

August 6th, 2024

Junya Suzuki

Chairman of the Board, President and CEO

Nissha Co., Ltd.

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Notice of Difference between Business Forecast and Actual Results for the First Half of FY2024 and Revision to the Business Forecast for FY2024

Nissha Co., Ltd. (“the Company”) hereby announces the difference between the business forecast announced on May 9, 2024 and actual results for the first half of FY2024 (January 1, 2024 to June 30, 2024) and the revision to the business forecast for FY2024 (January 1, 2024 to December 31, 2024), as follows.

1. Difference between consolidated business forecast and actual results in the first half of FY2024 (January 1, 2024 to June 30, 2024)

(Millions of yen, except basic earnings per share)

	Net Sales	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share (Yen)
(A) Previous Forecast	93,600	3,100	3,500	2,500	51.69
(B) Actual results	99,661	4,405	6,147	4,363	90.22
Changes in Amount (B) - (A)	6,061	1,305	2,647	1,863	
Percentage of Change (%)	6.5	42.1	75.6	74.6	
Reference: Results for the six months ended June 30, 2023	83,005	58	1,087	801	16.36

Reasons for the difference

In the Industrial Materials segment, product demand for home appliances remained firm. In the Devices segment, product demand for tablets entered the demand period and product demand for handheld terminals (logistics related) have maintained its recovery trend. Net sales exceeded the previous forecast, thanks to these demand trends and the effect of trends in foreign currency exchange rate.

Operating profit exceeded the previous forecast thanks to the effect in increase in the net sales and improvements in productivity and efficiency in the Industrial Materials segment. In addition to these factors, Profit before tax, Profit attributable to owners of parent exceeded the previous forecast mainly due to ¥1,665 million of the foreign exchange gains recorded for the six months ended June 30, 2024.

2. Revision to consolidated business forecast for FY2024 (January 1, 2024 to December 31, 2024)

(Millions of yen, except basic earnings per share)

	Net Sales	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share (Yen)
(A) Previous Forecast	188,600	6,400	6,500	4,700	97.17
(B) Revised Forecast	196,600	8,100	9,500	6,600	136.41
Changes in Amount (B) - (A)	8,000	1,700	3,000	1,900	
Percentage of Change (%)	4.2	26.6	46.2	40.4	
Reference: Results for the fiscal year ended December 31, 2023	167,726	(3,817)	(2,762)	(2,988)	(61.13)

Reasons for the Revision

For the consolidated business forecast for FY2024, the Company has reviewed the latest demand trends and trends in foreign currency exchange rate considering the results for the six months ended June 30, 2024.

Net sales are expected to increase compared to the previous forecast because product demand for tablets and handheld terminals in the Devices segment and medical device CDMO in the Medical Technologies segment are expected to progress more than previously forecasted.

Operating profit, Profit before tax, Profit attributable to owners of parent are expected to exceed the prior forecast, thanks to the increase in net sales and the foreign exchange gains recorded for the six months ended June 30, 2024.

Figures are estimated on an exchange rate of US\$1.00= ¥145, which was ¥135 in the previous forecast.

END