



Financial Results for FY2015 Q3 Ended December 31, 2014

February 6, 2015

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Notes: 1. In this presentation, "FY2015" 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 Q3 Results

- Net Sales, ordinary income and net income reached a record-high.
- Demand increased in Devices. Yen was weaker than expected.
 - Devices: Demand for tablet devices were front-loaded from Q4. Productivity is at a peak. Gaming consoles was firm.
 - Industrial Materials: Automotive and mobiles phone was firm. Returned to the black.

Forecast

- Business forecast was revised. (Reflect Q3 results)
 - Q4 assumed forex changed to ¥115/\$.
 - Year end dividend is planned to change from ¥5 to ¥10.
- Q4: Demand for tablet devices is seasonally-declining.
 - Devices: Demand declines, pulled into Q3. ASP decline, including an adjustment of weaker yen.
 - Industrial Materials: Firm performance mainly in automotive and home appliance. Keep the profitability in H2.

Toward FY2016

- To complete restructuring of unprofitable segments in existing business by end of March 2015.
- Accelerating growth strategy leveraging M&A activities, using the cash generated by Devices.
 - Current example: Industrial Materials is accelerating vertical integration to expand automotive segment. (Acquisition of plastic molding company in Mexico)

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FY2015 Q3 (accumulated)

Trend Meets Technology



Devices has lead the performance. OPM exceeds 10%.

FY2015 Q3 accumulated (April - December) results

(Millions of Yen)

	FY2014 Q3 Results	FY2015 Q3 Results	YoY	
Net Sales	87,127	95,722	+9.9%	
Operating Income	2,920	10,359	+254.8%	
(OPM)	(3.4%)	(10.8%)	(+7.4pt)	
Ordinary Income	6,396	14,439	+125.8%	
Net Income	5,507	12,442	+125.9%	
Net Sales by Business Segment	Industrial Materials	20,456	20,660	+1.0%
	Devices	53,568	61,315	+14.5%
	Information and Communication	13,101	12,981	+4.9%
	Others		765	
Operating Income by Business Segment	Industrial Materials	38	-514	-
	Devices	6,396	14,254	+122.9%
	Information and Communication	-705	-559	-
	Others		-175	
	Reconciliations	-2,808	-2,645	-

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

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FY2015 Q3

Trend Meets Technology



Industrial Materials returned to the black.

FY2015 Q3 (October - December) results

(Millions of Yen)

	FY2014Q3 Results	FY2015 Q2 Results	FY2015 Q3 Results	YoY	QoQ	
Net Sales	37,845	32,972	40,600	+7.3%	+23.1%	
Operating Income	5,733	3,569	7,541	+31.5%	+111.3%	
(OPM)	(15.1%)	(10.8%)	(18.6%)	(+3.5pt)	(+7.8pt)	
Ordinary Income	7,522	4,918	10,377	+38.0%	+111.0%	
Net Income	7,094	4,177	9,230	+30.1%	+121.0%	
Net Sales by Business Segment	Industrial Materials	7,093	6,917	8,022	+13.1%	+16.0%
	Devices	26,093	21,596	27,271	+4.5%	+26.3%
	Information and Communication	4,659	4,115	4,916	+13.9%	+19.5%
	Others		345	391		+13.3%
Operating Income by Business Segment	Industrial Materials	316	-125	159	-49.7%	-
	Devices	6,611	4,920	8,455	+27.9%	+71.8%
	Information and Communication	-346	-236	-131		-
	Others		-97	-65		-
	Reconciliations	-848	-893	-877		-

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

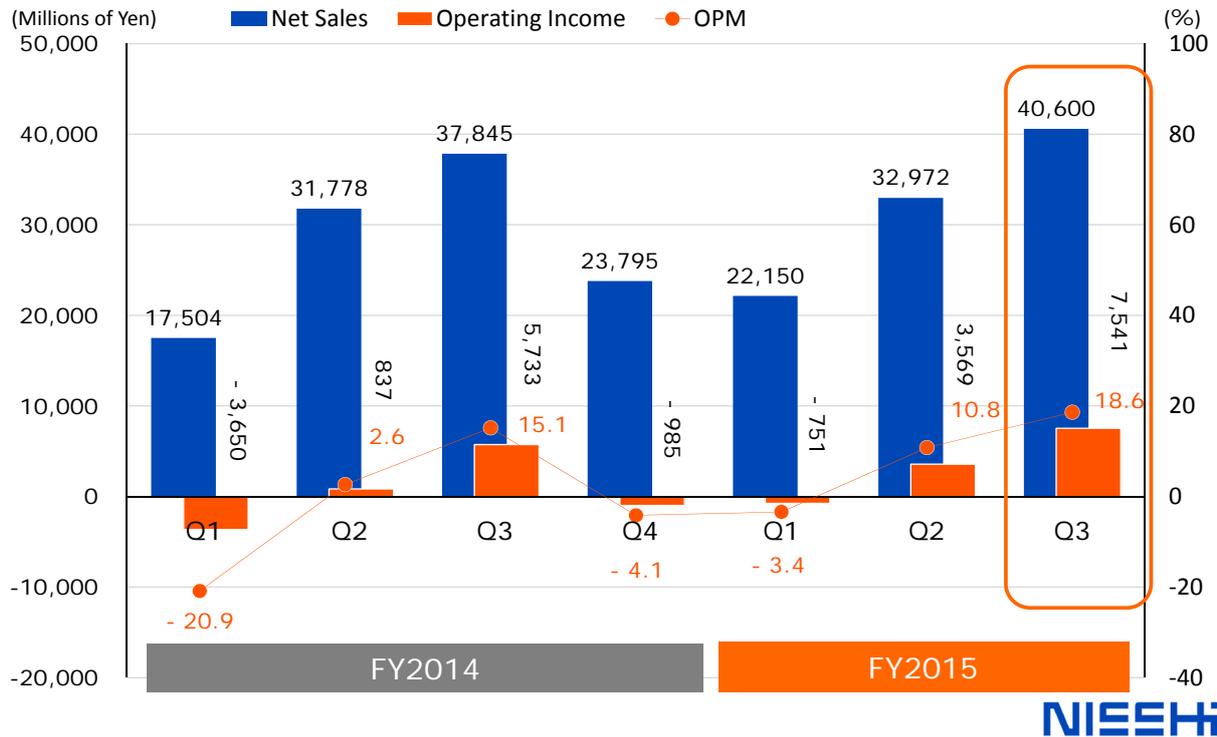
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Company Quarterly Trend (Results)

Q3 Net Sales reached a record-high. High level of OPM.



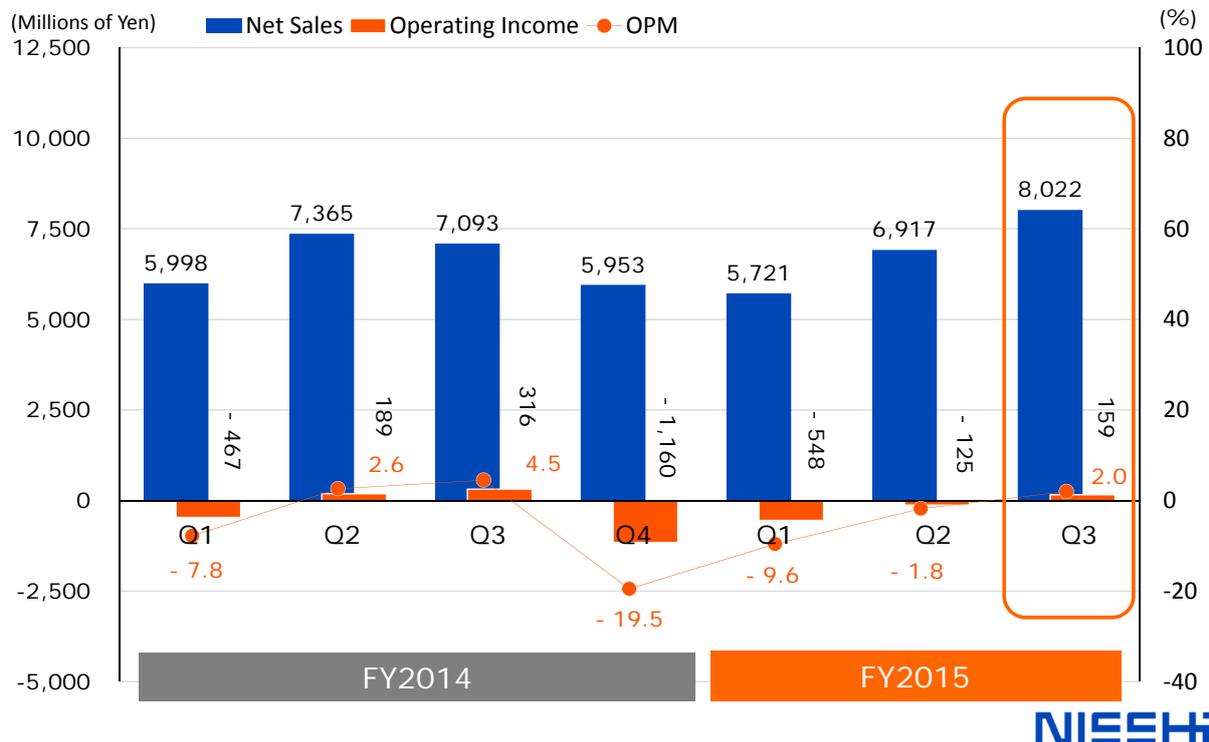
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Industrial Materials Quarterly Trend (Results)

Automotive and mobile phone grew.
Returned to be black.



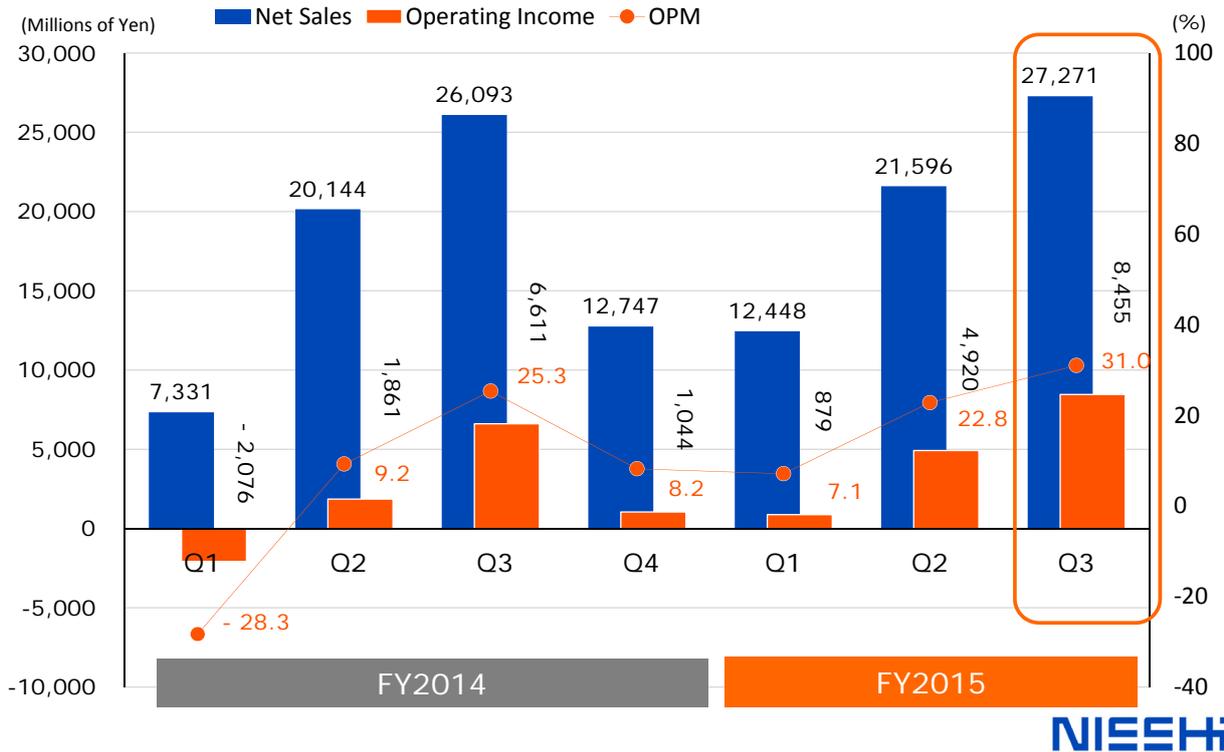
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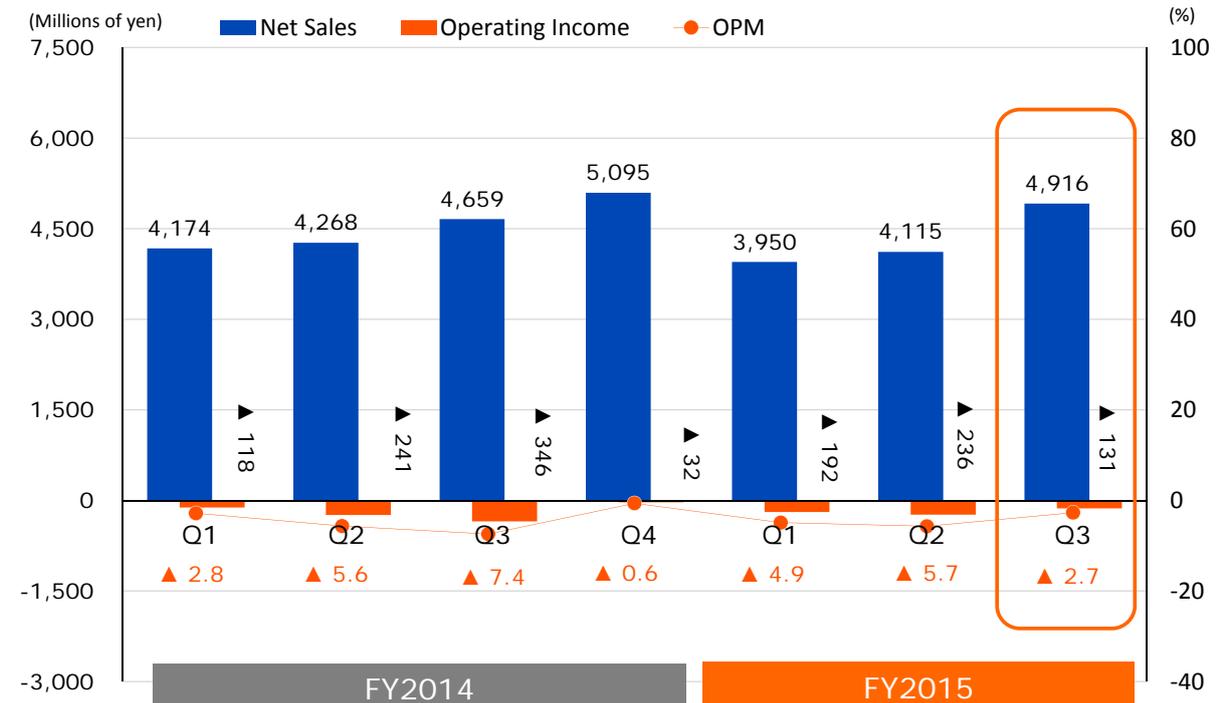


Devices Quarterly Trend (Results)

Volume increase and weaker yen improve the profitability.



Information and Communication Quarterly Trend (Results)



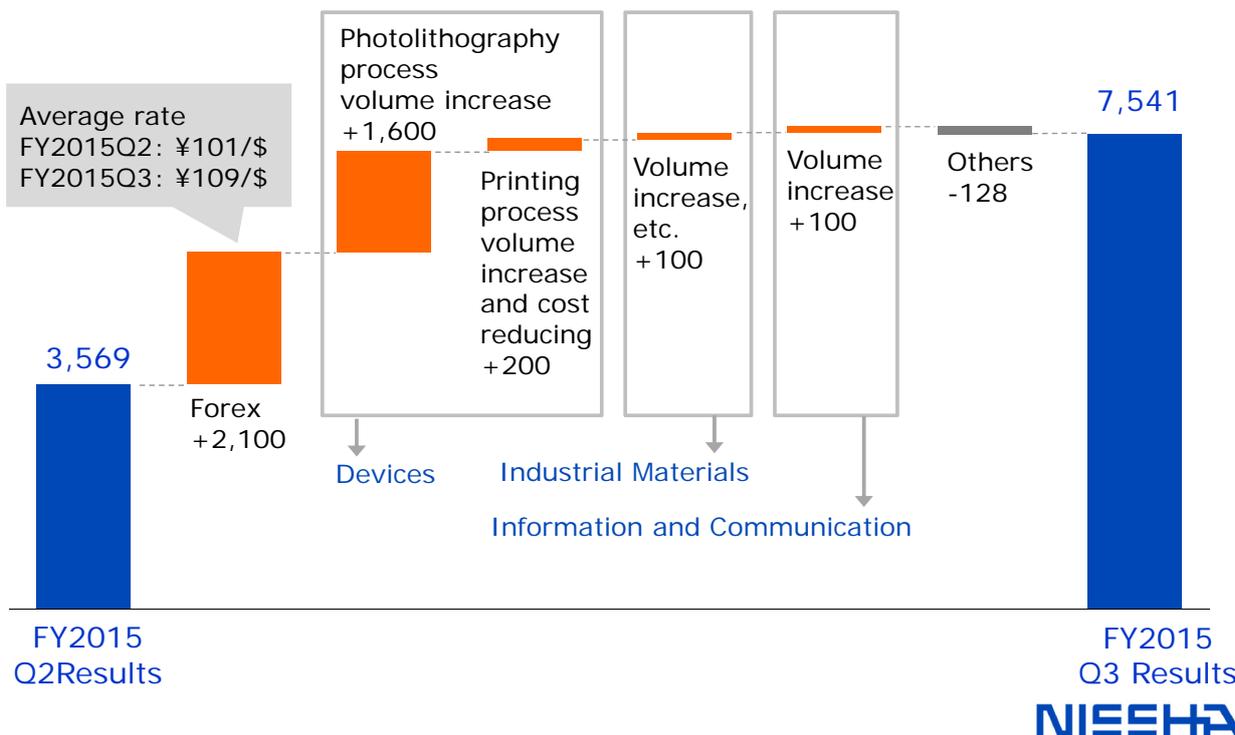
*Others contains such as real-estate and personnel-service business that are not included in Information and Communication business before 2014/3. They are not contained in 2015/3.

Analysis of Operating Income (Q2 vs. Q3)



FY2015 Q2 (Jul.–Sep.) → FY2015 Q3 (Oct.–Dec.)

(Millions of Yen)



FY2015 Business forecast was revised, reflecting the demand and forex.



FY2015 Forecast

(Millions of Yen)

	FY2014 Results	FY2015 Previous forecast (released on Nov. 6)	FY2015		FY2015 Revised forecast (released on Feb. 6)	YoY	Vs. Previous forecast
			H1 Results	H2 Revised forecast			
Net Sales	110,922	113,000	55,122	61,878	117,000	+5.5%	+3.5%
Operating Income (OPM)	1,935 (1.7%)	7,000 (6.2%)	2,818 (5.1%)	5,182 (8.4%)	8,000 (6.8%)	+313.4% (+5.1pt)	+14.3% (+0.6pt)
Ordinary Income	5,182	7,500	4,062	7,438	11,500	+121.9%	+53.3%
Net Income	3,967	5,000	3,212	4,788	8,000	+101.7%	+60.0%

Net Sales by Business Segments

Segment	FY2014 Results	FY2015 Previous forecast	FY2015 H1 Results	FY2015 H2 Revised forecast	FY2015 Revised forecast	YoY	Vs. Previous forecast
Industrial Materials	26,409	26,500	12,638	15,862	28,500	+7.9%	+7.5%
Devices	66,315	66,800	34,044	35,156	69,200	+4.4%	+3.6%
Information and Communication	18,196	18,500	8,065	9,935	18,000		-2.7%
Others (New business, M&A etc.)		1,200	374	926	1,300	+6.1%	+8.3%

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

Industrial Materials

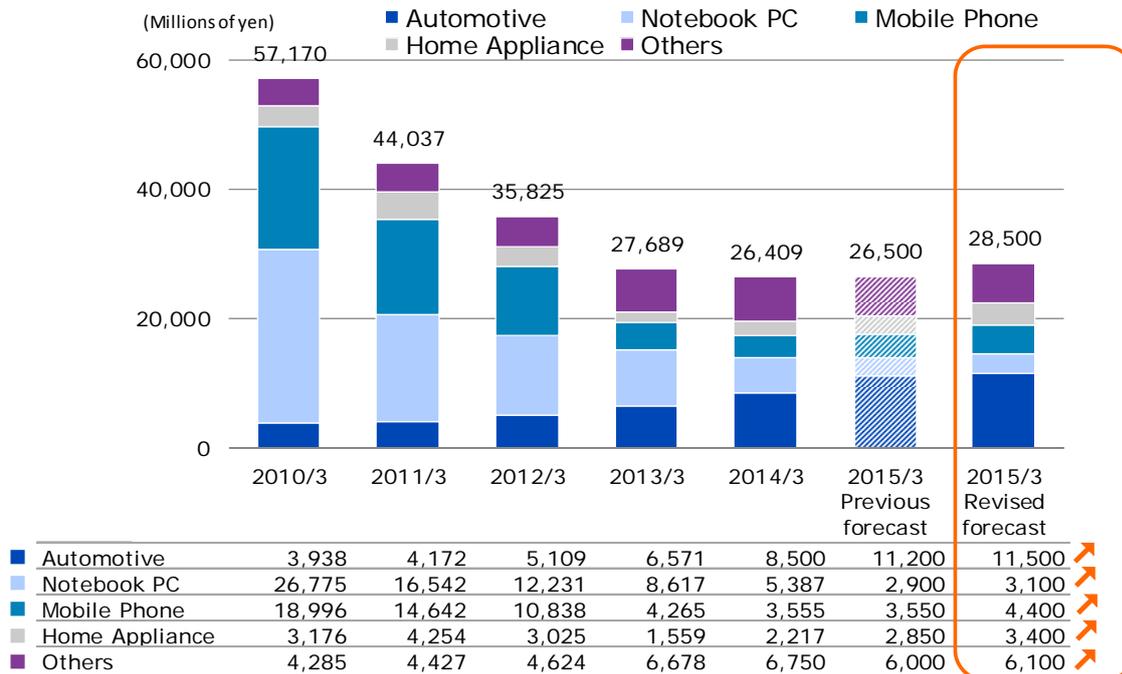
Trend Meets Technology



Firm performance mainly in automotive and home appliance.

Sales trend by application

(Millions of Yen)



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Devices

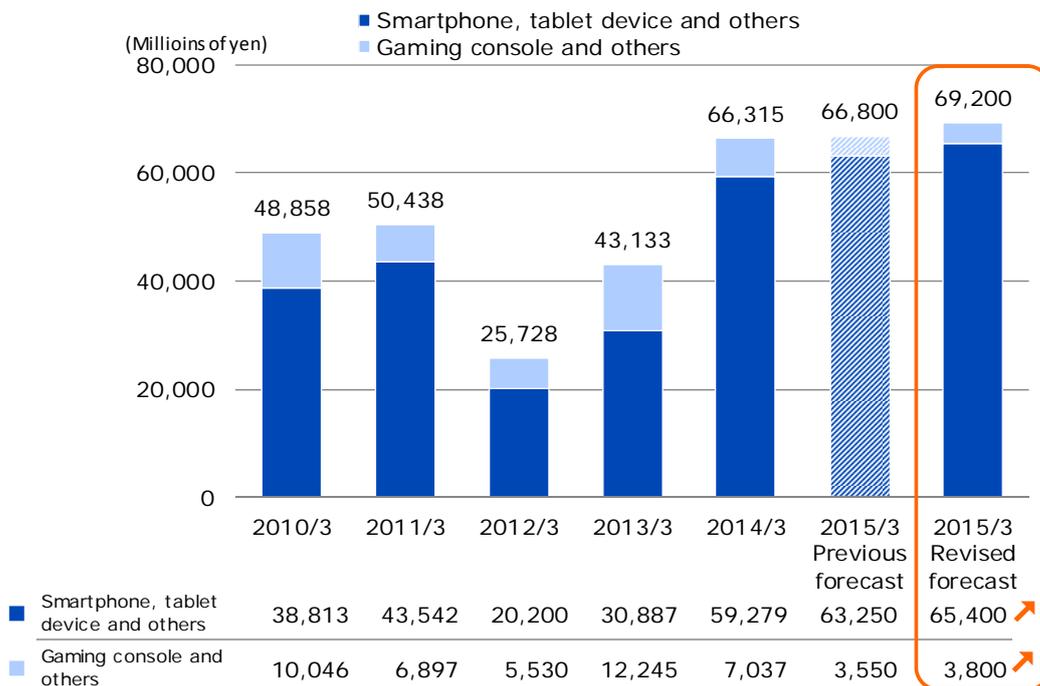
Trend Meets Technology



Demand increased for tablet devices and gaming consoles.

Sales trend by application

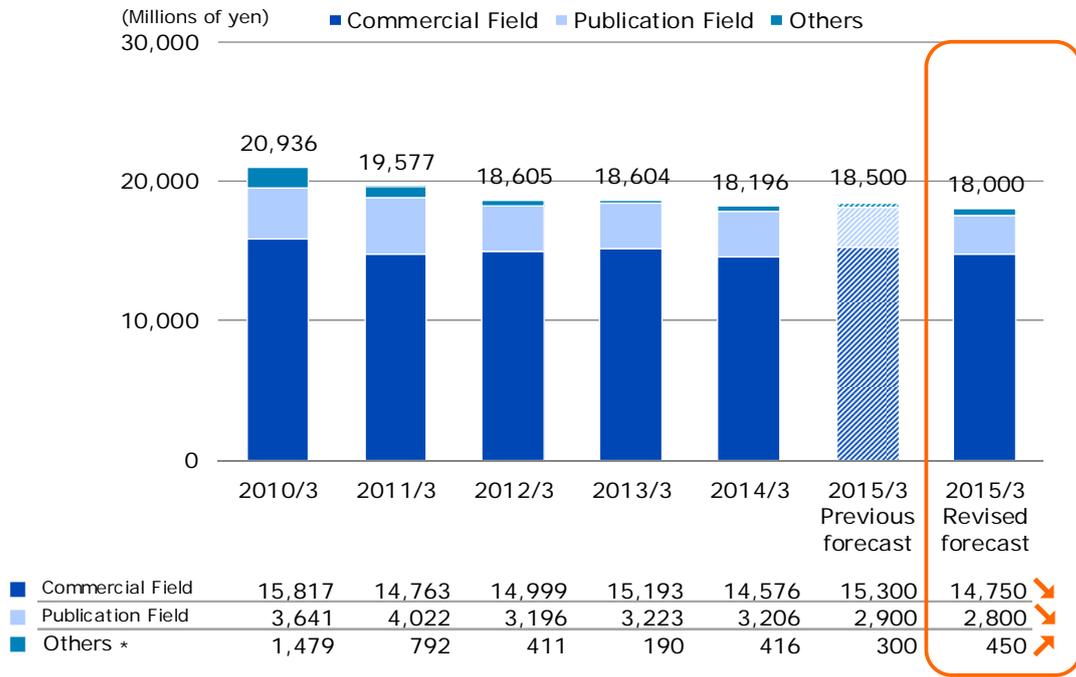
(Millions of Yen)



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Information and Communication Commercial printing is weak.

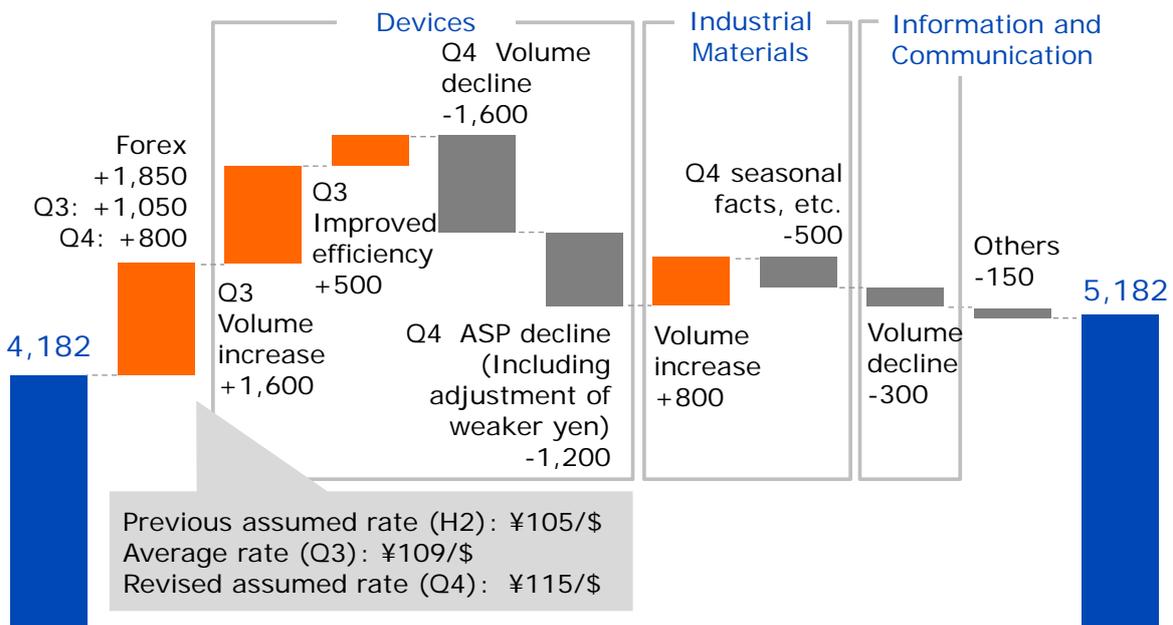
Sales trend by application (Millions of Yen)



*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.

Analysis of Operating Income (H2 Previous forecast vs. H2 revised forecast)

FY2015 H2 Previous forecast → revised forecast (Millions of Yen)



FY2015 H2
Previous forecast

FY2015 H2
Revised forecast




Toward FY2016

Profitability improvement of existing business

- Industrial Materials
 - Expanding automotive and home appliance
 - Fixed cost reduction of notebook PC (Inhon)
- Devices
 - Expanding the application of photolithography process
 - Downscale of old process (Resistive-type, printing process of Capacitive-type)
- Information and Communication
 - Retreat from unprofitable order
 - Optimization of fixed cost

Accelerating growth strategy by reorganizing business & product portfolio, and acquiring strategic assets

- Using cash from Devices for M&A and investment in new business
 - Expanding to next fields of existing business (Vertical integration, horizontal integration, etc.)
 - Expanding the business field by acquiring new core technology in addition to our printing technology
 - Expanding Gas sensors business, with FIS as its core

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Acquisition of plastic molding company in Mexico Vertical integration in automotive segment.



- Mexico has been emerging as a major production center in North America
- Expected to see demand expansion for IMD products incorporated into the automotive interior components used for top to middle grade models
 - Having strong access to market of automotive components and molding technology of the company.
 - Generating synergy by implanting Nissha's mold & decollation technology to the company.
- Accelerating global vertical integration and enhancing geographical expansion of automotive segment

Profile of the molding company

Address: San Luis Potosi, Mexico

Establishment: 2005

Sales: USD 11,910,287 (Sep, 2014)

Number of employees: 152

Business: Injection molding parts used for automotive engine components and interior & exterior components



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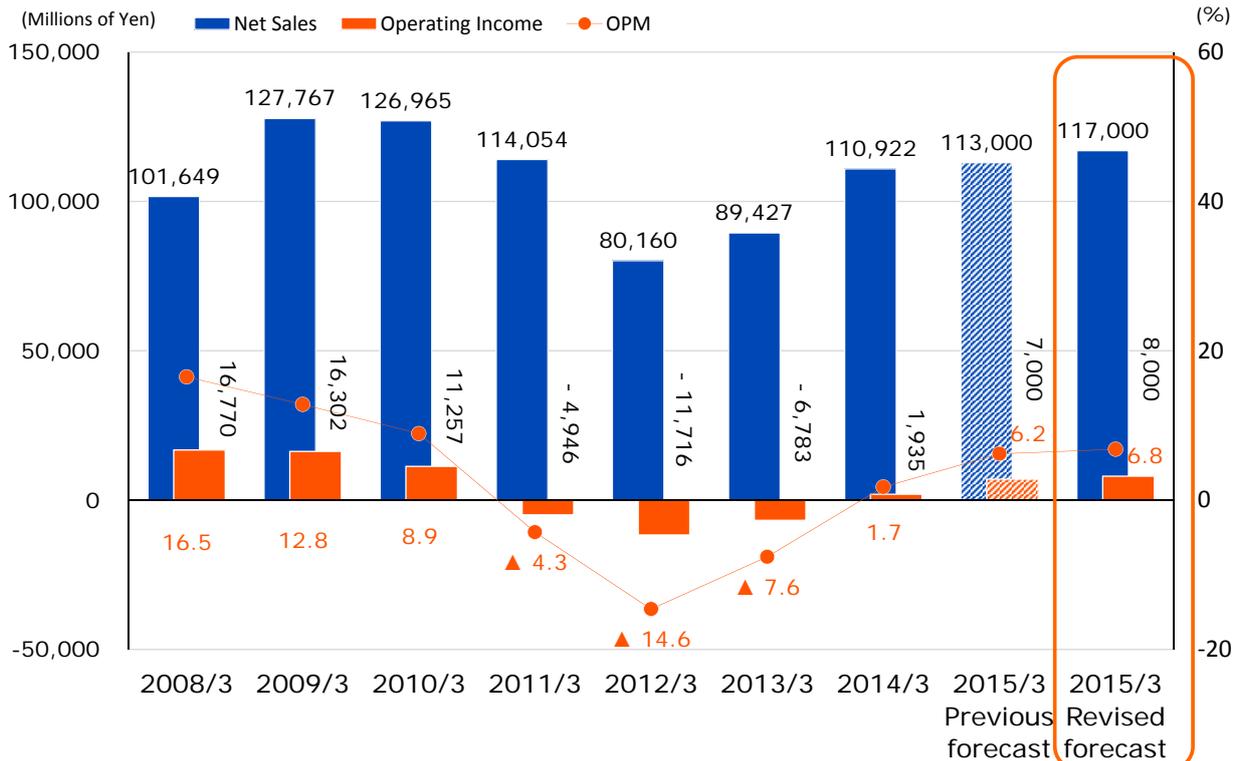


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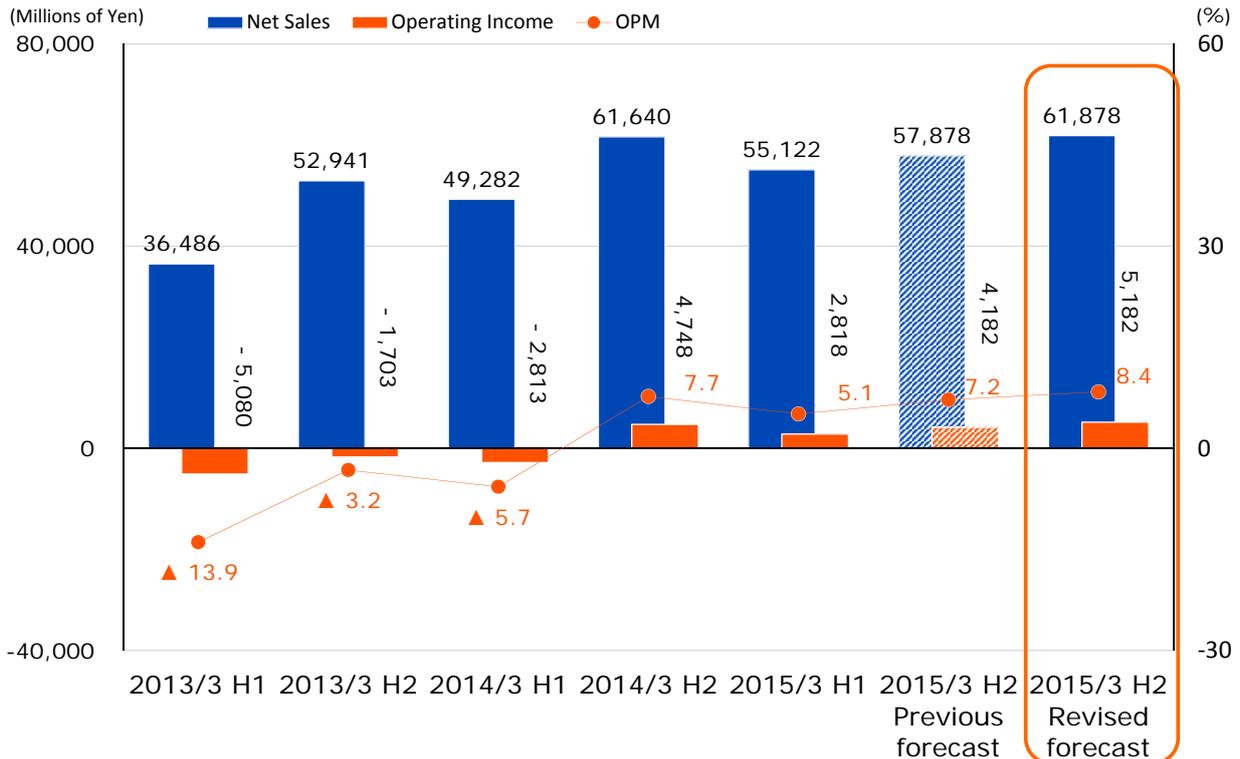
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Reference: Business performance forecast (Full year)



Reference: Business performance forecast (Half year)



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