Nissha Co., Ltd.

Financial Results for FY2026 Q3 Presentation

Q&A Overview

(November 11, 2026)

Q1. How confident are you in the outlook for micro molding net sales in the Medical segment, which are projected to reach ¥9,200 million in 2027 and ¥10,500 million in 2028?

A1. Our outlook for 2027 and 2028 reflects projects that are already taking shape, and we have a reasonable degree of confidence in these projections.

Q2. How will you increase production capacity to accommodate the expansion of the micro molding business?

A2. We are constructing a new factory building, with completion scheduled for April 2027. It will accommodate growing demand, primarily for medical devices and partly for AI data centers.

Q3. What proportions of micro molding net sales are attributable to medical devices and AI data centers?

A3. Medical devices account for approximately 80% of micro molding net sales in 2026. In 2027, medical devices and AI data centers are expected to account for approximately 60% and 40%, respectively. In 2028, we expect each application to account for 50%. While AI data centers are expected to drive growth in the short term, we also expect sales of medical devices to grow. From 2029 onward, we expect the share of medical devices to increase again as we convert projects in our medical device pipeline into firm orders.

Q4. Why were put options granted at the time of the acquisition of Isometric? Are there similar contractual arrangements in other acquisitions?

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A4. At present, there are no similar put options in other acquisitions. In this case, the holders of non-controlling interests were the individuals who would be responsible for managing the business after the acquisition. As future growth was uncertain at the time of the acquisition, the acquisition terms were structured to reflect that uncertainty. The arrangement was also intended to provide the holders of non-controlling interests with an incentive to grow the business.

Q5. For exterior functional components for mobility in the Industrial Materials segment, is it reasonable to expect productivity to improve in 2027 and higher net sales to lead to higher operating profit? How confident are you in the outlook for net sales of ¥6,000 million for exterior functional components in 2027?

A5. The benefits of productivity improvements are beginning to materialize in Q4 2026, and we expect higher net sales to lead to higher operating profit in 2027. We expect net sales of ¥6,000 million in 2027, but our current estimate is cautious, as customer demand may fluctuate.

Q6. What is your outlook for net sales and operating profit in the Devices segment in 2027? Please also explain the upside potential for tablets, the downside risk for handheld terminals, and how changes in the sales mix by application would affect operating profit.

A6. We expect net sales in 2027 to be at approximately the same level as in 2026. We expect operating profit in 2027 to be approximately ¥800 million, roughly in line with the 2026 level excluding approximately ¥6,800 million impairment loss on goodwill. Qualitatively, we see upside potential for tablets and downside risk for business terminals, but there are no determined risks at this stage. We also believe that changes in the sales mix by application would not significantly affect operating profit.

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