiaries

*2 Logistics, customer services

Criteria for Independence of Outside Directors and Outside Corporate Auditors

The Company nominates a person who is considered unlikely to have conflicts of interest with general shareholders as a candidate for Outside Director or Outside Corporate Auditor. Therefore, a candidate shall pass the Independence Test set by the Tokyo Stock Exchange, and be required that he/she does not fall under any of the following:

1. A person for which the Company is a major client, or an executive of an entity for which the Company is a major client;
2. A person who is a major client of the Company, or an executive of an entity which is a major client of the Company;
3. A consultant, accounting professional, or legal professional who receives a large amount of money or other assets from the Company, in addition to their remuneration as Director or Corporate Auditor (if the entity receiving said assets is a corporation, partnership, or other organization, a person who belongs to the said entity);
4. A person who, within the past year, has met any of the conditions described in items 1 through 3 above;
5. A person whose circumstances may cause conflicts of interest with the Company other than those listed here; or
6. A spouse or a relative within the second degree of kinship of any person falling under items 1 through 5 above.

Business Report

From April 1, 2024, to March 31, 2025

1. Current Status of the MISUMI Group Companies

(1) Overview of Business Results for the Fiscal Year

In this fiscal year, the global economy experienced a gradual recovery in demand for capital investment, particularly within the manufacturing sector. Demand for the automotive and telecommunications sectors remained firm, especially in China, Asia, and Japan. Meanwhile, in Europe, the market continues to stagnate, while in the US, growing uncertainty about the future and a decline in capital investment appetite, demand has yet to see a meaningful recovery.

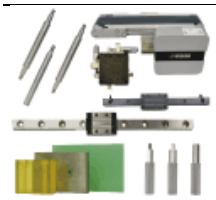
In this economic environment, MISUMI Group is leveraging its unique Business MODEL, which encompasses manufacturing and distribution businesses. By advancing the global Business foundation supporting these operations, we contribute to industries related to automation demand, particularly the manufacturing industry, by meeting customers' needs for Reliable and Quick Delivery.

We continued to develop new businesses, including new products and services, by capitalizing on the robust business foundations in IT, production, and logistics that we have built over the years, as well as our global network of sites, striving to accurately capture customer demand.

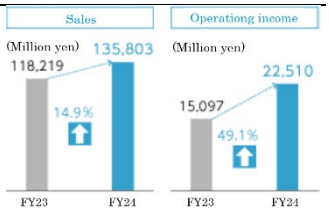
As a result, consolidated net sales reached ¥401,987 million, (9.3% year-over-year increase), marking a new record high. In terms of profits, operating income was ¥46,480 million (21.2% year-over-year increase), ordinary income was ¥49,901 million (20.9% year-over-year increase), and net income attributable to owners of the parent company was ¥36,549 million (29.8% year-over-year increase), due to increased sales volume, improved product mix, and impact from foreign exchange while we continued expenditures related to measures aimed at sustaining growth.

Segment Information

FA Business



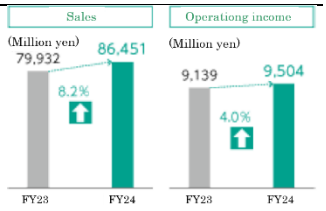
The FA business achieved success through regionally tailored unique measures, such as targeting telecommunications demand in China and promoting the Economy Series (a highly price competitive product series newly introduced for mid-range demand), as well as meviy (an AI platform for procurement of mechanical components) in Japan. Sales reached ¥135,803 million (14.9% year-over-year increase) and operating income was ¥22,510 million (49.1% year-over-year increase).



Die Components Business



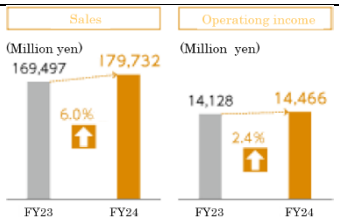
In the Die components business, customer demand was primarily captured in China and Japan, driven by the gradual recovery of automotive-related sector. Sales reached ¥86,451 million (8.2% year-over-year increase) and operating income was ¥9,504 million (4.0% year-over-year increase).



VONA Business



VONA business is MISUMI Group's distribution business of manufacturing and automation-related equipment parts and indirect materials in the form of consumables such as MRO (Maintenance, Repair, and Operations) products. In addition, this business segment includes MISUMI branded products and third-party manufacturers' products. Growth was driven by Asia and China, resulting in sales of ¥179,732 million (6.0% year-over-year increase), and operating income was ¥14,466 million (2.4% year-over-year increase).



(2) Capital Investment and Financing

Capital investments made during FY24 amounted to ¥15,434 million. The primary investment areas were IT systems, production facilities, and logistics sites. These investments were all self-financed. There were no significant sales or disposals of equipment and facilities.

(3) Challenges and Priorities

We expect the global economy, including Japan, to face an increasingly uncertain business environment as the global supply chain continues to shift toward regional bloc formations and the effects of the U.S. tariff policy becoming apparent. In the industrial sector, however, there are high expectations that the demand for automation will continue to grow worldwide amid ongoing efforts to address various social issues. To meet these customer needs, we will continue to advance our infrastructure and business foundations in IT, Manufacturing, and Logistics and further refine our capabilities for "globally Reliable, Quick Delivery." We will accelerate the development of regional markets, new products and services, etc. to improve Customer's Time Value, and promote the transition to Digital MODELs tailored to meet the needs of each different market.

i. Business domain expansion and global development

Leveraging our strength as both a manufacturer and a distributor, MISUMI Group is accelerating its business domain expansion and global development. In the manufacturing business, we are developing the “Factory Automation Business” dealing with precision mechanical components used in manufacturing equipment and “Die Component Business” that incorporates standard and precision components into molds for mass production of press parts. We realize low costs by producing a vast number of products at the optimal locations.

In the Distribution Business, or the VONA business, we are expanding the product lines that include third-party brands, while strongly promoting the acceleration of global expansion through our uniquely broad lineup and services tailored to our customer’s demands and characteristics. Through these efforts, we aim to achieve sustainable growth in the future.

ii. Promotion of Digital MODEL Shift

To address the diversifying needs of automation customers, we continue to advance our Business MODELs and implement region-specific growth strategies. In doing so, we have created certain outcomes.

The content of such “Digital MODELs” includes services such as “meviy” and “Economy Series” that have been deployed so far, “D-JIT” which is a DX innovation in purchasing process of manufacturing components that eliminates delivery time adjustments and waiting time for quotations, and “floow,” a total cost reduction service for indirect materials. Based on the philosophy of “Time-based Strategy,” which is our Company’s foundational approach, aiming to further create “Customer’s Time Value.” We will fundamentally strengthen existing businesses by integrating these services and promote the Digital MODEL Shift.

iii. Contribution to the sustainable development of society

MISUMI Group provides customers with "Time Value" by “reducing customer’s workload” and offering "Reliable, Quick Delivery." The "Industrial Automation industry", the business domain that supports this, is indispensable to the sustainable development of society in the sense that it realizes automation, labor saving, etc. in various social activities.

With our employees’ commitment to take on challenges to enhance Customer’s Time Value, MISUMI aims to drive a Growth Chain-reaction Aspired Management that fosters prosperity for customers, society, and employees. Please refer to the following sections for MISUMI Group’s sustainability approaches and initiatives regarding sustainability that connect to these.

(Reference)

MISUMI Group's Approach to Sustainability

MISUMI Group aims to initiate a Growth Chain-reaction Aspired Management that starts with employees' challenges. With employees' commitment to take on challenges to enhance Customer's Time Value, MISUMI aims to drive a Growth Chain-reaction that fosters prosperity for customers, society, and employees.

MISUMI Group plays a vital role in eliminating inefficiencies within the Industrial Automation (IA) industry by aiding customers and suppliers in reducing all forms of waste. The IA industry significantly contributes to society as it facilitates automation and labor-saving across various social activities, thereby supporting sustainable social development. Sustainable social development drives demand in the industrial sector, creating new opportunities for MISUMI Group.

Our Sustainability Initiatives

- **Climate Change**

MISUMI Group is committed to engaging in climate change initiatives including the prevention of global warming through our business activities, and endorsed the TCFD Recommendations and joined the TCFD Consortium in September 2021.

Aiming to achieve carbon neutrality by 2050, we have set a target to reduce greenhouse gas (GHG) emissions (Scope 1 and 2) by 42% by fiscal 2030, benchmarked against fiscal 2020. In fiscal 2023, we were able to reduce Group-wide GHG emissions (Scope 1 and 2) by 51,000 tons of CO_2, more than 70% compared to the emissions in fiscal 2020. Specifically, we have introduced solar power generation equipment at our production site in Vietnam, promoted a variety of energy conservation activities at our domestic and overseas production sites, introduced CO_2 -free electricity at domestic production sites and our Head Office building and actively used renewable energy certificates for our main production sites in Vietnam, China, Thailand, and India. We will continue to make further efforts to reduce GHG emissions.

For more information, please visit our website:
https://www.misumi.co.jp/english/esg/environment/climate

- **Respect for Human Rights**

MISUMI Group considers respect for human rights as a fundamental principle in all activities and has established the "MISUMI Group Human Rights Policy" (the "Human Rights Policy"). We are committed to ensuring management and actions that are always in harmony with the international community. The Human Rights Policy identifies key human rights issues that MISUMI Group must address and promote appropriate measures as follows:

- Respect for individuals' fundamental human rights, individuality, and diversity is regarded as paramount, and discrimination or harassment based on race, nationality, gender, religion, beliefs, birth, age, sexual orientation, physical characteristics, or mental and physical disabilities are prohibited.
- All forms of harassment that unjustly harm individual dignity, such as sexual harassment, power harassment, and moral harassment, are prohibited.
- Diversity in backgrounds, skills, gender, nationality, and other aspects is emphasized, ensuring equal opportunities in hiring, development, promotion, and treatment of personnel.
- Compliance with safety and health-related laws and standards is maintained, and efforts are made to provide a safe and comfortable workplace environment.
- The mental and physical health of employees is prioritized, and long working hours are prevented.
- Employees' rights as workers, including freedom of association, are respected.
- Engagement in any form of child labor or forced labor is strictly prohibited.

The Human Rights Policy is applicable to all officers and employees of MISUMI Group. We will also encourage our business partners, such as suppliers, to understand and support this policy and work to ensure that it is respected.

Additionally, as part of due diligence efforts, human rights risks are evaluated and identified not only within MISUMI Group but also among business partners, with measures implemented to prevent and mitigate such risks.

For communication, comprehensive education and awareness are ensured for all employees within MISUMI Group, while appropriate information is disclosed and dialogue with stakeholders is actively pursued.

For more information, please visit our website:
https://www.misumi.co.jp/english/esg/social/humanrights

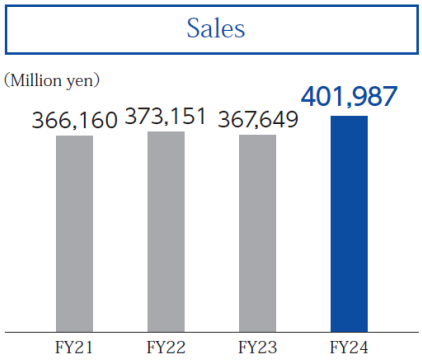
- **Supply Chain Management**

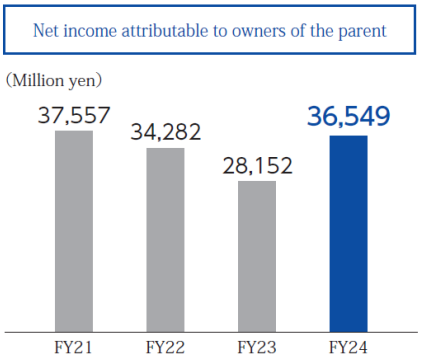
MISUMI Group has formulated and implemented "Sustainable Procurement Guidelines." We actively encourage our primary suppliers to adhere to these Guidelines and conduct assessments on their respect for human rights, promotion of occupational health and safety, and the development status of monitoring systems. With regard to environmental initiatives, MISUMI Group collaborates to enhance sustainable procurement activities by sharing energy consumption data and setting reduction targets to reduce greenhouse gas (GHG) emissions. It also plans to further expand these activities going forward.

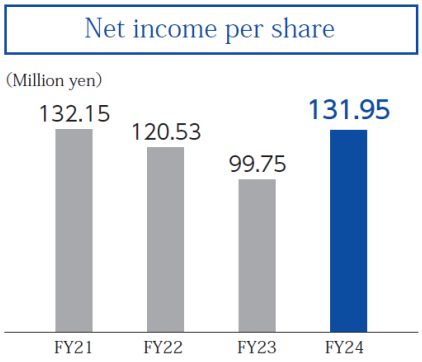
We will continue to enhance our quantitative understanding of risks and opportunities, and develop and execute effective countermeasures, taking a comprehensive view of the entire supply chain.

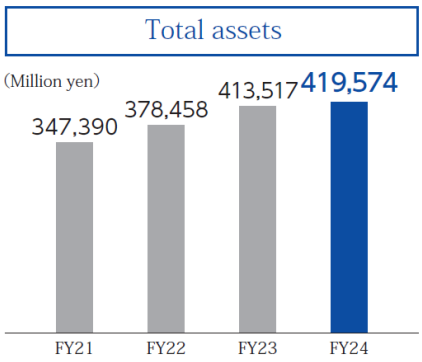
(4) Assets, Income

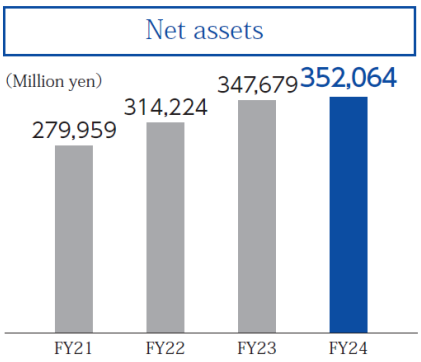
Item \ Period		60th Term (Year ended March 2022)	61st Term (Year ended March 2023)	62nd Term (Year ended March 2024)	63rd Term (Year ended March 2025)
Net Sales	(Million yen)	366,160	373,151	367,649	401,987
Net Income attributable to owners of parent	(Million yen)	37,557	34,282	28,152	36,549
Net Income per share	(Yen)	132.15	120.53	99.75	131.95
Total assets	(Million yen)	347,390	378,458	413,517	419,574
Net assets	(Million yen)	279,959	314,224	347,679	352,064











(5) Principal Business Operations

MISUMI Group companies are active in three business segments. The FA Business mainly supplies standardized components for automation equipment used in Factory Automation and other applications. The Die Components Business specializes primarily in die and mold parts used to manufacture automobiles, electronic and electrical equipment. VONA Business provides third-party brands alongside original MISUMI-branded products mainly through online sales. It provides indirect materials such as MRO (consumables) as well as manufacturing, automation-related equipment parts.

(6) Status of Major Subsidiaries

1) Status of major subsidiaries

Company name	Capital	The Company's shareholding ratio (%)	Principal businesses
MISUMI Corporation	Million Yen 850	100.0%	FA Business Die Components Business VONA Business
SURUGA SEIKI Co., Ltd.	Million Yen 100	100.0%	FA Business
SURUGA Production Platform Co., Ltd.	Million Yen 491	100.0%	FA Business Die Components Business VONA Business
MISUMI (China) Precision Machinery Trading Co., Ltd.	Thousand RMB 587,328	100.0% (100.0%)	FA Business Die Components Business VONA Business
SURUGA SEIKI (Nantong) Co., Ltd.	Thousand RMB 624,769	100.0% (100.0%)	FA Business
MISUMI Korea Corp.	Thousand KRW 700,000	100.0%	FA Business Die Components Business VONA Business
SAIGON Precision Co., Ltd.	Thousand USD 95,200	100.0% (100.0%)	FA Business Die Components Business
MISUMI (Thailand) Co., Ltd.	Thousand THB 118,805	100.0% (100.0%)	FA Business Die Components Business VONA Business
MISUMI USA, Inc.	Thousand USD 4,900	100.0% (100.0%)	FA Business Die Components Business VONA Business
Dayton Progress Corporation	Thousand USD 348	100.0% (100.0%)	Die Components Business
MISUMI Europa GmbH	Thousand EUR 6,500	100.0% (100.0%)	FA Business Die Components Business VONA Business
Dayton Progress-Perfuradores Lda	Thousand EUR 400	100.0% (100.0%)	Die Components Business

Notes:

1. Including the above, the number consolidated of subsidiaries is 52 and the number of equity-method affiliates are two.
2. Figures in parentheses in the "the Company's shareholding ratio" indicate indirect ownership.

2) Status of designated wholly owned subsidiaries as of March 31, 2025

Nothing to report.

(7) Major Sales Offices and Business Locations

Company name	Location
MISUMI Group, Inc. (Head Office)	Chiyoda-ku, Tokyo, Japan
MISUMI Corporation	Chiyoda-ku, Tokyo, Japan
SURUGA SEIKI Co., Ltd.	Shizuoka, Japan
SURUGA Production Platform Co., Ltd.	Shizuoka, Japan
MISUMI (China) Precision Machinery Trading Co., Ltd.	Shanghai, China
SURUGA SEIKI (Nantong) Co., Ltd.	Nantong, China
MISUMI Korea Corp.	Seoul, South Korea
SAIGON Precision Co., Ltd.	Ho Chi Minh, Vietnam
MISUMI (Thailand) Co., Ltd.	Rayong, Thailand
MISUMI USA, Inc.	Illinois, U.S.
Dayton Progress Corporation	Ohio, U.S.
MISUMI Europa GmbH	Frankfurt, Germany
Dayton Progress-Perfuradores Lda	Alcobaça, Portugal

(8) Employees

Number of employees	Change from the end of the previous fiscal year
11,064	25 (increase)

Notes:
1. The number of employees refers to the number of working personnel.
2. The total number of employees including part-time and temporary staff as of March 31, 2025, is 11,794.

(9) Major Lenders

There are no borrowings from financial institutions.

However, we have entered into a Commitment Line Agreement (credit line limit of ¥ 15.0 billion) with financial institutions.

2. Matters Relating to the Company's Shares

(1) Total number of authorized shares 1,020,000,000

(2) Total number of shares outstanding 274,684,312
(Excluding 10,372,985 treasury stock)

(3) Number of shareholders 8,557

(4) Major shareholders (Top 10)

Name of shareholders	Number of shares held (thousand)	Ownership Percentages (%)
THE MASTER TRUST BANK OF JAPAN, LTD.	52,070	19.0
CUSTODY BANK OF JAPAN, LTD.	25,811	9.4
STATE STREET BANK AND TRUST COMPANY 505001	14,970	5.5
BNYM AS AGT/CLTS NON TREATY JASDEC	14,305	5.2
STATE STREET BANK AND TRUST COMPANY 505103	11,634	4.2
JP MORGAN CHASE BANK 385781	5,966	2.2
THE BANK OF NEW YORK MELLON 140044	5,895	2.1
GOVERNMENT OF NORWAY	4,301	1.6
MSCO CUSTOMER SECURITIES	3,831	1.4
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES	3,710	1.4

Notes:
1. MISUMI Group holds 10,372 thousand treasury stock, but these are excluded from the above list of major shareholders.
2. Treasury stock (10,372 thousand) is excluded from the calculations of ownership percentages.
3. Percentage ownership is rounded to the second decimal place.

(5) Shares distributed to the Officers as compensation for the execution of their duties during this fiscal year

Details of stock-based compensation distributed during this fiscal year are as follows:

	Number of shares distributed	Number of eligible persons
Directors (excluding Outside Directors)	132,900	6

3. Officers of the Company

(1) Directors and Corporate Auditors

Position	Name	Areas of Responsibility and Important Posts Held Concurrently
Representative Director and Chairman	Kosuke Nishimoto	
Representative Director and President	Ryusei Ono	Representative Director and President, MISUMI Corporation
Senior Executive Director	Arata Shimizu	CIO and Representative Corporate Officer, Digital Transformation System Platform Outside Director, Open Up Group Inc.
Executive Director	Tomoki Kanatani	Chief Executive in charge of Chia and Asia Business, MISUMI Corporation
Executive Director	Shigetaka Shimizu	President, Japan Business Company, MISUMI Corporation
Director	Shaochun Xu	President, China Business Company, MISUMI Corporation Chairperson, MISUMI (China) Precision Machinery Trading Co., Ltd.
Director	Yoichi Nakano	Lead Outside Director and Chairman of Nomination and Compensation Committee Representative Director and President, Chuuyou Co., Ltd.
Director	Tomoharu Suseki	
Director	Keiko Yano	
Full-time Corporate Auditor	Ichiro Otokozawa	
Full-time Corporate Auditor	Takaaki Wada	Corporate Auditor, SURUGA Production Platform Co., Ltd. Corporate Auditor, SURUGA SEIKI Co., Ltd.
Corporate Auditor	Juichi Nozue	Attorney at Law, Shizuoka Nozomi Law and Patent Office Outside Director (Audit and Supervisory Committee Member), LEC, Inc. Outside Director, Akasaka Diesels Limited.
Corporate Auditor	Nanako Aono	Representative Director and President, GEN Co., Ltd. Outside Corporate Auditor, Nippon Paper Industries Co., Ltd. Outside Director (Audit and Supervisory Committee Member), Meiko Network Japan Co., Ltd.

Notes:

1. Directors Yoichi Nakano, Tomoharu Suseki, and Keiko Yano are Outside Directors as stipulated in Article 2, Paragraph 15 of the Companies Act.
2. Corporate Auditors Juichi Nozue and Nanako Aono are Outside Corporate Auditors as stipulated in Article 2, Paragraph 16 of the Companies Act.
3. Corporate Auditor Juichi Nozue is qualified as an attorney at law.
4. Corporate Auditor Nanako Aono is qualified as a certified public accountant and has extensive experience and knowledge in the field of finance and accounting.
5. Directors Yoichi Nakano, Tomoharu Suseki, and Keiko Yano and Corporate Auditors Juichi Nozue and Nanako Aono have passed the Independence Test set by the Tokyo Stock Exchange and met the Company's Criteria for Independence of Outside Directors and Outside Corporate Auditors (see page17). The Company has designated all of them as Independent Officers as stipulated in the rules of the Tokyo Stock Exchange and submitted a notification to that effect to the Tokyo Stock Exchange.

(2) Amount of Compensation Paid to Directors and Corporate Auditors

1) Total Amount of Compensation Paid to Directors and Corporate Auditors

Category	Amount of Compensation (Million yen)	Total Amount of Each Type of Compensation (Million yen)				Number of Officers
		Basic Compensation	Performance-Linked Compensation (Bonuses)	Non-Monetary Compensation		
				Stock Options	Restricted Stock	
Directors (Outside Directors, subtotal)	1,036 (37)	340 (37)	229 (-)	116 (-)	349 (-)	9 (4)
Corporate Auditors (Outside Corporate Auditors, subtotal)	62 (16)	62 (16)	- (-)	- (-)	- (-)	4 (2)
Total	1,098	402	229	116	349	13

Note:
Stock Options compensation has been abolished due to the introduction of Restricted Stock compensation approved at the 61st Annual General Meeting of Shareholders held on June 15, 2023. Although no new Stock Options have been granted in this consolidated fiscal year, the amount of the Stock Options stated above is the compensation and other expenses recorded in this consolidated fiscal year for the Stock Options granted in previous years. In accordance with corporate accounting standards, performance-linked Stock Options are expensed pro rata over 36 months after the resolution of the Stock Options allotment and Restricted stock is expensed pro rata over 12 months.

2) Matters Pertaining to Performance-Linked Compensation

The Company provides Bonuses to Directors as performance-linked compensation. The amount of performance-linked compensation is calculated based on the consolidated ordinary income and dividends amount of each consolidated fiscal year to increase the motivation toward improved business performance for each consolidated fiscal year. Considering all these factors, the amount of compensation for each Director is decided. The performance indicators and results thereof for this consolidated fiscal year are stated in Consolidated Statement of Income on page 43 as for consolidated ordinary income, and in Proposal 1 on page 4 as for the dividend amounts.

3) Details of Non-Monetary Compensation

The Grant of Restricted Stock to the members of the Board of Directors excluding Outside Directors (the "Eligible Directors") was approved at the 61st Annual General Meeting of Shareholders held on June 15, 2023, to promote value sharing with shareholders through owing shares and to achieve a sustainable increase in the value of the Company. A summary of Restricted Stock is as follows.

Summary of Restricted Stock

(1) Allotment of Restricted Stock

The Company provides monetary compensation claims within the annual limit of ¥850 million as compensation related to Restricted Stock with transfer restrictions based on the resolution of the Board of Directors to the Eligible Directors. Each Eligible Director will receive issuance or disposal of the Company's common stock by providing all the monetary compensation claims as contribution in kind.

The amount to be paid for the Restricted Stock per share shall be determined based on the closing price of the Company's common stock at the Tokyo Stock Exchange on the business day immediately preceding the resolution of the Board of Directors regarding the issuing or disposal of the shares, provided that the amount paid shall not be particularly favorable to the Eligible Director who is to receive the Restricted Stock (if the transaction is not made on that day, the closing price of the most recent transaction day preceding).

The monetary compensation claim shall be provided to Eligible Director on the condition that the Eligible Director has agreed with the contribution in kind and concluded the agreement for allotment of Restricted Stock, including the contents prescribed in (3) below.

(2) Number of Restricted Stock

The total common stock the Company issues or disposes of to the Eligible Directors every fiscal year shall be at most 500,000 shares.

However, suppose the Company's shares are split (including allotment of the Company's common stock without contribution) or consolidated after the resolution of this Proposal, or if any other equivalent event occurs, the total number of common stock issued or disposed of as the compensation of Restricted Stock needs to be adjusted has occurred, the total number shall be adjusted proportionally.

(3) Agreement on Allotment of Restricted Stock

Regarding the issuance or disposal of the Company's common stock above, the agreement for the allotment of Restricted Stock that the Company and Eligible Director conclude shall include the following based on the resolution of the Board of Directors.

(a) Feature of Restriction on Transfer

Regarding the Restricted Stock, the Eligible Director who has been allotted the Restricted Stock may neither transfer the shares to a third person, pledge the shares, establish the security interest on the shares, donate the shares during their lifetime, bequeath, or dispose of shares in any other way ("Transfer Restriction") during the period from the date the Restricted Stock are issued until the date the Eligible Director ceases to hold the status of an Officer or employee of the Company or its subsidiaries or affiliates ("Restricted Period")

(b) Removal of the Transfer Restriction

The Company lifts the Transfer Restriction of all Restricted Stock at the time of expiration of the Restricted Period.

(c) Malus and Clawback Clause

The Company stipulates that in the event of serious misconduct or violation by an Eligible Director, such Director's compensation (including beneficial interest) maybe confiscated or claimed for restitution.

(d) Treatment of Shares in Case of the Company's Reorganization

Notwithstanding (3)(a), in the event that the merger agreement in which the Company disappears, the share exchange agreement or the share transfer plan in which the Company is to be a subsidiary of another or any other matters related to the Company's reorganization are approved by resolution of the Shareholders' meeting (or the Board of Directors if approval of the Shareholders' meeting is not necessary for the Company's reorganization) during the Restricted Period, the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction of the Restricted Stock before the effective date of such reorganization of the Company, for the proportional number of allotted Restricted Stock, which is decided by considering the period from beginning date of the Restricted Period to the approval date of such reorganization of the Company.

In this case, upon the immediate lifting of the Transfer Restriction as per the above provisions, the allocated shares that still have the Transfer Restriction will be acquired by the Company free of charge.

Notes: For an overview of the Stock Options granted prior to the current consolidated fiscal year, please refer to "Matters Relating to Stock Acquisition Rights" in the electronic provision measures for the 63rd Annual General Meetings of Shareholders (items omitted from the delivery of paper documents). *Website is available only in Japanese.

4) Matters Pertaining to Resolutions of the Annual General Meeting of Shareholders regarding Compensation for Directors and Corporate Auditors

By resolution of the 52nd Annual General Meeting of Shareholders held on June 13, 2014, the total amount of compensation for Inside Directors shall not exceed ¥1,100 million per annum (including a maximum of ¥40 million for Outside Directors). This does not include Directors' salaries as employees of the Company or stock acquisition rights issued as Stock Options. The number of Directors at the end of the said Annual General Meeting of Shareholders was 7 (including 1 Outside Director). In relation to that resolution, by resolution of the 62nd Annual General Meeting of Shareholders held on June 13, 2024, the total amount of compensation for Directors was not changed, and the amount of compensation for Outside Directors shall not exceed ¥80 million per annum. The number of Directors at the end of the said Annual General Meeting of Shareholders was 9 (including 3 Outside Directors).

Additionally, separate from the aforementioned compensation, by resolution of the 61st Annual General Meeting of Shareholders held on June 15, 2023, the granting of Restricted Stock to Directors (excluding Outside Directors) as compensation shall not exceed ¥850 million per annum. The number of Directors at the end of the said Annual General Meeting of Shareholders was 8 (including 3 Outside Director).

By resolution of the of the 62nd Annual General Meeting of Shareholders held on June 13, 2024, the total amount of compensation for Corporate Auditors shall not exceed ¥80 million per annum. The number of Corporate Auditors at the end of the said Annual General Meeting of Shareholders was 4.

5) Matters Pertaining to the Policy for Deciding the Details of Individual Compensation for the Directors

The Company established the "Policy for Deciding the Details of Individual Compensation for the Directors" (the "Policy") at the Board of Directors Meeting held on May 18, 2023, as detailed below.

It should be noted that, in deciding individual compensation for Directors, the Nomination and Compensation Committee conducts deliberation from various perspectives, including the consistency with the Policy, through mutual consultation among the members. Therefore, it is deemed by the Board of Directors that such decisions are consistent with the Policy.

The Policy for Deciding the Details of Individual Compensation for the Directors

1. Basic Policy and Composition of Compensation for Directors

Regarding the amount of compensation for Directors, the Company's policy is to provide appropriate compensation in light of experience, market standards and contribution. Specifically, the compensation of Directors shall be composed of "Basic Compensation" which is a fixed amount, "Performance-Linked Compensation," the amount of which may vary depending on the Company's performance, and "Restricted Stock" as a Long-Term Incentive. With respect to Outside Directors, who are independent of the executory function, the Company provides Basic Compensation only from the viewpoint of their function and independence.

(1) Basic Compensation

With respect to the Basic Compensation, the amount shall be decided according to the role and position of each Director, considering the market standard and provided as monthly fixed compensation.

(2) Performance-Linked Compensation (Bonuses)

Considering the consolidated ordinary income and dividends amount of each consolidated fiscal year, the amount of Performance-Linked Compensation shall be decided to enhance Director's motivation to contribute to business performance for each consolidated fiscal year. Performance-Linked Compensation shall be provided as bonuses at a certain time each year.

(3) Long-Term Incentive (Restricted Stock)

Long-Term Incentive is granted in the form of Restricted Stock to enhance Directors' motivation to contribute to improvement of the medium to long-term performance and corporate value. The Restricted Stock shall be granted based on the individual evaluation at a certain time each year. The transfer restriction shall be lifted when the Director ceases to hold the status of an Officer or employee of the Company or its subsidiaries or affiliates.

If there are any restrictions on the granting of Restricted Stock, cash may be paid in lieu of granting the Restricted Stock.

2. Proportion of Basic Compensation, Performance-Linked Compensation and Long-Term Incentive

The Company shall set the proportion of compensation appropriately, considering the Company's strategy/business environment, role/position, and medium to long-term incentives regarding the compensation standard using benchmark companies with similar size, business area. The amount of Performance-Linked Compensation and Long-Term Incentive (Restricted Stock) may vary, or may not be provided at all, depending on the Company's performance and individual evaluation.

3. Process of Deciding Individual Compensation of Directors

With respect to individual compensation and other matters relating to the compensation of Directors, the Representative Directors shall propose, and the Nomination and Compensation Committee which consists of Outside Directors and Representative Directors (with a majority of its members being Outside Directors) shall decide through mutual consultation among its members. To issue Long-Term Incentive (Restricted Stock), the Company must obtain a resolution from the Board of Directors in addition to the decision by the Nomination and Compensation Committee.

4. Clawback clause for a Director's Compensation

In the event of serious misconduct or violation by a Director, the said Director's compensation (including beneficial interest) may be confiscated or claimed for restitution.

6) Matters Pertaining to the Delegation of Decisions on Individual Compensation of Directors

With respect to individual compensation and other matters relating to the compensation of Directors concerning the fiscal year under review, Representative Director and President Ryusei Ono proposed, and the Nomination and Compensation Committee decided through mutual consultation among its members; comprised of Outside Director Yoichi Nakano as Chairman of Nomination and Compensation Committee, Outside Director Tomoharu Suseki, Outside Director Keiko Yano, Representative Director and Chairman Kosuke Nishimoto, and Representative Director and President Ryusei Ono. The reason for delegating decision-making authority to the Nomination and Compensation Committee is to enhance transparency and accountability regarding decision-making on compensation. For the grant of Long-Term Incentive (Restricted Stock), the Nomination and Compensation Committee deliberated and decided on the terms and conditions, such as the number of units, and subsequently obtained a resolution from the Board of Directors.

7) Matters Pertaining to the Clawback Clause for a Director’s Compensation

In the event of serious misconduct or violation by a Director, the said Director's compensation (including beneficial interest) may be confiscated or claimed for restitution.

(3) Matters Pertaining to Outside Officers

1) Relationships between the Company and Other Corporations in which Positions are Held

There are no significant business relationships between the Company and other corporations in which Outside Directors and Outside Corporate Auditors concurrently hold important positions.

2) Main Activities in the fiscal year under review

Name	Main Activities
Yoichi Nakano (Outside Director)	• Attendance and oral statements at the Board of Directors meetings and summary of duties performed in relation to the expected role of Outside Director: Mr. Nakano attended 14 out of 14 Board of Directors meetings during the fiscal year under review. He raised questions or provided advice on proposals and discussions, mainly based on his extensive experience and knowledge of business management and supervised the management of MISUMI Group from an independent perspective. In addition, Mr. Nakano attended 7 out of 7 Nomination and Compensation Committee meetings as the chairman. He provided appropriate supervision by leading discussions on evaluation and decisions on compensation of directors, the selection and dismissal of Directors, and succession planning for Representative Directors from a neutral and objective position. • Business policies or decisions changed based on Mr. Nakano's opinion: Nothing to report. • Summary of actions taken by Mr. Nakano in response to any misconduct involving the Company: Nothing to report.
Tomoharu Suseki (Outside Director)	• Attendance and oral statements at the Board of Directors meetings and summary of duties in relation to the expected role of Outside Director: Mr. Suseki attended 14 out of 14 Board of Directors meetings during the fiscal year under review. He raised questions or provided advice on proposals and discussions, mainly based on his extensive experience and knowledge of business management and supervised the management of MISUMI Group from an independent perspective. In addition, Mr. Suseki attended 7 out of 7 Nomination and Compensation Committee meetings. He provided appropriate supervision by participating in discussions on evaluation and decisions on compensation of directors, the selection and dismissal of directors, and succession planning for representative directors from a neutral and objective position. • Business policies or decisions changed based on Mr. Suseki's opinion: Nothing to report. • Summary of actions taken by Mr. Suseki in response to any misconduct involving the Company: Nothing to report.

Name	Main Activities
Keiko Yano (Outside Director)	• Attendance and oral statements at the Board of Directors meeting and summary of duties performed in relation to the expected role of Outside Director: Ms. Yano attended 11 out of 11 Board of Directors meetings held after her appointment on June 13, 2024. She raised questions or provided advice on proposals and discussions, mainly based on her extensive experience and knowledge of business management and supervised the management of MISUMI Group from an independent perspective. Additionally, Ms. Yano attended 5 out of 5 Nomination and Compensation Committee meetings since becoming a committee member on June 13, 2024. She provided appropriate supervision by participating in discussions on evaluation and decisions on compensation of directors, the selection and dismissal of directors, and succession planning for representative directors from a neutral and objective position. • Business policies and decisions changed based on Ms. Yano's opinion: Nothing to report. • Summary of actions taken by Ms. Yano in response to any misconduct involving the Company: Nothing to report.
Juichi Nozue (Outside Corporate Auditor)	• Attendance and oral statements at the Board of Directors meeting and the Board of Corporate Auditors meeting. Mr. Nozue attended 14 out of 14 Board of Directors meetings and 23 out of 23 Board of Corporate Auditors meetings during the fiscal year under review. He raised questions or provided advice on proposals and discussions, mainly from his professional perspective as an attorney at law. • Business policies and decisions changed based on Mr. Nozue's opinion: Nothing to report. • Summary of actions taken by Mr. Nozue in response to any misconduct involving the Company: Nothing to report.
Nanako Aono (Outside Corporate Auditor)	• Attendance and oral statements at the Board of Directors meeting and the Board of Corporate Auditors meeting Ms. Aono attended 14 out of 14 Board of Directors meetings and 23 out of 23 Board of Corporate Auditors meetings during the fiscal year under review. She raised questions or provided advice on proposals and discussions, mainly from her professional perspective as a certified public accountant. • Business policies and decisions changed based on Ms. Aono's opinion: Nothing to report. • Summary of actions taken by Ms. Aono in response to any misconduct involving the Company: Nothing to report.

3) Outline of Limited Liability Agreements

The Company has stipulated rules concerning Limited Liability Agreements with Outside Directors and Outside Corporate Auditors in Article 29, Paragraph 2, and Article 39, Paragraph 2 of its Articles of Incorporation.

The following is an outline of the Limited Liability Agreements that the Company concluded with all the Outside Directors and Outside Corporate Auditors based on the provisions of the Articles of Incorporation.

Classification	Outline of Limited Liability Agreements
Outside Directors	The Company entered into an agreement with Outside Directors to limit their liability as stipulated in Article 423, Paragraph 1 of the Companies Act, to ¥10 million or the amount stipulated by law, whichever is higher, based on the provisions set forth under Article 427, Paragraph 1 of the Companies Act.
Outside Corporate Auditors	The Company entered into an agreement with Outside Corporate Auditors to limit their liability as stipulated in Article 423, Paragraph 1 of the Companies Act, to ¥5 million or the amount stipulated by law, whichever is higher, based on the provisions set forth under Article 427, Paragraph 1 of the Companies Act.

4) Compensation amount received by Officers from subsidiaries of the Company during the fiscal year under review

Nothing to report.

(4) Outline of Directors' and Officers' Liability Insurance Agreement

The Company has entered into a directors' and officers' liability insurance agreement as stipulated in Article 430-3, paragraph 1 of the Companies Act. This agreement provides compensation for damages and legal expenses incurred by the insured individuals, excluding damages resulting from violations of the law committed knowingly by directors or officers.

The insured under the said directors' and officers' liability insurance agreement are the past, current, and future directors, corporate auditors, executive officers, accounting advisors, and corporate officers (including individuals having the position equivalent to these under applicable laws) as well as employees with managerial or supervisory capacity (including full-time, part-time, and seasonal employees). The Company bears insurance fees for all the insured.

4. Independent Auditor

(1) Name of the Independent Auditor of the Company

Deloitte Touche Tohmatsu LLC

(2) Outline of the Limited Liability Agreement

Nothing to report.

(3) Outline of the Indemnity Agreement

Nothing to report.

(4) Amounts of Audit Fee to be Paid to the Independent Auditor for the Fiscal Year under Review

1) Audit fee under Article 2, Paragraph 1 of the Certified Public Accountants Act ¥71 million

Notes:

1. The audit fee under Article 2, Paragraph 1 of the Certified Public Accountants Act is the sum of the fee paid for the audit by the independent auditor under the Companies Act and the fee paid for the audit under the Financial Instruments and Exchange Act.
2. The Board of Corporate Auditors has concluded that the amount of audit fee paid to the independent auditor is appropriate and approved the payment under the provisions Article 399 Paragraph 1 of the Companies Act: after checking and examining an outline of the audit plan, the performance of work by the independent auditor, and the basis for the calculation of the estimated amount of audit fee.

2) Sum of cash or other assets payable by the Company and/or its subsidiaries ¥135 million

The Company's major overseas subsidiaries were audited by Deloitte Touche Tohmatsu.

(5) Non-audit duties

Non-audit duties are advisory services regarding sustainability disclosure, etc.

(6) Policy on dismissal or non-reappointment of Independent Auditor

In the event that the Independent Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors shall dismiss the Independent Auditor with its unanimous consent. If significant doubts arise regarding the ability of the Independent Auditor to fulfill their responsibilities, in addition to the aforementioned, the Board of Corporate Auditors shall determine the content of a proposal regarding the dismissal or non-reappointment of the Independent Auditor and submit it to the Annual General Meeting of Shareholders.

5. The Company's Systems and Policies

(1) A System to Ensure that the Company's Business Operations are Conducted in Compliance with Laws, Regulations, and the Articles of Incorporation, and Other Systems Necessary to Ensure the Appropriateness of Business Operations

The Company's Board of Directors adopted a resolution on the Basic Policy on Internal Control System, as stipulated in Article 362, Paragraph 4, Item 6 of the Companies Act, and Article 100, Paragraphs 1 and 3 of the Companies Act Enforcement Ordinance. The content of that policy is as follows.

(i) System for the preservation and management of information related to the execution of duties by the Company's Directors

- Minutes of important meetings, such as the Board of Directors and the Group Executive Officers Committee of the Group Headquarters, shall be prepared in accordance with laws and regulations, and internal rules, and appropriately preserved.
- Regarding information management, based on the "Basic Policy on Information Security" and the "Information Security Guidelines," we clarify the responsibility structure and measures for information security. We establish an information security and management framework to continuously implement initiatives for maintaining and improving information security.
- Regarding trade secrets, they are appropriately managed in accordance with the standards defined based on the "Confidentiality Rules," depending on the level of confidentiality.
- Personal information is strictly managed based on laws and regulations, as well as the "Personal Information Handling Rules."
- We disclose timely and appropriate corporate information to the stakeholders of each company in our Group, such as shareholders and investors as well as customers and suppliers.

(ii) Regulations and other structure for managing the risk of loss at our Company and its subsidiaries

- For managing risks related to compliance with laws and regulations, environmental issues, information security, export control, natural disasters, and other areas within our Group, we have established a comprehensive risk management framework supported by various regulations, internal rules, and manuals.
- The Company-wide risk management Officer establishes a comprehensive risk management framework focused on risk and compliance organizations, oversees the Group's risk management, and implements the analysis and countermeasures for identified risk factors.
- Departments responsible for Company-wide risk management deliver essential support, coordination, and guidance to ensure systematic and effective risk management across all organizations within the Group.
- Each organization works to identify risks associated with its assigned business or function, prioritizes those requiring immediate attention, establishes specific response policies and measures, and executes risk management effectively.
- Response policies for significant management risks and other important matters from a risk management perspective are thoroughly deliberated by the Board of Directors.
- In the event of an unforeseen situation within the Group, a Task Force will be established to ensure a swift response, with progress reported to the Board of Directors. The Global BCP Promotion Department oversees responses to such situations, including the formulation, maintenance, and execution of the BCP, while providing necessary guidance.

(iii) To ensure the efficient execution of duties by Directors of our Company and its subsidiaries:
- The management plan of our Group is ultimately approved by the Board of Directors, and its progress is reviewed at the monthly Group Executive Officers Committee.
- Important matters identified through progress reviews are discussed at the Board of Directors meetings or the Group Executive Officers Committee.
- At the monthly Board of Directors meetings, performance reports are presented, with monitoring of performance, advice and guidance provided are on important matters.

(iv) To ensure that the execution of duties by Directors and employees of our Company and its subsidiaries complies with laws, regulations and the Articles of Incorporation.
- Officers and employees of our Group adhere to the MISUMI Group Code of Conduct to ensure compliance with laws, regulations and the Articles of Incorporation.
- Establish a structure to ensure the proper execution of duties through the decision-making rules of our corporate Group, such as the regulations on authority and duties.
- To promptly detect violations or suspected violations of laws, regulations, or internal rules, an Internal Whistleblowing System covering the entire Group is established, ensuring the prevention of any disadvantageous treatment of whistleblowers.

(v) Reporting to the Company on matters related to the execution of duties by Directors of subsidiaries Structure to ensure the appropriateness of operations within the corporate Group consisting of the Company and its subsidiaries
- MISUMI Group ensures that the MISUMI Value's and the MISUMI Group Code of Conduct, which define the Group's aspirations, mission, and value propositions, are communicated and ingrained among Officers and employees.
- MISUMI Group Inc. requires subsidiaries to report on their performance and the status of business execution once a month.
- MISUMI Group Inc. ensures the appropriateness of the business operations of each subsidiary by reviewing business reports and monitoring progress on management plans at the Group Executive Officers Committee.
- For the Group's overseas subsidiaries, Directors are appointed as Representative Corporate Officers, Executive Officers, or individuals qualified to supervise and provide advice on the execution of operations and business activities for the respective entities. Corporate Auditors are selected from representatives of the department responsible for internal control at MISUMI Group Inc.
- The Internal Audit Department performs regular operational audits of each subsidiary.
- The MISUMI Group Code of Conduct stipulates the severance of any relationships with anti-social forces, and the entire Group takes a resolute stance in addressing and responding to such entities.

(vi) Matters regarding employees who should assist in the duties of the Company's Corporate Auditors
- Corporate Auditors are free to appoint assistant auditors, and auditors are involved in matters such as personnel transfers and evaluations of the assistant auditors.
- When assisting with the duties of the Corporate Auditors, assistant auditors perform their tasks following the instructions of the Corporate Auditors

(vii) Structure for reporting to the Company's Corporate Auditors

- Corporate Auditors attend important meetings such as the Board of Directors and the Group Executive Officers Committee, and Directors and employees promptly report to the Corporate Group Auditors if facts occur or are likely to occur that significantly affect the Group.
- Officers and employees of the Group appropriately report when requested by Corporate Auditors to provide reports related to business execution.
- Corporate Auditors hold regular meetings with the independent Auditor and the Internal Audit Department to exchange opinions and information and may request reports from accounting auditors as needed.
- The department responsible for the Internal Whistleblowing System regularly reports the status of internal reporting within the Group to the Corporate Auditors.
- Ensure the prevention of any adverse treatment toward the Group's Officers and employees who report to the Corporate Auditors.

(viii) Matters regarding the Policy for handling expenses and other costs arising from the execution of our Corporate Auditors' duties

- A fixed annual budget is allocated for expenses incurred in the execution of Corporate Auditors' duties. Furthermore, any additional necessary expenses related to the execution of Corporate Auditors' duties are promptly advanced or reimbursed upon request from the Corporate Auditors.

(2) Administration of Systems to Ensure the Appropriateness of Business Operations

The Company has evaluated the operational status of the "Basic Policy on Internal Control System" for the current fiscal year and confirmed that the internal control system is being operated properly and there are no significant deficiencies.
The main initiatives concerning internal control system during the fiscal year under review were as follows:

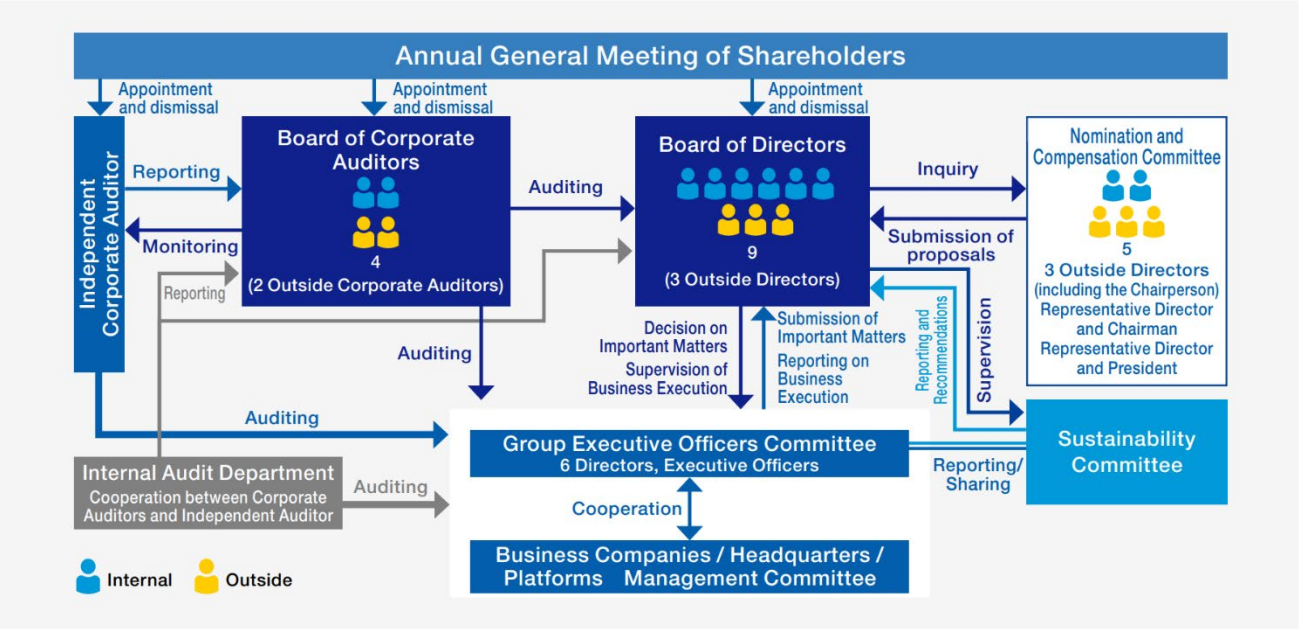
- The Company's Board of Directors held 14 meetings during the fiscal year under review. In addition, the Board of Directors and the Group Executive Officers Committee made important decisions and appropriately performed other functions, such as monitoring, supervision, and guidance of Headquarters, Business Companies, Platforms, and Subsidiaries.
- The Company has established internal regulations concerning information security, information systems, trade secrets, and personal information management. The responsible departments are implementing appropriate measures based on these internal regulations.
- Comprehensive risk assessments have been carried out at key MISUMI Group sites and reported to the Board of Directors. Based on the results of these assessments, which covered the executions of business operations, information, financial management, human resource management, and legal affairs, the Company nominates the principal department, which addresses identified risks going forward. As part of such efforts, the Company has formulated a Business Continuity Plan (BCP) to deal with crises/ emergencies.
- Compliance and legal affairs training has been carried out at all major sites of MISUMI Group. During this training, employees are made fully aware of the MISUMI Group Code of Conduct and legal compliance.
- Internal Whistleblowing System has been established and administered appropriately covering the entire MISUMI Group.

- The auditing environment for Corporate Auditors and Board of Corporate Auditors has been continuously enhanced through increased interview opportunities with Directors including Outside Directors, coordination with administration departments, strengthening of a full-time Corporate Auditors' structure and enhancement of the assistance of the Corporate Auditor.
- The Internal Audit Department conducts business audits of domestic and overseas subsidiaries based on its audit plan, capturing and monitoring the development and operation status of the internal control system.

(Reference)

Corporate Governance Structure

The Board of Directors, the Group Executive Officers Committee, and the Board of Corporate Auditors have supervised and audited business execution.



(3) Basic Policy Concerning Control of the Joint-Stock Corporation

Nothing to report.

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* Amounts or numbers of shares provided in this Business Report have been truncated if less than the indicated unit.

Consolidated Balance Sheet

(As of March 31, 2025)

(Million yen)

Item	Amount	Item	Amount
(Assets)		**(Liabilities)**	
Current assets	**317,805**	**Current liabilities**	**51,876**
Cash and deposits	159,206	Notes and accounts payable - trade	21,189
Notes and accounts receivable - trade	78,390	Lease obligations	1,932
Merchandise and finished goods	57,186	Accounts payable - other	8,667
Work in process	3,661	Income taxes payable	4,476
Raw materials and supplies	8,805	Provision for bonuses	5,882
Income tax receivable	1,850	Provision for directors' bonuses	230
Other	9,012	Other	9,497
Allowance for doubtful accounts	(397)		
		Long-term liabilities	**15,634**
		Lease obligations	5,604
		Deferred tax liabilities	1,043
		Liabilities for retirement benefits	7,337
		Provision for loss on business liquidation	61
Non-current assets	**101,769**	Other	1,586
Property, plant and equipment	**52,522**	**Total liabilities**	**67,510**
Buildings and structures	21,536		
Machinery, equipment and vehicles	15,626	**(Net assets)**	
Land	4,259	**Shareholders' equity**	**304,263**
Right-of-use assets	6,267	Common stock	14,483
Construction in progress	1,767	Capital surplus	24,585
Other	3,064	Retained earnings	293,546
Intangible assets	**33,283**	Treasury stock	(28,352)
Software	27,677	**Accumulated other comprehensive income**	**45,020**
Other	5,605	Valuation difference on available-for-sale securities	(51)
Investments and other assets	**15,963**	Foreign currency translation adjustments	44,858
Investment securities	1,224	Defined retirement benefit plans	212
Deferred tax assets	9,052	**Stock acquisition rights**	**1,663**
Other	6,073	**Non-controlling interests**	**1,116**
Allowance for doubtful accounts	(387)	**Total net assets**	**352,064**
Total assets	**419,574**	**Total liabilities and net assets**	**419,574**

Consolidated Statement of Income

(From April 1, 2024, to March 31, 2025)

(Million yen)

Item	Amount	
Net Sales		**401,987**
Cost of sales		**214,997**
Gross profit		**186,990**
Selling, general and administrative expenses		**140,509**
Operating income		**46,480**
Non-operating income		
Interest income	4,164	
Share of profit of entities accounted for using equity method	33	
Miscellaneous income	502	**4,701**
Non-operating expenses		
Interest expenses	156	
Foreign exchange losses	688	
Loss on retirement of non-current assets	166	
Commission expenses	165	
Miscellaneous losses	103	**1,279**
Ordinary income		**49,901**
Extraordinary income		
Reversal of provision for loss on business liquidation	1,015	**1,015**
Extraordinary losses		
Impairment loss	300	
Loss on liquidation of business	675	**976**
Income before income taxes		**49,940**
Income taxes - current	14,219	
Income taxes - deferred	(934)	13,285
Net income		**36,654**
Net income attributable to non-controlling interests		105
Net income attributable to owners of parent		**36,549**

Consolidated Statements of Changes in Equity

(From April 1, 2024, to March 31, 2025)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2024	14,146	24,303	266,651	(9,159)	295,942
Changes of items during the consolidated fiscal year					
Issuance of new shares	337	337	—	—	674
Dividends of surplus	—	—	(9,653)	—	(9,653)
Net income attributable to owners of parent	—	—	36,549	—	36,549
Purchase of treasury stock	—	—	—	(20,000)	(20,000)
Disposal of treasury stock	—	(55)	—	807	751
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the consolidated fiscal year	337	281	26,895	(19,193)	8,321
Balance as of March 31, 2025	14,483	24,585	293,546	(28,352)	304,263

(Million yen)

	Accumulated other comprehensive income				Stock acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income			
Balance as of April 1, 2024	—	48,476	96	48,573	2,087	1,076	347,679
Changes of items during the consolidated fiscal year							
Issuance of new shares	—	—	—	—	—	—	674
Dividends of surplus	—	—	—	—	—	—	(9,653)
Net income attributable to owners of parent	—	—	—	—	—	—	36,549
Purchase of treasury stock	—	—	—	—	—	—	(20,000)
Disposal of treasury stock	—	—	—	—	—	—	751
Net changes of items other than shareholders' equity	(51)	(3,618)	116	(3,552)	(423)	40	(3,936)
Total changes of items during the consolidated fiscal year	(51)	(3,618)	116	(3,552)	(423)	40	4,384
Balance as of March 31, 2025	(51)	44,858	212	45,020	1,663	1,116	352,064

Non-consolidated Balance Sheet

(As of March 31, 2025)

(Million yen)

Item	Amount	Item	Amount
(Assets)		**(Liabilities)**	
Current assets	**128,376**	**Current liabilities**	**83,498**
Cash and deposits	81,668	Accounts payable - other	2,014
Accounts receivable - other	2,540	Deposits received from subsidiaries and affiliates	79,615
Deposits paid to subsidiaries and associates	43,517	Income taxes payable	320
Other	649	Provision for bonuses	729
		Provision for directors' bonuses	229
		Other	588
		Long-term liabilities	**1,095**
		Provision for retirement benefits	1,074
		Other	20
Non-current assets	**35,403**	**Total liabilities**	**84,593**
Investments and other assets	**35,403**	**(Net assets)**	
Investment securities	1,218		
Shares of subsidiaries and associates	32,320	**Shareholders' equity**	**77,573**
Deferred tax assets	1,404	**Common stock**	**14,483**
Other	460	**Capital surplus**	**21,485**
		Legal capital surplus	21,182
		Other capital surplus	303
		Retained earnings	**69,957**
		Legal retained earnings	402
		Other retained earnings	69,555
		General reserve	27,400
		Retained earnings brought forward	42,155
		Treasury stock	**(28,354)**
		Valuation difference on available-for-sale securities	**(51)**
		Stock acquisition rights	**1,663**
		Total net assets	**79,186**
Total assets	**163,779**	**Total liabilities and net assets**	**163,779**

Non-consolidated Statement of Income

(From April 1, 2024, to March 31, 2025)

(Million yen)

Item		Amount
Operating revenue		**25,125**
Operating expenses		**15,967**
Operating income		**10,058**
Non-operating income		
Interest income	3,148	
Commission received	180	
Miscellaneous income	26	3,355
Non-operating expenses		
Interest expenses	2,719	
Miscellaneous losses	185	2,904
Ordinary income		**10,509**
Income before income taxes		**10,509**
Income taxes - current	554	
Income taxes - deferred	(287)	267
Net income		**10,241**

Non-consolidated Statements of Changes in Equity

(From April 1, 2024, to March 31, 2025)

(Million yen)

	Shareholders' equity							
	Common stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance as of April 1, 2024	14,146	20,844	359	21,204	402	27,400	41,566	69,369
Changes of items during the fiscal year								
Issuance of new shares	337	337	—	337	—	—	—	—
Dividends of surplus	—	—	—	—	—	—	(9,653)	(9,653)
Net income	—	—	—	—	—	—	10,241	10,241
Purchase of treasury stock	—	—	—	—	—	—	—	—
Disposal of treasury stock	—	—	(55)	(55)	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—	—
Total changes of items during the fiscal year	337	337	(55)	281	—	—	588	588
Balance as of March 31, 2025	14,483	21,182	303	21,485	402	27,400	42,155	69,957

(Million yen)

	Shareholders' equity		Valuation and translation adjustments		Stock acquisition rights	Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance as of April 1, 2024	(9,160)	95,559	—	—	2,087	97,646
Changes of items during the fiscal year						
Issuance of new shares	—	674	—	—	—	674
Dividends of surplus	—	(9,653)	—	—	—	(9,653)
Net income	—	10,241	—	—	—	10,241
Purchase of treasury stock	(20,000)	(20,000)	—	—	—	(20,000)
Disposal of treasury stock	807	751	—	—	—	751
Net changes of items other than shareholders' equity	—	—	(51)	(51)	(423)	(474)
Total changes of items during the fiscal year	(19,193)	(17,986)	(51)	(51)	(423)	(18,460)
Balance as of March 31, 2025	(28,354)	77,573	(51)	(51)	1,663	79,186