

# Medium-Term Management Plan

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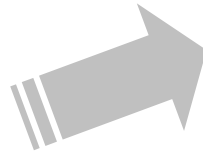
# Medium-Term Management Plan

## - 3-Year Goal -

3 Years Later

Now (FY March 2011 Results)

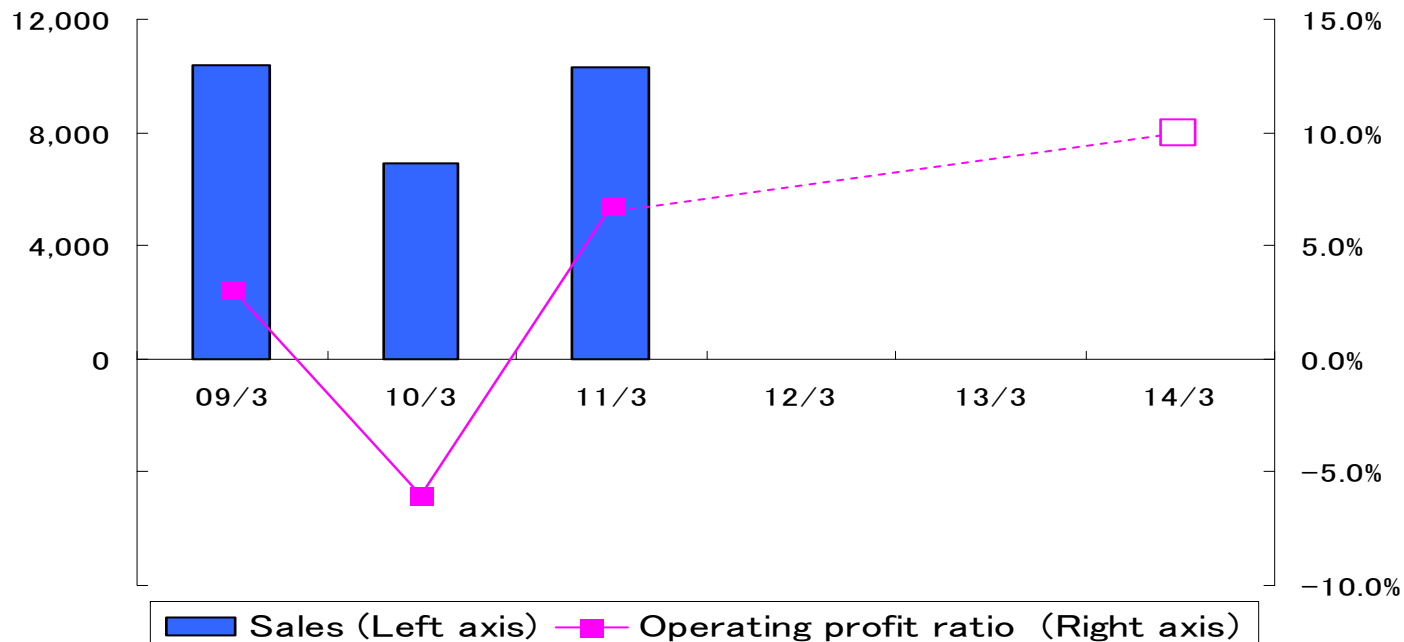
**Sales: 10.3 billion yen**  
**Operating income ratio: 6.8%**  
**Overseas sales ratio: 24.6%**



### Goal

- Achieving 10% of operating income on sales
- Achieving overseas sales ratio to 30% or over
- Creating new business in 3 years

Millions of Yen



# Medium-Term Management Plan

## - Responding to overseas business development -

### ➤ Strategic Point (1) Responding to overseas business development

Our Japanese key customers are pushing forward with further overseas business development centering on the Asian region. How to keep pace with them is the challenge to be addressed.

#### Net-Shape Business

- With our eyes set on the Japanese key customers' entering foreign markets, strengthen international collaboration in sales activities.
- Promote Asian strategy keeping in mind our production bases for forging dies and mass production.

#### Assembly Business

- Advance local procurement at NDT of Thailand.
- Clarify NDT's role as our mass production base.



← NICHIDAI(THAILAND)LTD. (NDT)

↓ THAI SINTERD MESH CO.,LTD. (TSM)



#### Filter Business

- Establish a filter production system other than oil drilling filters at Thai TSM.
- TSM should assume a role as our mass production and Asian market development base.

### ➤ **Strategic Point (2) Promoting technological development and pioneering new business field**

Seek for “products that cannot be made by other companies and unrivaled high technological skills” to create a new market.

#### **Net-Shape Business**

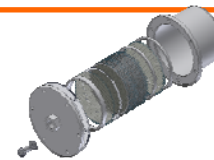
- Aiming to further strengthen precision-forged goods business, set up Engineering & Development Department.
- Advance development of new precision-forging methods and products, and look for applications in various industries.

#### **Assembly Business**

- Clarify the role of NICHIDAI PRECISION CORPORATION, our Japanese subsidiary, as our R&D base.

#### **Filter Business**

- Expand sales of new products, such as ozone decomposing filters.
- Broaden sintering technology applicable areas, thereby establish new applications and new markets for products other than filter products.



← Ozone decomposing filter

### ➤ Strategic Point (3) Enhancing product competitiveness by QDC improvement

In the Japanese market where slowdown in growth is expected, improve product added value and "customer satisfaction" to capture demand.

#### Net-Shape Business

- Aim to drastically improve QDC and then enhance product competitiveness by reviewing the entire value chain from design, production to sales.



Value Chain of the Net-Shape Business

#### Assembly Business

- Reinforce supply chain management to shorten lead time and raise efficiency.