



**Consolidated Financial Results  
for the Fiscal Year Ended March 31, 2016  
[Japanese GAAP]**

May 12, 2016

Company name: Nissha Printing Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7915  
 URL: <http://www.nissha.com/english>  
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 Scheduled date of Ordinary General Meeting of Shareholders: June 17, 2016  
 Scheduled date of commencing dividend payments: June 20, 2016  
 Scheduled date of filing annual securities report: June 17, 2016  
 Availability of supplementary briefing material on financial results: Available  
 Schedule of financial results briefing session: Scheduled (for institutional investors)

(Amounts of less than one million yen are rounded down)

**1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (April 1, 2015 to March 31, 2016)**

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2016	119,222	0.4	10,541	20.5	9,237	(26.1)	6,898	(38.7)
Fiscal year ended March 31, 2015	118,775	7.1	8,750	352.2	12,494	141.1	11,245	183.4

(Note) Comprehensive income: Fiscal year ended March 31, 2016: ¥5,071 million ((64.4%)  
 Fiscal year ended March 31, 2015: ¥14,244 million (98.6%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2016	160.75	158.46	10.1	6.8	8.8
Fiscal year ended March 31, 2015	262.05	—	19.1	11.3	7.4

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2016: ¥(187) million  
 Fiscal year ended March 31, 2015: ¥(1,006) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2016	156,107	70,096	44.9	1,633.47
As of March 31, 2015	115,430	66,313	57.4	1,545.30

(Reference) Equity: As of March 31, 2016: ¥70,096 million  
 As of March 31, 2015: ¥66,313 million

### (3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2016	14,815	(21,476)	19,633	41,688
Fiscal year ended March 31, 2015	21,590	(4,141)	(11,063)	29,484

### 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2015	—	5.00	—	15.00	20.00	858	7.6	1.5
Fiscal year ended March 31, 2016	—	15.00	—	15.00	30.00	1,287	18.7	1.9
Fiscal year ending March 31, 2017 (Forecast)	—	15.00	—	15.00	30.00		23.4	

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half (cumulative total)	56,000	8.5	500	(83.0)	400	(86.4)	100	(95.6)	2.33
Full year	129,000	8.2	7,000	(33.6)	6,800	(26.4)	5,500	(20.3)	128.17

**Notes:**

- (1) Changes in significant subsidiaries during the period under review: Yes  
(Changes in specified subsidiaries resulting in changes in scope of consolidation):  
New: 2 (AR Metallizing N.V., Málaga Productos Metalizados Ltda.)  
Exclusion: – ( )
- (2) Changes in accounting policies, changes in accounting estimates, and restatements  
1) Changes in accounting policies due to the revision of accounting standards: Yes  
2) Any changes other than 1) above: No  
3) Changes in accounting estimates: No  
4) Restatements: No
- (3) Total number of issued shares (common stock)  
1) Total number of issued shares at the end of the period (including treasury shares):
- |                      |                   |
|----------------------|-------------------|
| As of March 31, 2016 | 45,029,493 shares |
| As of March 31, 2015 | 45,029,493 shares |
- 2) Total number of treasury shares at the end of the period:
- |                      |                  |
|----------------------|------------------|
| As of March 31, 2016 | 2,117,034 shares |
| As of March 31, 2015 | 2,116,538 shares |
- 3) Average number of shares during the period:
- |                                  |                   |
|----------------------------------|-------------------|
| Fiscal year ended March 31, 2016 | 42,912,740 shares |
| Fiscal year ended March 31, 2015 | 42,913,472 shares |

**\* Indication of audit procedures implementation status**

This report on financial results is exempted from audit procedures under the Financial Instruments and Exchange Act. Audit procedures for financial statements under the Financial Instruments and Exchange Act have not been completed at the time of disclosure of this report.

**\* Explanation of the proper use of financial results forecast and other notes**

The performance forecasts and other forward-looking statements contained in this report are based on information available to the Company on the date of this report's release and certain premises that the Company deems to be reasonable. Therefore, the Company has not prepared these descriptions with intent to commit to realize them. Actual results, etc. may differ from the forecasts, however, as a consequence of various factors in the future. For details on the premises of the performance forecasts of the Company and the points to note when using the performance forecasts, please see "2. Management Policies (3) Issues to be Addressed" on page 6 of the appendix.

We are scheduled to hold a financial results briefing session for institutional investors on Thursday, May 12, 2016. Reference materials to be distributed at the briefing session are scheduled to be posted on our website on that day, as well.

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## **1. Analysis of Consolidated Operating Results and Financial Position**

### **(1) Analysis of consolidated operating results**

#### Overview of the term

Reflecting on the global economy in fiscal year 2016, the United States saw ongoing recovery thanks to increased consumer spending and improvement in capital expenditure, while Europe showed gradual recovery. In Asia, the economies of emerging countries such as China gradually slowed down despite partial signs of recovery. As for Japan, although the economy shows weak movement in the near-term, corporate profits are on an improving trend and the economy overall continued on a modest path to recovery.

Under these circumstances, we strove to build a lean production structure that can adapt to demand fluctuation and improve productivity in the mainstay Devices segment, which drove the profit on a company-wide basis. In the Industrial Materials segment, we strove to expand the sales of products for automotive components, which are expected to grow steadily and we promoted the realignment of our business portfolio through these efforts.

As a result, the net sales for the year ended March 31, 2016 were ¥119,222 million (an increase of 0.4% as compared to the previous year). For income, operating income was ¥10,541 million (an increase of 20.5% as compared to the previous year), ordinary income was ¥9,237 million (a decrease of 26.1% as compared to the previous year), and profit attributable to owners of parent was ¥6,898 million (a decrease of 38.7% as compared to the previous year).

Following is an overview by business segment.

#### Industrial Materials

In the Industrial Materials segment, the Nissha Group mainly offers proprietary technologies that enable customers to incorporate appealing and decorative designs on the surfaces of various materials. IMD, which facilitates simultaneous molding and printing of plastic products, is extensively adopted in automotive interior components, home appliances, and smartphones in global markets. In addition, we acquired AR Metallizing group, a top global manufacturer of metallized paper for high-end labels and packaging, and made it our subsidiary on August 6, 2015. This acquisition has enabled the Nissha Group to incorporate the production and sales of metallized paper into its business portfolio in domains related to printing and upstream domains and capture new global markets for beverages, food, and consumer products. Further, the AR Metallizing group acquired Málaga Productos Metalizados, a Brazil-based manufacturer of metallized paper, in December 2015, in a move toward geographical expansion. Through these initiatives, we have obtained a considerably growing market and local production structure in South America, in addition to Europe and North America.

During the year ended March 31, 2016, the scale of business for this segment expanded primarily due to steadily growing demand for our mainstay automotive interior components and the contributions of our metallized paper field. For income, segment income failed to attain the original estimate primarily due to the posting of expenses related to the acquisition.

As a result, segment sales for the year ended March 31, 2016 were ¥39,095 million, an increase of 32.7% as compared to the previous year. Segment loss (operating loss) was ¥593 million (segment loss (operating loss) of ¥235 million in the previous year).

## Devices

In the Devices segment, the Nissha Group produces devices that pursue precision and functionality, including its core products, the FineTouch touch input device. These devices are adopted mainly in tablet devices, smartphones, mobile game consoles, and automotive components in global markets.

During the year ended March 31, 2016, demand for the capacitive-type touch panels adopted for tablet devices remained lower than expected, but income significantly exceeded the original estimate mainly due to the establishment of a production structure that can adapt to demand fluctuation and the productivity improvement.

As a result, segment sales for the year ended March 31, 2016 were ¥61,912 million, a decrease of 11.9% as compared to the previous year. Segment income (operating income) was ¥14,677 million, an increase of 8.0% as compared to the previous year.

## Information and Communication

In the Information and Communication segment, the Nissha Group offers its customers a wide range of professional products and services such as publication printing, commercial printing, sales promotion, web solutions, and digital archiving, thereby assisting a host of marketing strategies and communication strategies relating to advertising and sales promotion.

During the year ended March 31, 2016, the commercial printing field, the key product field in this segment, was affected by a decrease in the volume of printed materials due to the diversification of information media. We made efforts, however, to curtail variable costs while accelerating cost structure reforms in the business on and after the company split-up on July 1, 2015.

As a result, segment sales for the year ended March 31, 2016 were ¥16,709 million, a decrease of 6.6% as compared to the previous year. Segment income (operating income) was ¥81 million (segment loss (operating loss) of ¥657 million in the previous year).

## **(2) Analysis of consolidated financial position**

### 1) Assets, liabilities and net assets

Total assets at the end of the fiscal year ended March 31, 2016 increased by ¥40,677 million from the end of the previous year (the fiscal year ended March 31, 2015) to ¥156,107 million.

Current assets increased by ¥23,976 million from the end of the previous year to ¥83,959 million. This was mainly attributable to ¥10,290 million increase of cash and deposits, ¥4,434 million increase of merchandise and finished goods, ¥3,031 million increase of notes and accounts receivable-trade and ¥2,033 increase of securities.

Non-current assets increased by ¥16,700 million from the end of the previous year to ¥72,148 million. This was mainly because goodwill increased by ¥8,560 million primarily due to new consolidation, property, plant, and equipment increased by ¥3,831 million, customer related assets increased by ¥2,889 million and technical assets increased by ¥2,563 million.

Total liabilities at the end of the fiscal year ended March 31, 2016 increased by ¥36,894 million from the end of the previous year to ¥86,011 million.

Current liabilities increased by ¥8,362 million from the end of the previous year to ¥48,669 million. This was mainly because notes and accounts payable-trade increased by ¥4,993 million and short-term loans payable increased by ¥2,371 million.

Non-current liabilities increased by ¥28,532 million from the end of the previous year to ¥37,342 million. This was mainly because bonds payable of ¥20,000 million was posted due to the new issuance of bonds, long-term loans payable increased by ¥3,487 million and lease obligations increased by ¥1,449 million.

Net assets at the end of the fiscal year ended March 31, 2016 increased by ¥3,782 million from the end of the previous year to ¥70,096 million.

## 2) Cash flows

The balance of cash and cash equivalents (the “funds”) on a consolidated basis at the end of the fiscal year ended March 31, 2016 was ¥41,688 million, an increase of ¥12,204 million compared to the end of the previous year.

The following describes the conditions of each cash flow and the underlying causes for the fiscal year ended March 31, 2016.

### (Net Cash Provided by (Used in) Operating Activities)

Funds provided by operating activities amounted to ¥14,815 million. This was mainly because ¥7,883 million of profit before income taxes, ¥7,847 million of depreciation, and a ¥2,578 million increase in notes and accounts payable-trade outweighed a ¥3,688 million increase in inventories.

### (Net Cash Provided by (Used in) Investing Activities)

Funds used in investing activities amounted to ¥21,476 million. This was mainly attributable to the purchase of investments in subsidiaries and others resulting in change in scope of consolidation of ¥15,672 million and the purchase of property, plant and equipment of ¥4,154 million.

### (Net Cash Provided by (Used in) Financing Activities)

Funds provided by financing activities amounted to ¥19,633 million. This was mainly attributable to proceeds from issuance of bonds of ¥19,986 million.

## **(3) Basic policy of profit distribution and dividends for the term and the next term**

The Company’s basic policy on profit distribution is to make continuous payments of stable dividends, and distribute profit after comprehensively considering our performance in the current fiscal year and expected performance in the future, payout ratio, and financial health.

The Company also adheres to a basic policy, for the time being, of making efficient use of its internal reserves mainly for M&A, capital expenditures, and research and development in growth areas, for the purpose of expanding the corporate value from a medium- to long-term perspective.

With regard to dividends for the term (fiscal year ended March 31, 2016), the Company is scheduled to pay a year-end dividend of ¥15 per share in order to reward shareholders for their ongoing support. The annual dividend per

share will therefore be ¥30 per share, inclusive of the interim dividend of ¥15 per share already distributed. With regard to dividends for the next term (fiscal year ending March 31, 2017), an annual dividend of ¥30 per share (interim dividend of ¥15 and year-end dividend of ¥15) is scheduled in light of the consolidated business results forecast, accumulation of internal reserves, and other factors. The dividend per share is set based on business circumstances at the present time and the business results forecast for the coming term.



## **2. Management Policies**

### **(1) Corporate management policy and (2) Medium- to long-term strategy and targeted management index**

Disclosure is omitted because there is no significant change from the details disclosed in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (disclosed on May 12, 2015).

The consolidated financial results are available at the following URL.

(The Company's website)

<http://www.nissha.com/english/ir/index.html>

(The Tokyo Stock Exchange website (on the search page for finding information on listed companies))

<http://www.jpx.co.jp/english/listing/co-search/index.html>

### **(3) Issues to be Addressed**

As Nissha group has evolved its printing technology, we have successfully expanded business operations by selectively focusing management resources on IMD, touch panels and other fields from the 1990s to 2000s. We are required, however, to optimize our portfolio in targeted markets because the mainstay Devices business segment largely relies on the consumer electronics industry, an industry subject to sharp demand fluctuations. The Industrial Materials and Information and Communication business segments were unable to fully recover their business results, and both business segments require to improve profitability by accelerating the reorganization of business structures.

Nissha Group started managing the Fifth Medium-term Business Plan from April 2015 in recognition of the aforesaid issues, covering a period of three years. The medium-term vision is established as: "We will acquire and merge new core technologies into printing technologies and completely reorganize our business portfolio in global growth markets." We started to promote our strategy for the "reorganization of our business portfolio" by rectifying our overreliance on consumer electronics markets and rebalancing our business and product portfolios. We aim at achieving the successful completion of the Fifth Medium-term Business Plan through the steady accumulation of specific initiatives.

The Nissha Group promotes sustainable CSR activities from a global perspective to establish synergistic relations with its stakeholders such as shareholders, customers, suppliers, society and employees, with a view to realizing "a mutually trustful Co-existence with society" as enunciated in its Corporate Mission. We also recognize corporate governance as an important management issue, promote swift and decisive decision-making by ensuring management transparency and fairness, and thereby enhance our long-term corporate value.

For the consolidated business results of the fiscal year ending March 31, 2017, we expect net sales of ¥129,000 million (an increase of 8.2% as compared to the previous year), operating income of ¥7,000 million, ordinary income of ¥6,800 million, and profit attributable to owners of parent of ¥5,500 million. These figures are based on an exchange rate of 1US\$ = ¥110 for the fiscal year ending March 31, 2017.

Consolidated nets sales forecast by segment (the full-year)

(Million yen)

Segment	Amount	Ratio (%)	YoY (%)
Industrial Materials	51,500	39.9	+31.7
Devices	57,200	44.3	(7.6)
Information and Communication	18,000	14.0	+7.7
Other	2,300	1.8	+52.8
Total	129,000	100.0	+8.2

### 3. Consolidated Financial Statements

#### (1) Consolidated balance sheets

(Million yen)

	As of March 31, 2015	As of March 31, 2016
<b>Assets</b>		
Current assets		
Cash and deposits	29,794	40,085
Notes and accounts receivable-trade	18,633	21,665
Securities	—	2,033
Merchandise and finished goods	3,592	8,027
Work in process	2,645	3,806
Raw materials and supplies	1,990	2,721
Deferred tax assets	1,439	2,234
Consumption taxes receivable	931	1,722
Other	1,374	1,878
Allowance for doubtful accounts	(418)	(216)
Total current assets	59,982	83,959
Non-current assets		
Property, plant and equipment		
Buildings and structures	44,280	45,482
Accumulated depreciation	(23,189)	(25,195)
Buildings and structures, net	21,090	20,287
Machinery, equipment and vehicles	38,049	49,633
Accumulated depreciation	(27,582)	(36,600)
Machinery, equipment and vehicles, net	10,467	13,032
Tools, furniture and fixtures	7,152	7,575
Accumulated depreciation	(5,805)	(6,037)
Tools, furniture and fixtures, net	1,346	1,537
Land	5,923	5,936
Leased assets	571	2,337
Accumulated depreciation	(309)	(709)
Leased assets, net	262	1,627
Construction in progress	263	762
Total property, plant and equipment	39,353	43,184
Intangible assets		
Software	1,740	1,256
Goodwill	2,263	10,824
Technical assets	—	2,563
Customer related assets	538	3,427
Other	276	255
Total intangible assets	4,819	18,327
Investments and other assets		
Investment securities	10,425	9,848
Deferred tax assets	329	288
Other	952	978
Allowance for doubtful accounts	(432)	(478)
Total investments and other assets	11,274	10,636
Total non-current assets	55,447	72,148
Total assets	115,430	156,107

(Million yen)

	As of March 31, 2015	As of March 31, 2016
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	19,764	24,758
Short-term loans payable	10,114	12,485
Current portion of long-term loans payable	—	563
Lease obligations	95	170
Accrued expenses	3,384	3,585
Income taxes payable	899	1,313
Provision for bonuses	1,426	1,730
Provision for directors' bonuses	43	60
Other	4,579	4,001
Total current liabilities	40,306	48,669
Non-current liabilities		
Bonds payable	—	20,000
Long-term loans payable	—	3,487
Lease obligations	183	1,633
Deferred tax liabilities	2,664	5,440
Net defined benefit liability	5,861	6,378
Other	100	402
Total non-current liabilities	8,810	37,342
Total liabilities	49,117	86,011
Net assets		
Shareholders' equity		
Capital stock	5,684	5,684
Capital surplus	7,355	7,355
Retained earnings	48,198	53,808
Treasury shares	(2,930)	(2,931)
Total shareholders' equity	58,308	63,917
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,382	4,977
Foreign currency translation adjustment	2,865	1,770
Remeasurements of defined benefit plans	(242)	(570)
Total accumulated other comprehensive income	8,004	6,178
Total net assets	66,313	70,096
Total liabilities and net assets	115,430	156,107

## (2) Consolidated statements of operations and comprehensive income

### Consolidated statements of operations

(Million yen)

	Fiscal Year ended March 31, 2015	Fiscal Year ended March 31, 2016
Net sales	118,775	119,222
Cost of sales	93,713	90,121
Gross profit	25,062	29,100
Selling, general and administrative expenses	16,311	18,558
Operating income	8,750	10,541
Non-operating income		
Interest income	107	72
Dividend income	96	135
Foreign exchange gains	4,546	—
Other	343	152
Total non-operating income	5,093	361
Non-operating expenses		
Interest expenses	102	219
Share of loss of entities accounted for using equity method	1,006	187
Foreign exchange losses	—	1,023
Compensation expenses	200	30
Other	40	204
Total non-operating expenses	1,349	1,665
Ordinary income	12,494	9,237
Extraordinary income		
Gain on sales of non-current assets	107	89
Gain on liquidation of subsidiaries and associates	177	—
State subsidy	275	181
Total extraordinary income	560	270
Extraordinary losses		
Loss on sales and retirement of non-current assets	464	157
Loss on reduction of non-current assets	86	—
Loss on valuation of investment securities	—	493
Impairment loss	1,394	334
Amortization of goodwill	—	638
Provision of allowance for doubtful accounts for subsidiaries and associates	348	—
Total extraordinary losses	2,294	1,624
Profit before income taxes	10,761	7,883
Income taxes-current	1,293	1,897
Income taxes-deferred	(1,776)	(912)
Total income taxes	(482)	985
Profit	11,244	6,898
Loss attributable to non-controlling interests	(1)	—
Profit attributable to owners of parent	11,245	6,898

Consolidated statements of comprehensive income

(Million yen)

	Fiscal Year ended March 31, 2015	Fiscal Year ended March 31, 2016
Profit	11,244	6,898
Other comprehensive income		
Valuation difference on available-for-sale securities	2,003	(404)
Foreign currency translation adjustment	1,134	(1,075)
Remeasurements of defined benefit plans, net of tax	(254)	(327)
Share of other comprehensive income of entities accounted for using equity method	116	(19)
Total other comprehensive income	3,000	(1,826)
Comprehensive income	14,244	5,071
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,245	5,071
Comprehensive income attributable to non-controlling interests	(1)	—

**(3) Consolidated statements of cash flows**

(Million yen)

	Fiscal Year ended March 31, 2015	Fiscal Year ended March 31, 2016
Cash flows from operating activities		
Profit before income taxes	10,761	7,883
Depreciation	9,687	7,847
Impairment loss	1,394	334
Amortization of goodwill	173	1,203
Increase (decrease) in provision for bonuses	445	205
Increase (decrease) in provision for directors' bonuses	43	17
Increase (decrease) in net defined benefit liability	99	91
Increase (decrease) in allowance for doubtful accounts	252	(212)
Interest and dividend income	(203)	(208)
Interest expenses	102	219
Foreign exchange losses (gains)	(1,911)	344
Share of (profit) loss of entities accounted for using equity method	1,006	187
Loss (gain) on valuation of investment securities	—	493
Loss (gain) on sales and retirement of non-current assets	357	68
Loss (gain) on liquidation of subsidiaries and associates	(177)	—
Decrease (increase) in notes and accounts receivable-trade	(1,605)	131
Decrease (increase) in inventories	350	(3,688)
Increase (decrease) in notes and accounts payable-trade	(1,571)	2,578
Other, net	2,915	(1,291)
Subtotal	22,120	16,205
Interest and dividend income received	185	200
Interest expenses paid	(101)	(243)
Income taxes paid	(644)	(1,351)
Income taxes refund	30	4
Net cash provided by (used in) operating activities	21,590	14,815

(Million yen)

	Fiscal Year ended March 31, 2015	Fiscal Year ended March 31, 2016
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	42	253
Payments into time deposits	(317)	(396)
Purchase of property, plant and equipment	(2,212)	(4,154)
Payments for retirement of property, plant and equipment	(74)	(51)
Proceeds from sales of property, plant and equipment	1,416	—
Payments from sales of property, plant and equipment	—	(254)
Purchase of intangible assets	(545)	(319)
Proceeds from sales of intangible assets	0	8
Purchase of securities	—	(35)
Purchase of investment securities	(84)	(892)
Proceeds from sales of investment securities	39	—
Purchase of shares of subsidiaries and associates	(25)	—
Purchase of investments in other securities of subsidiaries and affiliates	(20)	(32)
Payments for transfer of business	(344)	—
Payments of loans receivable	(272)	(3)
Collection of loans receivable	162	10
Purchase of investments in subsidiaries and others resulting in change in scope of consolidation	(2,039)	(15,672)
Other, net	135	63
Net cash provided by (used in) investing activities	(4,141)	(21,476)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(7,099)	1,435
Repayment of long-term loans payable	(1,576)	(286)
Proceeds from issuance of bonds	—	19,986
Redemption of bonds	(165)	—
Commission fee paid	—	(91)
Repayments of lease obligations	(1,792)	(124)
Purchases of treasury shares-net	(1)	(1)
Cash dividends paid	(429)	(1,284)
Net cash provided by (used in) financing activities	(11,063)	19,633
Effect of exchange rate change on cash and cash equivalents	2,826	(769)
Net increase (decrease) in cash and cash equivalents	9,212	12,204
Cash and cash equivalents at beginning of period	20,272	29,484
Cash and cash equivalents at end of period	29,484	41,688



#### (4) Segment information, etc.

[Segment information]

##### 1. Description of reportable segments

The Nissha Group's reportable segments are those for which separate financial information is available and regular evaluation by the board of directors is being performed in order to decide the allocation of management resources and to review business results.

The Nissha Group sets up divisions by product or service. Each division draws up a plan for comprehensive strategies in Japan and overseas for the products and services it handles, and thereupon develops its business activities.

Accordingly, the Nissha Group consists of segments by product and service based on divisions, and the reportable segments are the Industrial Materials segment, Devices segment, Information and Communication segment, and Other segment.

The Industrial Materials segment manufactures and sells decorative films, molds, molded plastic products, and metallized papers. The Devices segment manufactures and sells touch input devices. The Information and Communication segment plans, manufactures, and sells products and services for commercial printing and publication printing. The Other segment consists of gas sensor production and sales business, etc.

##### 2. Methods of measurement for the amounts of sales, profit (loss), assets and other items for each reportable segment

The accounting methods for the reportable segments are generally those set forth in the "Basis for the preparation of the consolidated financial statements" disclosed in the latest annual securities report (June 19, 2015). Inter-segment sales or transfers are based on current market prices.

##### 3. Information about sales, profit (loss), assets, and other items by reportable segment

The fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Million yen)

	Reportable segment					Reconciliations (Note 1)	Consolidated (Note 2)
	Industrial Materials	Devices	Information and Communication	Other	Total		
Sales							
Sales to external customers	29,460	70,266	17,890	1,158	118,775	—	118,775
Inter-segment sales or transfers	2	952	—	692	1,647	(1,647)	—
Total	29,462	71,219	17,890	1,850	120,422	(1,647)	118,775
Segment income (loss)	(235)	13,594	(657)	(284)	12,416	(3,666)	8,750
Segment assets	29,287	28,040	6,676	2,890	66,894	48,536	115,430
Other							
Depreciation	2,385	5,385	220	78	8,069	1,617	9,687
Amortization of goodwill	12	—	0	161	173	—	173
Increase in property, plant and equipment and intangible assets	1,147	692	102	56	1,998	1,209	3,207

(Notes) 1. Reconciliations are as follows:

- (1) The negative ¥3,666 million of reconciliations in segment income (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses not attributable to any reportable segment.
- (2) The positive ¥48,536 million of reconciliations in segment assets consists of the positive ¥48,902 million in total of cash and deposits, investment securities, corporate (R&D and administrative) non-current assets, etc., not allocated to reportable segments and the negative ¥366 million of inter-segment elimination of receivables and payables.
- (3) The positive ¥1,617 million of reconciliation in depreciation relates to corporate (R&D and administrative) non-current assets.
- (4) The positive ¥1,209 million of reconciliations in increase in property, plant and equipment and intangible assets is the amount of corporate (R&D and administrative) capital investment.
2. Segment income (loss) is reconciled with operating income recorded in the consolidated statements of operations.

The fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Million yen)

	Reportable segment					Reconciliations (Note 1)	Consolidated (Note 2)
	Industrial Materials	Devices	Information and Communication	Other	Total		
Sales							
Sales to external customers	39,095	61,912	16,709	1,504	119,222	—	119,222
Inter-segment sales or transfers	11	2,175	15	1,108	3,310	(3,310)	—
Total	39,106	64,088	16,725	2,612	122,533	(3,310)	119,222
Segment income (loss)	(593)	14,677	81	(785)	13,379	(2,837)	10,541
Segment assets	57,450	28,551	5,387	2,430	93,820	62,287	156,107
Other							
Depreciation	2,258	4,051	219	208	6,737	1,109	7,847
Amortization of goodwill	302	47	—	853	1,203	—	1,203
Increase in property, plant and equipment and intangible assets	2,068	1,323	117	222	3,731	1,153	4,885

(Notes) 1. Reconciliations are as follows:

- (1) The negative ¥2,837 million of reconciliations in segment income (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses not attributable to any reportable segment.
- (2) The positive ¥62,287 million of reconciliations in segment assets consists of the positive ¥62,520 million in total of cash and deposits, investment securities, corporate (R&D and administrative) non-current assets, etc., not allocated to reportable segments and the negative ¥233 million of inter-segment elimination of receivables and payables.
- (3) The positive ¥1,109 million of reconciliation in depreciation relates to corporate (R&D and administrative) non-current assets.
- (4) The positive ¥1,153 million of reconciliations in increase in property, plant and equipment and intangible assets is the amount of corporate (R&D and administrative) capital investment.
2. Segment income (loss) is reconciled with operating income recorded in the consolidated statements of operations.

[Related information]

The fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

1. Information by product and service

The information is omitted here because similar information is disclosed in Segment information.

2. Information by region

(1) Sales

(Million yen)

Japan	Ireland	Other	Total
28,889	63,801	26,084	118,775

(Note) Sales are based on the locations of the customers and categorized by country or region.

(2) Property, plant and equipment

The amount of property, plant and equipment located in Japan makes up over 90% of the amount of property, plant and equipment recorded on the consolidated balance sheet and is accordingly omitted here.

3. Information by major customer

(Million yen)

Name	Sales	Related segment
APPLE OPERATIONS	63,801	Devices

The fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

1. Information by product and service

The information is omitted here because similar information is disclosed in Segment information.

2. Information by region

(1) Sales

(Million yen)

Japan	Ireland	Other	Total
31,530	55,291	32,400	119,222

(Note) Sales are based on the locations of the customers and categorized by country or region.

(2) Property, plant and equipment

(Million yen)

Japan	United States	Other	Total
32,413	5,957	4,813	43,184

### 3. Information by major customer

(Million yen)

Name	Sales	Related segment
APPLE OPERATIONS	55,291	Devices

[Disclosure of impairment loss on non-current assets for each reportable segment]

The fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Million yen)

	Industrial Materials	Devices	Information and Communication	Other	Company-wide / elimination	Total
Impairment loss	954	430	9	—	0	1,394

The fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Million yen)

	Industrial Materials	Devices	Information and Communication	Other	Company-wide / elimination	Total
Impairment loss	334	—	—	—	—	334

[Amortization and unamortized balance of goodwill for each reportable segment]

The fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Million yen)

	Industrial Materials	Devices	Information and Communication	Other	Company-wide / elimination	Total
Amortized amount	12	—	0	161	—	173
Unamortized balance	707	—	—	1,556	—	2,263

The fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Million yen)

	Industrial Materials	Devices	Information and Communication	Other	Company-wide / elimination	Total
Amortized amount	302	47	—	853	—	1,203
Unamortized balance	10,073	47	—	702	—	10,824

(Note) The amortized amount of other segment consists of amortization of goodwill ¥638 million posted in extraordinary losses.

[Information about gain on bargain purchase for each reportable segment]

The fiscal year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

Not applicable.

The fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016)

Not applicable.