

February 21st, 2020

Junya Suzuki

Chairman of the Board, President and CEO

Nissha Co., Ltd.

Exchanges Listed: Tokyo Stock Exchanges, First Section 7915

Contact: Hayato Nishihara

Senior Executive Vice President, CFO, Director of the Board

T +81 75 811 8111

Notice Regarding Call for Voluntary Retirement

Nissha Co., Ltd. (“the Company”) hereby announces that the Board of Directors of the Company resolved, at its meeting held on February 21, 2020, to implement a call for voluntary retirement, as follows.

1. Reason of the implementation

The Group has set the markets of mobility (automotive), medical devices and sustainable packaging materials as our focus markets, in addition to the mainstay consumer electronics (IT), and aims to “Completion of Balanced Management” reorganizing and optimizing its business portfolio.

Of these focus markets, the Group has achieved significant growth in the markets of mobility (automotive), medical devices and sustainable packaging materials mainly through efforts in the utilization of M&A and also anticipates their sustainable growths in the future. On the other hand, in the IT market, the Group expects market conditions to become severer primarily because of changes in technological trends, in addition to decrease in demand due to slowing growth in smartphone market and seasonal variations in demand. In anticipation of this harsh market environment, the Group has worked to reduce variable expenses and the burden of investments, and also cut down on fixed expenses. As a result, The Group is now able to control costs flexibly when demand falls, but the Group needs to make further improvements in profitability in order to enhance corporate value. Based on this awareness, the Company is working on “Measures to Strengthen Profitability” to reduce costs by a scale of 2.5 billion yen and as part of it, the Company has decided to call for voluntary retirement as follows.

2. Overview of the call

- (1) Number of applicants: Approximately 250 people, mainly full-time employees in the Company and its domestic subsidiaries
- (2) Application period: From April 28, 2020 to May 15, 2020 (planned)
- (3) Retirement date: June 30, 2020
- (4) Preferential treatment: Additional retirement payment will be added to the prescribed retirement allowance and for those who apply, re-employment support services will be provided through outplacement consulting firms.

3. Future outlook

The Company anticipates approximately 2 billion yen as the additional retirement payment and other expenses in related to the call and includes the impact in the forecast for fiscal year ending December 31, 2020, announced on February 14, 2020.

END