

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 2, 2026

To Our Shareholders:

Arata Shimizu
Representative Director and President
MISUMI Group Inc.
6-5 Kudanminami 1-Chome
Chiyoda-ku Tokyo 102-8583
JAPAN

Convocation Notice for the 64th Annual General Meeting of Shareholders

You are hereby notified of the 64th 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 Annual General Meeting of Shareholders and exercise your voting rights by no later than 5:00 p.m. JST, on Wednesday June 17, 2026.**

1. Date and Time: June 18, 2026 (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

A business briefing session (approximately 30 minutes) will be held following the conclusion of the Annual General Meeting of Shareholders.

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 Audit & Supervisory Board for the 64th Fiscal Year (from April 1, 2025, to March 31, 2026).
2. Financial Statements for the 64th Year (from April 1, 2025, to March 31, 2026).

Proposals

Proposal 1: Dividend of Surplus

Proposal 2: Election of Nine (9) Directors

4. Instructions for the Exercise of Voting Rights

1) Exercise of voting rights via the Internet

Please refer to “Guide to the Exercise of Voting Rights via the Internet (議決権の行使についてのご案内)” on page 5 of the Japanese notice of the convocation of the Annual General Shareholders’ Meeting and 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 17, 2026.

2) 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 17, 2026. If there is no indication of approval or disapproval of each proposal, it will be treated as if there was an indication of approval.

*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/meeting>).

To Our Shareholders

Representative Director and President
Arata Shimizu

We would like to express our sincere gratitude for your continued support and confidence in the MISUMI Group. My name is Arata Shimizu, and I assumed the position of Representative Director and President on April 1 of this year. While cherishing the capabilities we have cultivated since our founding, I am fully committed to driving the Group's next phase of growth.

The global economy continues to face uncertainty due to factors such as shifting trade policies, rising geopolitical risks, fluctuations in energy prices and inflation, and movements in interest rates and foreign exchange markets. At the same time, from a technological perspective, the emergence of generative AI is beginning to exert a significant influence on society, businesses, and individuals. Within the Monozukuri* industry, the transition toward digital manufacturing is accelerating, and attention is increasingly focused on new markets beyond factory automation (FA) and the automotive industry. Against this backdrop, we recognize that the role and opportunities expected of our Group are expanding more than ever.

Starting with a deep understanding of our customers, we are advancing process innovation that leverages digital technologies such as IT and AI to reduce procurement effort, ensure Reliable and Quick Delivery, and achieve stable supply.

To respond decisively to changes surrounding manufacturing, we will fully leverage the potential of the products, services, and business foundations we have built to date, while steadily advancing global expansion, shifting toward digital manufacturing, and actively participating in new market ecosystems emerging through AI.

We sincerely appreciate your continued support and encouragement, and we look forward to your ongoing confidence in MISUMI's future growth.

* Monozukuri is the distinctive Japanese approach to manufacturing excellence that embodies a deep professional spirit and philosophy, continuous improvement (kaizen), precision, and pride in the pursuit of creating exceptional products

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 Monozukuri industry-our customer- while also supporting the sustainable development of society. 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 enhancing Customer's Time Value. In order to achieve sustainable growth of corporate value, the Company will further focus on improving capital efficiency and aim to 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.

With regard to dividends, the Company has set a benchmark payout ratio of 35%, considering such factors as the strengthening of the management foundation, the financial position, and the improvement of capital efficiency. Based on this benchmark, the Company is proposing a year-end dividend of ¥34.96 per share.

Pending approval of this proposal, the annualized dividend would be ¥52.98 per share, an increase of ¥9.77 from the previous year's figure, including the interim dividend of ¥18.02 per share (total amount: ¥ 4,900,068,895) already paid out on December 9, 2025.

- (1) Type of dividend assets

Cash

- (2) Allocation of dividend assets to shareholders and the total amount of dividends

¥34.96 per share of common stock. Total amount: **¥ 9,262,060,233**

- (3) Effective date of the dividend of surplus

June 24, 2026

Proposal 2: Election of Nine (9) Directors

The term of office for all ten (10) current Directors will expire at the end of this Meeting. Therefore, the Company proposes the reduction of one Director and electing of nine (9) Directors including four (4) Outside Director. The Nomination and Remuneration Committee as a voluntary committee (the majority comprise Outside Directors) has deliberated on this Proposal and the Board of Directors has subsequently decided.

Candidates for the position of Director are as follows:

	Name	Positions and responsibilities in the Company	Board of Directors Meeting Attendance
1	Arata Shimizu Re-appointment	Representative Director and President Representative Director and President, MISUMI Corporation	14 out of 14 meetings (100%)
2	Ryusei Ono Re-appointment	Director and Chairman of the Board	14 out of 14 meetings (100%)
3	Tomoki Kanatani Re-appointment	Director and Senior Executive Corporate Officer	14 out of 14 meetings (100%)
4	Shigetaka Shimizu Re-appointment	Director and Senior Executive Corporate Officer	14 out of 14 meetings (100%)
5	Shaochun Xu Re-appointment	Director and Senior Corporate Officer Representative of China Region and Representative of Asia Region, MISUMI Corporation	14 out of 14 meetings (100%)
6	Yoichi Nakano Re-appointment Outside Director	Lead Outside Director and Chairman of the Nomination and Remuneration Committee	14 out of 14 meetings (100%)
7	Tomoharu Suseki Re-appointment Outside Director	Outside Director	14 out of 14 meetings (100%)
8	Keiko Yano Re-appointment Outside Director	Outside Director	14 out of 14 meetings (100%)
9	Figen Ulgen Re-appointment Outside Director	Outside Director	11 out of 11 meetings (100%)

Candidate number 1	Arata Shimizu Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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. (currently Interworks Confidence Inc.) Sep 2017: Outside Director, Trust Tech Inc. (currently Open Up Group Inc.) Jun 2020: Outside Director, MISUMI Group Inc. Jun 2021: Director, P&E Directions, Inc. Jun 2024: Senior Executive Director and CIO, MISUMI Group Inc. Oct 2025: Director, Senior Executive Corporate Officer, and CIO, MISUMI Group Inc. Apr 2026: Representative Director and President, MISUMI Group Inc. (incumbent) Apr 2026: Representative Director and President, MISUMI Corporation (incumbent)
		
	<u>Date of Birth:</u> June 1, 1972 Male <u>Ownership of the Company's shares</u> 42,100 shares	<u>Reason for nomination as Director:</u> 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. Since April 2026, he has been leading the Group as Representative Director and President, driving the further global growth of the Company's business. Accordingly, Mr. Shimizu 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	<u>Profile, positions and responsibilities and important concurrent positions</u> 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 Jun 2014: Representative Director, President, and CEO, MISUMI Group Inc. Feb 2020: Representative Director and President, MISUMI Group Inc. Apr 2026: Director and Chairman of the Board, MISUMI Group Inc. (incumbent)
		
	<u>Date of Birth:</u> October 1, 1964 Male <u>Ownership of the Company's shares</u> 630,000 shares	<u>Reason for nomination as Director:</u> As Representative Director and President, Mr. Ryusei Ono led MISUMI Group's growth globally for more than twelve years while leading the formulation and implementation of strategies to achieve Growth Chain-reaction Aspired Management. Since April 2026, he has served as Director and Chairman of the Board of Directors, providing appropriate advice and supervision on management matters and contributing to more active deliberations of the Board. Accordingly, Mr. Ono has been nominated as a candidate for Director as it is expected that he will make further contributions.

Candidate number 3	Tomoki Kanatani Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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 Jun 2021: Executive Director, MISUMI Group Inc. Oct 2025: Director and Senior Executive Corporate Officer, MISUMI Group Inc. (incumbent)
		<u>Reason for nomination as Director:</u> 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. He drove the growth of the MISUMI Group as the Supervising Officer for the China business, the Group's largest overseas market, since December 2015 and as the Chief Executive in charge of China and Asia Business since October 2020. 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.
	<u>Date of Birth:</u> October 20, 1967 Male <u>Ownership of the Company's shares</u> 68,400 shares	
Candidate number 4	Shigetaka Shimizu Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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. Apr 2022: President, Japan Business Company, MISUMI Corporation Oct 2025: Director and Senior Executive Corporate Officer, MISUMI Group Inc. (incumbent)
		<u>Reason for nomination as Director:</u> 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. From December 2015, he served as the responsible Officer of Asia Business Company, and from April 2022, as President of the Japan Business Company, leading the growth of MISUMI Group. 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.
	<u>Date of Birth:</u> November 28, 1971 Male <u>Ownership of the Company's shares</u> 82,600 shares	

Candidate number 5	Shaochun Xu Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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. Oct 2021: Chairperson, MISUMI (China) Precision Machinery Trading Co., Ltd. (incumbent) Jun 2022: Director, MISUMI Group Inc. Apr 2025: President, China Business Company, MISUMI Corporation Oct 2025: Director and Senior Corporate Officer, MISUMI Group Inc. (incumbent) Oct 2025: Representative of China Region and Representative of Asia Region, MISUMI Corporation (incumbent)
		<u>Reason for nomination as Director:</u> Ms. Shaochun Xu has experience in Chinese government offices and the Chinese operations of multiple Japanese companies. Since October 2021, she has served as Chairperson of MISUMI (China) Precision Machinery Trading Co., Ltd., the Company's regional subsidiary, and has contributed to the growth of the Group's business in China, its largest overseas market. Furthermore, since October 2025, she has served as the Representative of China Region and Asia Region, contributing to the growth of the Group. 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.
	<u>Date of Birth:</u> January 28, 1964 Female <u>Ownership of the Company's shares</u> 49,100 shares	
Candidate number 6	Yoichi Nakano Outside Director Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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 Remuneration Committee, MISUMI Group Inc. (incumbent) May 2026: Outside Director, Nippon Kouatsu Electric Co., Ltd. (planned)
		<u>Reason for nomination as Director and summary of expected roles:</u> 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.
	<u>Date of Birth:</u> April 26, 1960 Male <u>Ownership of the Company's shares</u> nil	

Candidate number 7	Tomoharu Suseki Outside Director Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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 Remuneration Committee, Sumida Corporation Jun 2021: Outside Director, MISUMI Group Inc. (incumbent) Mar 2026: Outside Director, KITZ Corporation (incumbent)
		
	<u>Date of Birth:</u> February 18, 1957 Male <u>Ownership of the Company's shares</u> nil	<u>Reason for nomination as Director and summary of expected roles:</u> Mr. Tomoharu Suseki has proactively provided opinions and advice, supervising 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 8	Keiko Yano Outside Director Re-appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> 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 Ltd. 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)
		
	<u>Date of Birth:</u> December 18, 1958 Female <u>Ownership of the Company's shares</u> nil	<u>Reason for nomination as Director and summary of expected roles:</u> 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 9	Figen Ulgen Outside Director New appointment	<u>Profile, positions and responsibilities and important concurrent positions</u> Sep 1991: Joined JustSystems Corporation Sep 1996: Joined Motorola Lexicus Inc. in the U.S. 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: Global Chief Data Officer, LINE Corporation (currently Z Intermediate Global Corporation) Apr 2024: Specialist Officer & Group Chief Data and AI Officer, Dai-ichi Life Holdings, Inc. (currently Daiichi Life Group, Inc.) Apr 2025: Executive Officer as Group Chief Data and AI Officer, Dai-ichi Life Holdings, Inc. (currently Daiichi Life Group, Inc.) (incumbent) Jun 2025: Outside Director, MISUMI Group Inc. (incumbent)
		
	<u>Date of Birth:</u> December 6, 1966 Female <u>Ownership of the Company's shares</u> nil	<u>Reason for nomination as Director and summary of expected roles:</u> Ms. Figen Ulgen has been serving as an Outside Director of the Company since June 2025, where she has actively provided opinions and advice and has supervised the management of the Group from an independent standpoint. The Company has nominated her as a candidate for Outside Director again, as it is expected that she will continue to provide appropriate advice and supervision aimed at strengthening the Group's management by leveraging her extensive experience and broad insight in data science, data governance, and the business application of information technology, including AI, gained at global companies.

Notes:

1. No special interests exist between the candidates and the Company
 - (1) Mr. Yoichi Nakano is scheduled to assume office as an Outside Director of Nippon Kouatsu Electric Co., Ltd. There are business transactions between the Company and Nippon Kouatsu Electric Co., Ltd., including the sale of products; however, the transaction amount for fiscal year 2025 was less than 0.1% of the Company's consolidated net sales.
 - (2) Mr. Tomoharu Suseki is an Outside Director of KITZ Corporation. There are business transactions between the Company and KITZ Corporation, including the sale of products; however, the transaction amount for fiscal year 2025 was less than 0.1% of the Company's consolidated net sales.
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, Ms. Keiko Yano, and Ms. Figen Ulgen 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.
 - (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 seven (7) 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 five (5) 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 two (2) years upon the closing of the Meeting.
 - (iv) Ms. Figen Ulgen has been an Outside Director of the Company since June 2025 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 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 her professional perspective as a business manager.
 - (iv) Ms. Figen Ulgen attended 11 of the 11 meetings of the Board of Directors since she assumed office on June 19, 2025, and made inquiries and provided advice concerning proposals and discussions mainly from her professional perspective in the field of data and AI.
4. Limited Liability Agreement with Outside Directors

The Company has entered into Limited Liability Agreements with Mr. Yoichi Nakano, Mr. Tomoharu Suseki, Ms. Keiko Yano, and Ms. Figen Ulgen. 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.
5. Nomination and Remuneration Committee

The Company has set up the Nomination and Remuneration 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 Remuneration 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).

(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 is approved, the Board of Directors and Audit & Supervisory Board will comprise members* with the following skills.

Name	Positions	Corporate Mgt	Business strategy	Global experience (*1)	AI/DX	Manufacturing/ Operations (*2)	Organizational/ HR strategy	Finance/ Accounting	ESG/ Risk Mgt/ Legal
Arata Shimizu	Representative Director	○	○	○	○	○			
Ryusei Ono	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	Full-time Corporate Auditor	○		○				○	○
Nanako Aono	Outside Corporate Auditor	○						○	
Shizuyo Ichikawa	Outside Corporate Auditor	○							○

Notes:

- Seven (7) males and five (5) females; 10 Japanese nationals and two (2) Foreign nationals
- Mr. Kosuke Nishimoto will retire as Director upon the conclusion of this Annual General Meeting of Shareholders due to the expiration of his term of office.
- Mr. Takaaki Wada will retire as Corporate Auditor upon the conclusion of this Annual General Meeting of Shareholders due to the expiration of his term of office. As a result, the Company will have one (1) Full-time Corporate Auditor and two (2) Outside Corporate Auditors.

*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, 2025, to March 31, 2026

1. Current Status of the MISUMI Group Companies

(1) Overview of Business Results for the Fiscal Year

During the consolidated fiscal year under review, the global economy continued to face uncertainty due to U.S. tariff policies and their impact on various countries, as well as heightened geopolitical risks. As a result, operating activity in the automotive-related sector, which constitutes our primary customer base, remained at a standstill. Meanwhile, demand from telecommunications- and semiconductor-related industries, particularly in China and Asia, remained robust.

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. We also made efforts to accurately capture customer demand by utilizing our global network of sites. However, in some regions, demand stagnation was affected by the tariff policies of the United States.

As a result, consolidated net sales amounted to ¥441,383 million (9.8% increase year-over-year). In terms of profits, the positive impact of increased sales volume driven by proprietary initiatives absorbed expenditures related to measures for sustainable growth as well as the impact of including the performance of Fictiv Inc. within the scope of consolidation starting in July. Consequently, operating income totaled ¥47,613 million (2.4% increase year-over-year), ordinary income totaled ¥49,095 million (1.6% decrease year-over-year), and net income attributable to owners of the parent amounted to ¥40,457 million (10.7% increase a year-over-year), due in part to a decrease in income tax adjustments following the recognition of deferred tax assets related to tax loss carryforwards associated with the introduction of a consolidated tax filing system in the U.S.

Segment Information

FA Business



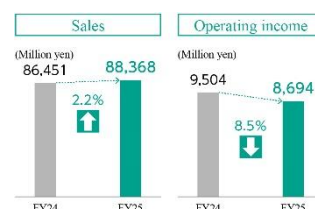
In the FA business, while capital investment demand in Japan remained sluggish, overseas regions generally performed well, driven by successful demand acquisition through proprietary initiatives such as addressing telecommunications-related demand in China, as well as meviy, the Economy Series, and D-JIT. As a result, net sales reached ¥160,498 million (18.2% increase year-over-year). Operating income totaled ¥20,283 million (9.9% decrease year-over-year), reflecting the impact of M&A-related expenses as well as the consolidation of Fictiv Inc.'s performance.



Die Components Business



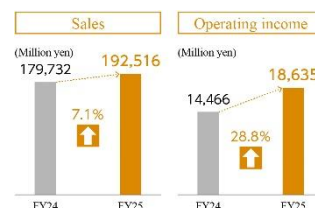
In the Die Components business, steady growth in China and Asia offset weak demand in other regions, resulting in net sales of ¥88,368 million (2.2% increase year-over-year). On the other hand, operating income declined to ¥8,694 million (8.5% decrease year-over-year), due to the impact of sluggish automotive demand in the Americas and Europe.



VONA Business



VONA business is MISUMI Group's distribution business, which sells manufacturing and automation-related equipment parts—including products from other manufacturers in addition to MISUMI-branded products—as well as indirect materials such as MRO (consumables). This business performed steadily across all regions, resulting in net sales of ¥192,516 million (7.1% increase year-over-year), with an operating income of ¥18,635 million (28.8% increase year-over-year).



(2) Capital Investment and Financing

Capital investments made during FY25 amounted to ¥14,288 million. The primary investment areas were IT systems, production facilities, and logistics sites.

The funds required for these investments were financed through internal resources.

In addition, there were no material matters regarding the sale, disposal, or retirement of equipment.

(3) Challenges to Be Addressed

Both the global economy and the Japanese economy continue to face an uncertain outlook, with concerns including a slowdown in growth and rising inflationary pressure, driven by factors such as increases in energy prices associated with heightened Middle East tensions, fluctuations in trade policies across countries, and the progression of geopolitical fragmentation. Meanwhile, in the Monozukuri industry, needs for automation and labor saving, digitalization, and strengthening supply chain resilience are rising over the medium to long term. Under this business environment, the MISUMI Group will work on the following challenges toward achieving sustainable growth and enhancing medium- to long-term corporate value, with a focus on providing optimal value to customers.

(i) Expansion of business domains and creation of synergies with Fictiv

Leveraging the strength of operating both Manufacturing and Distribution businesses, the MISUMI Group will pursue the expansion of its business domains by promoting overseas expansion and entering growth industries. By effectively leveraging the customer base, supplier base, technology & data infrastructure of the Group and Fictiv—acquired in June last year—and by advancing the development of an integrated service delivery structure covering products from standard to mass-custom and customized offerings, we are enhancing our value proposition to customers.

(ii) Acceleration of the Digital MODEL Shift initiatives

Through improving efficiency across the processes of quotation, order receiving/processing, procurement, production, and logistics, the MISUMI Group has supported customers' Monozukuri by delivering both Reliable and Quick Delivery and workload reduction. Going forward, by leveraging AI and advancing our IT foundation, we will further improve the efficiency and service levels of existing businesses, while accelerating the deployment of digital models tailored to each region and market. Through these efforts, we will further enhance touchpoints with customers and, by improving convenience in each phase of design, purchasing, and production sites, strive to further enhance the value we provide and strengthen our competitiveness.

(iii) Strengthening the management foundation underpinning sustainable growth

To realize sustainable growth, we recognize the importance of Growth Chain-reaction Aspired Management which starts with each employee's individual challenges and enables the shared growth and development of individuals, the Company, the Monozukuri industry, and society. This is supported by a management structure that enables rapid and appropriate decision-making, together with the establishment of a sustainable value chain. MISUMI Group aims to be a "Best Place To Grow" for employees and will promote organizational development and talent development that encourage challenges and growth. In addition, based on our management priorities, we will further strengthen our management foundation underpinning sustainable value creation. For the MISUMI Group's approach to sustainability and the initiatives that connect to these efforts, please refer to the following pages.

(Reference)

MISUMI Group's Approach to Sustainability

MISUMI Group aspires to a Growth Chain-reaction Aspired Management driven by employee challenges. By enhancing Customer's Time Value through these challenges, the Group aims to create a virtuous cycle of growth in which customers prosper, society prospers, and employees prosper in turn.

MISUMI Group contributes to addressing inefficiencies in the Monozukuri industry by aiding customers and suppliers in eliminating all forms of waste. The Monozukuri industry plays a vital role in enabling automation and labor-saving across various social activities and is indispensable to the sustainable development of society. Such development, in turn, generates demand in industry and creates new business opportunities for the Group.

By contributing to this cycle, the Group aims to support the sustainable development of society and industry, while also driving its own sustainable growth.

Our Sustainability Initiatives

● Climate Change Initiatives

MISUMI Group addresses climate change issues, including the prevention of global warming through its business activities. We also strive to appropriately identify and manage the risks and opportunities that climate change presents to our business.

Aiming to achieve carbon neutrality by 2050, we have set a target to reduce greenhouse gas (GHG) emissions (Scopes 1 and 2) by 42% by fiscal year 2030, benchmarked against fiscal year 2020. In fiscal year 2024, total Group-wide GHG emissions (Scopes 1 and 2) were reduced to 49 thousand tons of CO₂, equivalent to 74% of fiscal year 2020 levels. Specific initiatives include the installation of solar power generation facilities, the promotion of energy-saving activities, the introduction of CO₂-free electricity, and the purchase of renewable energy certificates. For Scope 3 emissions, we have been advancing data collection since fiscal year 2022 with the cooperation of our major suppliers, focusing on Category 1 (GHG emissions from purchased goods and services), which accounts for more than 85% of total Scope 3 emissions, and are working to reduce overall Scope 3 emissions. We will continue to further strengthen our efforts to reduce greenhouse gas emissions going forward.

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 to be a fundamental principle underlying all activities and has established the "MISUMI Group Human Rights Policy" (hereinafter referred to as the Human Rights Policy). We strive to conduct management and business activities 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. We also maintain systems to appropriately address serious nuisance behavior by customers (customer harassment) to protect employees.
- 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 the 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>

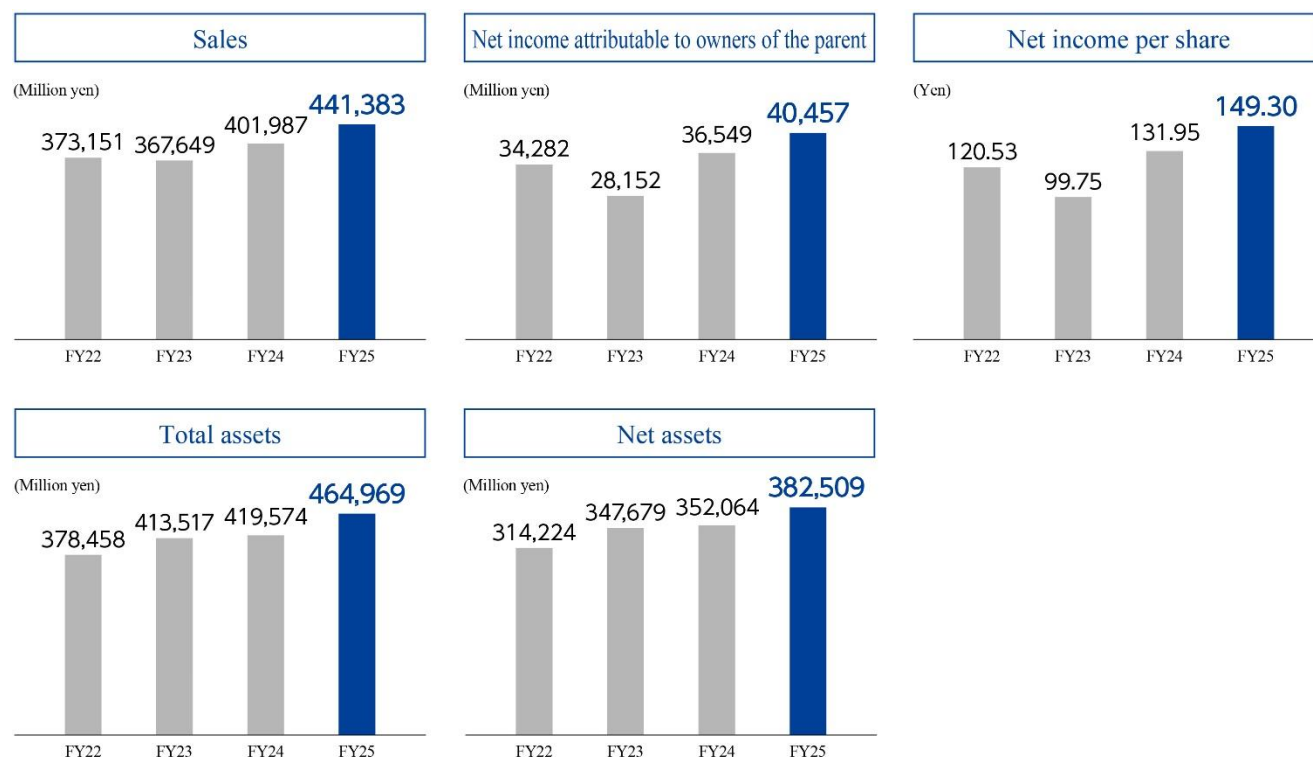
● **Supply Chain Management**

MISUMI Group has formulated and implemented “Sustainable Procurement Guidelines. “We actively encourage our primary suppliers to adhere to these Guidelines and conduct periodic surveys on their respect for human rights, promotion of occupational health and safety, and the establishment of appropriate management systems across the entire supply chain. With regard to environmental initiatives, MISUMI Group is strengthening collaborative efforts with suppliers through the sharing of energy-use data aimed at reducing greenhouse gas (GHG) emissions, Cooperation in emissions calculations, and the introduction of decarbonization initiatives. By expanding these activities, we aim to enhance sustainable procurement practices across the entire supply chain.

We will continue to take a supply-chain-wide perspective and quantitatively assess risks and opportunities and steadily develop and execute effective countermeasures.

(4)**Changes in Financial Position and Results of Operations**

Item \ Period	61 st Term (Year ended March 2023)	62 nd Term (Year ended March 2024)	63 rd Term (Year ended March 2025)	64 th Term (Year ended March 2026)
Net Sales (Million yen)	373,151	367,649	401,987	441,383
Net Income attributable to owners of parent (Million yen)	34,282	28,152	36,549	40,457
Net Income per share (Yen)	120.53	99.75	131.95	149.30
Total assets (Million yen)	378,458	413,517	419,574	464,969
Net assets (Million yen)	314,224	347,679	352,064	382,509

**(5) Principal Business Operations**

MISUMI Group is composed of three business segments: the FA Business, which primarily supplies standard 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
Fictiv Inc.	-	100% (100%)	FA 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 companies listed above, the MISUMI Group has 60 consolidated subsidiaries, and 3 companies accounted for using the equity method.
2. Figures shown in parentheses under "Ownership Interest" represent indirect ownership.

2) Specified Wholly Owned Subsidiaries at the End of the Fiscal Year

There were no specified wholly owned subsidiaries as of the end of the fiscal year.

(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.
Fictiv Inc.	California, 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
11,304	240 (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, 2026, is 12,113.

(9) Major Lenders

There are no borrowings from financial institutions.

However, we have entered into a Commitment Line Agreement (credit line limit of ¥ 70.0 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 **264,933,073**
(Excluding 20,288,824 shares of treasury stock)
- (3) Number of shareholders 7,891

(4) Major shareholders (Top 10)

Name of shareholders	Number of shares held (thousand)	Ownership Percentages (%)
THE MASTER TRUST BANK OF JAPAN, LTD.	54,695	20.6
CUSTODY BANK OF JAPAN, LTD.	28,725	10.8
BNYM AS AGT/CLTS NON TREATY JASDEC	16,827	6.4
STATE STREET BANK AND TRUST COMPANY 505103	8,226	3.1
CEP LUX-ORBIS SICAV	6,145	2.3
JP MORGAN CHASE BANK 385781	6,098	2.3
STATE STREET BANK AND TRUST COMPANY 505001	6,000	2.3
THE BANK OF NEW YORK MELLON 140044	4,500	1.7
RBC IST 15 PCT NON LENDING ACCOUNT - CLIENT ACCOUNT	4,447	1.7
GOVERNMENT OF NORWAY	3,662	1.4

Notes:

1. MISUMI Group holds 20,288 thousand shares of treasury stock, which are excluded from the above list of major shareholders.
2. Treasury stock is excluded from the calculations of ownership percentages.
3. Ownership ratios are rounded to the nearest second decimal place.

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

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

	Number of shares granted	Number of eligible persons
Directors (excluding Outside Directors)	216,700	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 of HRM & Legal Platform Hub
Representative Director and President	Ryusei Ono	Representative Director and President, MISUMI Corporation
Director	Arata Shimizu	Senior Executive Corporate Officer, Chief Information Officer (CIO) & Representative of NEWTON Model Development Hub
Director	Tomoki Kanatani	Senior Executive Corporate Officer
Director	Shigetaka Shimizu	Senior Executive Corporate Office
Director	Shaochun Xu	Senior Corporate Officer, MISUMI Corporation Representative of China Region and Representative of Asia Region
Director	Yoichi Nakano	Lead Outside Director and Chairman of Nomination and Remuneration Committee Representative Director and President, Chuuyou Co., Ltd.
Director	Tomoharu Suseki	Outside Director, KITZ Corporation
Director	Keiko Yano	
Director	Figen ULGEN	Executive Officer, Dai-ichi Life Holdings, Inc.
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	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.
Corporate Auditor	Shizue Ichikawa	Outside Corporate Auditor, Kyogoku Unyu Shoji Co., Ltd.

Notes:

- Effective April 1, 2026, Kosuke Nishimoto, Ryusei Ono and Arata Shimizu were appointed as Director, Director and Chairman of the Board, and Representative Director and President, respectively.
- Directors Yoichi Nakano, Tomoharu Suseki, Keiko Yano and Figen Ulgen are Outside Directors as stipulated in Article 2, Paragraph 15 of the Companies Act.
- Corporate Auditors Nanako Aono and Shizue Ichikawa are Outside Corporate Auditors as stipulated in Article 2, Paragraph 16 of the Companies Act.
- Corporate Auditor Nanako Aono is qualified as a certified public accountant and has extensive experience and knowledge in the field of finance and accounting.
- Corporate Auditor Shizue Ichikawa holds the qualification of attorney-at-law.
- Directors Yoichi Nakano, Tomoharu Suseki, Keiko Yano and Figen Ulgen, Corporate Auditors Nanako Aono and Shizue Ichikawa, satisfy the independence criteria stipulated by the Tokyo Stock Exchange and by the Company (page 13). Accordingly, the Company has designated all of them as Independent Officers/Audit & Supervisory Board Members in accordance with the rules of the Tokyo Stock Exchange and has duly notified the Exchange.

(2) Remuneration Amount Paid to Directors and Corporate Auditors

1) Total Remuneration Amount 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)	981 (46)	331 (46)	226(-)	23(-)	399	10 (4)
Corporate Auditors (Outside Corporate Auditors, subtotal)	70 (16)	70 (16)	-(-)	-(-)	-(-)	5 (3)
Total	1,051	402	226	23	399	15

Note:

Stock Option compensation was abolished in conjunction with the introduction of Restricted Stock compensation plan approved at the 61st Annual General Meeting of Shareholders held on June 15, 2023. Accordingly, no new Stock Options were granted in the current consolidated fiscal year. However, the amount of Stock Options stated above represents the compensation and other expenses recorded in this consolidated fiscal year related to Stock Options granted in prior fiscal years. In accordance with corporate accounting standards, performance-linked Stock Options are expensed on a pro rata basis over 36 months following the resolution approving the allotment of the Stock Options, and Restricted stock is expensed on a pro rata basis 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 determined in order to enhance Directors' incentives to contribute to the Company's performance in each consolidated fiscal year and is calculated based on factors including consolidated ordinary income and dividend amounts for each consolidated fiscal year. Taking these factors into comprehensive consideration, the amount of compensation for each Director is determined. The actual results of the performance indicators for the current consolidated fiscal year are stated for consolidated ordinary income in the Consolidated Statement of Income (page 38), and for dividend amounts in Proposal No. 1 of the Reference Documents (page 4).

3) Details of Non-Monetary Compensation

At the 61st Annual General Meeting of Shareholders held on June 15, 2023, the Company obtained approval for the issuance of Restricted Stock to Directors other than Outside Directors (hereinafter referred to as the "Eligible Directors"), with the aim of promoting the sustainable enhancement of corporate value by strengthening value sharing with shareholders through share ownership by Directors.

An outline of the 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 (or, if no transaction occurs on that day, the closing price of the most recent preceding transaction day).

The monetary compensation claim shall be provided to the Eligible Directors only on the condition that the Eligible Directors have agreed to the contribution in kind and have entered into the agreement for allotment of Restricted Stock, including the contents prescribed in (3) below.

(2) Number of Restricted Stock

The total number of Company's common stock to be issued or disposed of to the Eligible Directors in each fiscal year shall not exceed 500,000 shares.

However, if, after the date of the resolution of this proposal, a stock split (including a stock dividend without contribution), a reverse stock split or any other similar event occurs that requires adjustment of the total number of the Company's common stock to be issued or disposed of as Restricted Stock compensation, such total number shall be reasonably adjusted.

(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 each Eligible Director conclude shall include the following based on a 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 party, pledge the shares, establish a security interest on the shares, donate the shares during their lifetime, bequeath, or dispose of the shares (collectively, the "Transfer Restriction") during the period from the date the Restricted Stock are delivered until the date the Eligible Director ceases to hold the status as an Officer or employee of the Company, its subsidiaries or affiliates ("Restricted Period")

(b) Removal of the Transfer Restriction

The Company shall remove the Transfer Restriction on all Restricted Stock upon the expiration of the Restricted Period.

(c) Malus and Clawback Clause

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

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

Notwithstanding (3)(a), if, during the Restricted Period, a merger agreement under which the Company becomes a disappearing company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly-owned subsidiary, or any matter relating to organizational restructuring is approved at a Shareholders' meeting (or by the Board of Directors where shareholder approval is not required), the Company shall, by resolution of the Board of Directors, remove the Transfer Restriction prior to the effective date of such organizational restructuring with respect to a reasonably determined number of the allotted Restricted Stock, taking into account the period from the commencement date of the Restricted Period to the date of approval of such organizational restructuring. In this case, immediately after the Transfer Restriction has been lifted in accordance with the above provisions, any allotted Restricted Stock for which the Transfer Restriction has not yet been lifted shall be automatically acquired by the Company without consideration.

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” contained in the electronic provision measures for the 64th Annual General Meetings of Shareholders (documents omitted from delivery). *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 Directors of the Company was set at not more than ¥1.1 billion per annum (of which not more than ¥40 million per annum is allocated to Outside Directors). This amount does not include salaries paid to Directors who concurrently serve as employees for their duties as employees, nor compensation for the granting of Restricted Stock. The number of Directors as of the conclusion of the said Annual General Meeting of Shareholders was 7 (including 1 Outside Director). By resolution of the 62nd Annual General Meeting of Shareholders held on June 13, 2024, it was resolved that the total amount of compensation for Directors would remain unchanged, while the amount of compensation for Outside Directors would be set at not more than ¥80 million per annum. The number of Directors as of the conclusion of the said Annual General Meeting of Shareholders was 9 (including 3 Outside Directors).

In addition, separate from the above compensation, by resolution of the 61st Annual General Meeting of Shareholders held on June 15, 2023, it was resolved that the amount of compensation for the granting of Restricted Stock to Directors excluding Outside Directors shall not exceed ¥850 million per annum. The number of Directors as of the conclusion of the said Annual General Meeting of Shareholders was 8 (including 3 Outside Directors).

By resolution of the 62nd Annual General Meeting of Shareholders held on June 13, 2024, the total amount of compensation for Corporate Auditors was resolved to be not more than ¥80 million per annum. The number of Corporate Auditors as of the conclusion 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 Remuneration Committee conducts deliberations 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 Remuneration 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 Executive's Compensation

In the event of serious misconduct or violation by a Director, such Director's compensation (including any beneficial interests) may be forfeited or maybe subject to a claim 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 for the fiscal year under review, proposals were made by Representative Director and President Ryusei Ono, and decisions were reached by the Nomination and Remuneration Committee through deliberations among its members. The Committee is composed of Outside Director Yoichi Nakano (Chair), Outside Director Tomoharu Suseki, Outside Director Keiko Yano, Representative Director and Chairman Kosuke Nishimoto, and Representative Director and President Ryusei Ono. The decision-making authority was delegated to the Nomination and Remuneration Committee in order to enhance transparency and accountability in compensation determinations. Regarding the grant of long-term incentives (Restricted Stock), the Nomination and Remuneration Committee deliberated and determined the terms and conditions, including the number of units to be granted, after which a resolution was obtained from the Board of Directors.

7) Matters Pertaining to the Clawback Clause for Executive Compensation

The Company has established a malus and clawback clause stipulating that, in the event of serious misconduct or violation by a Director, all or part of such Director's compensation (including any beneficial interests) may be forfeited or may be subject to a claim for repayment.

(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 role expected of an Outside Director: Mr. Nakano attended all 14 out of 14 meetings of the Board of Directors during the fiscal year under review. Drawing on his extensive experience in business management, he has actively expressed opinions and provided advice on proposals and matters under deliberation and supervised the management of the MISUMI Group from an independent perspective. In addition, Mr. Nakano attended all 7 out of 7 meetings of the Nomination and Remuneration Committee as Chair. From a neutral and objective standpoint, he provided appropriate oversight by leading deliberations on the evaluation and determination of Directors' compensation, the appointment and dismissal of Directors, and succession planning for Representative Directors. • 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 role expected of an Outside Director: Mr. Suseki attended all 14 out of 14 meetings of the Board of Directors during the fiscal year under review. Drawing on his extensive experience and expertise in business management, he has actively expressed opinions and provided advice on proposals and matters under deliberation and supervised the management of the MISUMI Group from an independent perspective. In addition, Mr. Suseki attended all 7 out of 7 meetings of the Nomination and Remuneration Committee. He provided appropriate oversight by participating in deliberations on the evaluation and determination of Directors' compensation, the appointment and dismissal of Directors, and succession planning for Representative Directors, from a neutral and objective standpoint. • 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 role expected of an Outside Director: Since assuming office on June 13, 2024, Ms. Yano attended all 14 out of 14 meetings of the Board of Directors held during the fiscal year under review. Drawing on her extensive experience and expertise in business management, she has actively expressed opinions and provided advice on proposals and matters under deliberation and supervised the management of the MISUMI Group from an independent perspective. Additionally, Ms. Yano attended all 7 out of 7 meetings of the Nomination and Remuneration Committee since becoming a committee member on June 13, 2024. She provided appropriate oversight by participating in deliberations on the evaluation and determination of directors' compensation, the appointment and dismissal of Directors, and succession planning for Representative Directors, from a neutral and objective standpoint. • 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.
Figen ULGEN (Outside Director)	• Attendance and oral statements at the Board of Directors meeting and summary of duties performed in relation to the role expected of an Outside Director: Since assuming office on June 19, 2025, Ms. Ulgen attended all 11 out of 11 Board of Directors meetings held during the fiscal year under review. Drawing on extensive experience and broad perspectives in the data and AI domain, she has actively expressed opinions and provided advice on agenda items and matters under deliberation and supervised the management of the Company Group from an independent standpoint. • Business policies and decisions changed based on Ms. Ulgen's opinion: Nothing to report. • Summary of actions taken by Ms. Ulgen in response to any misconduct involving the Company: Nothing to report.
Nanako Aono (Outside Corporate Auditor)	• Attendance and oral statements made at the Board of Directors meeting and the Audit & Supervisory Board meeting Ms. Aono attended all 14 of the 14 meetings of the Board of Directors and all 23 of the 23 meetings of the Audit & Supervisory Board during the fiscal year under review. Drawing primarily on her professional expertise as a Certified Public Accountant, she provided questions and advice on proposals and matters under discussion. • 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.

Name	Main Activities
Shizue Ichikawa (Outside Corporate Auditor)	- Attendance and oral statements made at the Board of Directors meeting and the Audit & Supervisory Board meeting Since assuming office on June 19, 2025, Ms. Ichikawa attended all 11 of the 11 meetings of the Board of Directors and all 18 of the 18 meetings of the Audit & Supervisory Board held during the fiscal year under review. She provided questions and advice, as appropriate, on agenda items and matters under deliberation, primarily from a professional perspective as an attorney-at-law. - Business policies and decisions changed based on Ms. Ichikawa's opinion: Nothing to report. - Summary of actions taken by Ms. Ichikawa 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 Audit & Supervisory Board 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 Audit & Supervisory Board Members 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) Amount of compensation, etc. received from the Company's subsidiaries as an Officer 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 policy as stipulated in Article 430-3, paragraph 1 of the Companies Act with an insurance company. Under this policy, legal damages and litigation expenses, etc., that may be borne by the insured persons are covered, excluding claims arising from acts committed while the insured person was aware that such acts were in violation of laws or regulations.

The insured persons under this directors' and officers' liability insurance policy include the Company and the past, present, or future Directors, Corporate Auditors, Executive Officers, accounting advisors, and Executive Officers of the Company and its subsidiaries as defined under the Companies Act (including individuals deemed to hold positions equivalent thereto under applicable jurisdictions), as well as employees who perform managerial, supervisory, and command functions (including full-time, part-time, and seasonal employees). The Company bears the full amount of the insurance premiums for all insured persons.

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 | ¥100million |
|---|-------------|

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) Total amount of monetary and other financial benefits payable by the Company and/or its subsidiaries | ¥154 million |
|---|--------------|

With respect to the above, the Company's significant subsidiaries (including MISUMI (China) Precision Machinery Trading Co., Ltd., etc.) are audited by organizations belonging to the same network firm as the Company's accounting auditor.

(5) Description of Non-audit Services

The non-audit services consist of advisory services concerning the adoption of IFRS.

(6) Policy on the Dismissal or Non-Reappointment of the 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 Audit & Supervisory Board 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 Audit & Supervisory Board 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 Corporate Officers Meeting, 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."
 - In addition to shareholders and investors, we disclose timely and appropriate corporate information to the stakeholders of each company in our Group, such 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 Corporate Officers Meeting.
 - Important matters identified through progress reviews are discussed at the Board of Directors meetings or the Corporate Officers Meeting.
 - 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 Corporate Officers Meeting.
 - 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 Corporate Officers Meeting, and Directors and employees promptly report to the Corporate 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 functioning effectively.

The main initiatives concerning internal control system during the fiscal year under review were as follows:

- The Company has established internal regulations concerning information security, information systems, corporate secrets, and personal information management. The responsible departments implement appropriate measures based on these internal regulations.
- Comprehensive risk assessments covering business execution, information, finance, human resources and labor, legal matters, and other areas are conducted periodically at major departments and sites of the Company Group, and the results are reported to the Board of Directors. During the fiscal year under review, a risk assessment was conducted in January 2026, and the results were reported to the Board of Directors in March 2026.
- For significant risks, we clearly define the responsible departments and implement appropriate countermeasures. As one of the measures to address significant risks, the Company has formulated a Business Continuity Plan (BCP) in preparation for disasters and geopolitical risks.
- The Company's Board of Directors held 14 meetings during the fiscal year under review. The Board of Directors and the Corporate Officers Meeting make important decisions at the Group level, while appropriately fulfilling their roles in overseeing, monitoring, and guiding the execution of operations across each organization—including Business Hubs, Region Hubs, Platform Hubs, and Model Development Hubs—as well as subsidiaries.
- Compliance training and legal training are conducted at major sites of the Company Group, and through such training, awareness and understanding of the MISUMI Group Code of Conduct and compliance with laws and regulations are thoroughly promoted. Internal Whistleblowing System has been established and administered appropriately covering the entire MISUMI Group.
- In preparing its audit plan, the Internal Audit Office conducts annual risk assessments of domestic and overseas subsidiaries and reports the results to the Board of Directors. Based on this plan, it performs operational audits of these subsidiaries, monitors and assesses the effectiveness of the internal control system, and regularly reviews the progress of corrective actions for identified issues.
- The auditing environment for Corporate Auditors and Audit and Supervisory Board has been continuously enhanced through increased interview opportunities with Directors

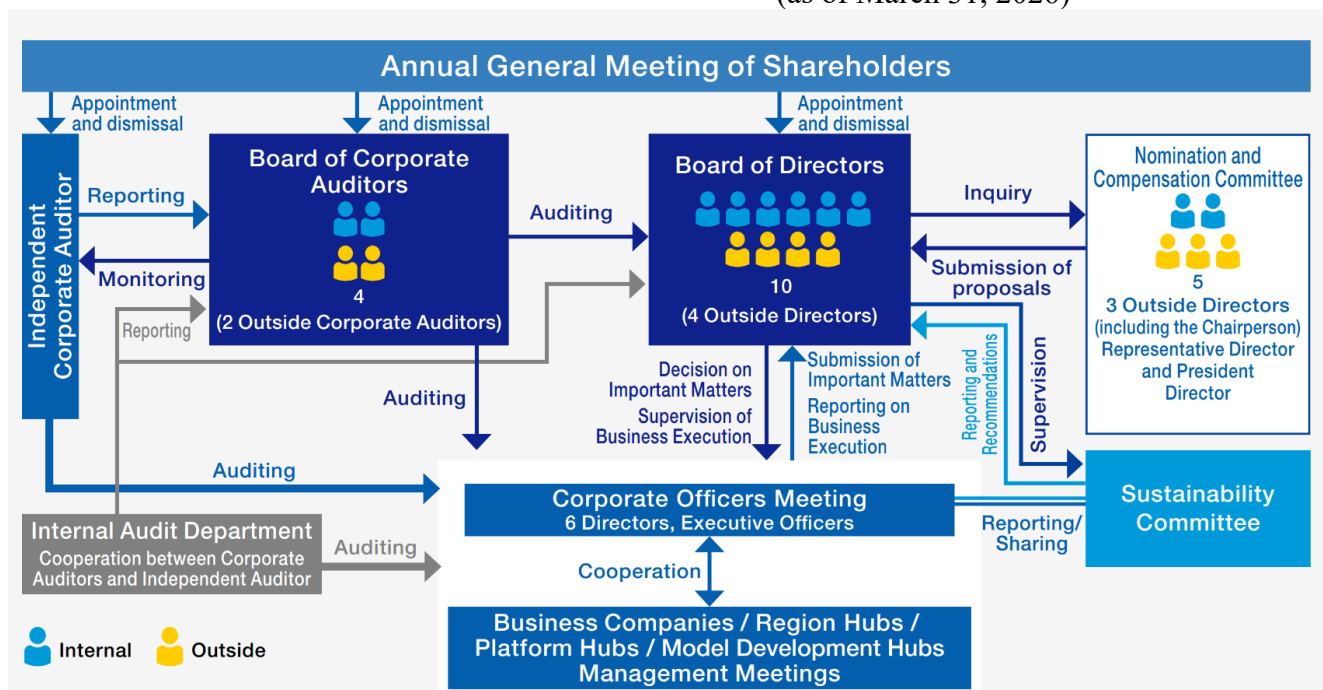
including Outside Directors, coordination with administration departments, strengthening of a full-time Corporate Auditors' structure and enhancement of the assistance of the Corporate Auditor.

(Reference)

Corporate Governance Structure

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

(as of March 31, 2026)



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

Nothing to report.

* 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, 2026)

(Million yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current assets	295,654	Current liabilities	65,180
Cash and deposits	112,941	Notes and accounts payable - trade	29,852
Notes and accounts receivable - trade	98,520	Lease obligations	2,466
Merchandise and finished goods	60,171	Accounts payable - other	8,653
Work in process	3,094	Income taxes payable	4,867
Raw materials and supplies	10,172	Provision for bonuses	6,333
Income tax receivable	2,164	Provision for directors' bonuses	226
Other	9,751	Other	12,779
Allowance for doubtful accounts	(1,161)	Long-term liabilities	17,279
		Lease obligations	6,300
		Deferred tax liabilities	1,708
		Liabilities for retirement benefits	7,362
		Provision for loss on business liquidation	68
		Other	1,839
Non-current assets	169,314	Total liabilities	82,460
Property, plant and equipment	56,638		
Buildings and structures	23,005	(Net assets)	
Machinery, equipment and vehicles	16,133	Shareholders' equity	309,738
Land	4,323	Common stock	14,727
Right-of-use assets	7,390	Capital surplus	24,721
Construction in progress	2,037	Retained earnings	322,681
Other	3,748	Treasury stock	(52,392)
Intangible assets	90,370	Accumulated other comprehensive income	70,094
Software	28,143	Valuation difference on available-for-sale securities	118
Goodwill	43,962	Foreign currency translation adjustments	69,647
Other	18,264	Defined retirement benefit plans	328
Investments and other assets	22,306	Stock acquisition rights	1,293
Investment securities	5,552	Non-controlling interests	1,383
Deferred tax assets	10,800		
Other	6,292	Total net assets	382,509
Allowance for doubtful accounts	(339)		
Total assets	464,969	Total liabilities and net assets	464,969

Consolidated Statement of Income
(From April 1, 2025, to March 31, 2026)

(Million yen)

Item	Amount	
Net Sales		441,383
Cost of sales		235,367
Gross profit		206,015
Selling, general and administrative expenses		158,402
Operating income		47,613
Non-operating income		
Interest income	1,857	
Share of profit of entities accounted for using equity method	36	
Miscellaneous income	724	2,618
Non-operating expenses		
Interest expenses	184	
Foreign exchange losses	568	
Loss on retirement of non-current assets	118	
Commission expenses	133	
Miscellaneous losses	130	1,135
Ordinary income		49,095
Extraordinary losses		
Impairment loss	597	597
Income before income taxes		48,498
Income taxes - current	12,603	
Income taxes - deferred	(4,730)	7,873
Net income		40,625
Net income attributable to non-controlling interests		167
Net income attributable to owners of parent		40,457

Consolidated Statements of Changes in Equity

(From April 1, 2025, to March 31, 2026)

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2025	14,483	24,585	293,546	(28,352)	304,263
Changes of items during the consolidated fiscal year					
Issuance of new shares	243	243	—	—	487
Dividends of surplus	—	—	(11,322)	—	(11,322)
Net income attributable to owners of parent	—	—	40,457	—	40,457
Purchase of treasury stock	—	—	—	(25,000)	(25,000)
Disposal of treasury stock	—	(107)	—	959	851
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the consolidated fiscal year	243	135	29,135	(24,040)	5,474
Balance as of March 31, 2026	14,727	24,721	322,681	(52,392)	309,738

(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, 2025	(51)	44,858	212	45,020	1,663	1,116	352,064
Changes of items during the consolidated fiscal year							
Issuance of new shares	—	—	—	—	—	—	487
Dividends of surplus	—	—	—	—	—	—	(11,322)
Net income attributable to owners of parent	—	—	—	—	—	—	40,457
Purchase of treasury stock	—	—	—	—	—	—	(25,000)
Disposal of treasury stock	—	—	—	—	—	—	851
Net changes of items other than shareholders' equity	169	24,789	115	25,073	(370)	266	24,970
Total changes of items during the consolidated fiscal year	169	24,789	115	25,073	(370)	266	30,444
Balance as of March 31, 2026	118	69,647	328	70,094	1,293	1,383	382,509

Non-consolidated Balance Sheet

(As of March 31, 2026)

(Million yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current assets	137,135	Current liabilities	88,673
Cash and deposits	24,990	Accounts payable - other	2,401
Accounts receivable - other	2,688	Deposits received from subsidiaries and affiliates	84,229
Deposits paid to subsidiaries and associates	67,109	Income taxes payable	526
Short-term loans to affiliated companies	40,769	Provision for bonuses	850
Other	1,576	Provision for directors' bonuses	226
		Other	438
		Long-term liabilities	1,125
		Provision for retirement benefits	1,105
		Other	20
		Total liabilities	89,799
Non-current assets	39,863	(Net assets)	
Investments and other assets	39,863	Shareholders' equity	85,788
Investment securities	5,546	Common stock	14,727
Shares of subsidiaries and associates	32,320	Capital surplus	21,621
Deferred tax assets	1,508	Legal capital surplus	21,425
Other	488	Other capital surplus	195
		Retained earnings	101,833
		Legal retained earnings	402
		Other retained earnings	101,430
		General reserve	27,400
		Retained earnings brought forward	74,030
		Treasury stock	(52,394)
		Valuation and translation adjustments	118
		Valuation difference on available-for-sale securities	118
		Stock acquisition rights	1,293
		Total net assets	87,199
Total assets	176,998	Total liabilities and net assets	176,998

Non-consolidated Statement of Income

(From April 1, 2025, to March 31, 2026)

(Million yen)

Item	Amount	
Operating revenue		58,271
Operating expenses		15,412
Operating income		42,859
Non-operating income		
Interest income	3,204	
Commission received	208	
Miscellaneous income	64	3,478
Non-operating expenses		
Interest expenses	2,378	
Miscellaneous losses	236	2,614
Ordinary income		43,723
Income before income taxes		43,723
Income taxes - current	683	
Income taxes - deferred	(158)	525
Net income		43,197

Non-consolidated Statements of Changes in Equity

(From April 1, 2025, to March 31, 2026)

(Million yen)

	Shareholders' equity							
	Common stock	Capital surplus			Legal retained earnings	Retained earnings		Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	
Balance as of April 1, 2025	14,483	21,182	303	21,485	402	27,400	42,155	69,957
Changes of items during the fiscal year								
Issuance of new shares	243	243	—	243	—	—	—	—
Dividends of surplus	—	—	—	—	—	—	(11,322)	(11,322)
Net income	—	—	—	—	—	—	43,197	43,197
Purchase of treasury stock	—	—	—	—	—	—	—	—
Disposal of treasury stock	—	—	(107)	(107)	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—	—
Total changes of items during the fiscal year	243	243	(107)	135	—	—	31,875	31,875
Balance as of March 31, 2026	14,727	21,425	195	21,621	402	27,400	74,030	101,833

(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, 2025	(28,354)	77,573	(51)	(51)	1,663	79,186
Changes of items during the fiscal year						
Issuance of new shares	—	487	—	—	—	487
Dividends of surplus	—	(11,322)	—	—	—	(11,322)
Net income	—	43,197	—	—	—	43,197
Purchase of treasury stock	(25,000)	(25,000)	—	—	—	(25,000)
Disposal of treasury stock	959	851	—	—	—	851
Net changes of items other than shareholders' equity	—	—	169	169	(370)	(201)
Total changes of items during the fiscal year	(24,040)	8,214	169	169	(370)	8,013
Balance as of March 31, 2026	(52,394)	85,788	118	118	1,293	87,199