

February 14th, 2018

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## **Notice on Formulation of Medium-term Business Plan**

The Nissha Group began operating the Sixth Medium-term Business Plan in January 2018, covering the three-year period from the fiscal year ending December 2018 to the fiscal year ending December 2020.

Nissha Group have fused our printing technology with elements such as laminating, coating, and molding in a constant effort to improve our core technologies, diversify our products and target markets, enter into the global market, and realize growth through an expansion of our business domain.

In the course of the Fifth Medium-term Business Plan, covering the fiscal years ending March 2016 to December 2017, we secured new large-scale orders through product development and capital investment in our mainstay of the consumer electronics (IT) market while executing active M&A strategies with the aim of reorganizing and optimizing our business portfolio. This culminated in an expansion of bases catering to the automotive market, our entrance into the new fields of medical devices and high-function packaging materials.

Nissha Group now has more than 50 business bases in Japan and overseas, and more than half of its employees work at overseas bases. On October 6, 2017, we renamed the parent company Nissha Co., Ltd. And on January 1, 2018, we formulated the Nissha Philosophy, declaring that the Nissha Group will carry on following a path of continuous change.

Building on these achievements, in the Sixth Medium-term Business Plan we identify IT, automotive, medical devices, and high-function packaging materials as our four priority markets. We will execute a global growth strategy that maximizes the business foundation acquired and established thus far, and aim to consummate reorganization and optimization of our business portfolio in “Balanced

management”. While setting our sights on new records in all areas of net sales, operating income, and earnings before interest, taxes, depreciation, and amortization (EBITDA),\* we will continue using return on equity (ROE) and return on invested capital (ROIC) as primary management indices for measuring capital efficiency and particularly capital costs.

\* In the light of the Nissha Group’s global business expansion and increase in number of consolidated subsidiaries outside Japan, we adopted EBITDA as a major financial index with the start of the Sixth Medium-term Business Plan.

An outline of the Sixth Medium-term Business Plan is as follows.

## 1. Medium-term Vision (Qualitative)

### “Completion of Balanced Management”

We will aim for an optimal share of consolidated net sales, operating income, and EBITDA in the four priority markets of the Sixth Medium-term Business Plan: IT, Automotives, Medical Devices, and High-function packaging materials.

## 2. Medium-term Vision (Quantitative)

Our consolidated targets in major financial indices for the fiscal year ending December 31, 2020, are as follows.

Net Sales	240 billion yen
EBITDA	36 billion yen
EBITDA Ratio	15%
Operating Income	22 billion yen
Operating Income Ratio	9.2%
ROE	10% or higher
ROIC	8% or higher
Equity Ratio	50% or higher