NISSO CORPORATION

【Main Q&A at the Financial Results Briefing for FY 3/2019 (for Institutional Investors and Analysts)】

Held on May 14, 2019

The following content is not a record of the contents of all of the questions and answers. In addition, some revisions and corrections have been made to make the content easier to understand.

Q1: According to the medium-term management plan, it is stated that plans are for the Account Company sales composition ratio to exceed 50% in FY 3/2022. What is the percentage of sales of companies, that NISSO does not do business with currently, within this breakdown, and what type of industries are you targeting?

A1: Since we are currently promoting new initiatives with the existing 4 groups of companies, it is very difficult to decide what type of industry to target and which company to select as a new Account Company.

For example, subsisting in an existing Account Company Group is the batteries business, which we believe will grow in the future. Electric cars are a big theme, and it is very important to consider how much of the batteries that each manufacturer has developed will be put in their cars, and how they will be positioned as a mechanism for the promotion of IoT. The company that captures such a trend may become our next Account Company. In addition, within the housing-related industry, there are companies that NISSO has had the pleasure of having long-term business dealings with, in which we have established strong relationships with their management. There is a possibility that such companies may also become one of our next Account Companies. There are various thoughts like this, but at the moment, the next Account Company is undecided.

Q2: Will the deficit under profit/losses of Other Businesses be eliminated in the current fiscal year (FY 3/2020)? In addition, although there are 6 nursing care facilities, are there any plans for new ones?

A2: The nursing care business has a background of being promoted by NISSO's founder with the intention of contributing to society, and we have opened facilities limited to the Yokohama area. Sweetpea Higashi Totsuka is our sixth facility, and as the company's policy, there are no plans to further increase the number of facilities from the current 6 facilities.

Although the investment expenses associated with the opening of Building #6 were incurred in the previous fiscal year (FY 3/2019), since there will be a certain number of residents at the existing 6 facilities in the current fiscal year, the deficit is planned to be eliminated, and thereafter, we believe that profit/losses will become positive by surpassing the constant number of residents.