



Financial Results for FY2015 Q1 Ended June 30, 2014

August 6, 2014

Junya Suzuki
President and CEO
Nissha Printing Co., Ltd.

Notes: 1. In this presentation, "FY2015"/"2015/3" refers to the year ended March 31, 2015.
2. The results and forecast presented on these materials are all consolidated basis except as otherwise noted.

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Highlights



FY2015 Q1 Results

- Q1 shows sluggish demand due to seasonal fluctuation.
- Net sales has out-performed with operating loss reduced drastically.
- Devices (Photolithography process): Demand surpassed the forecast and solidified positive operating income.
 - Cost management and improved production efficiency has contributed.
- Devices (Printing process): Stagnant demand mainly due to the weak performance of gaming devices
- Industrial Materials: Product mix changed (Mobile phone was slow)

Forecast

- Q2 and Q3 expects increase in demand.
- Devices (Photolithography process): Q2 expects weaker demand but H1 total demand remains as planned.
- Devices (Printing process): Smart phone continues to be slow.
- Industrial Materials: Demand is firm with automotive and home appliances as key drivers.

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FY2015 Q1 Operating loss reduced while net sales decreased compared with Q4.

FY2015 Q1 Results

(Millions of Yen)

	FY2014 Q1 Results	FY2014 Q4 Results	FY2015 Q1 Results	YoY	QoQ	
Net Sales	17,504	23,795	22,150	+26.5%	-6.9%	
Operating Income	-3,650	-985	-751	-	-	
OPM	-20.9%	-4.1%	-3.4%	+17.5pt	+0.7pt	
Ordinary Income	-2,367	-1,214	-856	-	-	
Net Income	-2,704	-1,540	-965	-	-	
Net Sales by Business Segment	Industrial Materials	5,998	5,953	5,721	-4.6%	-3.9%
	Devices	7,331	12,747	12,448	+69.8%	-2.3%
	Information and Communication	4,174	5,095	3,950	-4.7%	-21.9%
	Others			29		
Operating Income by Business Segment	Industrial Materials	-467	-1,160	-548	-	-
	Devices	-2,076	1,044	879	-	-15.8%
	Information and Communication	-118	-32	-192	-	-
	Others			-13		
	Reconciliations	-988	-836	-875	-	-

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

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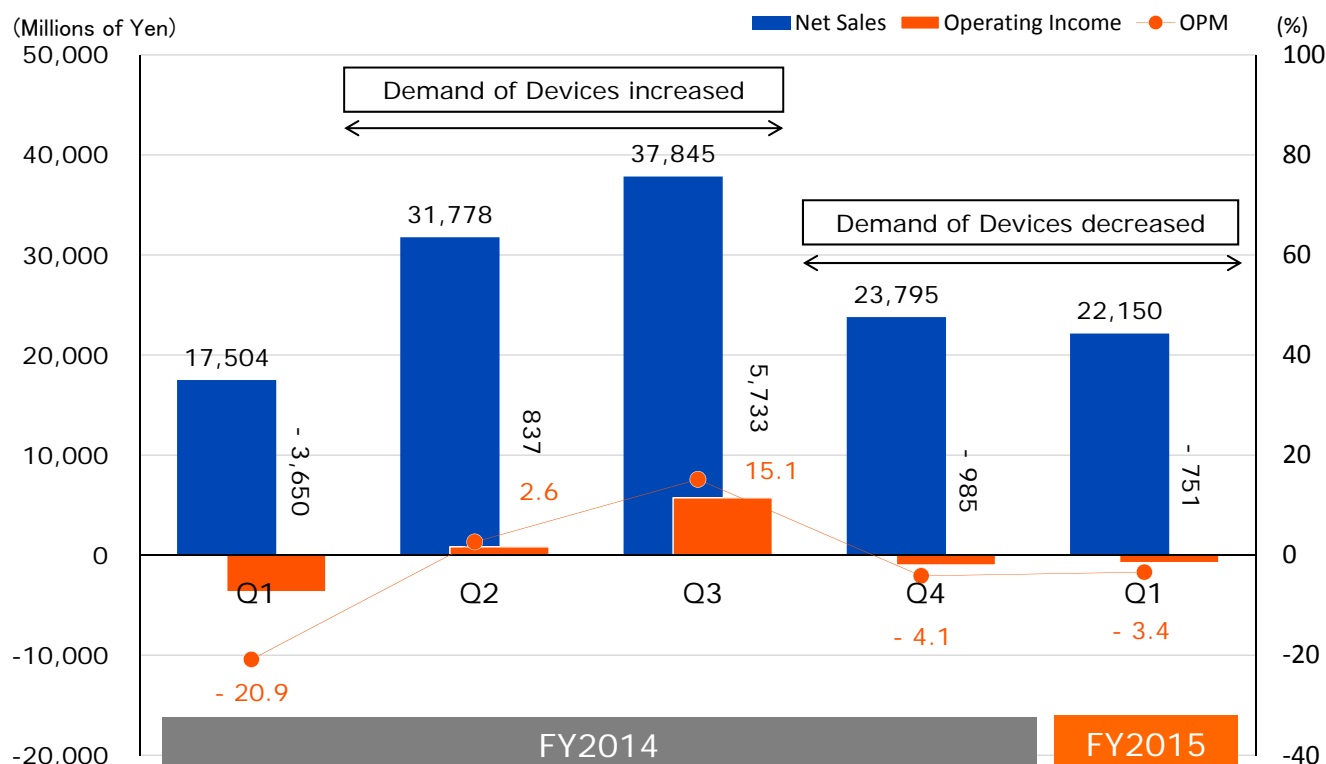
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Company Quarterly Trend (Results)

Trending similarly as FY2014 Q4 in Q1.

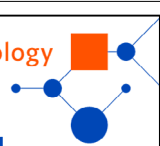
Expected to be trending similarly as FY2014 from Q2.



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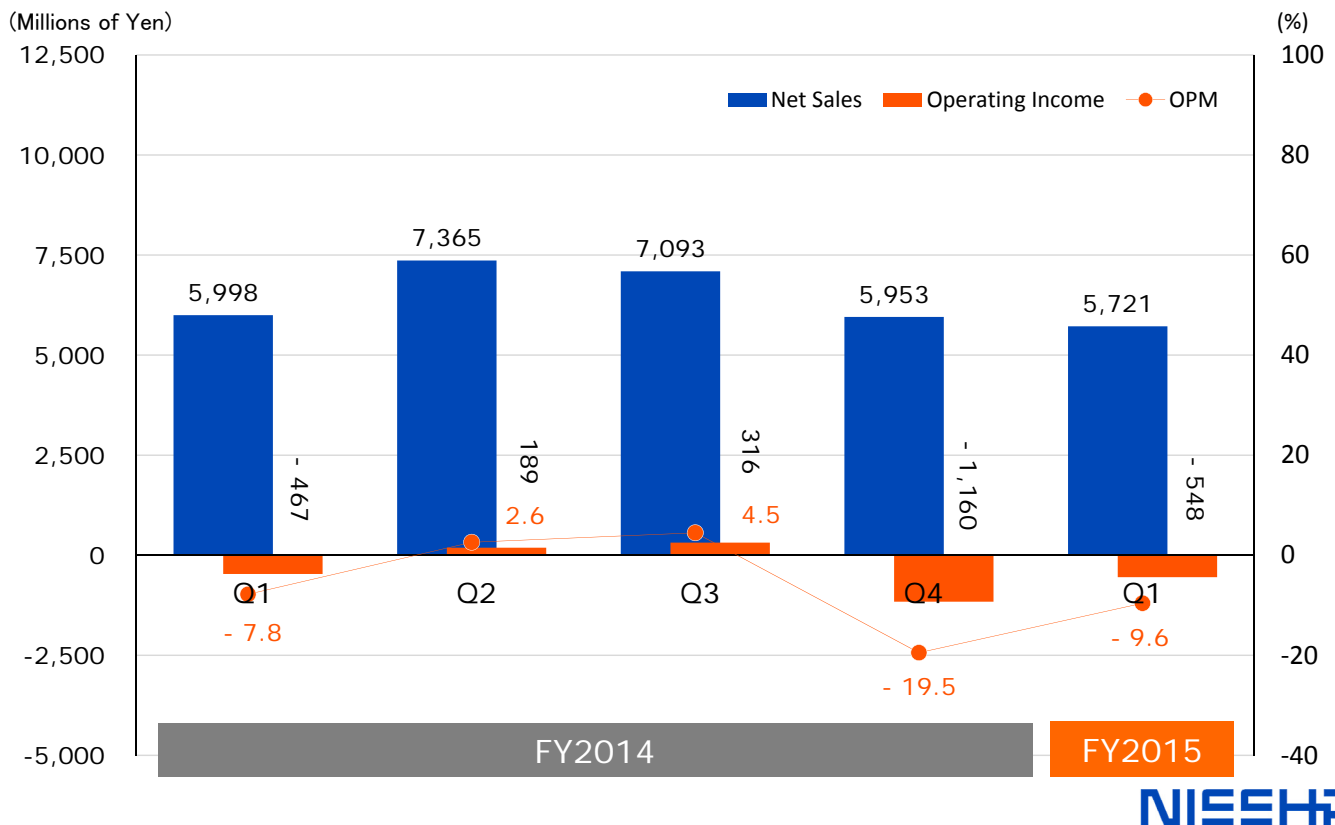
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Industrial Materials Quarterly Trend (Results)

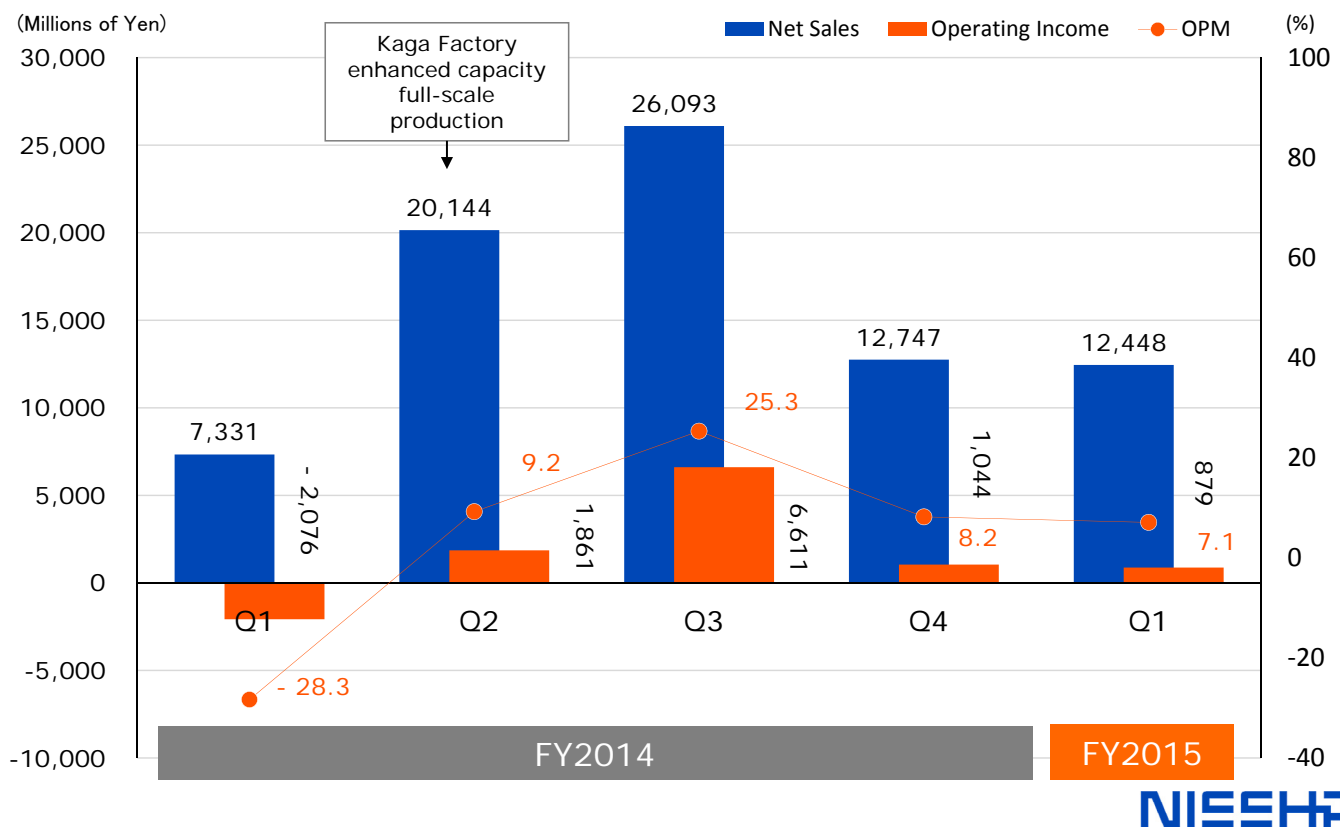
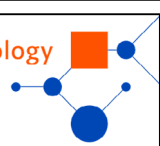
Temporary quality cost (incurred in Q4) improved in Q1.
Expected to be trending similarly as FY2014 from Q2.



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Devices Quarterly Trend (Results)

Secures operating profit in Q1 alone.
Demand exceeds FY2014 in Q2 and Q3.



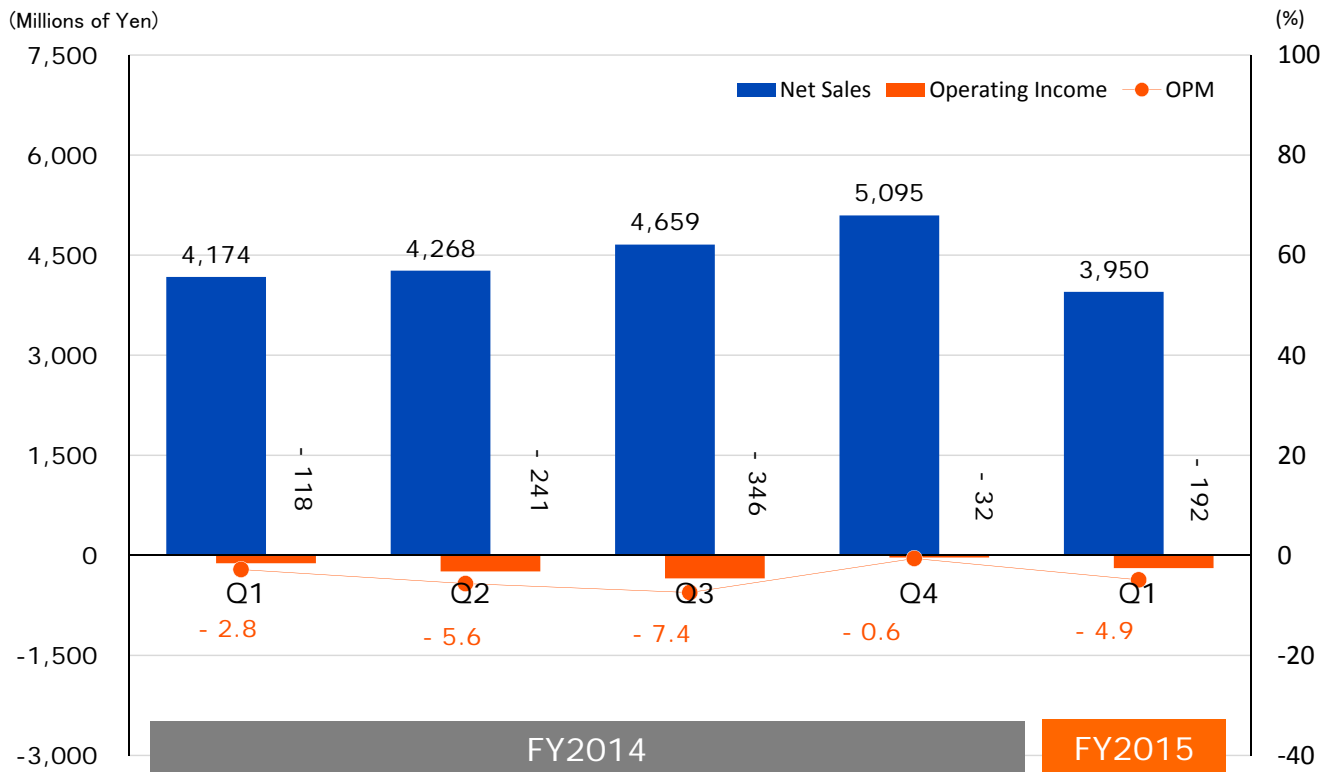
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Information and Communication Quarterly Trend (Results)

Trend Meets Technology



Expected to be trending similarly as FY2014 from Q2.



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



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Analysis of Operating Income (QoQ)

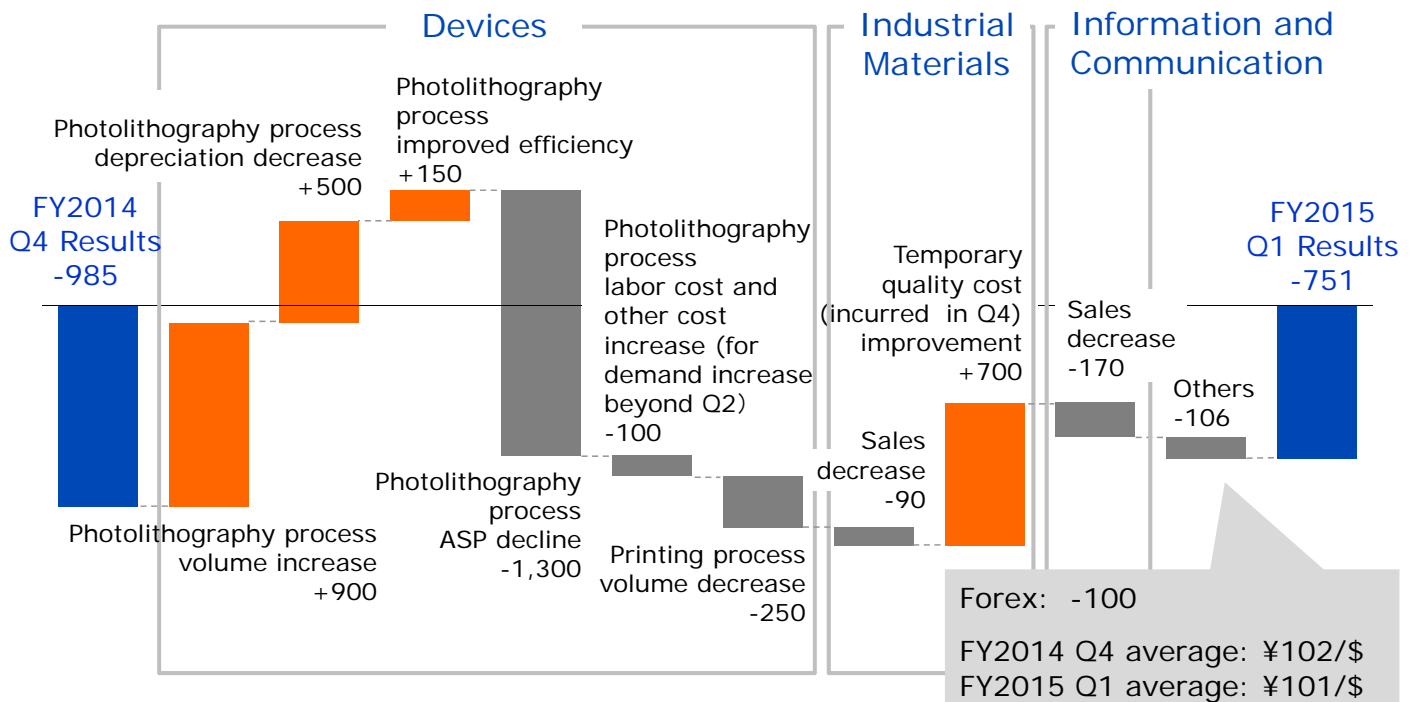
Trend Meets Technology



Devices: Volume and yield improvement etc. compensate the ASP decline.

FY2014 Q4 ⇒ FY2015 Q1

(Millions of Yen)



FY2014 Q4 average: ¥102/\$
FY2015 Q1 average: ¥101/\$



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No revision to FY2015 forecast

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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Thank you.

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Contact to:
Investor Relations
Corporate strategy Planning
Nissha Printing Co., Ltd.
T +81 75 823 5144

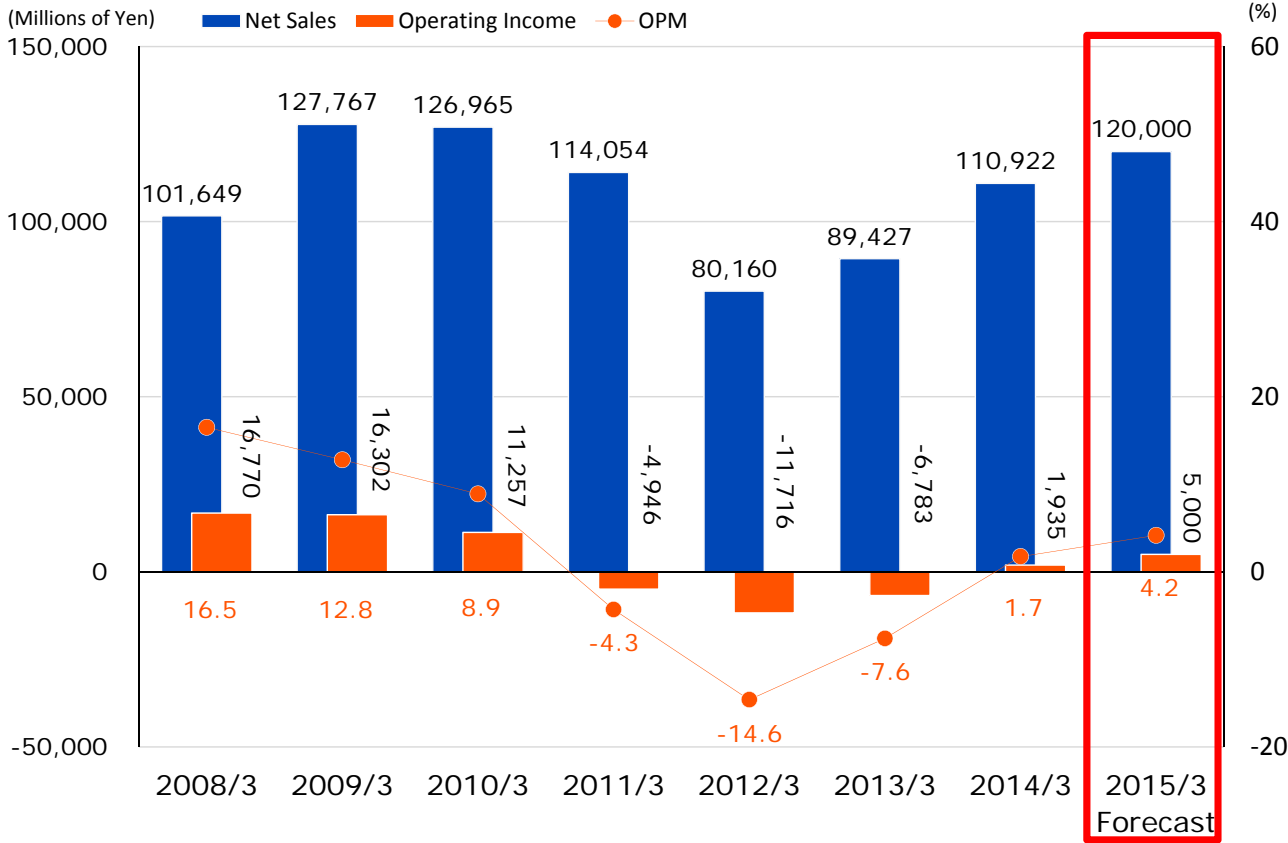
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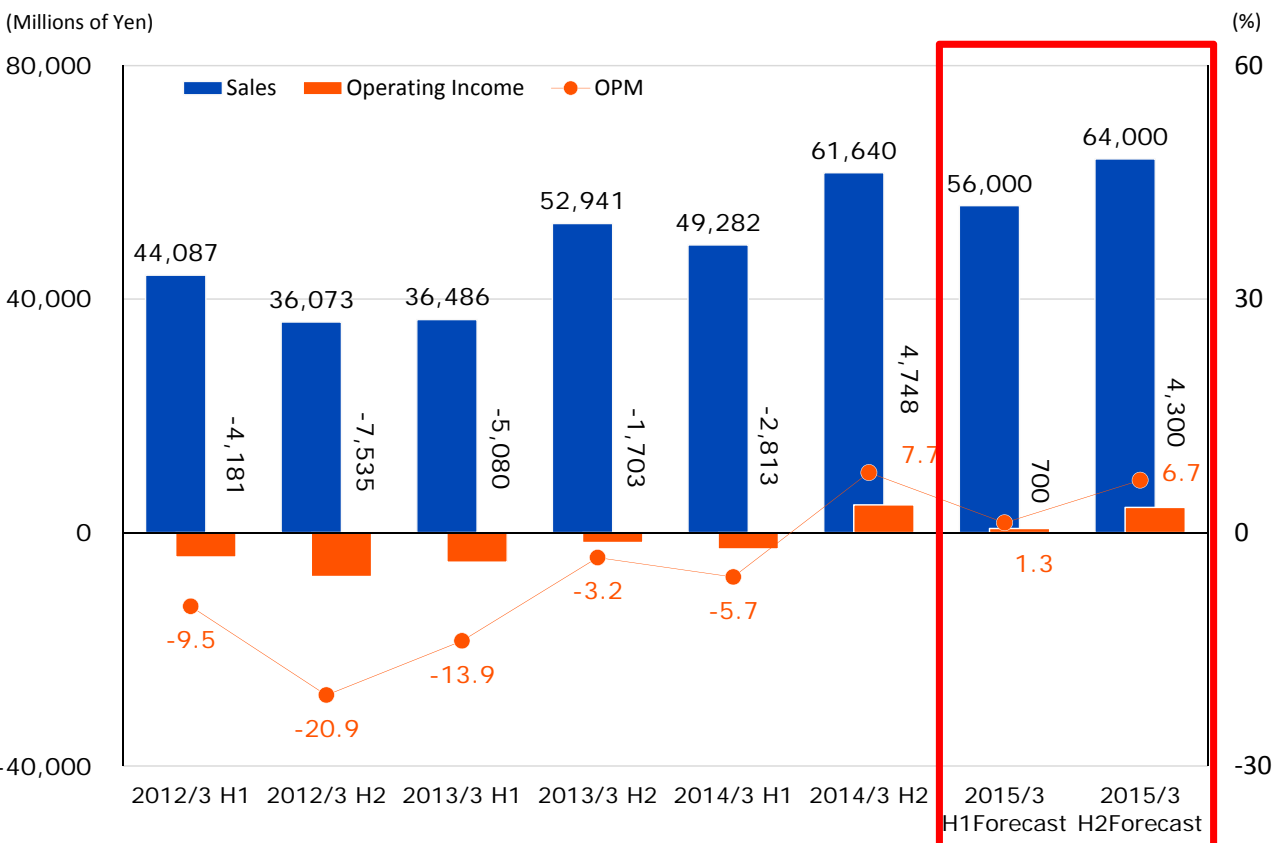
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Reference: Business performance forecast(Full Year)



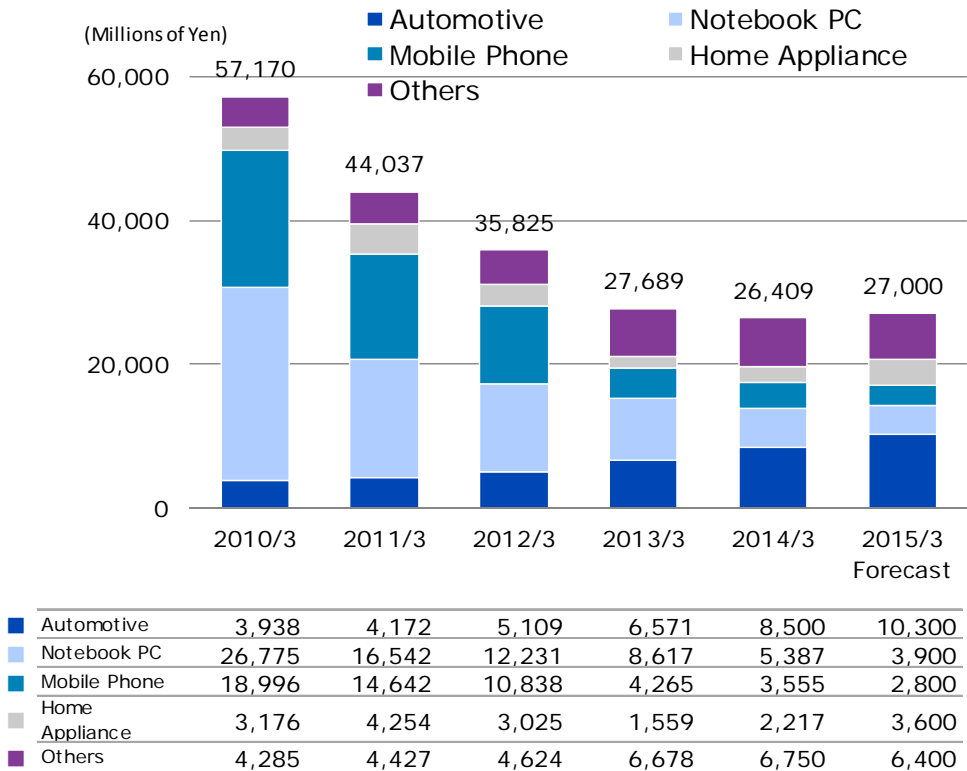
Reference: Business Performance Forecast (Half Year)





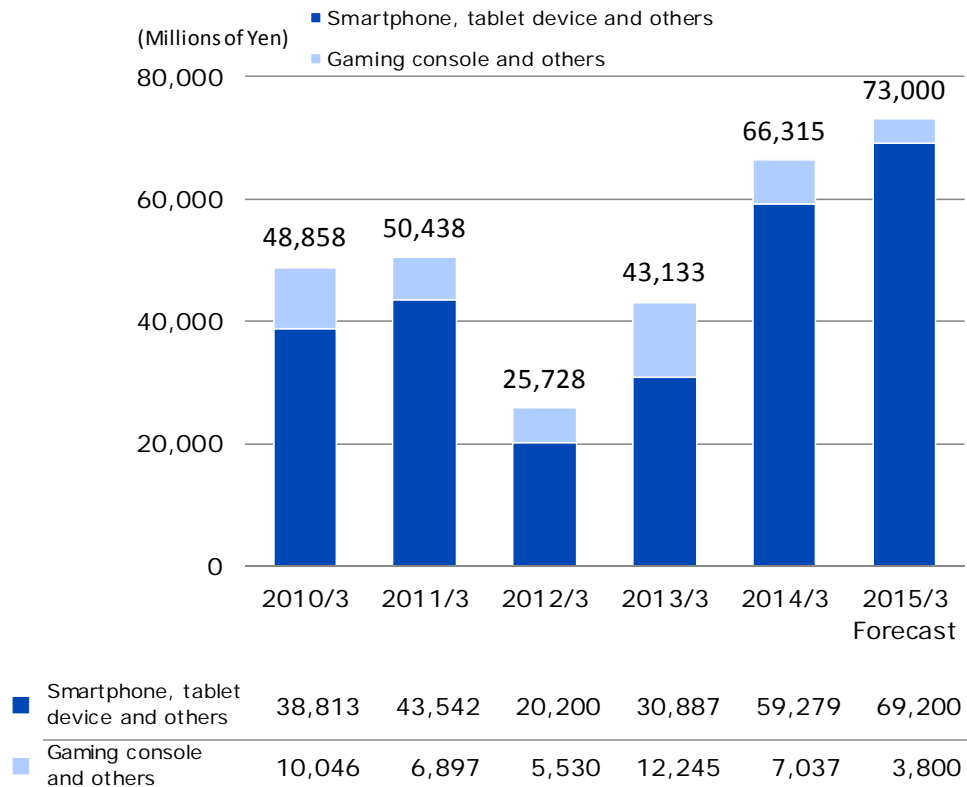
Reference: Industrial Materials

Sales trend by application



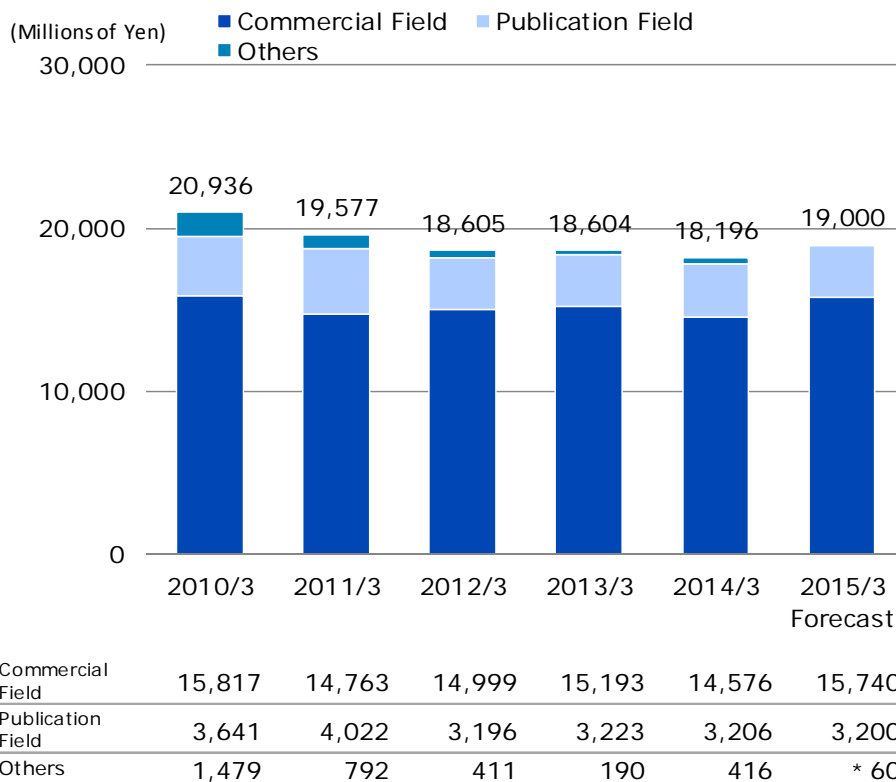
Reference: Devices

Sales Trend by Application





Reference: Information and Communication Sales Trend by Application



*Others contains such as real-estate and personnel-service business that are not included in Information and Communication business before 2014/3. They are not contained in 2015/3 forecast.

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