



Independent Auditors' Report

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The Board of Directors
NITTO DENKO CORPORATION

May 9, 2007

KPMG AZSA & Co

Masataka Nakao (Seal)
Designated and Engagement Partner
Certified Public Accountant

Hisae Kitayama (Seal)
Designated and Engagement Partner
Certified Public Accountant

Toshiro Miyabayashi (Seal)
Designated and Engagement Partner
Certified Public Accountant

We have audited the consolidated statutory report, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of NITTO DENKO CORPORATION (the "Company") as of March 31, 2007 and for the year from April 1, 2006 to March 31, 2007 in accordance with Article 444 (4) of the Corporate Law. The consolidated statutory report is the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated statutory report based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the consolidated statutory report is free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating the overall presentation of the consolidated statutory report. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated statutory report referred to above presents fairly, in all material respects, the financial position and the results of operations of NITTO DENKO CORPORATION and its consolidated subsidiaries for the period, for which the consolidated statutory report was prepared, in conformity with accounting principles generally accepted in Japan.

Without qualifying our opinion, we draw attention to the Notes on Subsequent Events to the consolidated financial statements, which discuss that on April 27, 2007, the Company's Board of Directors resolved to merge, effective July 1, 2007, with KYOSHIN CORPORATION and NITTO DENKO MATEX CORPORATION, which are wholly-owned subsidiaries of the Company, and that each party signed merger agreements on the same day as the resolution.

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.