

Nissha Printing Co., Ltd.
 Financial Results for FY2017 Q3 Ended December 31, 2016, Presentation
 Q&A Overview
 (February 9, 2017)

Q1. What are the FY2017 Q3 (three months) results for capital expenditure, depreciation and R&D expenses?

A1. Please refer to the table below.

	FY2017 Q3 (Oct.-Dec.) Results
Capital expenditure	Approx. 3.0 billion yen
Depreciation	Approx. 2.0 billion yen
R&D expenses	Approx. 0.6 billion yen

Q2. What is Nissha’s sensitivity to foreign exchange rates?

A2. In FY2017 Q4 (three months), we expect a fluctuation of 1 yen to the US dollar to translate into an impact of about 0.1 billion yen.

Q3. What is the breakdown of trends by application for Industrial Materials?

A3. Mobile phone applications decline compared to previous forecast on the one hand, and notebook applications increase on the other, both in results of Q3 and forecast in Q4. However, these are demand fluctuation for short-term and we expect no significant change in the medium-term trend that automotive application and metallized paper leads Industrials Materials as the stable growing fields.

Q4. I recognize that increase of development costs in Devices have the biggest impact on downward revision of business forecast of FY2017. What types of costs are these?

A4. For new business opportunities forecast to expand for our mainstay Devices business, we have started product development and preparation for operating the factory to take these opportunities. Because these opportunities are expected to contribute to financial performance from the next fiscal year of later, they are preceded by the costs in FY2017.