

Summary of Consolidated Financial Statements for the first quarter ended June 30, 2008

Listed company name: **Nitto Denko Corporation**
 Stock exchange listings: First Section of Tokyo Stock Exchange and Osaka Stock Exchange
 Code Number : 6988 URL <http://www.nitto.com/>
 Company Representative: Yukio Nagira, President
 Contact Person: Hideki Komai, General Manager,
 Investor Relations Group, Corporate Communications Dept.
 Phone: +81-6-6452-2101

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

1. Consolidated financial results of the first quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)

(1) Operating results (% of change from previous year)

	Sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter ended June 30, 2008	169,060	-	13,517	-	15,567	-	10,445	-
First quarter ended June 30, 2007	176,599	8.8	14,103	-27.3	14,986	-20.0	9,895	-12.3

	Net income per share-Basic		Net income per share-Diluted	
	Yen		Yen	
First quarter ended June 30, 2008	62.	71	62.	66
First quarter ended June 30, 2007	59.	44	59.	40

(2) Financial position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share	
	Millions of yen	Millions of yen	%	Yen	
First quarter ended June 30, 2008	597,813	398,208	66.1	2,371.	74
March 31, 2008	595,972	385,593	64.2	2,297.	12

(Reference): Shareholders' equity: (1Q, Fiscal 2008) 395,082 million yen (Fiscal 2007) 382,627 million yen

2. Dividends

Record Date	Dividends per share				
	1Q	2Q	3Q	Year-end	Annual
	yen	yen	yen	yen	yen
March, 2008	-	40. 00	-	40. 00	80. 00
March, 2009	-	-	-	-	-
(Forecast) March, 2009	-	45. 00	-	45. 00	90. 00

3. Forecast for fiscal year ending March 31, 2009 (April 1, 2008 through March 31, 2009)

(% of change from same period last year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
First half	348,000	-	28,000	-	30,000	-	20,000	-	120.06
Annual	710,000	-4.7	63,000	-19.2	63,000	-15.4	42,000	-9.9	252.14

4. Others

- (1) Changes in significant subsidiaries during this fiscal year: No
- (2) Adoption of simplified financial accounting methods and special accounting methods for presenting quarterly consolidated financial statements: Yes
- (3) Changes of accounting policies applied, procedures and disclosures for presenting quarterly consolidated financial statements
 1. Changes following to accounting standard changes: Yes
 2. Others: No
- (4) Number of shares outstanding (Common stock)
 1. Number of shares outstanding at the term end (including treasury stock):
 (June, 2008) 173,758,428 (March, 2008) 173,758,428
 2. Number of treasury stocks at the term end
 (June, 2008) 7,179,331 (March, 2008) 7,189,976
 3. Weighted-average number of shares outstanding over the period
 (April-June, 2008) 166,571,974 (April-June, 2007) 166,472,057

*Explanations for adequate utilization of the forecast, and other note

- (1) Forecast announced on April 30, 2008 has been revised.
- (2) Forecast 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.
- (3) Effective from the fiscal year ending March 31, 2009, the "Accounting Standard for Quarterly Financial Reporting"(ASBU Statement No. 12) and its Implementation Guidance, "Guidance on Accounting Standard for Quarterly Financial Reporting"(ASBU Guidance No. 14) have been applied. Quarterly consolidated financial statements have been prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting".

[Qualitative Information/Financial Statements and Others]

1. Qualitative Information Regarding Consolidated Operating Results

The Japanese economy stalled during the first quarter of fiscal 2008. Exports were down due to an economic slowdown in the U.S. triggered by soaring oil prices and the subprime mortgage crisis. There were also indications of change in the economies of China and Europe, and signs of economic slowdown were observed spreading across the global economy.

Under these economic conditions, the flat panel display (FPD) industry, the major market of Nitto Denko Corporation and its consolidated subsidiaries (the Group), experienced stagnated growth in the sales of large-size LCD TVs, which were expected to perform strongly on the back of the Olympics. The environments in the semiconductor industry and the electronic device industry would also be difficult to describe as complete recovery, although they are recovering from a market bottom. There was also weak demand in the automotive industry and the housing and construction industry. Impacted by the above, the performance of electronic materials and industrial materials remained sluggish overall. Sales of high-polymer separation membranes for water-related environment, however, followed a steady course.

As a result of above, and also the impact of exchange rates (a stronger yen), consolidated sales for the first quarter decreased 4.3% from the previous year (changes in percentage hereafter are in comparison to the same period in the previous year) to 169,060 million yen. Operating income decreased 4.2% to 13,517 million yen, and ordinary income increased 3.9% to 15,567 million yen. Net income also went up 5.6% to 10,445 million yen.

Summary of Operations by Segment

[Industrial Products]

Regarding bonding and joining products, sales for home appliances and the personal computer industry were impacted by launches of new models being delayed on account of the U.S. economic slowdown, but sales for portable music players, portable game machines and hard disk drives (HDD) were on track. Sales of surface protection products were solid for the FPD industry because of customers' production increases, but sales of automotive paint protection film were sluggish. Sales of sealing products for portable devices and electronic devices were steady, but sales for the automotive industry were sluggish because of changes to the automobile model structure as a result of a production shift to fuel-efficient small-sized automobiles. Sales of construction materials were sluggish domestically because of delays in construction starts for new houses impacted by the enforcement of the revised Building Standard Law.

As a result, sales from the industrial products segment were 60,478 million yen (down 4.3%), and operating income was 4,918 million yen (down 16.8%).

[Electronic Products]

Sales of LCD-related products were sluggish for the following reasons. Since the occurrence of the subprime mortgage crisis, there has been weak demand in North America for optical films in large-size LCD TVs, a strategic area of specialization of the Group. In the Asian region, there was weak demand for these products in portable devices, and also impacting sales was inventory adjustments for some LCD panel sizes. Sales of semiconductor related products were sluggish overall. Although sales of resin for advanced devices and environmentally friendly resin were steady, the market for general-purpose resin was weak, impacted by the stagnant market. As for flexible printed circuit products, there was sluggish demand both in cellular phones and in the storage industry, mainly in HDD. Specifically, with regard to demand in the storage industry, despite growth in the number of HDD shipments, sales were impacted by sluggish procurements of parts containing printed circuits. With regard to electronic processing products, sales of process materials for compact electronic parts for portable devices and sales of materials for batteries were steady. Sales of adhesive tape for semiconductor packing performed well as a result of an expansion of its market arising from increased wafer production volumes.

As a result, sales for the electronic products segment were 94,674 million yen (down 5.0%), and operating income was 6,587 million yen (up 9.0%).

[Functional Products]

In relation to medical-related products, sales of transdermal therapeutic patches for medical use were affected by revision of drug price, but overall sales remained at the same level due to the accelerating sales expansion of sanitary materials. Sales of high-polymer separation membranes progressed steadily with an order for China's largest seawater desalination plant in Tianjin. The Group commenced expansion work at the Shiga Plant aiming to achieve 160% of current production capacity. As for engineering plastics products, sales continued steadily mainly in porous film materials for automotive parts, electronic parts and home appliances, but functional materials for information devices experienced stagnated growth and overall sales remained at the same level.

As a result, sales in the functional products segment were 13,906 million yen (up 0.9%), and operating income was 2,010 million yen (down 6.4%).

Breakdown by Geographical Segments

In Japan, the stagnated growth in housing and automobile demand and the soaring prices of oil and raw materials constrained earnings. With regard to the Asia and Oceania region, demand for industrial materials and electronic materials in household appliances and information/ electronic equipment such as LCD TVs, PCs and OA equipment slowed in China because of the Great Sichuan Earthquake. Also, printed circuits for the storage industry in South Asia were impacted by inventory adjustments.

As a result, sales in Japan were recorded at 58,942 million yen (down 3.4%) and operating income at 8,525 million yen (down 5.2%). Sales in the Asia and Oceania region were recorded at 91,657 million yen (down 5.0%) and operating income at 3,822 million yen (down 2.6%).

In Europe, sales of industrial materials remained sluggish while sales of electronic materials were brisk resulting in overall sales of 7,911 million yen (up 4.4%) and operating income of 702 million yen (up 16.2%).

In North America, the high-polymer separation membranes business progressed steadily in the area of reverse osmosis membranes for seawater desalination destined for Europe and Middle East, but not enough to offset the decrease in sales of industrial materials that was connected to a weakened demand for automobiles.

As a result, sales were recorded at 10,548 million yen (down 8.5%) and operating loss was 214 million yen.

(Reference) Operating Segment Information

(Yen in Millions)

		First Quarter ended June 30, 2007 (April 1, 2007 through June 30, 2007)		First Quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)	
		Sales	Y-o-Y(%)	Sales	Y-o-Y(%)
Industrial Products	Tape materials	33,857	98.7	31,442	92.9
	Custom processing materials/Purchased goods	29,319	90.6	29,036	99.0
	Total	63,177	94.7	60,478	95.7
	Operating income	5,910	90.9	4,918	83.2
Electronic Products	Optical related products	72,264	124.7	68,085	94.2
	Semiconductor related products	5,321	101.2	5,023	94.4
	Printed circuits	13,315	118.9	11,801	88.6
	Electronic processing materials	8,735	105.6	9,764	111.8
	Total	99,636	120.5	94,674	95.0
	Operating income	6,043	56.5	6,587	109.0
Functional Products	Medical related products	4,388	100.4	4,389	100.0
	Membrane products	4,941	113.7	5,081	102.8
	Engineering plastics	4,455	104.0	4,435	99.6
	Total	13,785	106.0	13,906	100.9
	Operating income	2,149	98.1	2,010	93.6
Total	Sales	176,599	108.8	169,060	95.7
	Operating income	14,103	72.7	13,517	95.8

(Reference) Operating Segment Information

(Yen in Millions)

		Forecasts of fiscal year ending March 31, 2009			
		Initial (Announced on April 30, 2008)		Revised	
		Sales	Y-o-Y(%)	Sales	Y-o-Y(%)
Industrial Products	Tape materials	157,000	112.3	135,000	96.6
	Custom processing materials/Purchased goods	121,000	103.3	117,900	100.6
	Total	278,000	108.2	252,900	98.4
	Operating income	28,900	103.5	24,900	89.2
Electronic Products	Optical related products	348,000	112.5	282,600	91.4
	Semiconductor related products	22,000	103.1	21,800	102.1
	Printed circuits	58,000	89.4	56,800	87.5
	Electronic processing materials	36,000	97.8	38,600	104.9
	Total	464,000	107.3	399,800	92.5
	Operating income	42,600	104.3	29,700	72.7
Functional Products	Medical related products	17,800	101.3	17,000	96.7
	Membrane products	21,600	107.6	21,900	109.1
	Engineering plastics	18,600	101.3	18,400	100.2
	Total	58,000	103.5	57,300	102.3
	Operating income	6,500	70.8	8,400	91.5
Total	Sales	800,000	107.3	710,000	95.3
	Operating income	78,000	100.1	63,000	80.8

2. Qualitative Information on Consolidated Financial Position

Financial condition at the end of the first quarter of fiscal 2008 was as follows.

Compared with the end of fiscal 2007, total assets increased by 1,840 million yen to 597,813 million yen. Shareholders' equity also increased by 12,455 million yen to 395,082 million yen. As a result, the ratio of shareholders' equity to total assets changed from 64.2 %, at the end of fiscal year 2007, to 66.1 %.

Main changes in assets were increases in trade notes and accounts receivable by 4,763 million yen and in tangible fixed assets by 6,084 million yen. In liabilities, there were decreases in trade notes and accounts payable by 4,799 million yen and in accrued expenses by 5,296 million yen.

The balance of cash and cash equivalents (hereinafter referred to as "cash") at the end of the first quarter of fiscal 2008 decreased by 8,036 million yen to 71,201 million yen from the end of fiscal 2007. The status by each cash flow activity and main factors were as follows.

(Cash Flows from Operating Activities)

Cash increased by 7,539 million yen as a result of operating activities (cash increased by 15,449 million yen during the first quarter of fiscal 2007). The main factors for this increase include income before provision for income taxes, 15,823 million yen, depreciation and amortization, 11,717 million yen. On the other hand, the main uses of cash during the period include decreased amounts of trade notes and accounts payable, 9,562 million yen, and payment of income taxes, 10,898 million yen.

(Cash Flows from Investing Activities)

Cash decreased by 14,432 million yen as a result of investing activities (cash decreased by 20,424 million yen during the first quarter of fiscal 2007). This was mainly attributable to the result of acquisition of fixed assets, 14,836 million yen.

(Cash Flows from Financing Activities)

Cash decreased by 5,666 million yen as a result of financing activities (cash increased by 2,329 million yen during the first quarter of fiscal 2007). This was mainly attributable to the result of dividends payment, 6,662 million yen.

3. Qualitative Information on Consolidated Forecast

As for the future economic outlook, the Group anticipates the current trend of slowdown in the economy will continue. The factors influencing this slowdown trend include not only the increasing costs of energy and raw materials driven by soaring oil prices, but also growing financial insecurity in Europe and North America.

With regard to specific matters affecting the Group, in the LCD panel industry, the major market for the Group, the smallness of the impact from special demand connected with the Beijing Olympics, the slump in sales of large-size TVs in Europe and North America, and the inventory adjustments in Asia, particularly for compact portable devices, are all factors behind the greater-than-expected deterioration in the market environment. Taking also into consideration the delays in the Group's new product launches arising from the current market circumstances, the Group has studied these first quarter results and has revised, as follows, its first half and annual forecast for the fiscal year ending March 31, 2009.

First half ending September 30, 2008 (cumulative) (Yen in Millions)

	Current forecast (A)	Previous forecast (B) (As of April 30, 2008)	Changes (A-B)	Change (%)
Sales	348,000	386,000	-38,000	-9.8%
Operating income	28,000	35,000	-7,000	-20.0%
Ordinary income	30,000	34,000	-4,000	-11.8%
Net income	20,000	23,000	-3,000	-13.0%

Fiscal year ending March 31, 2009 (Yen in Millions)

	Current forecast (A)	Previous forecast (B) (As of April 30, 2008)	Changes (A-B)	Change (%)
Sales	710,000	800,000	-90,000	-11.3%
Operating income	63,000	78,000	-15,000	-19.2%
Ordinary income	63,000	76,000	-13,000	-17.1%
Net income	42,000	51,000	-9,000	-17.6%

4. Others

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation)

No items to report

(2) Application of simplified accounting as well as specific accounting for preparing the quarterly consolidated financial statements

a. Simplified accounting

Calculation of depreciation of fixed assets

Depreciation expense for assets that are depreciated using the declining-balance method is calculated by dividing on a pro-rata basis the annual depreciation expense.

b. Specific accounting for preparing the quarterly consolidated financial statements

No items to report

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

a. Application of the accounting standard for quarterly financial reporting

Commencing with the current fiscal year, the “Accounting Standard for Quarterly Financial Reporting” (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No. 14) are applied. Also, quarterly consolidated financial statements are prepared in accordance with the “Regulation for Quarterly Consolidated Financial Statements.”

b. Inventories

Before the change, inventories held for normal sales have been stated mainly using the cost-or-market method per gross average method. As the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006) are applied from the first quarter under review, we employ mainly the gross average cost method (for the value stated on the balance sheet, book value is written down based on the decreased profitability).

This change has no impact on income and loss.

c. Application of the practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements

From the first quarter under review, we apply the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF Practical Solution No. 18, ASBJ, May 17, 2006) and made necessary amendments for consolidated financial statements.

The impacts of this change on income and loss are immaterial.

d. Application of accounting standard for lease transactions

Before the change, the accounting treatment for finance and lease transactions not involving the transfer of ownership rights followed mutatis mutandis the method for operating lease transactions, but now after the application of the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13; Business Accounting Council Committee No. 1, June 17, 1993; revised March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No. 16; the Japanese Institute of Certified Public Accountants, Accounting Committee, January 18, 1994; revised March 30, 2007) became possible from the fiscal year beginning April 1, 2008 or later, we apply these standard and guidance from the first quarter under review, and the accounting treatment for such transactions follow the method for ordinary purchase and sales transactions.

Depreciation of leased properties related to finance and lease transactions not involving the transfer of ownership rights is computed on a straight-line method over the lease period as useful life without residual value.

Also, the accounting treatment for finance and lease transactions not involving the transfer of ownership rights whose transaction commenced before the first fiscal year in which the Accounting Standard for Lease Transactions is applied continuously follows mutatis mutandis the method for operating lease transactions.

This change has no impact on income and loss.

Consolidated Balance Sheets

(Yen in Millions)

	June 30, 2008	March 31, 2008
(Assets)		
Current assets		
Cash on hand and in banks	71,848	80,182
Trade notes and accounts receivable	146,833	142,070
Finished goods	26,299	23,877
Raw materials and supplies	14,729	13,120
Work in process	35,496	35,405
Other current assets	15,381	21,940
Allowance for doubtful accounts	-832	-772
Total of current assets	309,757	315,824
Fixed assets		
Tangible fixed assets		
Buildings and other structures	189,557	177,519
Machinery and delivery equipment	319,922	306,457
Tools, furniture and fixtures	34,962	33,741
Land	19,728	19,530
Construction in progress	18,904	25,438
Accumulated depreciation	-333,187	-318,883
	249,888	243,803
Intangible fixed assets		
	7,141	6,610
Investments and other assets		
Other fixed assets	31,188	29,899
Allowance for doubtful accounts	-162	-166
	31,025	29,733
Total of fixed assets	288,055	280,148
Total assets	597,813	595,972
(Liabilities)		
Current liabilities		
Trade notes and accounts payable	95,788	100,588
Short-term loan payable	10,091	8,416
Income tax payable	4,051	12,329
Reserve for directors' bonuses	134	529
Other current liabilities	58,857	58,673
Total of current liabilities	168,924	180,536
Long-term liabilities		
Long-term loans payable	7,659	6,933
Provision for retirement benefits	18,615	18,267
Reserve for retirement bonuses to directors and corporate auditors	440	574
Negative goodwill	941	1,063
Other long-term liabilities	3,024	3,003
Total of long-term liabilities	30,680	29,842
Total liabilities	199,605	210,379

(Yen in Millions)

	June 30, 2008	March 31, 2008
(Net assets)		
Shareholders' equity		
Paid-in capital	26,783	26,783
Capital surplus	56,173	56,163
Earned surplus	341,592	338,701
Treasury stock	-28,385	-28,427
Total of shareholders' equity	396,163	393,221
Variance and translation adjustments		
Valuation difference on available-for-sale securities	3,819	3,171
Deferred gains or losses on hedges	-237	169
Translation adjustments	-4,663	-13,935
Total of variance and translation adjustments	-1,081	-10,594
Subscription rights to shares	897	897
Minority interests	2,227	2,068
Total net assets	398,208	385,593
Total liabilities and net assets	597,813	595,972

Consolidated Statements of Income

(Yen in Millions)

	First quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)
Sales	169,060
Cost of sales	126,913
Gross profits	42,146
Selling, general and administrative expenses	28,629
Operating income	13,517
Non-operating revenue	
Interest income	136
Dividend income	95
Foreign exchange gain	1,791
Miscellaneous income	888
	2,910
Non-operating expenses	
Interest expenses	272
Miscellaneous expenses	587
	860
Ordinary income	15,567
Extraordinary gains	
Gains on sales of fixed assets	46
Gains on patent assignment	285
Other extraordinary gains	80
	412
Extraordinary losses	
Losses on sales of fixed assets	11
Losses on disposal of fixed assets	61
Special retirement payment	74
Other extraordinary losses	9
	156
Income before provision for income taxes	15,823
Provision for income taxes	5,142
Minority shareholders' interest	234
Net income	10,445

Consolidated Statements of Cash Flows

(Yen in Millions)

	First quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)
Cash flows from operating activities	
Income before provision for income taxes	15,823
Depreciation and amortization	11,717
Increase (decrease) in trade notes and accounts receivable	655
Increase (decrease) in inventories	-1,826
Increase (decrease) in other accounts receivable	1,540
Increase (decrease) in trade notes and accounts payable	-9,562
Increase (decrease) in accrued expenses	-5,476
Income taxes paid and refunded	-10,898
Changes in others	5,565
Net cash provided by operating activities	7,539
Cash flows from investing activities	
Acquisition of fixed assets	-14,836
Proceeds from sales of fixed assets	245
Changes in others	158
Net cash used in investing activities	-14,432
Cash flows from financing activities	
Increase (decrease) in short-term debt	952
Proceeds from long-term loans	245
Repayment of long-term loans	-103
Dividends paid	-6,662
Changes in others	-98
Net cash used in financing activities	-5,666
Effect of exchange-rate changes on cash and cash equivalents	4,523
Net increase (decrease) in cash and cash equivalents	-8,036
Cash and cash equivalents at beginning of the period	79,238
Cash and cash equivalents at end of the period	71,201

Segment information

a. Operating segment information

First quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)

(Yen in Millions)

	Industrial products	Electronic products	Functional products	Total	Eliminations and corporate	Consolidated total
Net sales						
(1) Net sales to outside customers	60,478	94,674	13,906	169,060	-	169,060
(2) Inter-segment sales or transfers	447	28	166	642	-642	-
Total	60,926	94,702	14,073	169,702	-642	169,060
Operating income	4,918	6,587	2,010	13,517	-	13,517

(Notes) 1 Methods of business segmentation

The Corporation classifies its operation principally in three business segments, industrial products, electronic products, and functional products, depending on the use of the products in the market.

2 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

b. Segment information by geographic area

First quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)

(Yen in Millions)

	Japan	North America	Europe	Asia & Oceania	Total	Eliminations and corporate	Consolidated total
Sales							
(1) Sales to outside customers	58,942	10,548	7,911	91,657	169,060	-	169,060
(2) Inter-segment sales or transfers	71,815	385	1,193	6,303	79,698	-79,698	-
Total	130,758	10,934	9,104	97,960	248,758	-79,698	169,060
Operating income	8,525	-214	702	3,822	12,836	680	13,517

(Notes) 1 Countries or regions are segmented by geographical proximity.

2 Major countries or regions excluding Japan represented by categories:

North America : U.S.A.

Europe : Belgium, France, Germany, Sweden

Asia & Oceania : China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand

c. Sales to customers outside Japan

First quarter ended June 30, 2008 (April 1, 2008 through June 30, 2008)

(Yen in Millions)

	North America	Europe	Asia & Oceania	Others	Total
I. Sales to customers outside Japan	8,087	9,327	95,505	854	113,775
II. Consolidated sales					169,060
III. Ratio of sales to customers outside Japan to consolidated sales (%)	4.8	5.5	56.5	0.5	67.3

Notes: 1 Countries or regions are listed in the order of geographical proximity.

2 Major countries or regions excluding Japan represented by categories:

North America : U.S.A.

Europe : Belgium, France, Germany, Sweden

Asia & Oceania : China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand

Others : African and South American countries

3 Sales to customers outside Japan represent the sales by the parent company and its consolidated subsidiaries in the countries or regions outside Japan.

(Reference) Financial Summary of the previous fiscal year

Consolidated Statements of Income

	First quarter ended June 30, 2007 (April 1, 2007 through June 30, 2007)	
	Millions of yen	%
I Sales	176,599	100.0
II Cost of sales	132,727	75.2
Gross profits	43,871	24.8
III Selling, general and administrative expenses	29,767	16.8
Operating income	14,103	8.0
IV Non-operating income		
Interest and dividend income	272	
Miscellaneous income	1,788	
	2,060	1.2
V Non-operating expenses		
Interest expenses	471	
Miscellaneous loss	705	
	1,177	0.7
Ordinary income	14,986	8.5
VI Extraordinary gains		
Gains on sales of fixed assets	27	
Gains on sales of investments in securities	275	
Other extraordinary gains	541	
	844	0.5
VII Extraordinary losses		
Losses on sales and disposal of fixed assets	640	
Other extraordinary losses	375	
	1,016	0.6
Income before provision for income taxes	14,814	8.4
Provision for income taxes	4,755	2.7
Minority shareholders' interest	163	0.1
Net income	9,895	5.6

Consolidated Statements of Cash Flows

(Yen in Millions)

	First quarter ended June 30, 2007 (April 1, 2007 through June 30, 2007)
Cash flows from operating activities	
Income before provision for income taxes	14,814
Depreciation and amortization	11,102
Equity in earnings of non-consolidated subsidiaries and affiliates	37
Increase (decrease) in trade notes and accounts receivable	-1,056
Increase (decrease) in inventories	-1,670
Increase (decrease) in other accounts receivable	-416
Increase (decrease) in trade notes and accounts payable	-337
Income taxes paid and refunded	-9,330
Changes in others	2,306
Net cash provided by operating activities	15,449
Cash flows from investing activities	
Acquisition of fixed assets	-21,210
Proceeds from sales of fixed assets	373
Changes in others	412
Net cash used in investing activities	-20,424
Cash flows from financing activities	
Increase (decrease) in short-term debt	-1,733
Increase (decrease) in commercial paper	10,000
Repayment of long-term loans	-154
Dividends paid	-5,826
Proceeds from sales of treasury stock	70
Changes in others	-26
Net cash used in financing activities	2,329
Effect of exchange-rate changes on cash and cash equivalents	1,796
Net increase (decrease) in cash and cash equivalents	-848
Cash and cash equivalents at beginning of the period	74,551
Cash and cash equivalents a newly consolidated company	31
Cash and cash equivalents at end of the period	73,733

Segment information

a. Operating segment information

First quarter ended June 30, 2007 (April 1, 2007 through June 30, 2007)

(Yen in Millions)

	Industrial products	Electronic products	Functional products	Total	Eliminations and corporate	Consolidated total
Net sales						
(1) Net sales to outside customers	63,177	99,636	13,785	176,599	-	176,599
(2) Inter-segment sales or transfers	-	25	165	190	-190	-
Total	63,177	99,662	13,950	176,789	-190	176,599
Operating income	5,910	6,043	2,149	14,103	-	14,103

(Notes) 1 Methods of business segmentation

The Corporation classifies its operation principally in three business segments, industrial products, electronic products, and functional products, depending on the use of the products in the market.

2 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

b. Segment information by geographic area

First quarter ended June 30, 2007 (April 1, 2007 through June 30, 2007)

(Yen in Millions)

	Japan	North America	Europe	Asia & Oceania	Total	Eliminations and corporate	Consolidated total
Sales							
(1) Sales to outside customers	61,000	11,524	7,577	96,496	176,599	-	176,599
(2) Inter-segment sales or transfers	75,059	696	1,160	5,328	82,244	-82,244	-
Total	136,059	12,220	8,738	101,825	258,844	-82,244	176,599
Operating income	8,992	23	604	3,923	13,543	560	14,103

(Notes) 1 Countries or regions are segmented by geographical proximity.

2 Major countries or regions excluding Japan represented by categories:

North America : U.S.A.

Europe : Belgium, France, Germany, Sweden

Asia & Oceania : China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand

c. Sales to customers outside Japan

First quarter ended June 30, 2007 (April 1, 2007 through June 30, 2007)

(Yen in Millions)

	North America	Europe	Asia & Oceania	Others	Total
I. Sales to customers outside Japan	9,571	8,399	98,119	264	116,354
II. Consolidated sales					176,599
III. Ratio of sales to customers outside Japan to consolidated sales	5.4	4.8	55.6	0.1	65.9

Notes: 1 Countries or regions are listed in the order of geographical proximity.

2 Major countries or regions excluding Japan represented by categories:

North America : U.S.A.

Europe : Belgium, France, Germany, Sweden

Asia & Oceania : China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand

Others : African and South American countries

3 Sales to customers outside Japan represent the sales by the parent company and its consolidated subsidiaries in the countries or regions outside Japan.