

Date: April 24, 2003

Unconsolidated Financial Summary
(for the Fiscal Year ended March 31, 2003)

Listed company name **Nitto Denko Corporation**

Code Number : 6988

Stock Exchange Listings : Tokyo, Osaka and Nagoya, First Section

Head Office : Osaka, Japan

(URL <http://www.nitto.com/>)

Company Representative: President Masamichi Takemoto

Contact Person: General Manager, Public & Investor Relations Department

Name Hideki Komai TEL(072) 622-2981

Date of the board of directors' meeting concerning the financial statements: April 24, 2003

Scheduled shareholders' general meeting: June 20, 2003

Adoption of interim dividend payment: Yes

Number of Shares constituting One Trading Unit: Yes (100 shares per unit)

(All monetary values noted herein are rounded down to the nearest million yen.)

1. Business Results (From April 1, 2002 to March 31, 2003)

(1) Operating Results

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
March, 2003	225,450	(15.3)	22,416	(75.8)	25,097	(54.1)
March, 2002	195,456	(12.1)	12,753	(44.9)	16,281	(37.2)

	Net income		Net income per share - Basic	Net income per share - Diluted	Return on equity	Ordinary income to total assets	Ordinary income to net sales
	Millions of yen	%	Yen	Yen	%	%	%
March, 2003	15,099	(1,889.7)	85 . 74	-- --	7.5	9.0	11.1
March, 2002	758	(94.2)	4 . 37	-- --	0.4	5.9	8.3

(Notes) Average number of shares outstanding:

(March, 2003) 173,546,147 stocks (March, 2002) 173,758,095 stocks

Changes in accounting policies : No

Numbers in percentage in parentheses under the column of sales, operating income, ordinary income, and net income indicate changes in percentage from the corresponding period of the previous fiscal year.

(2) Dividends

	Annual Dividends per share			Total dividends paid (annual)	Payout ratio	Dividend rate for shareholders' equity
	Yen	Interim	Year-end			
March, 2003	24 . 00	11 . 00	13 . 00	Millions of yen 4,162	% 28.0	% 2.0
March, 2002	22 . 00	11 . 00	11 . 00	3,822	503.7	2.0

(3) Financial Condition

	Total assets	Shareholders' equity	Shareholder's equity to total assets	Shareholders' equity per share of common stock
	Millions of yen	Millions of yen	%	Yen
March, 2003	290,068	205,779	70.9	1,185 . 20
March, 2002	267,939	195,988	73.1	1,127 . 94

(Note) Number of shares outstanding at the term end:

(March, 2003) 173,438,827 stocks (March, 2002) 173,757,441 stocks

Number of treasury stocks at the term end:

(March, 2003) 319,601 stocks (March, 2002) 987 stocks

2. Projections for the Year Ending March 31, 2004 (From April 1, 2003 to March 31, 2004)

	Net sales	Operating income	Ordinary income	Net income	Annual dividends per share		
					Interim	Full year	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen	Yen	Yen
Interim	122,400	11,700	13,200	8,300	13. 00	--	--
Full-year	249,000	25,000	27,000	17,000	--	13. 00	26. 00

(Reference) Projected net income per share for the full year: 96.75 yen

*The projection shown above is prepared based on information available as of the issuing date of this report, and therefore the actual results may differ from these forecasted figures due to various unknown factors.

BALANCE SHEETS

Description	Fiscal 2002 (As of March 31, 2002)		Fiscal 2003 (As of March 31, 2003)		Increase/ decrease
	Amount	Composition	Amount	Composition	
(Assets)	Millions of yen	%	Millions of yen	%	Millions of yen
Current Assets	(114,175)	42.6	(139,510)	48.1	25,335
Cash on hand and banks	23,247		33,032		9,784
Trade notes receivable	852		750		102
Accounts receivable	54,993		53,594		1,399
Marketable securities	5,599		18,934		13,334
Finished goods and merchandise	2,545		2,906		360
Raw materials and stored goods	1,802		2,049		246
Work in process	11,677		13,772		2,095
Short-term loan	5,183		1,943		3,239
Deferred tax assets	2,090		3,695		1,604
Other current assets	7,081		9,131		2,050
Allowance for doubtful receivables	900		300		600
Fixed Assets	(153,764)	57.4	(150,558)	51.9	3,206
Tangible fixed assets	93,296	34.8	87,691	30.2	5,604
Buildings	35,314		33,712		1,601
Structures	2,157		2,121		35
Machinery and equipment	35,189		33,343		1,845
Vehicles and material-handling equipment	88		84		4
Tools, fixture and parts	3,426		3,055		371
Land	13,916		13,905		10
Construction in progress	3,204		1,468		1,735
Intangible fixed assets	2,790	1.1	3,011	1.1	220
Soft ware	504		2,279		1,774
Right to use facilities	33		30		3
Other intangible fixed assets	2,252		701		1,550
Investments and Other Assets	57,677	21.5	59,855	20.6	2,177
Investments in securities	4,372		4,272		99
Investments in subsidiaries and affiliates	43,545		47,932		4,387
Long-term loan	645		539		105
Deferred tax assets	7,938		6,128		1,810
Other investments	1,305		1,128		176
Allowance for doubtful receivables	128		146		17
Total Assets	267,939	100.0	290,068	100.0	22,128

Description	Fiscal 2002 (As of March 31, 2002)		Fiscal 2003 (As of March 31, 2003)		Increase/ decrease
	Amount	Composition	Amount	Composition	
(Liabilities)	Millions of yen	%	Millions of yen	%	Millions of yen
Current Liabilities	(58,765)	21.9	(71,439)	24.6	12,673
Trade notes payable	6		7		1
Trade accounts payable	30,336		36,050		5,713
Accounts payable	16,075		12,519		3,555
Accrued expenses	5,158		6,707		1,549
Income taxes	--		9,908		9,908
Deposits payable	7,117		6,200		17,916
Other current liabilities	71		44		26
Long-term Liabilities	(13,186)	5.0	(12,849)	4.5	336
Provision for retirement benefits	12,639		12,038		601
Provision for retirement allowances for directors and corporate auditors	456		582		126
Guarantee deposits received	90		229		139
Total Liabilities	71,951	26.9	84,289	29.1	12,337
(Shareholders' Equity)					
<u>Common stock</u>	26,783	10.0	26,783	9.2	--
<u>Capital surplus</u>	50,482	18.8	50,482	17.4	--
Capital surplus	50,482		50,482		--
<u>Earned surplus</u>	118,306	44.1	129,446	44.7	11,140
Legal reserve	4,095		4,095		--
Reserve for special depreciation	322		440		118
General reserve	111,000		109,000		2,000
Unappropriated Profits	2,888		15,910		13,021
(Current net income)	(758)		(15,099)		14,340
<u>Net unrealized holding gains on securities</u>	419	0.2	134	0.0	285
<u>Cost of treasury stocks</u>	3	0.0	1,067	0.4	1,063
Total Shareholders' Equity	195,988	73.1	205,779	70.9	9,791
Total Liabilities and Shareholders' Equity	267,939	100.0	290,068	100.0	22,128

UNCONSOLIDATED STATEMENTS OF INCOME

Description	Fiscal 2002 From April 1, 2001 to March 31, 2002		Fiscal 2003 From April 1, 2002 to March 31, 2003		Increase/ decrease	Yr/yr % change
	Amount	Percentage	Amount	Percentage		
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Net sales	195,456	100.0	225,450	100.0	29,993	115.3
Cost of sales	148,246	75.9	164,911	73.1	16,664	
Gross profit	47,209	24.1	60,538	26.9	13,328	128.2
Selling, general and administrative expenses	34,456	17.6	38,122	17.0	3,665	
Operating Income	12,753	6.5	22,416	9.9	9,663	175.8
Other Income	(4,624)	2.4	(4,254)	1.9	370	
Interest and dividend income	1,797		798		999	
Miscellaneous income	2,827		3,456		629	
Other Expenses	(1,096)	0.6	(1,573)	0.7	(477)	
Interest expenses	31		30		0	
Miscellaneous expenses	1,064		1,542		477	
Ordinary Income	16,281	8.3	25,097	11.1	8,816	154.1
Extraordinary Gains	(660)	0.3	(3,354)	1.5	(2,694)	
Gains on sales of fixed assets	430		23		407	
Gains on sales of investment in securities	230		--		230	
Gains on return of substituted portion of employee pension fund	--		2,990		2,990	
Other extraordinary gains	--		341		341	
Extraordinary Losses	(16,063)	8.2	(3,672)	1.6	12,390	
Losses on sales and disposal of fixed assets	494		765		270	
Losses on evaluation of investment in securities	4,718		1,541		3,177	
Restructuring expenses	10,623		1,365		9,257	
Other extraordinary losses	226		--		226	
Income before provision for income taxes	878	0.4	24,779	11.0	23,900	2,819.5
Corporate income, local and business taxes	2,674	1.3	9,264	4.1	6,589	
Adjustments to income taxes	2,554	1.3	415	0.2	2,970	
Net income	758	0.4	15,099	6.7	14,340	1,989.7
Profits brought forward	4,040		2,718		1,322	
Interim dividends paid	1,911		1,907		3	
Unappropriated Profits	2,888		15,910		13,021	

Appropriation Statement

(Unit: Millions of yen)

	Fiscal 2002 From April 1, 2001 to March 31, 2002	Fiscal 2003 From April 1, 2002 to March 31, 2003
	Millions of yen	Millions of yen
Unappropriated Profits	2,888	15,910
Reversal of reserve for special depreciation	67	115
Reversal of separate reserves	2,000	--
Total	4,956	16,025
It is allocated to the following items:		
Legal reserve	--	--
Cash dividends	1,911 (11 yen per share)	2,254 (11 yen per share)
Directors' bonuses	140	220
Reserve for special depreciation	186	74
General Reserve	--	8,000
Retained earnings carried forward	2,718	5,476

(Notes) 1. Note 1: Semiannual dividends in the total amount of 1,907,867,940 yen (11 yen per share) were paid out on December 10, 2002.

2. Extraordinary depreciation reserve is provided based on Special Taxation Measures Law.

Significant Accounting and Reporting Policies

1. Revaluation standards and method of securities and inventories
 - (1) Marketable securities for trading purposes:

Market value method (Moving average cost method for cost of sales)
 - (2) Equities of subsidiaries and affiliated companies:

Stated at moving-average cost
 - (3) Other securities
 - Market value is available:

Stated at market value on the date of the current fiscal year end. (Valuation adjustments are reported in the Equity section, and the sales cost is calculated by a moving-average method.)
 - Market value is not available:

Stated at moving-average cost
2. Revaluation standards and method of derivative

Fair value method
3. Revaluation standards and method of inventories
 - (1) Finished products, raw materials and work in process:

The lower of cost or market, where cost is determined by the average method.
 - (2) Stored goods:

Latest purchase cost method
4. Depreciation and amortization of depreciable fixed assets
 - (1) Tangible fixed assets

Declining-balance method
 - (2) Intangible fixed assets

Straight-line method
(Straight-line method is adopted for the software used in-house for the proprietary purposes during its usable life (five years).)
5. Translation of foreign currency assets and liabilities into Japanese yen

Foreign currency assets and liabilities of the Corporation are translated into Japanese yen at the spot exchange rate prevailing at the end of the fiscal year, while exchange gain or loss adjustments were posted as gains or losses.
6. Provision of significant allowances
 - (1) Allowance for doubtful receivables

Allowance for doubtful receivables is provided at an amount sufficient to cover possible losses on the collection of receivables. For certain probable doubtful accounts the uncollectible amounts are estimated based on a review of the collectibility of individual receivables.
 - (2) Provision for retirement benefits

The corporation provided allowance for employees' severance and pension benefits at the end of this fiscal year based on the estimated amounts of projected benefit obligation and the fair value of plan assets at the end of this fiscal year.

Prior service cost of pension plans are amortized over the fixed years less than the estimated average remaining service lives of the employees, which is 12 years for the current year.

The actuarial net losses are amortized over the fixed years less than the estimated average remaining service lives of the employees, which is 12 years for the current year, from the next fiscal year.

(Additional Information)

In conjunction with enforcement of the Defined Benefit Enterprise Pension Plan Law, the Corporation received approval from the Minister of Health, Labour and Welfare, for exemption from payment of future benefits regarding the substituted portion of the employee pension fund as of March 26, 2003. We applied the transitional accounting treatment specified in paragraph 47-2 of the "Practical Guidelines of Accounting for Retirement Benefits (Interim Report)", and recognized an extinguishment of retirement benefit obligation with respect to such substituted portion as of the date of the approval. As a result, the corporation has recorded the substituted pension assets of 16,285 million yen.
 - (3) Provision for retirement allowances for directors and corporate auditors

The Corporation provides for retirement allowances for directors and corporate auditors at the full

amount which would be required to be paid if all directors and corporate auditors retired at the balance sheet date based on the Corporation's internal regulations.

7. Lease transactions

Finance leases, except for those leases where the ownership of the leased assets is considered to be transferred to the lessee are allowed to be accounted for in the same manner as ordinary rental transactions.

8. Accounting method for hedges

(1) Hedge accounting

Deferred hedge accounting is adopted for the foreign currency forward contracts on anticipated transactions.

(2) Hedging instruments and hedged items

Hedging instruments and hedged items subject to the hedging accounting during the current fiscal year are as follows:

Hedging instruments: Foreign currency forward contracts

Hedged items: Accounts receivable dominated in foreign currencies for product exports
 Debt in foreign currencies for imports of facilities and others

(3) Hedging policy

Foreign currency forward contracts are executed to hedge the risk in fluctuations in the amount of receivables due to fluctuations in foreign currency exchange rates.

9. Other basic information for preparation of the financial statements

(1) The tax-excluded method is adopted for accounting treatment of consumption and other taxes.

(2) Accounting principles relating to treasury stock and reclassification of statutory reserve

Effective April 1, 2002 the Corporation adopted the "Accounting Standard for Treasury Stock and Reclassification of Statutory Reserve (Accounting Standards Board Statement No.1)". However the effects of adopting the new accounting standard on profits and losses of this period are immaterial.

The Corporation prepared the balance sheets in accordance with the revised Accounting Principles for financial statements.

(3) Information per share

Effective April 1, 2002, the Corporation adopted the new accounting standard for earnings per share and related guidance (Accounting Standards Board Statement No.2, "Accounting Standard for Earnings Per Share" and Financial Standards Implementation Guidance No.4, "Implementation Guidance for Accounting Standard for Earnings Per Share").

(Significant Subsequent Events)

The Board of Directors has decided at their meeting on April 24, 2003 that they would vote on submitting motions of "Proposal to issue stock rights to the Corporation's directors" and "Repurchase of the Corporation's own stock" to the annual stockholders' meeting scheduled to be held on June 20, 2003.

[Notes]
(Balance Sheets)

	<u>Fiscal 2002</u>	<u>Fiscal 2003</u>
1. Accumulated depreciation of tangible fixed assets	148,856 mil. yen	159,514 mil. yen
2. Notes receivable endorsed	7 mil. yen	4 mil. yen
Guaranteed obligations	86 mil. yen	3,588 mil. yen
Amounts outstanding under letters of comfort for management guidance	2,704 mil.yen	7,165 mil. yen

3. Dividend limitation

The Corporation's net assets increased by 137 million yen, by calculating the assets regulated in paragraph 1-6 of Article 290 of Commercial Law at actual values.

(Statements of Income)

1. Major Items of Selling, General and Administrative Expenses and their Amount

Transportation cost	3,808 mil. yen	4,670 mil. yen
Advertisement and sales commissions	1,507 mil. yen	1,896 mil. yen
Employees' salaries and benefits	11,793 mil. yen	12,267 mil. yen
Traveling expenses	1,227 mil. yen	1,396 mil. yen
Fees and commissions	5,129 mil. yen	6,322 mil. yen
Depreciation and amortization	2,228 mil. yen	2,428 mil. yen
Rents and leases	593 mil. yen	422 mil. yen

(Leases)

No notes are made since we disclose them electronically in accordance with the provisions in paragraph 30-6 of Article 27 of Securities Exchange Law.

(Securities)

There are no securities with fair value of the Corporation's subsidiaries and affiliates during Fiscal 2002 (from April 1, 2001 to March 31, 2002) and Fiscal 2003 (from April 1, 2002 to March 31, 2003).

(Tax Effect Accounting)

1. Significant components of deferred tax assets and liabilities:

	<u>Fiscal 2002</u>	<u>Fiscal 2003</u>
[Current assets]		
(Deferred tax assets)		
Accrued bonus payable	1,225 mil. yen	2,140 mil. yen
Unpaid business taxes	-- mil. yen	998 mil. yen
Accounts payable	625 mil. yen	214 mil. yen
Others	473 mil. yen	341 mil. yen
Total deferred tax assets	2,324 mil. yen	3,695 mil. yen
(Deferred tax liabilities)		
Unpaid business taxes	233 mil. yen	-- mil. yen
Total deferred tax liabilities	233 mil. yen	-- mil. yen
Net deferred tax assets	2,090 mil. yen	3,695 mil. yen
[Fixed assets]		
(Deferred tax assets)		
Provision for retirement benefits	3,978 mil. yen	4,172 mil. yen
Losses on valuation of other securities	1,967 mil. yen	--mil. yen
Depreciation expenses beyond allowable amount as deductibles	1,162 mil. yen	1,474 mil. yen
Provision for retirement allowances for directors and corporate auditors	190 mil. yen	235 mil. yen
Losses on fixed asset revaluation	577 mil. yen	-- mil. yen
Others	616 mil. yen	608 mil. yen
Total deferred tax assets	8,493 mil. yen	6,491 mil. yen
(Deferred tax liabilities)		
Net unrealized holding gains on securities	301 mil. yen	91 mil. yen
Reserve for special depreciation	254 mil. yen	272 mil. yen
Total deferred tax liabilities	555 mil. yen	363 mil. yen
Net deferred tax assets	7,938 mil. yen	6,128 mil. yen

2. Domestic legal effective tax rates used in calculation of Deferred tax assets and Total deferred tax liabilities are 41.8% for Fiscal 2002, and 41.8% for current assets and 40.5% for fixed assets of Fiscal 2003. These decreased Deferred tax assets by 204 million yen, and increased the amount of adjustments to income taxes, accounted for Fiscal 2003's costs, by the same amount.

[Executive-level changes in management]

(Effective in June 20, 2003, after the annual shareholders' meeting)

1. Executive-Level Changes in Management for Directors

(1) New Director Candidate

Director Wataru Kitao Currently a member of Corporate Sector

(2) Resigning Director from Board to be Corporate Vice Presidents

Director Katsuhiro Akamatsu New Corporate Vice President

Director Yasuo Ninomiya New Corporate Vice President

Director Ryoichi Ota New Corporate Vice President

Director Tetsuo Horiuchi New Corporate Vice President

(3) Other Resigning Director from Board

Executive Managing Director Tetsuo Iwaki New President of Nitto Denko Matex Co., Ltd.

Director Shunichiro Sayanagi New Fellow (Effective in April 1, 2003)

2. Titles of All Directors and Statutory Auditors

Chairman Hideki Yamamoto
 President Masamichi Takemoto
 Director Koichi Takatsuka
 Director Mikio Aizawa
 Director Yasuki Nishizaka
 Director Yoshiyasu Kamiyama
 Director Yukio Nagira
 Director Tatsunosuke Fujiwara
 Director Wataru Kitao (New candidate)
 Statutory auditor Tsuneo Asada
 Statutory auditor Makoto Yoshida
 Non-executive auditor Hisashi Hosokawa
 Non-executive auditor Masataka Saikawa

3. Installment of Corporate Vice Presidents

Name	New title	Current title
Masamichi Takemoto	President	(Same)
Koichi Takatsuka	Senior Executive Corporate Vice President	(Same)
Mikio Aizawa	Executive Corporate Vice President	Senior Managing Director, General Manager of Optoelectronics Business Headquarters
Yasuki Nishizaka	Senior Corporate Vice President	Managing Director, General Manager of Tape-Material Business Sector
Yoshiyasu Kamiyama	Senior Corporate Vice President	Managing Director, General Manager of Optical Related Products Sector
Yukio Nagira	Senior Corporate Vice President	Managing Director, General Manager of Corporate Sector
Katsuhiro Akamatsu	Corporate Vice President	Director, Deputy General Manager of Sales & Marketing Sector
Yasuo Ninomiya	Corporate Vice President	Director, General Manager of Specialty Products Business Sector
Ryoichi Ota	Corporate Vice President	Director, General Manager of Procurement Business Sector

(To be continued)

Name	New title	Current title
Tetsuo Horiuchi	Corporate Vice President	Director, General Manager of Specialty Technology Sector
Kaoru Aizawa	Corporate Vice President	Corporate Vice President, General Manager of Research & Development Sector
Hideo Abe	Corporate Vice President	Corporate Vice President, General Manager of Optical Related Products Div.
Setsuo Watanabe	Corporate Vice President	Corporate Vice President, General Manager of Planning & Management Div. of Sales & Management Sector
William J Hayse	Corporate Vice President	Corporate Vice President, President of Nitto Americas, Inc.