

To Whom It May Concern:

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## Notice Regarding New Medium-term Business Plan

The Nissha Printing Group ("Nissha Group") announces that it has formulated its Fourth Medium-term Business Plan covering the period through the fiscal year ending March 2015.

As printing technology has evolved, Nissha Group has successfully expanded business operations by selectively focusing management resources on IMD, touch panels and other fields. More recently, however, with global competition heating up and customer purchasing patterns changing, the relative competitiveness of these technologies has been on the decline. We critically reviewed its Third Medium-term Business Plan, which covered the period from the fiscal year ended March 2010 to the fiscal year ended March 2012, posing questions such as whether customer needs were closely analyzed and accommodated, whether cost reduction was performed rigorously and whether investment efficiency was checked consistently. Many lessons have been learned from this process.

Based on this critical analysis, Nissha Group implemented its Fourth Medium-term Business Plan starting in April 2012 with the goal of quickly restoring profitability and initiating a phase of growth based on a new awareness of business conditions. Every member of the Nissha Group is committed to realizing our new Mid-term Vision: "to develop cutting-edge printing technologies and create an array of exceptional products that fundamentally redefines value for Nissha customers." Over the three-year period of the new plan, we will enhance our business and product portfolios, reinforce its financial standing and thereby set the stage for future growth.

A summary of the Fourth Medium-term Business Plan follows.

### I. Mid-term Vision

Nissha develops cutting-edge printing technologies and creates an array of exceptional products that fundamentally redefines value for our customers.

### II. Overview

1. Convert from a strategy of focus to a strategy of product diversification
  - Enhance marketing and provide value required by customers
  - Work to further enhance printing technologies and revamp Nissha Group's proprietary technologies

2. Reorganize business portfolio and product portfolio
  - Pursue low-cost operations in existing businesses and consistently generate cash
  - Promote the development of new businesses and products
3. Relentlessly pursue business profitability
  - Pursue profitability and efficiency using return on invested capital (ROIC) as a management indicator
  - Rigorously eliminate job and workplace inefficiencies
4. Create systems that enable organizations and employees to resolutely carry out strategies
  - Simplify organizational hierarchies and accelerate decision making and action
  - Establish human resource strategies and management systems that motivate employees to produce results

### III. Numerical Targets

Fiscal year ending March 2015: Consolidated sales of ¥130.0 billion  
Consolidated operating income ratio of 7%  
At least 25% of sales ratio from new businesses and product development

### IV. Individual Business Initiatives

1. Industrial Materials (Business Concept: Impression Materials)
  - Develop industrial materials across broad-ranging market sectors based on layering technology, which includes layered printing and coating of various functions
  - In addition to conventional IMD, diversify products into functional films, metal decoration and other surface modification fields
2. Devices (Business Concept: Flexible and Smart Devices)
  - Further enhance sensing functions and develop world-leading cutting-edge products
  - In addition to conventional touch panels, diversify products into 3D curved touch panels, force sensors, flexible shape antennas and other fields
3. Information and Communication (Business Concept: Innovative Communication)
  - Create new value with communication design and information processing technology
  - In addition to high grade print media, develop into marketing and sales promotions, Internet and communications strategy, digital archives and other fields
4. Corporate R&D Department
  - Create new business domains by pursuing the unlimited potential of printing technology
  - Develop new businesses that provide industrial goods, devices, products and solutions, with the information society, lifestyle support and sustainable society as priority areas, strengthening our material designing ability and basic technologies.
  - Convert development model from a "Product out" oriented approach focused on proprietary technologies to a "Market in" oriented approach that emphasizes customer value.