

## **NISSO CORPORATION**

【Main Q&A at the Financial Results Briefing for the First Quarter of FY 3/2020  
(for Institutional Investors and Analysts)】

Held on August 7, 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: Although demand in the automobiles industry is said to be increasing, is this increase in NISSO's market share amid the increase in demand of overall dispatching, including other companies?**

A1: Although in the previous fiscal year, there was a tendency for overall dispatching (in the automobiles industry) to increase, this is not necessarily the case during the current fiscal year, since manufacturers have announced that production plans are not moving in a trend like last year. However, as previously explained, there is no significant change in demand in the dispatching market due to an increase in the introduction of new cars, and an increase in the number of companies switching from fixed-term contract factory workers to dispatched workers due to the influence of the Labor Contract Act. Nevertheless, although there has been no significant change in such demand, clients are increasingly focusing on placing orders to dispatching companies that can respond to their needs properly and accordingly.

**Q2: Assignment of staff to "next" (future) Account Companies is stated on P10 of the Financial Results Briefing Materials, but will these "next" Account Companies become candidates for Account Companies from this fiscal year?**

A2: Although it may not be the case from the current fiscal year, NISSO has already communicated with potential "next" account candidate companies and have assigned personnel to them, as they are companies that may newly join the existing Account Company Groups. As for industries of these "next" Account Company Groups, they will be in the broad sense, but they are expected to be centering on automobiles and automotive electronic components.

**Q3: What is the content of the collaboration described on P19 of the Financial Results Briefing Materials?**

A3: As previously explained, NISSO has concluded a basic agreement to conduct a collaboration, or cooperative relationship, and no specific details have been decided as of yet.

**Q4: What is the trial production site for foreigners of Japanese descent described on P20 of the Financial Results Briefing Materials?**

A4: This trial production site is currently operating as a contracting production site within a machine parts manufacturer. This production site has been in operation for about six months, the workers there have been very cohesive and diligent, and no one has left their job at the site thus far. For actual utilization, for example, it will become necessary to properly create operation standard manuals in the workers' native languages, and such measures, as well as others, will also be put into practice at this trial production site.

**Q5: Although the electronic devices industry is expected to increase production in the second quarter, and to a certain extent up until the third quarter, which is in line with NISSO's expectations, but have you heard about forecasts from then onwards?**

A5: As for future trends of electronic devices-related clients, since we have assigned both skilled staff and other manufacturing staff to clients in the industry, we have learned about some of their upcoming trends. In addition, since we are not only simply responding to their production needs, but also because NISSO is being utilized in the structural reforms of our clients, we have been informed about their forecasts.