

Nissha Co., Ltd.  
The 8th Medium-term  
Business Plan Presentation  
Q&A Overview  
(February 28, 2024)

Q1. What do you consider most necessary to resolve the P/B ratio falling below 1?

A1. Improving the operating profit margin.

Q2. How do you improve the operating profit margin in the Medical Technologies business?

A2. The sales growth of the medical devices CDMO will drive the improvement, firstly. In addition, we will enhance the profit margin through production efficiency improvement and by increasing the value of our products with superior steerability and precision. Moreover, the acquired companies have high profit margin, contributing to the improvement of the profit margin in the Medical Technologies business.

Q3. What is the plan for the medical devices own brand and business media in the Medical Technologies business?

A3. For the medical devices own brand, we aim for efficient operations without allocating excessive resources. Business media has a high profit margin following the medical devices CDMO and will continue as a cash cow in the business.

Q4. How do you improve the operating profit margin of the Devices business?

A4. We will pursue lean operations, including the production system, mainly for tablet devices.

Q5. What will drive revenue growth in the Devices business, aside from tablet devices?

A5. We expect expansion in touch sensors for mobility in China. Additionally, we are expecting an increase in applications for gas sensors, such as refrigerant leak detection sensors for AC (air conditioner).