

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	54,567	(18,995)	(18,968)	133,376
March 31, 2023	31,447	(19,033)	(11,169)	106,640

2. Cash Dividends

	Cash dividends per share for the fiscal year (yen)				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 17.80	Yen —	Yen 12.34	Yen 30.14
Fiscal year ended March 31, 2024	—	12.60	—	14.87	27.47
Fiscal year ending March 31, 2025 (Forecast)	—	16.18	—	20.44	36.62

	Total cash dividends paid	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
Fiscal year ended March 31, 2023	Million yen 8,573	% 25.0	% 2.9
Fiscal year ended March 31, 2024	7,738	27.5	2.4
Fiscal year ending March 31, 2025 (Forecast)		30.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2nd quarter-end (Cumulative)	189,800	5.4	20,200	9.1	20,900	4.5	15,200	7.2	53.93
Full year	393,000	6.9	46,000	19.9	47,400	14.9	34,400	22.2	122.05

*** Notes:**

- (1) Changes in significant consolidated subsidiaries during the fiscal year
(Changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (3) Total number of shares outstanding (common shares)
 - 1) Total number of shares outstanding at the end of the fiscal year (including treasury stock):
 - As of March 31, 2024: 284,847,897 shares
 - As of March 31, 2023: 284,675,397 shares
 - 2) Total number of treasury stock at the end of the fiscal year:
 - As of March 31, 2024: 3,008,099 shares
 - As of March 31, 2023: 130,070 shares
 - 3) Weighted average number of shares outstanding during the fiscal year:
 - Fiscal year ended March 31, 2024: 282,212,984 shares
 - Fiscal year ended March 31, 2023: 284,420,737 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Operating revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2024	60,348	172.8	47,128	398.1	47,473	390.4	47,361	405.1
March 31, 2023	22,123	(15.9)	9,461	20.8	9,680	18.9	9,375	17.9

Fiscal year ended	Net income per share	Net income per share (diluted)
	Yen	Yen
March 31, 2024	167.82	167.35
March 31, 2023	32.96	32.87

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	156,372	97,646	61.1	339.06
As of March 31, 2023	105,672	66,104	60.7	225.32

(Reference) Shareholders' equity: As of March 31, 2024: ¥95,559 million

As of March 31, 2023: ¥64,114 million

* These financial results are outside the scope of audit by certified public accountants or audit corporations.

* Explanation on the appropriate use of forecasts and other notes

The earnings forecasts and other forward-looking statements herein are based on information available to the Company at the time of preparation and certain assumptions deemed to be reasonable, and actual results may differ significantly from the forecasts due to various factors. For the assumptions on the earnings forecasts and notes on their use, please refer to “1. Overview of Business Results, etc. (4) Future Outlook” on page 4 of the attached document.

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Fiscal Year

During this consolidated fiscal year, the global economy continued to be difficult due to sluggish global investment demand, particularly in the manufacturing sector. In China, demand remained generally sluggish due to uncertain economic conditions, and in Japan and Asia, with the exceptions of some areas, demand remained weak but showed a gradual recovery trend toward the end of the period. In Europe and the U.S., on the other hand, geopolitical risks and other economic slowdowns led to a deceleration starting in the second half of the fiscal year.

In this economic environment, the 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. To further strengthen the solid business foundation and global network in IT, production, and logistics that we have built up over the years, we have completed the implementation of core system renewal in Japan, our largest base. At the same time, while we continued to accelerate new business policies, including the development of new products and services, both sales and profits declined from the previous year due to the impact of weak global demand for capital investment.

This resulted in consolidated net sales of ¥367,649 million (1.5% decrease year-over-year). In terms of profit, as affected by decreased sales volume and increased costs related to the introduction of a new core IT system for Business MODEL innovation, etc., operating income was ¥38,365 million (17.7% decrease year-over-year), and ordinary income was ¥41,265 million (13.7% decrease year-over-year). Net income attributable to owners of parent was ¥28,152 million (17.9% decrease year-over-year).

(Million yen)

	Net Sales			Operating Income		
	Previous Consolidated fiscal year	Current Consolidated fiscal year	Percentage Change (%)	Previous Consolidated fiscal year	Current Consolidated fiscal year	Percentage Change (%)
Factory Automation (FA) Business	121,932	118,219	(3.0)	21,384	15,097	(29.4)
Die Components Business	79,125	79,932	1.0	8,723	9,139	4.8
VONA Business	172,093	169,497	(1.5)	16,506	14,128	(14.4)
Total	373,151	367,649	(1.5)	46,615	38,365	(17.7)

1) Factory Automation (FA) Business

In the FA business, sales in Japan managed to maintain the same level as the previous year, but overseas sales, particularly in China, were sluggish, resulting in sales of 118,219 million yen (3.0% decrease year-over-year) and operating income of 15,097 million yen (29.4% decrease year-over-year).

2) Die Components Business

The Die Components business, while generally weak in all regions, captured automotive-related demand, particularly in Asia and Europe, which, supported by exchange rate effects, contributed to the increase in both in sales and profit. Sales was ¥79,932 million (1.0% increase year-over-year) and operating income was ¥9,139 million (4.8% increase year-over-year).

3) VONA Business

VONA business is MISUMI Group's sales and distribution business of manufacturing / automation-related equipment parts and MRO (Maintenance, Repair, and Operations) products. In addition, this business segment includes MISUMI branded products and third-party manufacturers' products. Sales in Japan were nearly flat year-over-year, but in overseas, particularly China and Asia, remained sluggish due to the slowdown in customer factory operations. Sales was ¥169,497 million (1.5% decrease year-over-year), and operating income was ¥14,128 million (14.4% decrease year-over-year).

(2) Overview of Financial Position for the Fiscal Year

Assets, liabilities and net assets

1) Assets

Total assets as of the end of the fiscal year were ¥413,517 million, an increase of ¥35,058 million (9.3%) compared to the previous year-end. Current assets were ¥313,381 million, an increase of ¥30,758 million (10.9%). This was mainly attributable to cash and deposits, which rose by ¥29,289 million (24.5%), and an increase of ¥1,518 million (2.4%) in merchandise and finished goods. Non-current assets were ¥100,136 million, an increase of ¥4,300 million (4.5%). Property, plant and equipment amounted to ¥51,042 million, an increase of ¥2,636 million (5.4%). This was mainly attributable to an increase of ¥3,472 million (68.9%) in construction in progress. Intangible assets increased by ¥1,087 million (3.1%) to ¥36,109 million. Investments and other assets increased by ¥576 million (4.6%) to ¥12,984 million.

2) Liabilities

Total liabilities amounted to ¥65,837 million, an increase of ¥1,603 million (2.5%) compared to the previous year-end. Current liabilities were ¥49,929 million, an increase of ¥987 million (2.0%). This was mainly attributable to income taxes payable, which rose by ¥1,514 million (35.4%). Long-term liabilities amounted to ¥15,908 million, an increase of ¥616 million (4.0%). This was mainly attributable to liability for retirement benefits, which increased by ¥411 million (5.9%).

As a result, the current ratio was 6.3 times, and the Company maintained high stability.

3) Net assets

Total net assets amounted to ¥347,679 million, an increase of ¥33,455 million (10.6%) compared to the previous year-end. This was primarily because shareholders' equity increased by ¥12,235 million (4.3%) due to an increase in retained earnings and treasury stock, and an increase of ¥20,993 million (76.1%) in accumulated other comprehensive income including foreign currency translation adjustments.

As a result, the equity ratio was 83.3%, compared to 82.3% at the end of the previous year.

(3) Overview of Cash Flows for the Fiscal Year

At the end of the fiscal year, cash and cash equivalents amounted to ¥133,376 million, an increase of ¥26,736 million compared to the previous year-end.

Cash inflows from operating activities amounted to a net cash inflow of ¥54,567 million, (a net cash inflow of ¥31,447 million for the same period in the previous year). The breakdown is as follows. Income before income taxes was ¥39,219 million. Depreciation and amortization was ¥17,564 million. The amount of decrease in notes and accounts receivable - trade was ¥4,288 million. A decrease in inventories was ¥3,637 million. The amount of decrease in notes and accounts payable - trade was ¥1,866 million. Income taxes paid was ¥11,564 million.

Cash outflows from investing activities amounted to a net cash outflow of ¥18,995 million, (a net cash outflow of ¥19,033 million for the same period in the previous year). The breakdown is as follows. The purchase of fixed assets was ¥17,976 million. Payments into time deposits were ¥18,392 million. Refund from time deposits was ¥16,909 million.

Cash outflows from financing activities amounted to a net cash outflow of ¥18,968 million, (a net cash outflow of ¥11,169 million for the same period in the previous year). The main items were purchase of treasury stock of ¥10,095 million and dividends paid of ¥7,058 million.

(Reference) Trend of cash flow indicators

	Fiscal year ended March 2020	Fiscal year ended March 2021	Fiscal year ended March 2022	Fiscal year ended March 2023	Fiscal year ended March 2024
Equity ratio (%)	79.2	80.0	79.8	82.3	83.3
Equity ratio (market value basis) (%)	252.6	316.2	300.0	248.1	140.7
Interest-bearing debt to cash flow ratio (%)	18.4	11.2	13.0	24.4	12.5
Interest coverage ratio (times)	360.1	541.8	623.9	270.4	371.0

1. Equity ratio: Shareholders' equity / Total assets
2. Equity ratio (market value basis): Total market capitalization / Total assets
3. Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flows
4. Interest coverage ratio: Cash flows / Interest expenses

Notes:

1. All indicators are calculated using consolidated financial figures.
2. Total market capitalization is calculated by multiplying the closing share price at the end of the fiscal year with the number of outstanding shares (excluding treasury stock) as of that date.
3. Cash flows are cash flows from operating activities stated in the consolidated statements of cash flows. Interest-bearing debt includes lease obligations according to the application of IFRS16 "Leases" from the fiscal year ended March 31, 2020. Interest expenses are interest expenses paid as stated in the consolidated statements of cash flows.

(4) Future Outlook

We expect the global economy, including Japan, to face an uncertain business environment as the global supply chain continues to shift toward regional blocs. In the industrial sector, however, there are high expectations that the demand for automation will continue to grow worldwide as various social issues are addressed. To meet these customer needs, we will continue to advance our IT, logistics, and manufacturing business foundations and further refine our "globally reliable, quick delivery". We will accelerate the development of regional markets, new businesses, new products and services, etc. to improve customer's time value, and promote the transition to the Digital MODEL that fits each market to respond to the different needs of each market.

Regarding the consolidated earnings forecast for the fiscal year ending March 31, 2025, the MISUMI Group expects net sales of ¥393,000 million, operating income of ¥46,000 million, and net income attributable to owners of parent of ¥34,400 million.

(Foreign Exchange assumptions: ¥145.0 /USD, ¥157.0 / EUR, ¥20.0 /RMB)

Please note that this earnings forecast is subject to change due to changes in the business environment and we will promptly disclose any material events that may arise.

[Considerations related to estimated earnings]

The outlook for the fiscal year ending March 31, 2025, and the forward-looking statements in this document have been prepared on the basis of information available at the time of preparation. This includes the domestic and foreign economic climate, changes in foreign exchange rates for various currencies, and other factors that may affect business performance, which have been determined to be reasonable by MISUMI Group Inc. as well as risks and uncertainties. In light of this, please refrain from making investment decisions solely on the basis of this outlook. Actual business performance may differ greatly from this outlook due to various factors that affect MISUMI Group Inc., including economic climate, market trends and exchange rates.

2. Basic Policy Regarding Selection of Accounting Standards

The Group intends to consider adopting the International Financial Reporting Standards (IFRS) in view of the trend of the ratio of foreign shareholders and the trend in IFRS adoption by other companies in Japan from now on.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	119,558	148,848
Notes and accounts receivable - trade	76,359	75,869
Merchandise and finished goods	62,750	64,269
Work in process	4,457	4,162
Raw materials and supplies	10,182	9,946
Income taxes receivable	2,473	3,549
Other	7,276	7,037
Allowance for doubtful accounts	(436)	(302)
Total current assets	282,623	313,381
Non-current assets		
Property, plant and equipment		
Buildings and structures	29,186	29,057
Accumulated depreciation	(14,582)	(14,804)
Buildings and structures, net	14,604	14,252
Machinery, equipment and vehicles	43,506	49,626
Accumulated depreciation	(27,839)	(33,541)
Machinery, equipment and vehicles, net	15,666	16,084
Land	3,898	3,880
Right-of-use assets	9,256	9,438
Accumulated depreciation	(2,831)	(4,072)
Right-of-use assets, net	6,424	5,366
Construction in progress	5,039	8,512
Other	9,434	10,392
Accumulated depreciation	(6,662)	(7,446)
Other, net	2,771	2,946
Total property, plant and equipment	48,405	51,042
Intangible assets		
Software	28,125	29,709
Other	6,896	6,399
Total intangible assets	35,021	36,109
Investments and other assets		
Investment securities	6	6
Deferred tax assets	6,891	7,679
Other	5,907	5,693
Allowance for doubtful accounts	(397)	(395)
Total investments and other assets	12,408	12,984
Total non-current assets	95,835	100,136
Total assets	378,458	413,517

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,434	20,984
Lease obligations	2,163	1,784
Accounts payable - other	8,909	9,583
Income taxes payable	4,276	5,791
Provision for bonuses	3,184	3,118
Provision for directors' bonuses	51	34
Provision for office relocation expenses	608	—
Other	7,312	8,633
Total current liabilities	48,942	49,929
Long-term liabilities		
Lease obligations	5,521	5,034
Deferred tax liabilities	798	648
Liability for retirement benefits	7,025	7,436
Provision for loss on business liquidation	—	1,138
Other	1,946	1,649
Total long-term liabilities	15,291	15,908
Total liabilities	64,234	65,837
Net assets		
Shareholders' equity		
Common stock	13,936	14,146
Capital surplus	24,292	24,303
Retained earnings	245,557	266,651
Treasury stock	(80)	(9,159)
Total shareholders' equity	283,706	295,942
Accumulated other comprehensive income		
Foreign currency translation adjustments	27,508	48,476
Defined retirement benefit plans	71	96
Total accumulated other comprehensive income	27,580	48,573
Stock acquisition rights	1,989	2,087
Non-controlling interests	948	1,076
Total net assets	314,224	347,679
Total liabilities and net assets	378,458	413,517

(2) Consolidated Statement of Income and Comprehensive Income
Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	373,151	367,649
Cost of sales	202,073	200,272
Gross profit	171,078	167,377
Selling, general and administrative expenses	124,463	129,011
Operating income	46,615	38,365
Non-operating income		
Interest income	1,357	3,412
Share of profit of entities accounted for using equity method	43	33
Subsidy income	461	327
Miscellaneous income	420	426
Total non-operating income	2,283	4,199
Non-operating expenses		
Interest expenses	160	147
Foreign exchange losses	557	619
Loss on retirement of non-current assets	107	312
Miscellaneous loss	233	220
Total non-operating expenses	1,059	1,299
Ordinary income	47,838	41,265
Extraordinary losses		
Impairment loss	44	148
Loss related to COVID-19	90	—
Office relocation expenses	1,170	—
Loss on liquidation of business	—	1,897
Total extraordinary losses	1,305	2,045
Income before income taxes	46,533	39,219
Income taxes - current	12,509	11,853
Income taxes - deferred	(383)	(888)
Income taxes	12,126	10,964
Net income	34,406	28,254
Net income attributable to non-controlling interests	124	102
Net income attributable to owners of parent	34,282	28,152

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net income	34,406	28,254
Other comprehensive income		
Deferred gain (loss) on hedges	(36)	—
Foreign currency translation adjustments	8,361	20,866
Defined retirement benefit plans	72	24
Share of other comprehensive income in associates	7	4
Total other comprehensive income	8,404	20,895
Comprehensive income	42,810	49,150
Comprehensive income attributable to		
Owners of parent	42,762	49,145
Non-controlling interests	48	4

(3) Consolidated Statement of Changes in Equity
Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of fiscal year	13,664	24,020	220,519	(79)	258,125
Changes of items during fiscal year					
Issuance of new shares	272	272	—	—	544
Dividends of surplus	—	—	(9,244)	—	(9,244)
Net income attributable to owners of parent	—	—	34,282	—	34,282
Purchase of treasury stock	—	—	—	(0)	(0)
Disposal of treasury stock	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during fiscal year	272	272	25,037	(0)	25,581
Balance at end of fiscal year	13,936	24,292	245,557	(80)	283,706

	Accumulated other comprehensive income				Stock acquisition rights	Non-controlling interests	Total net assets
	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income			
Balance at beginning of fiscal year	36	19,063	(0)	19,100	1,937	797	279,959
Changes of items during fiscal year							
Issuance of new shares	—	—	—	—	—	—	544
Dividends of surplus	—	—	—	—	—	—	(9,244)
Net income attributable to owners of parent	—	—	—	—	—	—	34,282
Purchase of treasury stock	—	—	—	—	—	—	(0)
Disposal of treasury stock	—	—	—	—	—	—	—
Net changes of items other than shareholders' equity	(36)	8,444	72	8,479	51	150	8,682
Total changes of items during fiscal year	(36)	8,444	72	8,479	51	150	34,264
Balance at end of fiscal year	—	27,508	71	27,580	1,989	948	314,224

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of fiscal year	13,936	24,292	245,557	(80)	283,706
Changes of items during fiscal year					
Issuance of new shares	209	209	—	—	419
Dividends of surplus	—	—	(7,058)	—	(7,058)
Net income attributable to owners of parent	—	—	28,152	—	28,152
Purchase of treasury stock	—	—	—	(10,000)	(10,000)
Disposal of treasury stock	—	(197)	—	921	723
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during fiscal year	209	11	21,093	(9,079)	12,235
Balance at end of fiscal year	14,146	24,303	266,651	(9,159)	295,942

	Accumulated other comprehensive income				Stock acquisition rights	Non-controlling interests	Total net assets
	Deferred gain (loss) on hedges	Foreign currency translation adjustments	Defined retirement benefit plans	Total accumulated other comprehensive income			
Balance at beginning of fiscal year	—	27,508	71	27,580	1,989	948	314,224
Changes of items during fiscal year							
Issuance of new shares	—	—	—	—	—	—	419
Dividends of surplus	—	—	—	—	—	—	(7,058)
Net income attributable to owners of parent	—	—	—	—	—	—	28,152
Purchase of treasury stock	—	—	—	—	—	—	(10,000)
Disposal of treasury stock	—	—	—	—	—	—	723
Net changes of items other than shareholders' equity	—	20,968	24	20,993	98	128	21,219
Total changes of items during fiscal year	—	20,968	24	20,993	98	128	33,455
Balance at end of fiscal year	—	48,476	96	48,573	2,087	1,076	347,679

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Income before income taxes	46,533	39,219
Depreciation and amortization	16,587	17,564
Impairment loss	44	148
Increase (decrease) in liability for retirement benefits	230	399
Increase (decrease) in provision for bonuses	(1,754)	(280)
Increase (decrease) in provision for directors' bonuses	(198)	(17)
Increase (decrease) in allowance for doubtful accounts	179	(184)
Interest and dividend income	(1,364)	(3,412)
Interest expenses	160	147
Share-based compensation expenses	595	777
Foreign exchange (gains) losses	(114)	45
Share of (profit) loss of entities accounted for using equity method	(43)	(33)
Loss related to COVID-19	90	—
Office relocation expenses	1,170	—
Loss on liquidation of business	—	1,897
Loss on retirement of non-current assets	107	312
(Increase) decrease in notes and accounts receivable – trade	1,306	4,288
(Increase) decrease in inventories	(13,693)	3,637
Increase (decrease) in accounts payable – other	(1,302)	395
(Increase) decrease in consumption taxes refund receivable	(772)	1,168
Increase (decrease) in notes and accounts payable – trade	619	(1,866)
(Increase) decrease in other assets	(566)	(202)
Increase (decrease) in other liabilities	343	(422)
Subtotal	48,160	63,583
Interest and dividend income received	1,226	3,298
Interest expenses paid	(116)	(147)
Payments related to COVID-19	(85)	—
Payments for office relocation expenses	(151)	(601)
Income taxes paid	(17,586)	(11,564)
Net cash provided by operating activities	31,447	54,567
Cash flows from investing activities		
Purchase of fixed assets	(13,625)	(17,976)
Proceeds from sales of fixed assets	106	8
Payments into time deposits	(19,646)	(18,392)
Refund from time deposits	14,229	16,909
Payments for lease and guarantee deposits	(904)	(292)
Proceeds from collection of lease and guarantee deposits	785	759
Other, net	21	(11)
Net cash used in investing activities	(19,033)	(18,995)
Cash flows from financing activities		
Proceeds from issuance of stock	0	0
Purchase of treasury stock	(0)	(10,095)
Proceeds from share issuance to non-controlling shareholders	34	—
Repayments of lease obligations	(1,958)	(1,804)
Dividends paid	(9,244)	(7,058)
Other, net	—	(10)
Net cash used in financing activities	(11,169)	(18,968)
Effect of exchange rate change on cash and cash equivalents	3,952	10,132
Net increase (decrease) in cash and cash equivalents	5,197	26,736
Cash and cash equivalents at beginning of fiscal year	101,443	106,640
Cash and cash equivalents at end of fiscal year	106,640	133,376

(5) Notes to the Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable

(Changes in accounting policies)

Not applicable

(Changes in accounting estimates)

Not applicable

(Changes in presentation method)

(Consolidated Statement of Income)

In the previous fiscal year, “loss on retirement of non-current assets” included in “miscellaneous losses” under non-operating expenses exceeded 10% of total non-operating expenses, and therefore it is stated as a separate item in the current fiscal year. The consolidated financial statements for the previous fiscal year have been adjusted in order to reflect this change in presentation.

As a result, the ¥341 million stated as “miscellaneous losses” under “non-operating expenses” in the consolidated statement of income for the previous fiscal year has been reclassified to ¥107 million as “loss on retirement of non-current assets” and ¥233 million as “miscellaneous losses.”

(Consolidated Statement of Cash Flows)

In the previous fiscal year, “loss on retirement of non-current assets,” included in “increase (decrease) in other liabilities” under “cash flows from operating activities,” has increased in importance, and therefore is stated as a separate item in the current fiscal year. The consolidated financial statements for the previous fiscal year have been adjusted in order to reflect this change in presentation.

As a result, ¥450 million, which had been presented in “increase (decrease) in other liabilities” under “cash flows from operating activities” in the consolidated statement of cash flows for the previous fiscal year has been reclassified as “loss on retirement of non-current assets” of ¥107 million, and as “increase (decrease) in other liabilities” of ¥343 million.

(Additional information)

Not applicable

(Segment information)

[Segment information]

1. Description of reportable segments

Reportable segments are parts of the Group whose financial data can be obtained separately. The Board of Directors reviews the financial data periodically to evaluate earnings and determine how to allocate business resources.

The Group consists of MISUMI Group Inc. (the Company), 51 consolidated subsidiaries, 1 non-consolidated subsidiary and 2 affiliated companies, operating in three business segments: FA Business, Die Components Business and VONA Business.

“FA Business” develops and provides standard components that help streamline production and save labor costs in a production system such as factory automation as well as auto locating modules for high-precision production equipment. Various optics research and experimental equipment and components for production equipment, which change due to the digitalization of electronic devices, are also developed and offered.

“Die Components Business” serves the automotive, electronics, and electrical machinery industries by developing and supplying standardized die components for metal press and plastic injection molding applications and precision die components.

“VONA Business” provides third-party brands alongside original MISUMI-branded products mainly through online sales. It provides indirect materials such as MRO (consumables), etc. as well as manufacturing, automation-related equipment parts.

2. Method of computing net sales, income/loss and assets/liabilities by reportable segment

Accounting treatment applied for reportable business segments is consistent with those described in “Basis of Presentation of Consolidated Financial Statements.”

Income of reportable segments is presented on an operating income basis.

3. Net sales, income/loss and assets/liabilities, and disaggregation of revenue by reportable segment

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable Segments				Adjustments	Consolidated
	FA Business	Die Components Business	VONA Business	Total		
Net sales						
Revenue from contracts with customers	121,932	79,125	172,093	373,151	–	373,151
Sales to customers	121,932	79,125	172,093	373,151	–	373,151
Internal sales to other segments	–	–	–	–	–	–
Total	121,932	79,125	172,093	373,151	–	373,151
Segment income*	21,384	8,723	16,506	46,615	–	46,615

*(Note) Total of segment income corresponds to operating income in the Consolidated Statements of Income.

(Note) For the Group's internal management, assets (or liabilities) are not allocated to reportable segments. Thus, assets (or liabilities) by reportable segment are not presented.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable Segments				Adjustments	Consolidated
	FA Business	Die Components Business	VONA Business	Total		
Net sales						
Revenue from contracts with customers	118,219	79,932	169,497	367,649	–	367,649
Sales to customers	118,219	79,932	169,497	367,649	–	367,649
Internal sales to other segments	–	–	–	–	–	–
Total	118,219	79,932	169,497	367,649	–	367,649
Segment income*	15,097	9,139	14,128	38,365	–	38,365

*(Note) Total of segment income corresponds to operating income in the Consolidated Statements of Income.

(Note) For the Group's internal management, assets (or liabilities) are not allocated to reportable segments. Thus, assets (or liabilities) by reportable segment are not presented.

[Supplementary information]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

1. Information by product and service

Information by product and service is not presented because similar information is presented in segment information.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Asia	America	Europe	Others	Total
172,661	68,900	56,182	42,521	24,257	8,627	373,151

(Note) Net sales represent the net sales of the Group in Japan and other countries or regions.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Vietnam	America	Others	Total
15,792	11,484	5,951	6,616	8,561	48,405

3. Information by major customer

Information by major customer is not presented because sales to no specific customer account for 10% or more of net sales in the consolidated statement of income.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

Information by product and service is not presented because similar information is presented in segment information.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Asia	America	Europe	Others	Total
171,141	60,853	57,498	42,839	26,201	9,115	367,649

(Note) Net sales represent the net sales of the Group in Japan and other countries or regions.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Vietnam	America	Others	Total
14,753	13,683	5,518	8,245	8,841	51,042

3. Information by major customer

Information by major customer is not presented because sales to no specific customer account for 10% or more of net sales in the consolidated statement of income.

[Information on impairment losses of fixed assets by reportable segment]

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

For the Group's internal management, impairment losses of non-current assets are not allocated to reportable segments. Thus, impairment losses by reportable segment are ¥44 million.

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

For the Group's internal management, impairment losses of non-current assets are not allocated to reportable segments. Thus, impairment losses by reportable segment are ¥148 million.

[Information on amortization of goodwill and unamortized balance by reportable segment]

Not applicable

[Information on gain from negative goodwill by reportable segment]

Not applicable

(Per share information)

(Yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net assets per share	1,093.98	1,222.38
Net income per share	120.53	99.75
Net income per share (diluted)	120.18	99.48

Notes:

1. The basis for the calculation of net assets per share is as follows.

	As of March 31, 2023	As of March 31, 2024
Total net assets (Millions of yen)	314,224	347,679
Net assets pertaining to shares of common stock (Millions of yen)	311,286	344,515
Major components of the difference (Millions of yen)		
Stock acquisition rights	1,989	2,087
Non-controlling interests	948	1,076
Number of shares of common stock outstanding (Thousands of shares)	284,675	284,847
Number of treasury stock (Thousands of shares)	130	3,008
Number of shares of common stock used for calculation of net assets per share (Thousands of shares)	284,545	281,839

2. The basis for the calculation of net income per share and net income per share (diluted) is as follows.

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net income per share		
Net income attributable to owners of parent (Millions of yen)	34,282	28,152
Amount not attributable to common shareholders (Millions of yen)	—	—
Net income attributable to owners of parent pertaining to shares of common stock (Millions of yen)	34,282	28,152
Average number of shares of common stock in the fiscal year (Thousands of shares)	284,420	282,212
Net income per share (diluted)		
Adjusted net income attributable to owners of parent (Millions of yen)	—	—
Major components of the increase in the number of shares of common stock used for calculation of net income per share (diluted) (Thousands of shares)		
Stock acquisition rights	841	786
Increase in the number of shares of common stock (Thousands of shares)	841	786
Summary of residual shares not included in calculation of net income per share (diluted) because of no dilutive effect	—	—

(Significant subsequent events)

We are pleased to inform you that at the meeting of the Board of Directors held on April 26, 2024, in accordance with the provisions of Article 156 of the Companies Act, applied pursuant to Article 165, Paragraph 3 of the same Act, the following resolutions were adopted on matters relating to the acquisition of treasury stocks.

1.Reasons for the repurchase of treasury stocks

The Group is committed to the Growth Chain-reaction management based on the employees' challenges to contribute to the sustainable growth of the IA (Industrial Automation) industry, which is our customer, and to support the sustainable development of society through automation and labor saving in the IA industry. To achieve this, we are actively investing in growth in regions, businesses, and the development of new products and services, and are working to advance our Business MODEL that contributes to increasing customer's time value. In addition, to increase corporate value over the medium to long term, we will accurately assess the cost of capital and aim for a return on capital that exceeds the cost of capital, or, to widen the equity spread. To that end, we will strike a balance between investments in growth from a medium- to long-term perspective and the return of profits to our shareholders.

We will revise the target payout ratio from 25% to 30%, considering the management foundation expansion, strengthening of the financial position, and capital efficiency improvement. Stock repurchases will be implemented flexibly depending on the situation, such as cash position, investment opportunities for growth, and stock market trends.

The purpose of this stock repurchase is to enhance shareholder returns and to facilitate a flexible capital policy.

2.Details of matters relating to the repurchase of treasury stocks

(1) Type of stock to be repurchased	Ordinary stock of MISUMI Group Inc.
(2) Total number of stocks to be purchased	Up to 12,000,000 stocks (approximately 4.26% of total outstanding stocks excluding treasury stocks)
(3) Total purchase price	Up to 20,000,000,000 yen
(4) Acquisition period	From May 17, 2024, to November 29, 2024
(5) Acquisition method	Market acquisition through a discretionary transaction method on the Tokyo Stock Exchange

(Reference) Stock information as of March 31, 2024

Total number of stocks issued (excluding treasury stocks):	281,839,798
Number of treasury stocks:	3,008,099