

Nissha Co., Ltd.

Financial Results for FY2021 Q1 Presentation

Q&A Overview

(May 12, 2021)

- Q1. What is the outlook for Medical Technologies business from Q2 and onwards?
- A1. Recovery trend continues, we think. Demand for medical devices of contract development and manufacturing (CDMO) is expected to recover due to the resumption of elective surgery, which had been declining due to the influence of COVID-19. Demand for business media for commercial facilities, which had been declining as well, is expected to recover.
- Q2. What are factors that have improved the profitability of Industrial Materials business?
- A2. In addition to strong demand, profitability improved due to fixed cost reductions through the Measures to Strengthen Profitability implemented in 2020 H1 and efforts to improve productivity at domestic and overseas factories.
- Q3. What is the outlook for Industrial Materials business from Q2 and onwards?
- A3. We expect strong demand trends to remain unchanged, but we are looking carefully considering the situation such as semiconductor shortage.
- Q4. What is the status about Sustainable Materials?
- A4. The mainstay metallized paper is expanding its use from beverage labels to food products. Due to the trend of de-plasticization mainly in Europe, inquiries about our metallized paper, which is a paper material, are increasing. Inquiries about Pulp-based Molded Products, our new product, are increasing, and mass production

of pharmaceutical packages has started in Europe. It is very active from the perspective of ESG.

Q5. What kind of business opportunities other than smartphones and tablet devices are available in Devices business?

A5. Demand for industrial equipment (logistics related) is strong in the short term. The adoption of touch sensors for in-vehicle displays is also expanding. Our touch sensors have a high affinity with in-vehicle OLED displays, and adoption to overseas OEM flagship models and EV are progressing. In the long term, we also have business opportunities in medical products.

Q6. What is the reason why profits in the other segment were better than planned?

A6. Since the exchange rate resulted in weak yen at the end of March, there was a foreign exchange gain.