



Financial Results for FY2014 Ended March 31, 2014

May 12, 2014

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Nissha Printing Co., Ltd.

Notes: 1. In this presentation, "FY2014" refers to the year ended March 31, 2014.
2. The results and forecast presented on these materials are all consolidated basis except as otherwise noted.

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Highlights (Results)

FY2014 Results

- Devices Business Unit has led the financial performance. As a result, the OPM has turned positive, out-performing the forecasted profit.
- Devices: The net sales remained slightly shy of the forecast. The profit out-performed due to the improved efficiency.
 - Established the mass production capacity with Himeji and Kaga factories for the photolithography process.
 - Overcame the challenges of fluctuating demand through cost control measures.
- Industrial Materials: The 4th quarter demand decelerated while the yearly sales has surpassed the forecast.
 - Automotive demand is stable, especially for North American market.
 - Notebook PC is slow. The price competition is fierce.
- Resumed dividends payout: 5 yen per share for the year-end.

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Highlights (Forecast)

FY2015 Forecast

- The Devices Business Unit continues to lead the financial performance. Forecasted OPM is 5 billion JPY.
- Devices:
 - 2 factories (Himeji and Kaga) contribute to the performance throughout the year.
 - Market development of photolithography process is planned.
 - Traditional printing process is planned to decrease for both smartphones and portable gaming consoles.
- Industrial Materials:
 - Reforming market portfolio through expansions of automotive, home appliance and cosmetics markets.
 - Necessary to establish the value chains to address new markets and regions.
- Developing cutting edge printing technologies
 - Gain a foothold for 4th and 5th business units through M&A.
 - Acquire new core technologies and fuse them with existing ones.
 - Launch gas sensor business (FY2015 Q2)



FY2014 positive income, continued growth trend.

FY2014 results

(Millions of Yen)

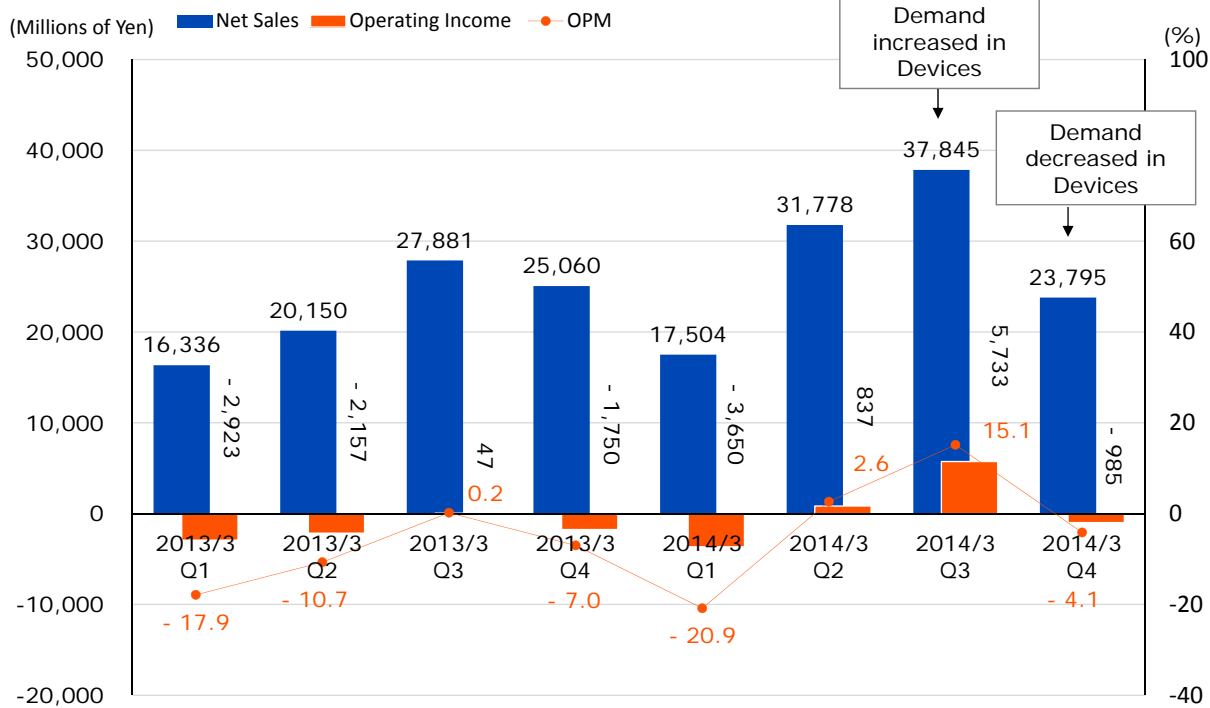
	FY2013 Results	FY2014 Forecast (Revised on Nov. 6)	FY2014 Results	YoY	Vs. forecast	
Net Sales	89,427	113,000	110,922	+24.0%	-1.8%	
Operating Income	-6,783	1,000	1,935	-	+93.5%	
OPM	-7.6%	0.9%	1.7%	+9.3pt	+0.8pt	
Ordinary Income	-4,643	2,500	5,182	-	+107.3%	
Net Income	-5,438	1,800	3,967	-	+120.4%	
Net Sales by Business Segment	Industrial Materials	27,689	26,000	26,409	-4.6%	+1.6%
	Devices	43,133	68,000	66,315	+53.7%	-2.5%
	Information and Communication and Others	18,604	19,000	18,196	-2.2%	-4.2%
Operating Income by Business Segment	Industrial Materials	-719	-	-1,122	-	-
	Devices	-469	-	7,440	-	-
	Information and Communication and Others	337	-	-737	-	-
	Reconciliations	-5,933	-	-3,644	-	-

*Based on a new standard, a part of expenses, formerly included in corporate expenses, allocated to each business segment from FY2014.

Quarterly Trend (Results)

Q3 shows the highest demand for photolithography process. Q4 is slower.

Trend Meets Technology



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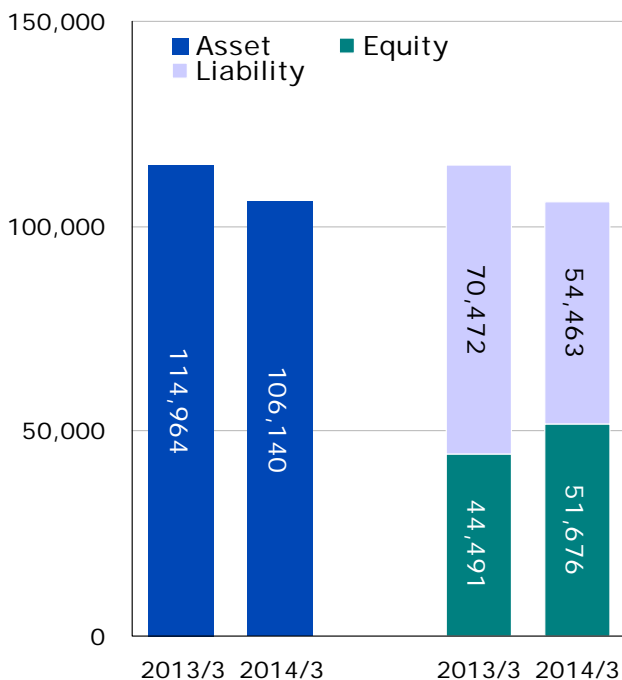
B/S: Fiscal condition improves

Trend Meets Technology



Asset, Liability and Equity YoY

(Millions of Yen)



Changes in Asset

Accounts receivable	-5,743
Cash and deposit	-3,702
Investment in securities	+2,386

Changes in Liability

Repayment of Short-term of borrowings	-4,000
Construction accounts	-3,577
Accounts payable	-3,886

Changes in Equity

Retained earnings	+3,967
Foreign currency translation adjustments	+2,310
Unrealized gain on available-for-sale securities	+896

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C/F: Complete capacity build plan through a series of investments.

Summary of C/F

(Millions of Yen)

	FY2013 Results	FY2014 Results	FY2014 Summary
Net cash provided by (used in) operating activities	13,864	14,413	<ul style="list-style-type: none"> ● Gain before tax +5,151 ● Depreciation +11,219 ● Working capital improvement, etc. +4,114
Net cash provided by (used in) investing activities	-7,206	-16,149	<ul style="list-style-type: none"> ● Purchases of PP&E -15,908
(Free cash flow)	6,658	-1,736	
Net cash provided by (used in) financing activities	-4,677	-4,634	<ul style="list-style-type: none"> ● Repayment of Short-term of borrowings -4,000
Net cash and cash equivalents	23,692	20,272	

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Establishment of lean structure

● Improve efficiency

	FY2012	FY2013	FY2014
Sales cost ratio	99.5%	93.4%	84.7%
Invested asset turnover	1.3	1.6	2.1
* Invested asset = fixed asset (tangible + intangible) + working capital			

● Improvement of fiscal condition

	FY2012	FY2013	FY2014
Equity ratio	46.5%	38.7%	48.7%
Cut interest-bearing debt	Short-term borrowings 25,094 Millions of Yen	Short-term borrowings 21,099 Millions of Yen	Short-term borrowings 17,095 Millions of Yen

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FY2015 Forecast

Devices business unit continues to drive the financial performance.

FY2015 Forecast

(Millions of Yen)

	FY2014 Results	FY2015 H1 Forecast	FY2015 H2 Forecast	FY2015 Forecast (¥100/\$)	YoY
Net Sales	110,922	56,000	64,000	120,000	+8.2%
Operating Income	1,935	700	4,300	5,000	+158.4%
OPM	1.7%	1.3%	6.7%	4.2%	+2.5pt
Ordinary Income	5,182	500	4,500	5,000	-3.5%
Net Income	3,967	450	4,050	4,500	+13.4%

Net Sales by Business Segment	FY2014 Results	FY2015 Forecast	YoY
Industrial Materials	26,409	27,000	+2.2%
Devices	66,315	73,000	+10.1%
Information and Communication		19,000	
Others (New business, etc.)	18,196	1,000	+9.9%

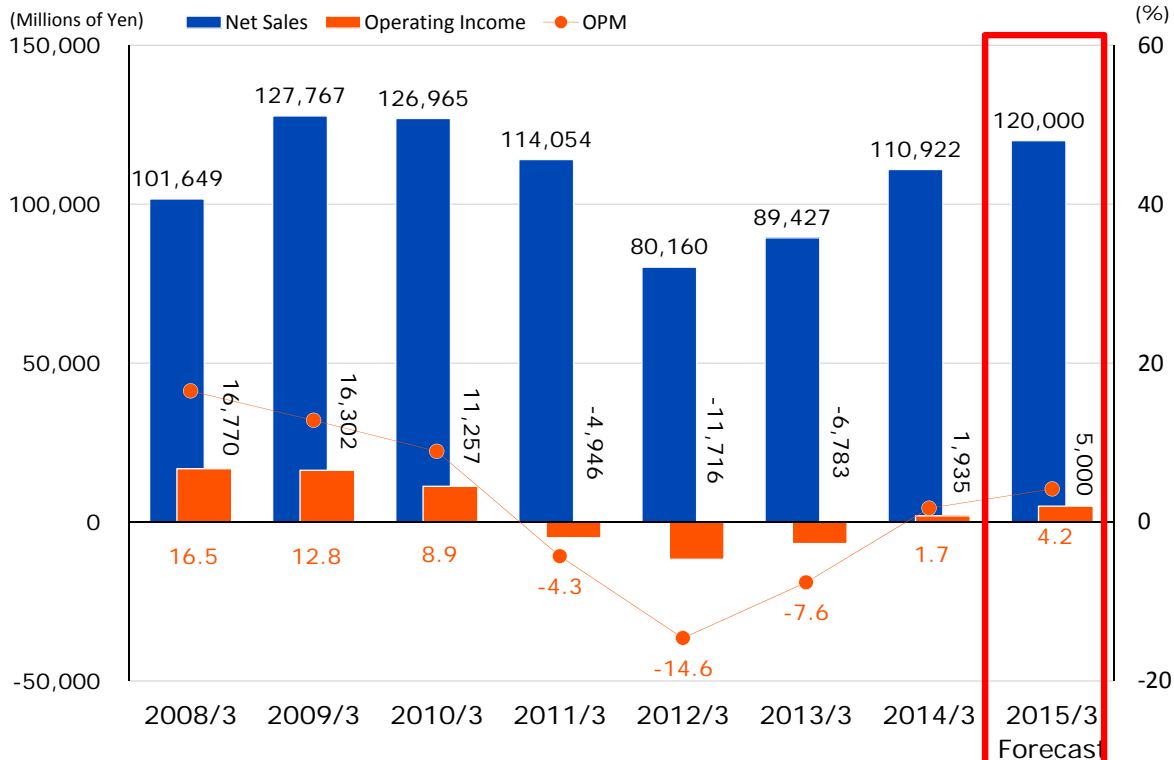
*Information and Communication contains Others before FY2014. Others make up another new segment from FY2015.

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Business performance forecast



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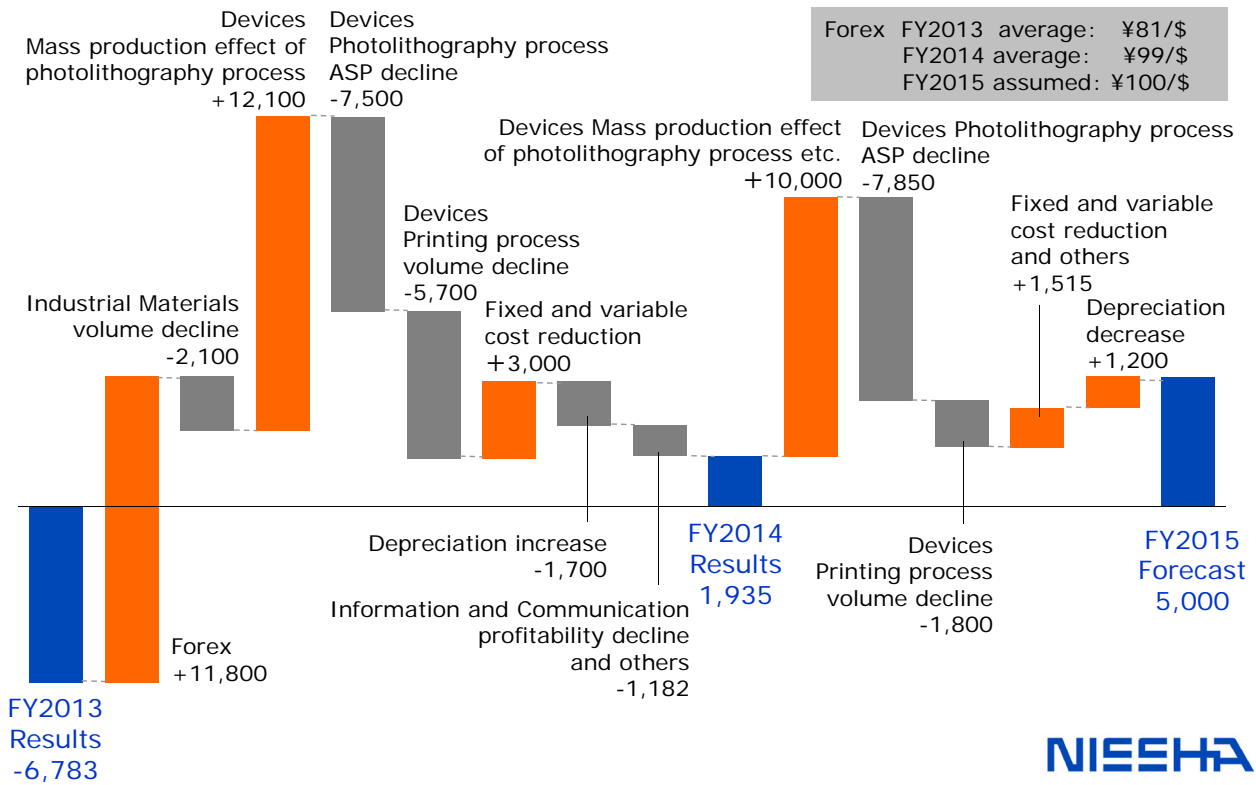
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Analysis of Operating Income

FY2013 → FY2014 → FY2015 (Forecast)

(Millions of Yen)

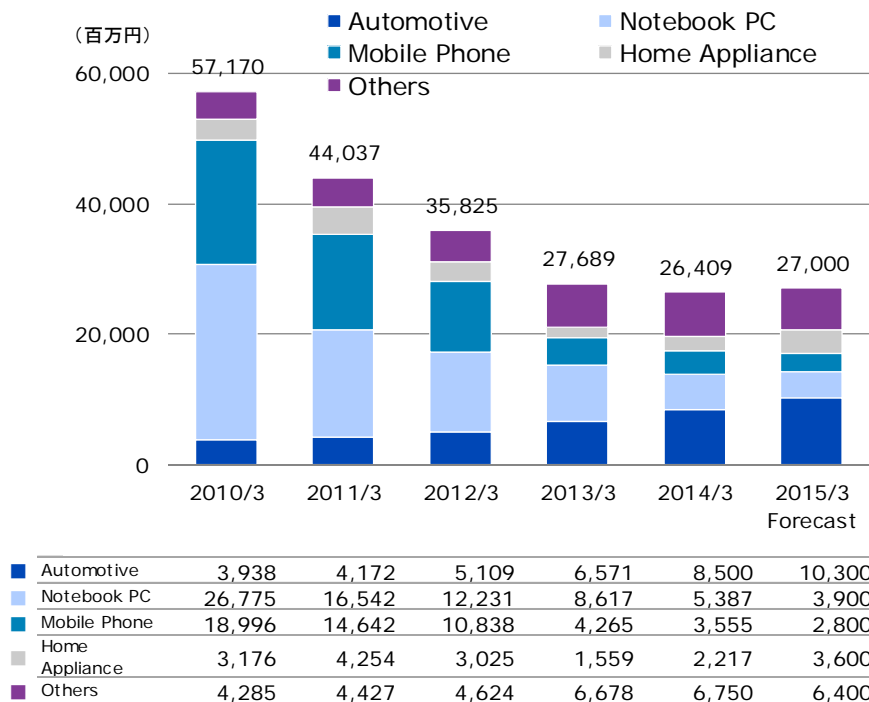


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Industrial Materials Develops automotive and home appliance markets.

Sales trend by application

(Millions of Yen)



FY2015 Forecast

- Auto and Home appliance increases.
- Notebook PC and mobile phone segment decrease.
- Strengthen sales activities in ASEAN.
- Printing facility in North America is running full steam. (Si-Cal)



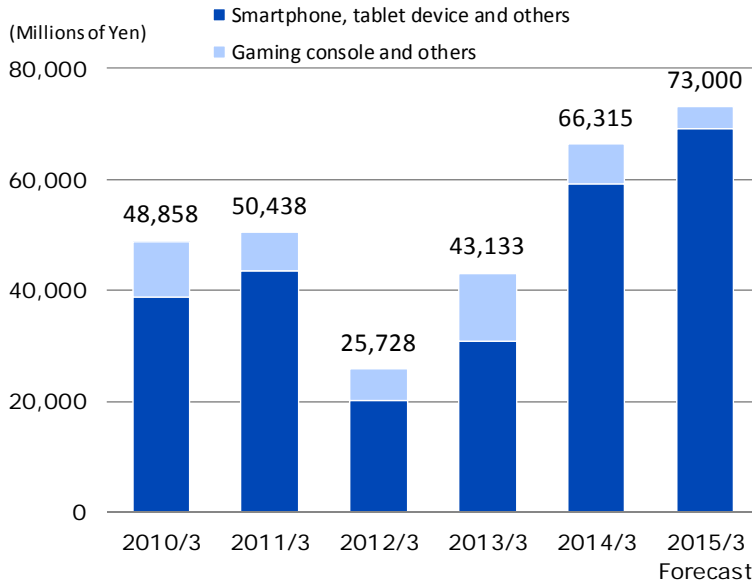
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Devices

Demand for Tablet devices continues to drive.

Sales trend by application

(Millions of Yen)



	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3 Forecast
Smartphone, tablet device and others	38,813	43,542	20,200	30,887	59,279	69,200
Gaming console and others	10,046	6,897	5,530	12,245	7,037	3,800

FY2015 Forecast

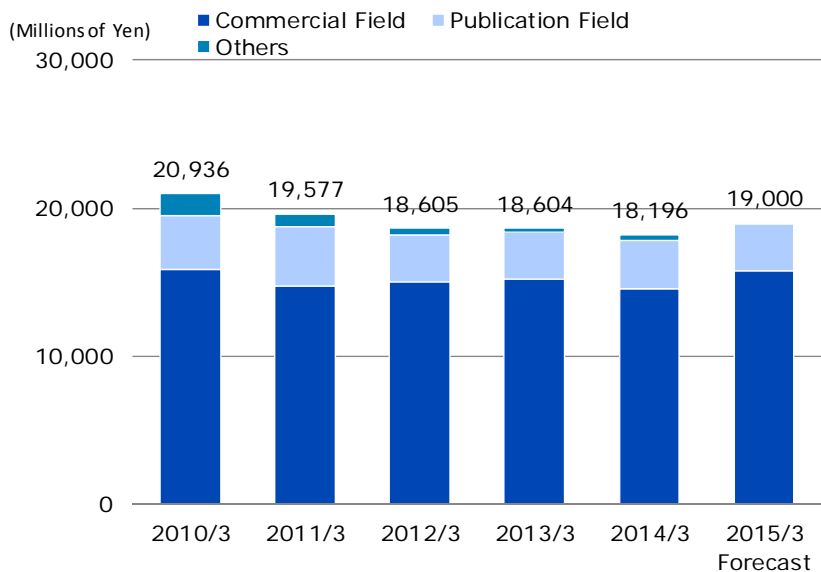
- The demand for photolithography process increases.
 - Expansion of customer base is expected.
 - Market launch for derivative technologies planned.
- Gaming console continues to shrink.

Information and Communication

Expected to grow Sales Promotion

Sales trend by application

(Millions of Yen)



	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3 Forecast
Commercial Field	15,817	14,763	14,999	15,193	14,576	15,740
Publication Field	3,641	4,022	3,196	3,223	3,206	3,200
Others	1,479	792	411	190	416	* 60

*Others contains such as real-estate and personnel-service business that are not included in Information and Communication business before FY2014. They are not contained in FY2015 forecast.

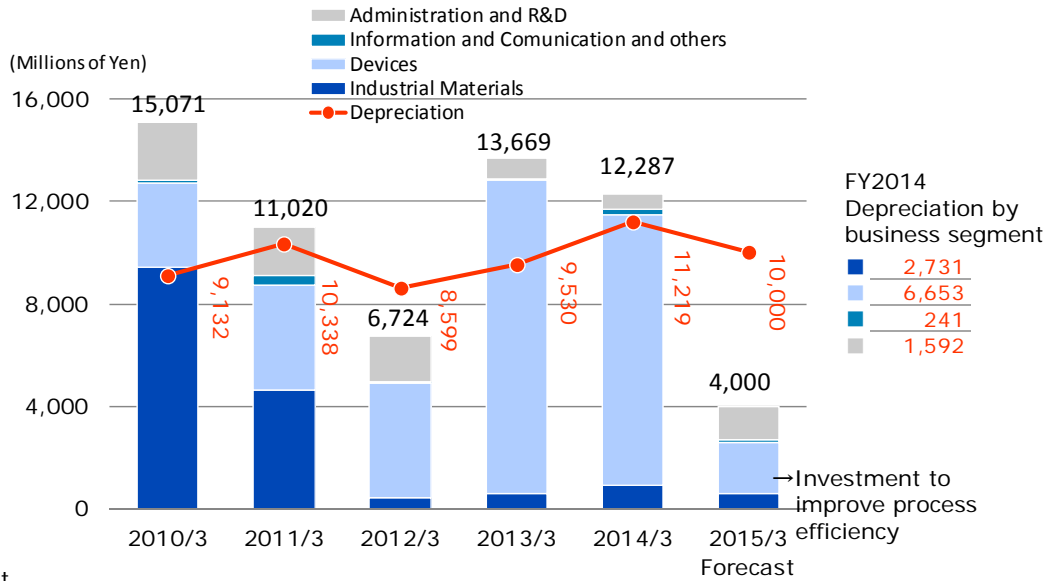
FY2015 Forecast

- Focusing on Sales Promotion products which is a part of Commercial Field.

CAPEX is planned to decline, thus depreciation is peaking out.



CAPEX and depreciation trend by business segment (Millions of Yen)



CAPEX by business segment

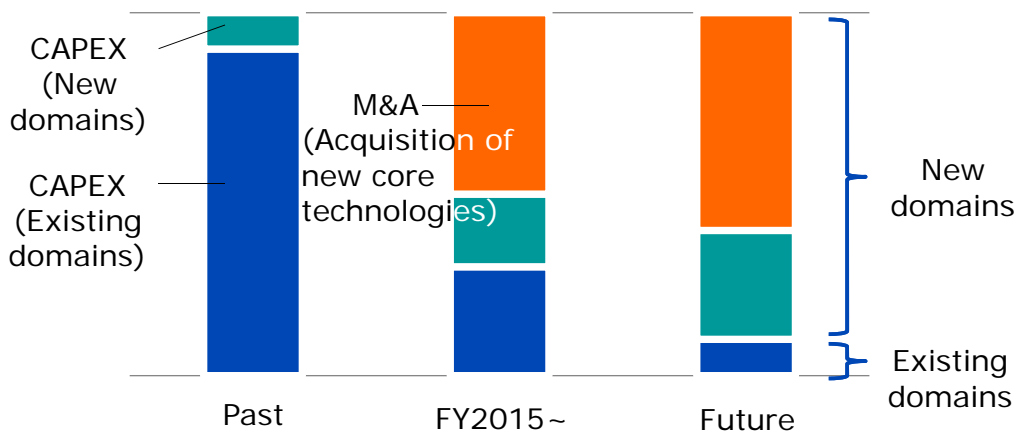
	2010/3	2011/3	2012/3	2013/3	2014/3	2015/3
Industrial Materials	9,454	4,652	422	617	895	600
Devices	3,278	4,100	4,470	12,225	10,581	2,000
Information and Communication and others	119	352	76	13	240	100
Administration and R&D	2,221	1,917	1,753	812	569	1,300

Aims to establish growth platform through acquiring core technologies.



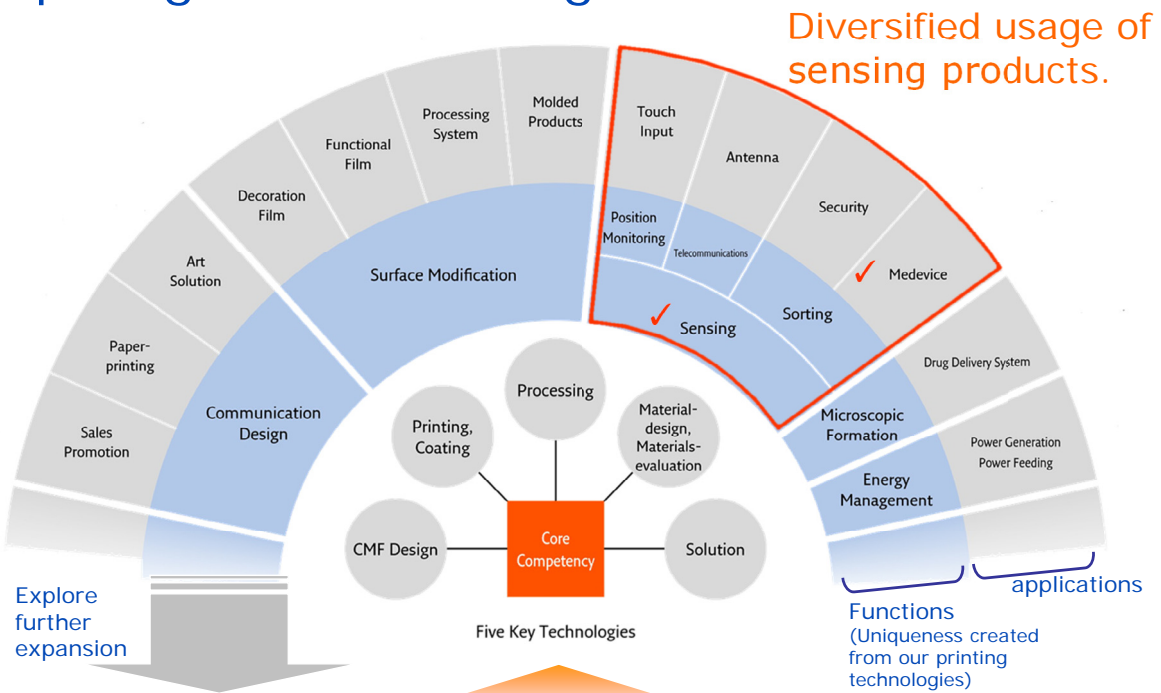
- CAPEX for existing business is complete.
- Investment in R&D and M&A activities.
 - R&D: Focus on existing core technologies
 - M&A: Acquire new core technologies to accelerate its business portfolio.

Breakdown of investment for growth (%)





Accelerate diversified applications through acquiring core technologies.



Accelerate acquisition of core technologies



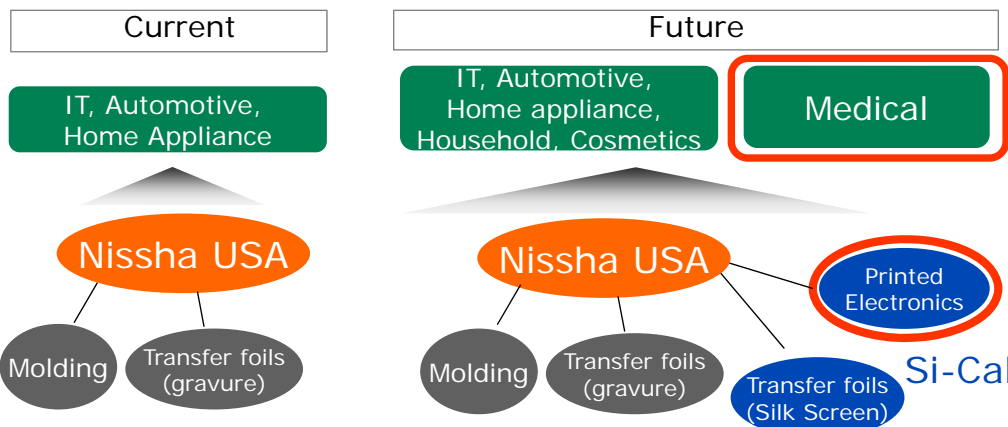
Develops medical markets with Printed Electronics (Si-Cal Technologies, USA)

- Acquisition of Si-Cal. by Nissha USA on Feb. 1, 2014
- Expansion of addressable markets and products.

Si-Cal Technologies, Inc.



Establishment: Feb. 2014
 Capital: 30,000USD (Nissha USA 67%)
 Main products:
 Transfer foils (Household, Cosmetics, Automotive, Electronics, Medical)
 Functional printing (Medical, Health-care, Automotive)



Improves fiscal condition and accelerates growth strategies

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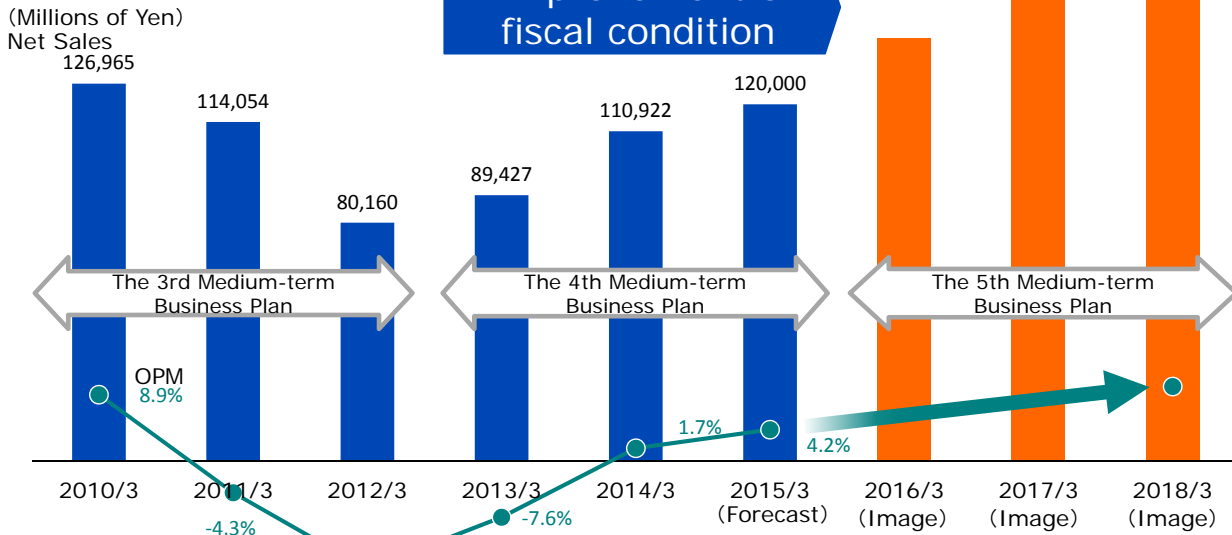


Stage for future growth

- Sales cost ratio
- Invested asset turnover
- Equity ratio
- Interest-bearing debt

- Acquire core technologies
- Launch 4th and 5th business segments targeting Automotive and Medical areas

Improvement of fiscal condition



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Thank you.

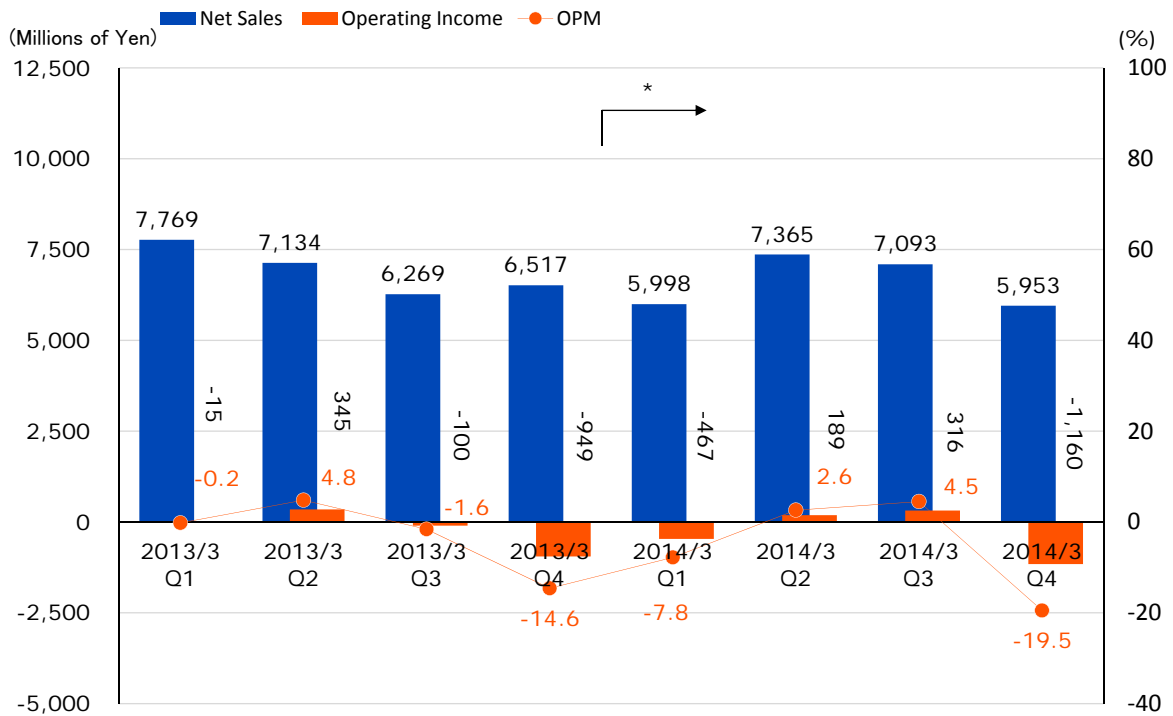


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Reference: Industrial Materials Quarterly Trend (Results)

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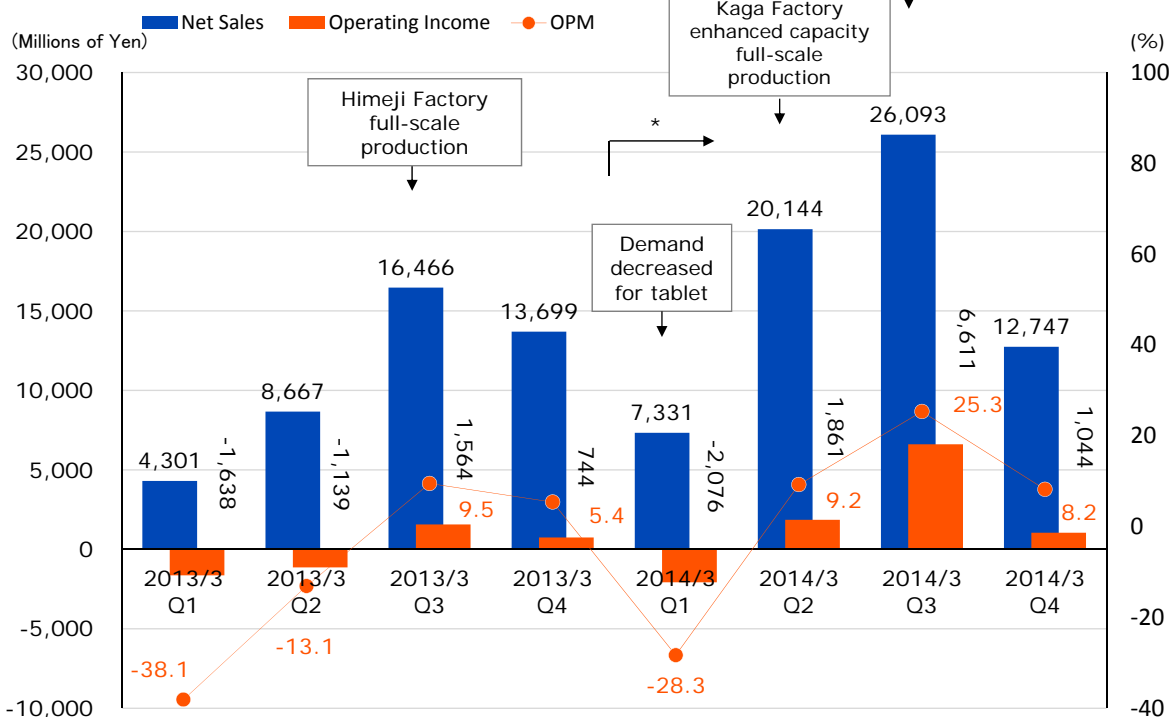


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Reference: Devices Quarterly Trend (Results)

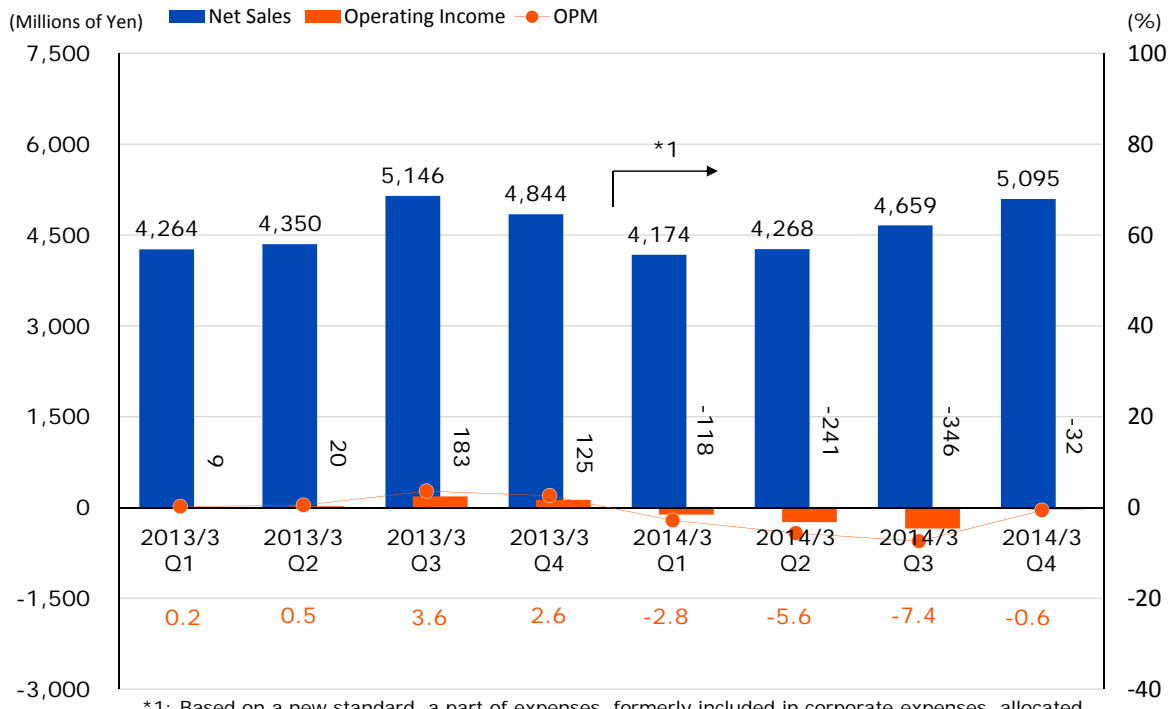
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*Based on a new standard, a part of expenses, formerly included in corporate expenses, allocated to each business segment from FY2014.

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Reference: Information and Communication and Others Quarterly Trend (Results)

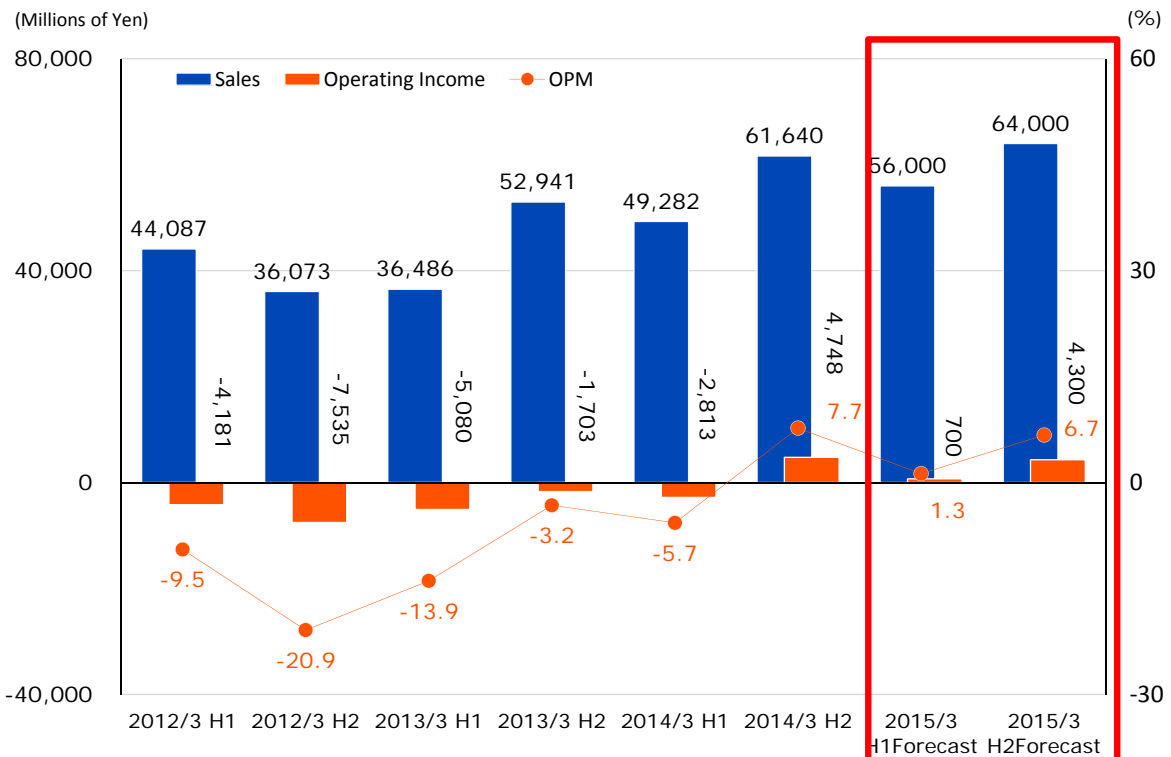


*1: Based on a new standard, a part of expenses, formerly included in corporate expenses, allocated to each business segment from FY2014.

*2: Others contains such as real-estate and personnel-service business that are not included in Information and Communication business.

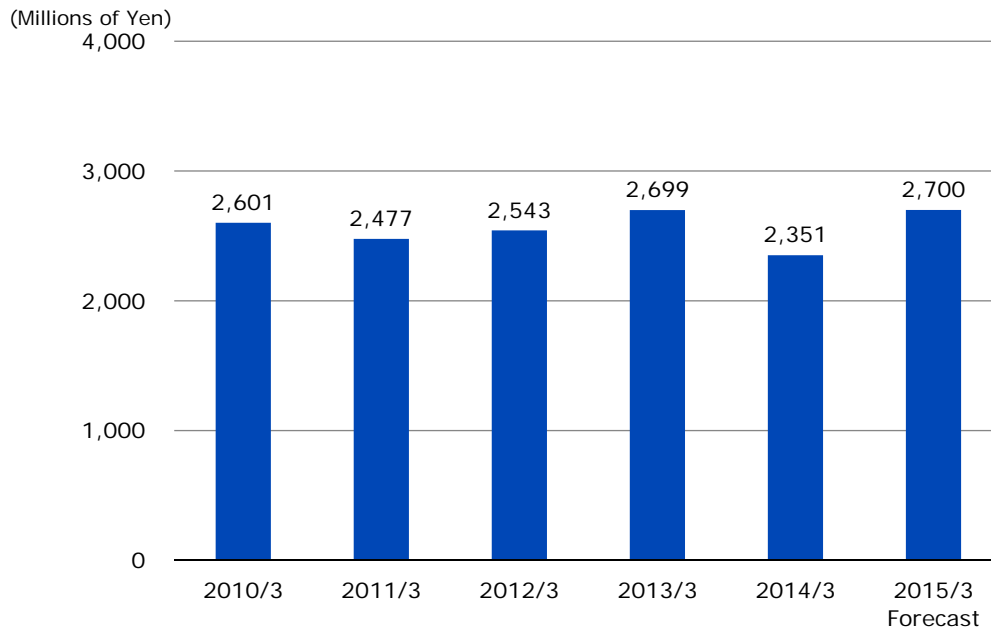


Reference: Business Performance Forecast (Half Year)





Reference: R&D Expenses

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