

Summary of Consolidated Financial Statements of Fiscal 2008 (12months ended March 31, 2009)

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/>
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Date of the general shareholders' meeting June 19, 2009
 Estimated starting date of dividend paying June 22, 2009
 Filing date of financial statements June 19, 2009

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

1. Consolidated financial results of Fiscal 2008 (April 1, 2008 through March 31, 2009)

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

	Net Sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2008	577,922	-22.5	13,838	-82.2	14,807	-80.1	267	-99.4
Fiscal 2007	745,259	9.6	77,954	12.9	74,468	10.6	46,634	13.2

	Net income per share – Basic	Net income per share - Diluted	Return on equity	Ordinary income to total assets	Operating income to net sales
	yen	yen	%	%	%
Fiscal 2008	1. 61	1. 61	0.1	2.6	2.4
Fiscal 2007	280. 07	279. 82	12.5	12.4	10.5

(Reference) Equity in earnings of affiliated companies : (Fiscal 2008) -173million yen (Fiscal 2007) -146 million yen

(2) Financial position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
End of:	Millions of yen	Millions of yen	%	yen
Fiscal 2008	558,258	361,130	64.1	2,148. 15
Fiscal 2007	595,972	385,593	64.2	2,297. 12

(Reference) Shareholders' equity: (Fiscal 2008) 357,839 million yen (Fiscal 2007) 382,627 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2008	51,290	-60,751	46,703	113,722
Fiscal 2007	101,595	-61,468	-27,648	79,238

2. Dividends

Record Date	Dividends per share					Dividends total (Annual)	Dividend payout ratio (Consolidated)	Dividends to net asset (Consolidated)
	1Q	2Q	3Q	Year-end	Annual			
		yen	yen		yen	Millions of yen	%	%
March, 2008	-	40.00	-	40.00	80.00	13,322	28.6	3.5
March, 2009	-	40.00	-	40.00	80.00	13,326	4,975.1	3.6
(Forecast) March, 2010	-	20.00	-	20.00	40.00	-	51.3	-

3. Forecast for the Fiscal 2009 (April 1, 2009 through March 31, 2010)

(% of change from same period last year)

	Net Sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Interim	250,000	-27.0	4,000	-84.5	3,000	-88.9	1,000	-94.5	6.00
Annual	540,000	-6.6	23,000	66.2	20,000	35.1	13,000	4752.3	78.04

4. Others

(1) Changes in significant subsidiaries during this fiscal year: No

(2) Changes of accounting policies applied, procedures and disclosures for presenting consolidated financial statements

1) Changes following to accounting standard changes: Yes

2) Other changes: Yes

(Note) For details, please refer to page 22, "Changes in significant items that form the basis of preparation for the consolidated financial statements".

(3) Number of shares outstanding (Common stock)

1) Number of shares outstanding at the term end (including treasury stock):

(Fiscal 2008) 173,758,428 (Fiscal 2007) 173,758,428

2) Number of treasury stocks at the term end

(Fiscal 2008) 7,178,348 (Fiscal 2007) 7,189,976

(Note) As to the number of shares for the computation of net income (consolidated) per share, please refer to page 29, "Amount per share".

(Reference) Unconsolidated financial results of Fiscal 2008 (April 1, 2008 through March 31, 2009)

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

	Net Sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2008	378,333	-21.5	-2,235	-	4,337	-90.1	-7,260	-
Fiscal 2007	481,799	20.3	34,097	-8.7	43,653	1.9	35,827	64.5

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Fiscal 2008	-43. 59	-43. 54
Fiscal 2007	215. 17	214. 98

(2) Financial position

End of:	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	yen
Fiscal 2008	429,236	274,750	63.8	1,642. 84
Fiscal 2007	458,861	297,405	64.6	1,780. 09

(Reference) Shareholders' equity (Fiscal 2008) 273,663 Million yen (Fiscal 2007) 296,507 Million yen

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

1. Forecast announced on March 27, 2009 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. For more information regarding the forecast, please refer to page 7.

1. Business Results and Financial Position

(1) Analysis of Business Results

1. Summary of the Fiscal year

Summary of Overall Business

This business year, the economic situation drastically deteriorated as a result of decreased corporate earnings and a slowdown in consumer spending in the wake of the global financial and economic uncertainty created in the US in the latter half of the fiscal year.

Under these circumstances, the Nitto Denko Group decreased manufacturing costs in response to a sharp drop in orders and labored to promote the thorough reduction of costs and improvement of earnings, however, results significantly worsened due to a greater-than-expected fall in demand in almost all business fields, including electronic industry, automobile industry and housing and construction industry.

As a result, consolidated net sales decreased 22.5% from the previous year (changes in percentage hereafter are in comparison to the previous year) to 577,922 million yen. Operating income fell 82.2% to 13,838 million yen, and ordinary income dropped 80.1% to 14,807 million yen. Net income went down 99.4% to 267 million yen due to the recording of domestic and overseas business structure reform costs in extraordinary losses.

Summary of Results by Business Segments

(Industrial Products)

Regarding bonding and joining products, sales for nearly all products were weak because products for the personal computer industry, portable music players and game machines industry, HDDs (hard disk drives) industry and home appliances industry were affected by customer inventory adjustments during the latter half of the fiscal year. Surface protection products witnessed difficult sales conditions as a result of production adjustments in the metal processing industry since latter half of the fiscal year and, in the FPD (flat panel display) industry, sales of protection film for optical use lagged due to decreased production at panel makers despite favorable results from some transparent adhesive sheets for optical use. On the whole, the conditions were severe. Sales of sealing products were low due to a decline in the production of portable devices and flat TVs, among others, as well as production adjustments in the automobile industry. Sales of construction materials were low overall as a result of the sharp deterioration of market conditions in the latter half of the fiscal year for other products including protection tape even though waterproof tape for the overseas market fared well.

As a result, sales for the industrial products segment were 209,491 million yen (down 18.5%) and operating income was 8,300 million yen (down 70.3%).

(Electronic Products)

With regard to LCD related products, demand sharply decreased since November 2008 for all applications including LCD TVs, PCs and portable devices. Sales for large-sized panels did not balance out this situation as demand fell significantly due to production adjustments at panel makers despite changing our strategy to securing quantities in hopes of keeping facilities operating and rationalization and cost cutting efforts at domestic and overseas plants. Sales of semiconductor related products produced unfavorable results as environmentally friendly resin sales fell due to worsening market conditions despite a good showing up to the second quarter. Sales for flexible printed circuit products, for which a special focus is made for the storage industry and the cell phone industry, were low due to sluggish parts procurement. Specific flexible printed circuit products developed for the flat TVs industry were discontinued due to low profitability. With regard to electronic processing products, despite robust sales of die attach sheet for semiconductor packaging, there was a large drop in demand for protection sheet laminating machines for semiconductor manufacturing processes and protection sheets due to restraint on capital investment and production adjustments in the semiconductor industry. Sales of processing materials for small electronic components were weak impacted by customer production adjustments.

As a result, sales for the electronic products segment were 314,315 million yen (down 27.3%) with an operating loss of 933 million yen.

(Functional Products)

Concerning medical related products, strengthening of sales of existing products (for treatment of asthma and angina) was implemented despite the impact of the drug price revision in Japan for transdermal therapeutic patches, a pharmaceutical product. Official approval in the US was newly acquired by our partner in a joint development agreement, thus launching sales of cancer pain palliatives, and favorable sanitary material sales resulted in a strong performance overall. Sales of high-polymer separation membranes were good cancelling out the impact from deteriorating demand for new projects for industrial applications and conversions in the wake of an economic slowdown thanks to favorable results provided by seawater desalination projects mostly overseas. As for engineering plastics, sales were down due to worsening market conditions in the area of functional materials for porous films for home appliances and semiconductors, automobile parts and information equipment.

As a result, sales in the functional products segment were 54,114 million yen (down 3.4%) and operating income was 6,470 million yen (down 29.5%).

(Reference) Operating Segment Information

(Yen in Millions)

		Fiscal 2007 (April 1, 2007 through March 31, 2008)		Fiscal 2008 (April 1, 2008 through March 31, 2009)		Change (B-A)	Fiscal 2009 (April 1, 2009 through March 31, 2010)	
		Sales(A)	Y-o-Y(%)	Sales(B)	Y-o-Y(%)		Sales	Y-o-Y(%)
Industrial Products	Tape materials Custom processing materials/Purchased goods	256,910	95.5	209,491	81.5	-47,419	186,000	88.8
	Operating income	27,921	99.7	8,300	29.7	-19,621	6,300	75.9
Electronic Products	LCD related products	309,314	120.9	223,306	72.2	-86,008	220,000	98.5
	Semiconductor related products	21,348	102.4	15,726	73.7	-5,622	13,000	82.7
	Printed circuits	64,863	134.1	46,246	71.3	-18,617	40,000	86.5
	Electronic processing materials	36,806	115.2	29,036	78.9	-7,770	25,500	87.8
	Total	432,332	121.1	314,315	72.7	-118,017	298,500	95.0
	Operating income	40,852	129.9	-933	-	-41,785	10,300	-
Functional Products	Medical related products	17,577	96.6	17,772	101.1	195	21,500	121.0
	Membrene products	20,075	113.4	20,692	103.1	617	20,000	96.7
	Engineering plastics	18,364	101.5	15,650	85.2	-2,714	14,000	89.5
	Total	56,016	103.7	54,114	96.6	-1,902	55,500	102.6
	Operating income	9,180	95.9	6,470	70.5	-2,710	6,400	98.9
Total	Sales	745,259	109.6	577,922	77.5	-167,338	540,000	93.4
	Operating income	77,954	112.9	13,838	17.8	-64,116	23,000	166.2

Breakdown by Geographic Segments

In Japan, earnings were constrained by a slowdown in the economy caused by galloping prices of crude oil and petrochemicals in the first half of the fiscal year and the slowdown of the US economy in the latter half of the fiscal year as well as an appreciated yen. With regard to the Asia and Oceania region, conditions were stringent due to the impact to LCD related products caused by significant production adjustments in Taiwan and Korea as well as customer inventory adjustments in China and South Asia for industrial products and electronic products used as electronic components in cellular phones, HDDs, home appliances, etc. As a result, sales in Japan were recorded at 207,263 million yen (down 19.1%) and operating income at 3,305 million yen (down 92.7%). Sales in the Asia and Oceania region were recorded at 306,136 million yen (down 26.2%) with an operating income of 8,368 million yen (down 69.7%). In Europe, sales for industrial products and electronic products for the electronic and automobile industries were impacted by the downturn in the economy. As a result, sales overall in Europe were 25,519 million yen (down 12.5%) with an operating loss of 20 million yen. In North America, despite the contribution from the launching of transdermal therapeutic patches (for treatment of cancer pain palliatives) in the U.S., after acquiring official approval, as well as from high-polymer separation membranes for seawater desalination projects, factors such as a drop in sales of industrial products in the wake of weakened demand for automobiles resulted in sales in North America of 39,002 million yen (down 13.4%) with an operating loss of 1,298 million yen. Please note that business structure reforms are now being implemented in North America and local production of tape for electrical and electronic products is being phased out.

2. Projection for the Next Term

As for the global economic outlook for fiscal 2009, the Group anticipates the economy to continue slowing worldwide despite signs that production cuts due to inventory adjustments have bottomed out.

Under these stringent economic circumstances, the Group will continue to aggressively cut costs with a focus on the keywords “*Mu, Gen, Dai*” (Eliminate, Reduce, Substitute) which entails a revision of all Group business activities. At the same time, to generate new growth, we will concentrate our energies on the theme “Green, Clean, Fine,” which represents efforts in contribution on environment areas (“Green”), supporting new energies (“Clean”) and medical and life sciences (“Fine”), as well as on “strengthening tape application expansion and globalization efforts.”

Regarding LCD related products, the Group will continue its cost reduction efforts aimed at increasing its manufacturing strengths as well as streamlining and rationalizing. With respect to the flat TV market, where demand is expected to grow in emerging countries, we aim for a business structure capable of strategically expanding price competitive products.

As to high-polymer separation membrane products, which are promising for the water-related business, the Group will focus on activities to increase orders for seawater desalination and drainage recycling in step with the startup of new plants. Concerning transdermal therapeutic patches, the Group will work towards obtaining approvals for new products, a year-long effort. These products represent a specific product category in the growth area of “Green, Clean, Fine,” where we strive to increase sales.

Although product inventory adjustments by customers of the Group are largely coming to an end, it remains unclear whether demand for flat TVs, home appliances and electronic devices will recover in Europe, the US and other final consumption areas. In this environment, the Group forecasts fiscal 2009 results as follows.

Sales	540,000 million yen (down 6.6%)
Operating income	23,000 million yen (up 66.2%)
Ordinary income	20,000 million yen (up 35.1%)
Net income	13,000 million yen (up 4,752.3%)

Assuming an exchange rate of 90 yen per US dollar.

The following are forecasts per business segment.

Business Segment	Sales (Millions of yen)	Y-o-Y (%)	Operating Income (Millions of yen)	Y-o-Y (%)
Industrial Products	186,000	-11.2	6,300	-24.1
Electronic Products	298,500	-5.0	10,300	-
Functional Products	55,500	2.6	6,400	-1.1
Total	540,000	-6.6	23,000	66.2

The above results forecasts are forward-looking statements determined by the Company based on currently available information that include risks and uncertainties. Please acknowledge that actual results may vary significantly due to a number of important factors.

(2) Analysis of Consolidated Financial Position

Cash and cash equivalents (hereinafter, "Cash") was 113,722 million yen at the end of the fiscal year, an increase of 34,484 million yen compared with the end of fiscal 2007. The main factors for changes by each cash flow activity were as follows.

(Cash Flows from Operating Activities)

Cash increased to 51,290 million yen as a result of operating activities.

The main factors for this increase include income before income taxes, 1,676 million yen, depreciation and amortization, 50,556 million yen, and notes and accounts receivable-trade, 43,149 million yen. On the other hand, the main uses of cash during the period include decreases of notes and accounts payable-trade, 41,844 million yen and payment of income taxes, 19,831 million yen.

(Cash Flows from Investing Activities)

Cash decreased to 60,751 million yen as a result of investing activities.

This was mainly attributable to the result of purchase of noncurrent assets, 61,396 million yen.

(Cash Flows from Financing Activities)

Cash increased to 46,703 million yen as a result of financing activities.

This was mainly attributable to the result of an increase of short-term loans payable, 21,046 million yen, an increase of commercial paper, 25,000 million yen, an increase of long-term loans payable, 14,850 million yen and a cash dividends paid, 13,325 million yen.

The following table shows the changes in the Group's cash flow indices:

	March, 2006	March, 2007	March, 2008	March, 2009
Shareholders' equity ratio (%)	57.7	60.4	64.2	64.1
Shareholders' equity ratio on a market value basis (%)	296.2	152.4	117.7	59.8
Debt redemption period (year)	0.3	0.6	0.2	1.5
Interest coverage ratio	92.1	57.1	57.6	37.5

(Note) 1 Respective indices are obtained by calculating the financial results on a consolidated basis with the following formulae.

Shareholders' equity ratio: shareholders' equity / total assets

Shareholders' equity ratio on a market value basis: total market value of shares / total assets

Debt redemption period: liabilities with interest / cash flow from operating activities

Interest coverage ratio: cash flow from operating activities / interest payment

- 2 Total market value of shares is obtained by multiplying the closing price of a share at the end of the year by the number of shares issued at the end of the year, after deduction of treasury stock.
- 3 Cash flow from operating activities and interest payment used here are those included in the consolidated cash flow statement.
- 4 Liabilities with interest represent all the liabilities included in the consolidated balance sheet for which interest is paid.

(3) Dividend policy, dividends at year-end

The Company's dividend policy, in principle, is to ensure a stable and fair return for the shareholders. At the same time, it is essential to make an active prior investment in R&D and production in order to stay ahead of rapid technological innovation and to meet timely customer demands. Accordingly, the dividends to the shareholders will be determined, in consideration of the overall financial condition, profit level and payout ratio.

The Company will pay 40 yen per share for year-end dividends, the same amount as the interim dividends paid, based on our basic policy of appropriation of the company's profits, making a total of 80 yen per share for the full year, the same amount of the previous year. Appropriations of retained earnings for the next fiscal year will be a total of 40 yen per share for the full year, a 40 yen decrease from the previous year, generally taking into consideration the level of earnings, capital investments and other factors.

2. Nitto Denko Group Operations

Disclosure omitted because there are no significant changes from the “Group Business Network (Contents of Business)” and “Description of Related Companies” in the latest financial statements (submitted on June 20, 2008).

3. Management Policy

(1) Basic management policy

The Nitto Denko Group has a corporate vision, “Creating New Values,” shared by all its group companies. By continuously offering new values to our customers throughout the world, we intend to attain sound growth and to build a corporation of real value for all our stakeholders, including society, shareholders and employees.

In view of this understanding, we have been promoting “sound and transparent management” by the motto “Open, Fair and Best,” which means “to share information openly,” “to judge fairly,” and “to unite our best efforts in executing what has been determined.”

As our basic strategy, we have developed “Global Niche Top” strategy. We organize ourselves to provide the greatest satisfaction for our customers and to gain top market shares on a global scale by making the most of our unique differentiated technologies in the niche areas of the changing and growing markets.

In pursuing this strategy, we find it necessary to prepare and build up our “differentiated technologies” well in advance so that we can meet customer demands timely and aptly. We will also carry forward our marketing activities, collectively called the “San-Shin (Three-New) Activities,” in which we aim to “explore new uses,” to “develop new products” and to “create new demands.” Through these activities, we will create new business areas around our existing one. By continuously increasing Global Niche Top products, we will respond to expectations of stakeholders.

“Global Niche Top,” used as the proper name to represent our business strategy, has received a trademark in Japan.

(2) Mid-term and long-term business strategy

The global economic downturn in the wake of the financial crisis in the US has led to the Group’s suspension of the numerical objectives of the mid-term management plan, “G” NET-2010, which was formulated in 2008 and lasts through fiscal 2010. Nevertheless, the basic concept of “Striving for Quality-driven Sustainable Growth” will be continued.

In fiscal 2009, the Group will focus its efforts on the “fundamental reform of the cost structure” and “creation of new growth areas.”

1) Fundamental reform of the cost structure

The Group will work towards fundamentally reforming our cost structure by resetting all operational processes with a focus on the keywords “Eliminate,” “Reduce” and “Substitute,” or “*Mu, Gen, Dai*” which represent our efforts to streamline and rationalize operations to the farthest extent possible.

2) Creation of new growth areas

The Group will strive to create growth areas of future importance to realize sustainable growth. As values the Group offers to our customer and markets, the Group set up the theme “Green, Clean, Fine,” and we will focus on environment areas (“Green”), new energies (“Clean”) and medical and life sciences (“Fine”).

(3) Key issues to be addressed

With the deterioration of the economic environment on a global scale, the environment encompassing the Group is also uncertainty.

Under these circumstances, the following efforts shall become our focus within each respective business segment.

[Industrial Products]

In the tape business, the Group will further promote globalization by making proactive advances towards

emerging markets displaying high growth rates and by manufacturing its products overseas, all the while focusing on the development of new eco-friendly and other products.

[Electronic Products]

In the LCD related products, the Group will keep pace with the commoditization of large-size LCD panels such as for LCD TVs and differentiate further our technological capabilities in the area of small and ultra-small panel components for game machines and cell phones. In addition, we will focus on maximum rationalization that includes the integration of manufacturing hubs for all electronic products and on building a robust business structure capable of surviving a global competitive environment.

[Functional Products]

In the medical related products, the Group will double up its efforts on expanding transdermal therapeutic patches and on developing new products.

Concerning high-polymer separation membranes, we plan to launch operations at the new Shiga Plant in 2009 following the establishment of the research and development center in Singapore in 2008. We will also continue to work towards securing orders worldwide for seawater desalination and wastewater recycling projects.

4. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Yen in Millions)

	Fiscal 2007 (As of March 31, 2008)	Fiscal 2008 (As of March 31, 2009)
(Assets)		
Current assets		
Cash and deposits	80,182	113,965
Notes and accounts receivable-trade	142,070	93,524
Inventories	72,403	-
Merchandise and finished goods	-	20,300
Work in process	-	28,960
Raw materials and supplies	-	11,726
Deferred tax assets	8,045	7,164
Other	13,894	14,264
Allowance for doubtful accounts	-772	-672
	315,824	289,234
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	177,519	189,426
Machinery, equipment and vehicles	306,457	311,453
Tools, furniture and fixtures	33,741	36,142
Land	19,530	19,688
Construction in progress	25,438	20,198
Accumulated depreciation	-318,883	-346,719
	243,803	230,188
Intangible assets		
Goodwill	72	65
Other	6,538	8,514
	6,610	8,579
Investments and other assets		
Investments securities	10,806	7,578
Deferred tax assets	3,431	8,674
Prepaid pension cost	11,241	9,682
Other	4,420	4,620
Allowance for doubtful accounts	-166	-301
	29,733	30,255
Total noncurrent assets	280,148	269,023
Total assets	595,972	558,258

(Yen in Millions)

	Fiscal 2007 (As of March 31, 2008)	Fiscal 2008 (As of March 31, 2009)
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	100,588	53,879
Short-term loans payable	8,416	28,832
Commercial papers	-	25,000
Account payable-other	36,936	30,221
Accrued expenses	19,440	11,667
Income taxes payable	12,329	1,545
Provision for directors' bonuses	529	265
Other	2,296	2,306
	180,536	153,718
Noncurrent liabilities		
Long-term loans payable	6,933	20,923
Provision for retirement benefits	18,267	18,351
Provision for directors' retirement benefits	574	506
Deferred tax liabilities	457	348
Negative goodwill	1,063	574
Other	2,545	2,705
	29,842	43,409
Total liabilities	210,379	197,127
(Net assets)		
Shareholders' equity		
Capital stock	26,783	26,783
Capital surplus	56,163	56,166
Retained earnings	338,701	324,740
Treasury stock	-28,427	-28,380
	393,221	379,310
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,171	1,040
Deferred gains or losses on hedges	169	-129
Foreign currency translation adjustment	-13,935	-22,382
	-10,594	-21,471
Subscription rights to shares	897	1,086
Minority interests	2,068	2,204
Total net assets	385,593	361,130
Total liabilities and net assets	595,972	558,258

(2) Consolidated Statements of Income

(Yen in Millions)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Net Sales	745,259	577,922
Cost of sales	548,551	455,763
Gross profit	196,708	122,158
Selling, general and administrative expenses	118,753	108,320
Operating income	77,954	13,838
Non-operating income		
Interest income	676	507
Dividends income	215	156
Rent income	311	354
Subsidy income	451	253
Gain on sales of scraps	1,361	1,070
Amortization of negative goodwill	489	494
Foreign exchange gains	-	899
Miscellaneous income	1,243	1,072
	4,749	4,808
Non-operating expenses		
Interest expenses	1,738	1,278
Sales discounts	512	472
Foreign exchange losses	4,032	-
Depreciation of assets for rent	-	520
Miscellaneous loss	1,952	1,567
	8,235	3,838
Ordinary income	74,468	14,807

(Yen in Millions)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Extraordinary income		
Gain on sales of noncurrent assets	534	93
Gain on sales of investment securities	308	0
Surrender value of insurance	427	-
Reversal of allowance for doubtful accounts	489	43
Gain on patent assignment	-	285
Compensation income	-	262
Other	604	311
	2,363	995
Extraordinary loss		
Loss on sales of noncurrent assets	201	54
Loss on disposal of noncurrent assets	4,927	5,304
Loss on valuation of investment securities	21	105
Impairment loss	345	5,014
Special retirement expenses	465	739
Other	1,778	2,909
	7,741	14,127
Income before income taxes	69,090	1,676
Income taxes-current	23,215	3,232
Income taxes-deferred	-1,408	-2,820
Total of income taxes	21,806	412
Minority interests in income	650	995
Net income	46,634	267

(3) Consolidated Statements of Changes in Net Assets

(Yen in Millions)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Shareholders' equity		
Capital stock	26,783	26,783
Balance of at the end of previous period		
Changes of items during the period		
Total changes of items during the period	-	-
Balance of at the end of period	26,783	26,783
Capital surplus		
Balance of at the end of previous period	56,023	56,163
Changes of items during the period		
Disposal of treasury stock	140	2
Total changes of items during the period	140	2
Balance of at the end of period	56,163	56,166
Retained earnings		
Balance of at the end of previous period	304,552	338,701
Effect of changes in accounting policies applied to foreign subsidiaries	-	-902
Changes of items during the period		
Dividends from surplus	-12,485	-13,325
Net income	46,634	267
Total changes of items during the period	34,148	-13,960
Balance of at the end of period	338,701	324,740
Treasury stock		
Balance of at the end of previous period	-28,829	-28,427
Changes of items during the period		
Purchase of treasury stock	-6	-3
Disposal of treasury stock	408	50
Total changes of items during the period	402	47
Balance of at the end of period	-28,427	-28,380
Total shareholders' equity		
Balance of at the end of previous period	358,530	393,221
Effect of changes in accounting policies applied to foreign subsidiaries	-	-902
Changes of items during the period		
Dividends from surplus	-12,485	-13,325
Net income	46,634	267
Purchase of treasury stock	-6	-3
Disposal of treasury stock	548	53
Total changes of items during the period	34,691	-13,910
Balance of at the end of period	393,221	379,310

(Yen in Millions)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance of at the end of previous period	5,646	3,171
Changes of items during the period		
Net changes of items other than shareholders' equity	-2,475	-2,130
Total changes of items during the period	-2,475	-2,130
Balance of at the end of period	3,171	1,040
Deferred gains or losses on hedges		
Balance of at the end of previous period	-76	169
Changes of items during the period		
Net changes of items other than shareholders' equity	246	-298
Total changes of items during the period	246	-298
Balance of at the end of period	169	-129
Foreign currency translation adjustment		
Balance of at the end of previous period	842	-13,935
Changes of items during the period		
Net changes of items other than shareholders' equity	-14,777	-8,447
Total changes of items during the period	-14,777	-8,447
Balance of at the end of period	-13,935	-22,382
Total valuation and translation adjustments		
Balance of at the end of previous period	6,411	-10,594
Changes of items during the period		
Net changes of items other than shareholders' equity	-17,006	-10,876
Total changes of items during the period	-17,006	-10,876
Balance of at the end of period	-10,594	-21,471
Subscription rights to shares		
Balance of at the end of previous period	484	897
Changes of items during the period		
Net changes of items other than shareholders' equity	413	188
Total changes of items during the period	413	188
Balance of at the end of period	897	1,086
Minority interests		
Balance of at the end of previous period	2,183	2,068
Changes of items during the period		
Net changes of items other than shareholders' equity	-115	135
Total changes of items during the period	-115	135
Balance of at the end of period	2,068	2,204

(Yen in Millions)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Total net assets		
Balance of at the end of previous period	367,610	385,593
Effect of changes in accounting policies applied to foreign subsidiaries	-	-902
Changes of items during the period		
Dividends from surplus	-12,485	-13,325
Net income	46,634	267
Purchase of treasury stock	-6	-3
Disposal of treasury stock	548	53
Net changes of items other than shareholders' equity	-16,708	-10,552
Total changes of items during the period	17,982	-24,463
Balance of at the end of period	385,593	361,130

(4) Consolidated Statements of Cash Flows

(Yen in Millions)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Net cash provided by (used in) operating activities		
Income before income taxes	69,090	1,676
Depreciation and amortization	49,617	50,556
Impairment loss	345	5,014
Increase (decrease) in provision for retirement benefits	2,267	2,005
Increase (decrease) in provision for directors' retirement benefits	-277	-68
Interest and dividends income	-892	-663
Interest expenses	1,738	1,278
Foreign exchange losses (gains)	-84	-20
Equity in (earnings) losses of affiliates	146	173
Loss (gain) on valuation of investment securities	21	105
Loss (gain) on sales and disposal of noncurrent assets	4,595	5,266
Decrease (increase) in notes and accounts receivable-trade	-1,082	43,149
Increase (decrease) in inventories	-4,465	8,354
Decrease (increase) in accounts receivable-other	-383	2,006
Increase (decrease) in notes and accounts payable-trade	5,495	-41,844
Increase (decrease) in accrued expenses	2,283	-7,096
Other, net	-5,118	1,924
Sub-total	123,299	71,817
Interest and dividends income received	858	673
Interest expenses paid	-1,762	-1,369
Income taxes (paid) refund	-20,799	-19,831
Net cash provided by (used in) operating activities	101,595	51,290
Net cash provided by (used in) investing activities		
Increase (decrease) in time deposits	238	660
Purchase of noncurrent assets	-66,850	-61,396
Proceeds from sales of noncurrent assets	2,995	509
Purchase of investment securities	-209	-86
Proceeds from sales of investment securities	2,745	13
Purchase of stocks of subsidiaries and affiliates	-392	-843
Proceeds from sales of stocks of subsidiaries and affiliates	153	-
Payments of loans receivable	-331	-23
Collection of loans receivable	181	415
Net cash provided by (used in) investing activities	-61,468	-60,751
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-8,579	21,046
Increase (decrease) in commercial papers	-10,000	25,000
Proceeds from long-term loans payable	6,741	14,850
Repayment of long-term loans payable	-3,798	-781
Decrease (increase) in treasury stock	542	-1
Cash dividends paid	-12,485	-13,325
Cash dividends paid to minority shareholders	-68	-84
Net cash provided by (used in) financing activities	-27,648	46,703
Effect of exchange rate change on cash and cash equivalents	-7,822	-2,758
Net increase (decrease) in cash and cash equivalents	4,655	34,484
Cash and cash equivalents at the beginning of period	74,551	79,238
Increase in cash and cash equivalents from newly consolidated subsidiary	31	-
Cash and cash equivalents at the end of period	79,238	113,722

(5) Events or conditions that may cast significant doubt on the premise of going concern

Not applicable.

(6) Significant items that form the basis of preparation for the consolidated financial statements

Disclosures other than the items below are omitted because there are no significant changes from the description in the latest financial statements (submitted on June 20, 2008).

Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)												
<p>1. Scope of consolidation</p> <p>1) Number of consolidated and non-consolidated subsidiaries</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Number of consolidated subsidiaries:</td> <td style="text-align: right;">105</td> </tr> <tr> <td>Number of non-consolidated subsidiaries:</td> <td style="text-align: right;"><u>4</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">109</td> </tr> </table> <p>Newly consolidated subsidiaries:</p> <ul style="list-style-type: none"> • Established: Nissho Precision Vietnam Co., Ltd. • Transferred from a non-consolidated subsidiary: Korea Nitto Denko Co., Ltd. <p>Company whose status as a consolidated subsidiary ceased:</p> <ul style="list-style-type: none"> • Merged with the Company: Kyoshin Co., Ltd., Nitto Denko Matex Corporation • Liquidated, sold, etc.: Kyoshin Electronics (Shanghai) Co., Ltd. and other 6 companies <p>Newly non-consolidated subsidiaries:</p> <ul style="list-style-type: none"> • Established: None <p>Company whose status as a non-consolidated subsidiary ceased: 1 company</p> <p>2) Major consolidated subsidiaries: Nissho Corp., Taiwan Nitto Optical Co., Ltd. Korea Nitto Optical Co., Ltd. Nitto Europe N.V.</p> <p>3) Major non-consolidated subsidiaries: Nitto Denko Technical Corporation</p> <p>4) All of the non-consolidated subsidiaries are small, and their total net assets, net sales, net profit or loss, and earned surplus, etc., which correspond to holdings under the equity method have little effect on the consolidated financial statements. Hence, these companies are excluded from the scope of consolidation.</p>	Number of consolidated subsidiaries:	105	Number of non-consolidated subsidiaries:	<u>4</u>	Total	109	<p>1. Scope of consolidation</p> <p>1) Number of consolidated and non-consolidated subsidiaries</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Number of consolidated subsidiaries:</td> <td style="text-align: right;">102</td> </tr> <tr> <td>Number of non-consolidated subsidiaries:</td> <td style="text-align: right;"><u>6</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">108</td> </tr> </table> <p>Newly consolidated subsidiaries:</p> <ul style="list-style-type: none"> • Established: Nistem Precision de Mexico S. A. de C. V. • Transferred from a non-consolidated subsidiary: None <p>Company whose status as a consolidated subsidiary ceased:</p> <ul style="list-style-type: none"> • Merged with the Company: Nitto Matex (Tianjin) Fabricating Co., Ltd. • Liquidated, sold, etc.: Kyoshin (Hong Kong) Co., Ltd. and other 2 companies <p>Newly non-consolidated subsidiaries:</p> <ul style="list-style-type: none"> • Established: Nitto Denko (Shanghai) Pharmaceutical Consulting Co., Ltd. <p>Company whose status as a non-consolidated: None</p> <p>2) Major consolidated subsidiaries: Same as left</p> <p>3) Major non-consolidated subsidiaries: Same as left</p> <p>4) All of the non-consolidated subsidiaries are small, and their total net assets, net sales, net profit or loss, and earned surplus, etc., which correspond to holdings under the equity method have little effect on the consolidated financial statements. Hence, these companies are excluded from the scope of consolidation.</p>	Number of consolidated subsidiaries:	102	Number of non-consolidated subsidiaries:	<u>6</u>	Total	108
Number of consolidated subsidiaries:	105												
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Total	109												
Number of consolidated subsidiaries:	102												
Number of non-consolidated subsidiaries:	<u>6</u>												
Total	108												

Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
<p>2. Accounting policies</p> <p>Valuation basis and methods for principal assets</p> <p>Securities</p> <p>Other securities</p> <p>Securities with available fair value: Stated at market value on the date of the current consolidated fiscal year end (Valuation adjustments are reported in Equity section, and the sales cost is calculated by a moving average method).</p> <p>Securities with no available fair value: Stated at moving-average cost</p> <p>Derivatives: Fair value method</p> <p>Inventories: Mainly the lower of cost or market, where cost is determined by the average method</p>	<p>2. Accounting policies</p> <p>Valuation basis and methods for principal assets</p> <p>Securities</p> <p>Other securities</p> <p>Securities with available fair value: Same as left</p> <p>Securities with no available fair value: Same as left</p> <p>Derivatives: Same as left</p> <p>Inventories: Mainly stated at gross average cost (for balance sheet valuation, in the event that an impairment is determined: impairment write down is calculated based on inventory net realizable value).</p> <p>(Changes in accounting policies) From this consolidated fiscal year, the consolidated financial statements conform to the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, July 5, 2006). This change has no impacts on profits.</p>

Additional Information

Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
<p>(Depreciation method of major depreciable assets)</p> <p>In the wake of the revision of the Corporation Tax Law in fiscal 2007, we reviewed the economic useful life of some facilities, and shortened the useful life from seven years to five years beginning in this consolidated fiscal year. As a result, operating income, ordinary income and income before income taxes are each 2,703 million yen less than those based on the conventional life.</p> <p>From this consolidated fiscal year, we evenly depreciate the difference between the amount equivalent to 5% of the acquisition value and the memorandum value over a five-year period, starting from the following fiscal year of the consolidated fiscal year when the value of assets reached 5% of the acquisition value. This change has a limited impact.</p>	<p>(Depreciation method of major depreciable assets)</p> <p>In the wake of the revision of the Corporation Tax Law in fiscal 2008, the Company and its domestic consolidated subsidiaries reviewed the economic useful life of machinery, equipment, etc., and changed the useful life thereof beginning in this consolidated fiscal year.</p> <p>As a result, operating income, ordinary income and income before income taxes are each 508 million yen less than those based on the conventional life.</p>

(7) Changes in significant items that form the basis of preparation for the consolidated financial statements

Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
<p>-----</p> <p>-----</p>	<p>(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)</p> <p>From this consolidated fiscal year, the consolidated financial statements conform to the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF No. 18, May 17, 2006), and necessary amendments for the consolidation were made.</p> <p>Accordingly, operating income, ordinary income, and income before income taxes each increased by 412 million yen.</p> <p>(Application of “Accounting Standard for Lease Transactions”)</p> <p>The accounting treatment before the change for finance leases not involving the transfer of ownership of the leased property to the lessee followed the same method as for operating leases. However, because 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 (JICPA) Accounting Standard Committee, January 18, 1994; revised March 30, 2007]) are now applied, and commencing with this consolidated fiscal year, such finance leases follow the method for ordinary purchase and sales transactions.</p> <p>Depreciation of lease assets of finance leases not involving the transfer of ownership of the leased property to the lessee is accounted for on the straight-line method over the lease period as the useful period and assuming no residual value.</p> <p>Also, finance leases not involving the transfer of ownership of the leased property to the lessee whose transaction commenced before the first fiscal year in which this accounting standard and its guidance are applied are continuously accounted for by the same method as for ordinary operating leases.</p> <p>This change has immaterial impacts on profits.</p>

(8) Changes in presentation methods

Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
-----	<p>(Consolidated balance sheets)</p> <p>In line with the application of the “Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No. 50 of August 7 of 2008), “Inventories,” which was presented as this in the previous fiscal year, are separately listed as “Merchandise and finished goods,” “Work in process” and “Raw materials and supplies” from this consolidated fiscal year. “Merchandise and finished goods,” “Work in process” and “Raw materials and supplies” for the previous fiscal year, which were included in “Inventories,” were 23,877 million yen, 13,120 million yen and 35,405 million yen, respectively.</p> <p>(Consolidated Statements of Income)</p> <p>Although “Depreciation of assets for rent” had been included in “Miscellaneous loss” of non-operating expenses until the previous fiscal year, it is now separately listed because the amount exceeded 10% of total non-operating expenses.</p> <p>“Depreciation of assets for rent” for the previous fiscal year was 99 million yen.</p>

(9) Notes to consolidated financial statements

*Disclosure of notes, whose necessity of disclosure in the Consolidated Financial Results is deemed not high, is omitted.

(Consolidated Statements of Income)

Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)																
*1 Major Items of Selling, General and Administrative Expenses and their Amount:	*1 Major Items of Selling, General and Administrative Expenses and their Amount:																
Fees 5,530 million yen	Fees 6,213 million yen																
Transportation cost 17,103 million yen	Transportation cost 12,534 million yen																
Depreciation and amortization 7,125 million yen	Depreciation and amortization 7,691 million yen																
Personal expenses 47,778 million yen	Personal expenses 42,356 million yen																
Provision for retirement benefits 2,698 million yen	Provision for retirement benefits 3,491 million yen																
Provision for directors' retirement benefits 114 million yen	Provision for directors' retirement benefits 87 million yen																
Provision for directors' bonuses 520 million yen	Provision for directors' bonuses 258 million yen																
-----	*2 Impairment losses for the following assets were recognized for this consolidated fiscal year.																
	<table border="1"> <thead> <tr> <th>Location</th> <th>Use</th> <th>Type</th> <th>Impairment loss</th> </tr> </thead> <tbody> <tr> <td>Mie</td> <td>Manufacturing facilities</td> <td>Machinery and equipment, vehicles, etc.</td> <td>Millions of yen 2,845</td> </tr> <tr> <td>United States</td> <td>Manufacturing facilities</td> <td>Buildings, structures, etc.</td> <td>1,703</td> </tr> <tr> <td>Others</td> <td>Manufacturing facilities</td> <td>Machinery and equipment, vehicles, etc.</td> <td>465</td> </tr> </tbody> </table>	Location	Use	Type	Impairment loss	Mie	Manufacturing facilities	Machinery and equipment, vehicles, etc.	Millions of yen 2,845	United States	Manufacturing facilities	Buildings, structures, etc.	1,703	Others	Manufacturing facilities	Machinery and equipment, vehicles, etc.	465
Location	Use	Type	Impairment loss														
Mie	Manufacturing facilities	Machinery and equipment, vehicles, etc.	Millions of yen 2,845														
United States	Manufacturing facilities	Buildings, structures, etc.	1,703														
Others	Manufacturing facilities	Machinery and equipment, vehicles, etc.	465														
	<p>(Grouping)</p> <p>The Company and its consolidated subsidiaries primarily group their assets by the management accounting segmentation that is similar to the segmentation by business. Assets whose disposal is decided due to the discontinuation of production or other reasons are individually grouped.</p> <p>(Details)</p> <p>The book values of the afore-mentioned asset group were written down to the recovery value due to the decision on the discontinuation of manufacturing specific flexible printed circuit products developed for the flat TV industry because of decreased profitability, and on the plan of the discontinuation of local production and sale of tape for electrical and electronic products in North America. The decrease was recognized as impairment loss under extraordinary loss.</p> <p>(Calculation of recovery value)</p> <p>Recovery value is measured mainly by fair value cost to sell, and calculated using market prices reasonably computed by third-parties or other similar prices. Any assets having difficulty in selling and diversion to other uses are measured as zero value.</p>																

(Tax Effect Accounting)

Fiscal 2007 (As of March 31, 2008)	Fiscal 2008 (As of March 31, 2009)
Significant components of deferred tax assets and liabilities:	Significant components of deferred tax assets and liabilities:
[Current assets] (Deferred tax assets)	[Current assets] (Deferred tax assets)
Loss on revaluation of inventories 577 mil. yen	Loss on revaluation of inventories 449 mil. yen
Unrealized gains on inventories 1,554 mil. yen	Unrealized gains on inventories 170 mil. yen
Accrued business taxes 1,165 mil. yen	Accounts payable-other 110 mil. yen
Accounts payable-other 315 mil. yen	Deferred gains or losses on hedges 87 mil. yen
Accrued expenses 4,068 mil. yen	Accrued expenses 1,381 mil. yen
Others 477 mil. yen	Tax loss carry forwards 3,781 mil. yen
Total deferred tax assets 8,159 mil. yen	Others 1,477 mil. yen
	Total deferred tax assets 7,458 mil. yen
(Deferred tax liabilities)	(Deferred tax liabilities)
Deferred gains or losses on hedges 113 mil. yen	Accrued business taxes 152 mil. yen
Total deferred tax liabilities 113 mil. yen	Others 113 mil. yen
Net deferred tax liabilities 8,045 mil. yen	Total deferred tax liabilities 293 mil. yen
	Net deferred tax liabilities 7,164 mil. yen
[Noncurrent assets]	[Noncurrent assets]
Depreciation expenses beyond allowable amount as deductibles 3,259 mil. yen	Depreciation expenses beyond allowable amount as deductibles 5,379 mil. yen
Intangible noncurrent assets 103 mil. yen	Intangible noncurrent assets 70 mil. yen
Provision for retirement benefits 2,951 mil. yen	Provision for retirement benefits 3,636 mil. yen
Provision for directors' retirement benefits 345 mil. yen	Provision for directors' retirement benefits 194 mil. yen
Others 1,248 mil. yen	Others 607 mil. yen
Total deferred tax assets 7,908 mil. yen	Total deferred tax assets 9,888 mil. yen
(Deferred tax liabilities)	(Deferred tax liabilities)
Prepaid pension cost 551 mil. yen	Prepaid pension cost 458 mil. yen
Reserve for advanced depreciation of noncurrent assets 271 mil. yen	Reserve for advanced depreciation of noncurrent assets 297 mil. yen
Reserve for special depreciation 145 mil. yen	Reserve for special depreciation 36 mil. yen
Reserve for reduction of special account 136 mil. yen	Undistributed earnings of overseas subsidiaries and affiliates 65 mil. yen
Undistributed earnings of overseas subsidiaries and affiliates 1,698 mil. yen	Valuation difference on available-for-sale securities 703 mil. yen
Valuation difference on available-for-sale securities 2,132 mil. yen	Total deferred tax liabilities 1,561 mil. yen
Total deferred tax liabilities 4,935 mil. yen	Net deferred tax assets 8,326 mil. yen
Net deferred tax assets 2,973 mil. yen	

(Segment information)

a. Operating segment information

Fiscal 2007 (April 1, 2007 through March 31, 2008)

(Yen in Millions)

	Industrial products	Electronic products	Functional products	Total	Eliminations and corporate	Consolidated total
1. Net sales and operating income						
Net sales						
(1) Net sales to outside customers	256,910	432,332	56,016	745,259	-	745,259
(2) Inter-segment sales or transfers	-	99	670	769	(769)	-
Total	256,910	432,432	56,686	746,029	(769)	745,259
Operating expenses	228,989	391,580	47,505	668,075	(769)	667,305
Operating income	27,921	40,852	9,180	77,954	-	77,954
2. Assets, Depreciation and Amortization, and Capital Expenditures						
Assets	166,944	316,095	46,394	529,434	66,537	595,972
Depreciation and Amortization	12,954	32,485	4,176	49,617	-	49,617
Capital Expenditure	12,065	46,820	3,600	62,487	-	62,487

Fiscal 2008 (April 1, 2008 through March 31, 2009)

(Yen in Millions)

	Industrial products	Electronic products	Functional products	Total	Eliminations and corporate	Consolidated total
1. Net sales and operating income						
Net sales						
(1) Net sales to outside customers	209,491	314,315	54,114	577,922	-	577,922
(2) Inter-segment sales or transfers	1,549	78	534	2,161	(2,161)	-
Total	211,040	314,394	54,648	580,083	(2,161)	577,922
Operating expenses	202,740	315,327	48,178	566,245	(2,161)	564,083
Operating income	8,300	-933	6,470	13,838	-	13,838
2. Assets, Depreciation and Amortization, and Capital Expenditures						
Assets	148,449	251,518	53,243	453,211	105,046	558,258
Depreciation and Amortization	14,115	32,165	4,274	50,556	-	50,556
Impairment losses	2,017	2,996	-	5,014	-	5,014
Capital Expenditure	21,285	28,396	6,630	56,312	-	56,312

(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, printed circuits, electronic processing materials, semiconductor related products
Functional products	Medical related products, membrane products, engineering plastics

3 Corporate assets in fiscal 2007 and fiscal 2008 amount to 83,183 million and 128,631 million yen, respectively, which consist mainly of the parent company's cash, time deposits and investment securities.

b. Segment information by geographic area

Fiscal 2007 (April 1, 2007 through March 31, 2008)

(Yen in Millions)

	Japan	North America	Europe	Asia & Oceania	Total	Eliminations and corporate	Consolidated total
1. Net sales and operating income							
Net sales							
(1) Net sales to outside customers	256,288	45,054	29,172	414,743	745,259	-	745,259
(2) Inter-segment sales or transfers	316,763	2,513	4,595	28,204	352,077	(352,077)	-
Total	573,052	47,568	33,768	442,947	1,097,337	(352,077)	745,259
Operating expenses	528,082	47,230	31,590	415,333	1,022,236	(354,931)	667,305
Operating income	44,969	338	2,178	27,614	75,100	2,853	77,954
2. Assets	375,232	45,452	20,512	180,127	621,324	(25,351)	595,972

(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

3 Corporate assets in fiscal 2007 amount to 83,183 million yen, respectively, which consist mainly of the parent company's cash, time deposits and investment securities.

Fiscal 2008 (April 1, 2008 through March 31, 2009)

(Yen in Millions)

	Japan	North America	Europe	Asia & Oceania	Total	Eliminations and corporate	Consolidated total
1. Net sales and operating income							
Net sales							
(1) Net sales to outside customers	207,263	39,002	25,519	306,136	577,922	-	577,922
(2) Inter-segment sales or transfers	240,120	1,230	3,808	26,641	271,801	(271,801)	-
Total	447,384	40,233	29,328	332,777	849,723	(271,801)	577,922
Operating expenses	444,079	41,532	29,348	324,408	839,367	(275,283)	564,084
Operating income	3,305	-1,298	-20	8,368	10,355	3,482	13,838
2. Assets	299,159	44,983	16,671	146,043	506,858	51,399	558,258

(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

3 Corporate assets in fiscal 2008 amount to 128,631 million yen, respectively, which consist mainly of the parent company's cash, time deposits and investment securities.

c. Sales to customers outside Japan

Fiscal 2007 (April 1, 2007 through March 31, 2008)

(Yen in Millions)

	North America	Europe	Asia & Oceania	Others	Total
I. Net sales to customers outside Japan	38,072	33,952	432,758	1,226	506,010
II. Consolidated sales					745,259
III. Ratio of sales to customers outside Japan to consolidated sales (%)	5.1	4.6	58.1	0.2	67.9

(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 : South American and African 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.

Fiscal 2008 (April 1, 2008 through March 31, 2009)

(Yen in Millions)

	North America	Europe	Asia & Oceania	Others	Total
I. Net sales to customers outside Japan	27,832	32,634	319,685	3,018	383,171
II. Consolidated sales					577,922
III. Ratio of sales to customers outside Japan to consolidated sales (%)	4.8	5.6	55.3	0.5	66.3

(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 : South American and African 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.

(Amount per share)

	Fiscal 2007 (April 1, 2007 through March 31, 2008)	Fiscal 2008 (April 1, 2008 through March 31, 2009)
Net assets amount per share	2,297. 12 yen	2,148. 15 yen
Net income per share	280. 07 yen	1. 61 yen
Net income per share after adjustment of residual securities	279. 82 yen	1. 61 yen
(Information for the computation of the net income per share)		
Net income	46,634 million yen	267 million yen
The amount which is not attributable to ordinary shareholders	--	--
Net income related to common stock	46,634 million yen	267 million yen
Average number of common stock	165,510,000	166,577,000
The number of increased common stock for computation of net income per share after adjustment of residual securities (The number of share warrant)	148,000 (148,000)	174,000 (174,000)
Residual securities not included in the calculation of net income per share after adjustment of residual securities as they do not have any diluting effect	Share warrant Number of residual securities 997,300	Share warrant Number of residual securities 1,092,500