

**Summary of Consolidated Financial Statements
for the Third Quarter of Fiscal 2007
(from April 1, 2007 to March 31, 2008)**

Listed company name: **Nitto Denko Corporation**
 Stock exchange listings: First Section of Tokyo Stock Exchange and Osaka Stock Exchange
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(All monetary values noted herein are rounded down to the nearest million yen.)

1. Consolidated business results of the Third Quarter of Fiscal 2007 (From April 1, 2007 to December 31, 2007)

(1) Operational results

	Sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third quarter of Fiscal 2007	565,516	10.6	59,648	8.7	58,201	7.5
Third quarter of Fiscal 2006	511,315	10.7	54,874	-18.0	54,134	-21.0
Fiscal 2006	679,822		69,037		67,319	

	Net income		Net income per share – Basic		Net income per share – Diluted	
	Millions of yen	%	yen		yen	
Third quarter of Fiscal 2007	38,736	15.2	232.	66	232.	47
Third quarter of Fiscal 2006	33,639	-19.9	202.	97	202.	70
Fiscal 2006	41,201		248.	33	248.	01

(2) Financial condition

End of:	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share	
	Millions of yen	Millions of yen	%	yen	
Third quarter of Fiscal 2007	628,733	392,366	61.9	2,337.	61
Third quarter of Fiscal 2006	595,805	360,439	60.1	2,149.	42
Fiscal 2006	604,208	367,610	60.4	2,192.	29

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Third quarter of Fiscal 2007	60,920	-46,839	-13,329	75,165
Third quarter of Fiscal 2006	40,654	-56,106	-1,208	71,574
Fiscal 2006	63,032	-77,285	879	74,551

2. Dividends

Record Date	Dividends per share		
	Interim	Year-end	Full-year
	yen	yen	yen
March, 2007	35. 00	35. 00	70. 00
March, 2008	40. 00	--	80. 00
(Forecasts) March, 2008	--	40. 00	

3. Consolidated Financial Forecasts for the end of Fiscal 2007 (From April 1, 2007 to March 31, 2008)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full-year	750,000	10.6	75,000	8.6	73,000	8.4	47,000	14.1	282. 27

* The forecasts have been changed from outlook announced on October 30, 2007.

** The forecasts shown above are 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.

4. Others

- (1) Changes for important subsidiaries during this fiscal year: Exclusion:1 (Kyoshin Co., Ltd)
- (2) Adoption of concise accounting method: Not applicable
- (3) Changes in accounting methods from most recent consolidated fiscal year: Not applicable

[Qualitative Information and Financial Statements]

1. Qualitative Information for Consolidated Business Results

Summary of Overall Business

In the Japanese economy in the third quarter of fiscal 2007 (nine-month period ended December 2007), there was a weakening in growth due to the soaring prices of crude and other materials and a decrease in housing construction. There was however growth in capital investment and a steady employment situation. Outside Japan, the economies of the emerging countries such as China and India continued to expand. There was greater uncertainty, however, for the future of the US economy due to the subprime loan crisis and other issues.

Under these economic circumstances, Nitto Denko Corporation and its subsidiaries (the Group) concentrated on increasing sales of LCD-related products and industrial products for the expanding FPD (flat panel display) industry and the electronic device industry including HDDs (hard disk drives) and cellular phones. In the fast-changing semiconductor and electronic components markets, the main area of increased sales was process materials, while in the emerging health and environment market, which is expected to expand rapidly in the future, the Group focused on transdermal therapeutic patches (a pharmaceutical product) and high-polymer separation membranes for water-related environmental systems.

As a result of the above, sales for the nine-month period increased by 10.6% (year on year), to 565,516 million yen. Operating income was 59,648 million yen (up 8.7%), ordinary income was 58,201 million yen (up 7.5%) and net income was 38,736 million yen (up 15.2%).

Summary of Results by Business Segments

[Industrial Products]

Sales of bonding and joining products were robust, for HDDs and also for the PCs and home appliances and mobile devices (including portable music players and portable game consoles) which were boosted by expanded sales in the East Asia market. Regarding surface protection products, although sales of surface protection films for the FPD industry (product name "E-MASK") were high due to strong demand, sales of surface protection film for automotive paint remained at same level. Sealing products showed steady growth for mobile devices and for automotive components. Sales of housing and buildings materials were weak, as they were severely affected by the decrease in housing construction—due to the Revised Building Standard Law—and the soaring prices of raw materials. Sales of custom processing materials and purchased goods were down because of the cancellation of some products.

As a result, sales was 196,383 million yen (down 3.9%), and operating income was 21,844 million yen (up 2.2%).

[Electronic Products]

Sales of LCD-related products increased in quantity, especially products, such as deflecting plates with polarization film and transparent conductive film reflecting the expansion of the market of LCD TVs, cellular phones and touch panels. Sales for semiconductor-related products grew steadily from the expanding market share of resin for advanced devices and environmentally friendly resin. As for printed circuits, sales to the storage industry, represented by HDD manufacturing, were strong because of the effectiveness of production capacity for increased demand for thin metal core boards for magneto-resistive heads. Regarding electronic process products, sales of laminating equipment and wafer-protection adhesive tape for semiconductor manufacturing processes increased strongly along with an increased production of wafers. Sales of small electronic components were strong because of a growing demand for cellular phones, PCs and home appliances in overseas markets.

As a result, sales was 327,471 million yen (up 22.9%) and operating income was 30,933 million yen (up 17.4%). Major factors for the increase in operating income were from printed circuits and electronic process products.

[Functional Products]

Healthcare products were low in all because medical transdermal therapeutic patches for the bronchodilator (for asthma) was influenced from NHI price revision and new products (therapeutic substance for hypertension and cancerous pain) have not yet obtained drug approval. Regarding high-polymer separation membranes, their favorable sales were supported by orders for RO (reverse osmosis) membranes adopted for seawater desalination plants in Middle East and Europe and orders for UF (ultra-filtration) membranes for large-scale water purification plants in France. With regard to engineering plastic products, sales of porous film products for automotive parts showed growth however, sales of those for electronic parts and devices were reflected from changes of clients' specification and falling in price.

As a result, sales was 41,660 million yen (up 3.0%) and operating income was 6,870 million yen (down 4.1%).

(Reference) Operating Segment Information

(Unit: Millions of yen)

		Third quarter of Fiscal 2006 (from April 1 to December 31, 2006)		Third quarter of Fiscal 2007 (from April 1 to December 31, 2007)	
		Sales	Y-o-Y(%)	Sales	Y-o-Y(%)
Industrial Products	Tape materials	105,690	109.4	106,365	100.6
	Custom processing materials/Purchased goods	98,687	111.4	90,018	91.2
	Total	204,377	110.3	196,383	96.1
	Operating income	21,364	126.2	21,844	102.2
Electronic Products	LCD- related products	191,344	109.9	234,855	122.7
	Semiconductor related products	15,797	104.4	16,395	103.8
	Printed circuits	35,218	121.1	48,656	138.2
	Electronic processing materials	24,117	106.2	27,563	114.3
	Total	266,478	110.5	327,471	122.9
	Operating income	26,348	59.6	30,933	117.4
Functional Products	Medical related products	13,883	103.1	13,136	94.6
	Membrene products	13,165	127.2	15,060	114.4
	Engineering plastics	13,410	114.6	13,464	100.4
	Total	40,459	113.9	41,660	103.0
	Operating income	7,161	125.0	6,870	95.9
Total	Sales	511,315	110.7	565,516	110.6
	Operating income	54,874	82.0	59,648	108.7

2. Qualitative Information for Consolidated Financial Condition

Our financial condition at the end of the third quarter was as follows.

Total assets reached 628,733 million yen, an increase of 24,525 million yen compared to the end of fiscal 2006. Shareholders' equity was 389,173 million yen, an increase of 24,231 million yen. The ratio of shareholders' equity to total assets changed to 61.9% from 60.4% compared with the end of fiscal 2006.

Main changes in assets were the increase in trade notes and accounts receivable by 16,899 million yen and the increase in tangible fixed assets by 5,691 million yen. In liabilities, trade notes and accounts payable increased by 7,587 million yen and short-term loans payable decreased by 10,724 million yen.

Cash and cash equivalents (hereinafter "Cash") at the end of third quarter of this fiscal year increased by 613 million yen to 75,165 million yen, compared with the end of fiscal 2006. The main factors for changes by each cash flow activity were as follows.

Cash increased to 60,920 million yen as a result of operating activities. The main factors for this increase include income before provision for income taxes, 58,117 million yen, and depreciation and amortization, 36,037 million yen and payments of income taxes, 19,619 million yen.

Cash decreased to 46,839 million yen as a result of investing activities. This was mainly attributable to the result of acquisition of fixed assets, 49,529 million yen.

Cash decreased to 13,329 million yen as a result of financing activities. This was mainly attributable to the result of a payment of dividends, 12,485 million yen.

3. Consolidated Financial Forecasts for the end of Fiscal 2007

After considering the actual results of this term, the global economic environment, the strengthening of the yen in foreign exchange and the uncertainties concerning our major market, the LCD industry, we revised the consolidated financial forecasts as follows.

		Revised forecasts(A)	Previous forecasts(B)*	Difference (A)-(B)	Rate of change
Consolidated	Sales	750,000	752,000	-2,000	-0.3
	Operating income	75,000	70,000	5,000	7.1
	Ordinary income	73,000	67,000	6,000	9.0
	Net income	47,000	45,000	2,000	4.4

*Announced on October 30, 2007

4. Others

(1) Changes for important subsidiaries during this fiscal year: Exclusion: 1

The Company conducted an absorption-type merger of Kyoshin Co., Ltd.

(2) Adoption of concise accounting method: Not applicable

(3) Changes in accounting methods from most recent consolidated fiscal year: Not applicable

Quarterly Consolidated Balance Sheets

	As of December 31, 2006		As of December 31, 2007		As of March 31, 2007	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
(Assets)						
Current assets						
Cash on hand and in banks	71,924		75,866		75,762	
Trade notes and accounts receivable	153,623		162,277		150,377	
Inventories	68,126		74,146		72,293	
Other current assets	15,563		19,726		16,869	
	309,239	51.9	337,015	53.6	315,303	52.2
Fixed assets						
Tangible fixed assets	243,872		252,436		246,744	
Intangible fixed assets	6,930		6,527		6,768	
Investments and other assets	35,764		32,753		35,391	
	286,566	48.1	291,717	46.4	288,904	47.8
Total assets	595,805	100.0	628,733	100.0	604,208	100.0
(Liabilities)						
Current liabilities						
Trade notes and accounts payable	105,328		112,004		104,417	
Short-term loans payable	20,289		13,503		24,228	
Commercial paper	12,000		14,000		10,000	
Other current liabilities	70,443		66,499		70,777	
	208,061	34.9	206,007	32.8	209,422	34.7
Long-term liabilities						
Long-term loans payable	2,154		6,660		1,806	
Provision for retirement benefits	16,139		16,356		16,102	
Other long-term liabilities	9,011		7,341		9,265	
	27,305	4.6	30,359	4.8	27,174	4.5
Total liabilities	235,366	39.5	236,366	37.6	236,597	39.2
(Net assets)						
Shareholders' equity						
Paid-in capital	26,783		26,783		26,783	
Capital surplus	56,024		56,275		56,023	
Earned surplus	296,990		330,699		304,552	
Treasury stock	-28,839		-28,434		-28,829	
	350,959	58.9	385,324	61.3	358,530	59.3
Variance and translation adjustments						
Valuation difference on available-for-sale securities	6,031		4,270		5,646	
Deferred gains or losses on hedges	-325		-12		-76	
Translation adjustments	1,134		-408		842	
	6,840	1.2	3,848	0.6	6,411	1.1
Subscription rights to shares	435	0.1	846	0.1	484	0.1
Minority interests	2,203	0.3	2,346	0.4	2,183	0.3
Total net assets	360,439	60.5	392,366	62.4	367,610	60.8
Total liabilities and net assets	595,805	100.0	628,733	100.0	604,208	100.0

Quarterly Consolidated Statements of Income

	From April 1, 2006 to December 31, 2006		From April 1, 2007 to December 31, 2007		From April 1, 2006 to March 31, 2007	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sales	511,315	100.0	565,516	100.0	679,822	100.0
Cost of sales	370,965	72.6	416,481	73.6	496,361	73.0
Gross profit	140,350	27.4	149,034	26.4	183,460	27.0
Selling, general and administrative expenses	85,476	16.7	89,386	15.9	114,423	16.8
Operating income	54,874	10.7	59,648	10.5	69,037	10.2
Non-operating income						
Interest and dividend income	564		705		790	
Miscellaneous income	2,683		3,015		3,732	
	3,247	0.6	3,720	0.7	4,523	0.6
Non-operating expenses						
Interest expenses	1,175		1,397		1,651	
Miscellaneous expenses	2,811		3,770		4,589	
	3,987	0.7	5,167	0.9	6,241	0.9
Ordinary income	54,134	10.6	58,201	10.3	67,319	9.9
Extraordinary gains						
Gains on sales of fixed assets	380		496		389	
Gains on sales of investments in securities	10		308		11	
Other extraordinary gains	--		983		--	
	391	0.1	1,788	0.3	400	0.1
Extraordinary losses						
Losses on sales and disposal of fixed assets	905		1,343		1,653	
Other extraordinary losses	401		528		964	
	1,306	0.3	1,871	0.3	2,618	0.4
Income before provision for income taxes	53,219	10.4	58,117	10.3	65,100	9.6
Corporate income, local and business taxes	19,159	3.7	18,782	3.4	23,447	3.4
Minority interest in net income of consolidated subsidiaries	419	0.1	598	0.1	452	0.1
Net income	33,639	6.6	38,736	6.8	41,201	6.1

Quarterly Consolidated Statements of Cash Flows

	Third quarter of Fiscal 2006 (From April 1, 2006 to December 31, 2006)	Third quarter of Fiscal 2007 (From April 1, 2007 to December 31, 2007)	Fiscal 2006 (From April 1, 2006 to March 31, 2007)
	Millions of yen	Millions of yen	Millions of yen
I Cash flows from operating activities			
Income before provision for income taxes before adjustments to reconcile income to net cash provided by operating activities	53,219	58,117	65,100
Depreciation and amortization	28,565	36,037	40,169
Increase (decrease) in trade notes and accounts receivable	-8,165	-17,297	-5,401
Increase (decrease) in inventories	-7,267	-2,129	-11,613
Increase (decrease) in other accounts receivable	-418	-823	-308
Increase (decrease) in trade notes and accounts payable	9,873	8,296	9,849
Income taxes paid and refunded	-35,214	-19,619	-37,124
Others	63	-1,661	2,360
Net cash provided by operating activities	40,654	60,920	63,032
II Cash flows from investing activities			
Acquisition of fixed assets	-56,931	-49,529	-77,716
Proceeds from sales of fixed assets	837	1,929	1,308
Others	-13	760	-877
Net cash used in investing activities	-56,106	-46,839	-77,285
III Cash flows from financing activities			
Increase (decrease) in short-term debt	-1,977	-7,392	2,555
Redemption of bond (current portion)	12,000	4,000	10,000
Proceeds from long term debt	--	5,648	--
Repayment of long-term debt	-933	-3,549	-1,386
Dividends paid	-10,777	-12,485	-10,777
Proceeds from sales of treasury stock	810	518	819
Dividends paid to minority interest	-330	-68	-330
Net cash used in financing activities	-1,208	-13,329	879
IV Effect of exchange-rate changes on cash and cash equivalents	1,550	-168	1,240
V Net Increase in cash and cash equivalents	-15,109	582	-12,132
VI Cash and cash equivalents, beginning of period	86,684	74,551	86,684
VII Cash and cash equivalents of newly consolidated companies	--	31	--
VIII Cash and cash equivalents, at end of period	71,574	75,165	74,551

Segment information

I. Operating segment information

(Unit : Millions of yen)

		Third quarter of Fiscal 2006 (from April 1 to December 31, 2006)	Third quarter of Fiscal 2007 (from April 1 to December 31, 2007)	Fiscal 2006 (from April 1, 2006 to March 31, 2007)
Sales	Industrial products	204,377	196,383	268,888
	Electronic products	266,478	327,471	356,941
	Functional products	40,459	41,660	53,991
	Total	511,315	565,516	679,822
Operating income	Industrial products	21,364	21,844	28,019
	Electronic products	26,348	30,933	31,449
	Functional products	7,161	6,870	9,568
	Total	54,874	59,648	69,037

Major products for each business segment

Business segment	Major products
Industrial products	Bonding and joining products, surface protection products, sealing products, packaging products and equipment
Electronic products	LCD-related products, flexible printed circuit products, electronic processing products, Semiconductor related products
Functional products	Medical-related products, polymer separation membranes, engineering plastics products

II. Segment information by geographic area

(Unit : Millions of yen)

		Third quarter of Fiscal 2006 (from April 1 to December 31, 2006)	Third quarter of Fiscal 2007 (from April 1 to December 31, 2007)	Fiscal 2006 (from April 1, 2006 to March 31, 2007)
Sales	Japan	204,530	195,703	268,364
	North America	30,978	33,758	42,349
	Europe	16,527	21,668	23,787
	Asia & Oceania	259,279	314,386	345,321
	Total	511,315	565,516	679,822
Operating income	Japan	43,283	36,590	52,535
	North America	-649	285	-663
	Europe	871	1,424	1,587
	Asia & Oceania	9,090	20,351	12,382
	Eliminations (Corporate)	2,278	997	3,195
	Total	54,874	59,648	69,037

III. Sales to customers outside Japan

	Third quarter of Fiscal 2006 (from April 1 to December 31, 2006)	Third quarter of Fiscal 2007 (from April 1 to December 31, 2007)	Fiscal 2006 (from April 1, 2006 to March 31, 2007)
Sales to customers outside Japan	318,555	382,302	425,699
Ratio of sales to customers outside Japan	62.3%	67.6%	62.6%