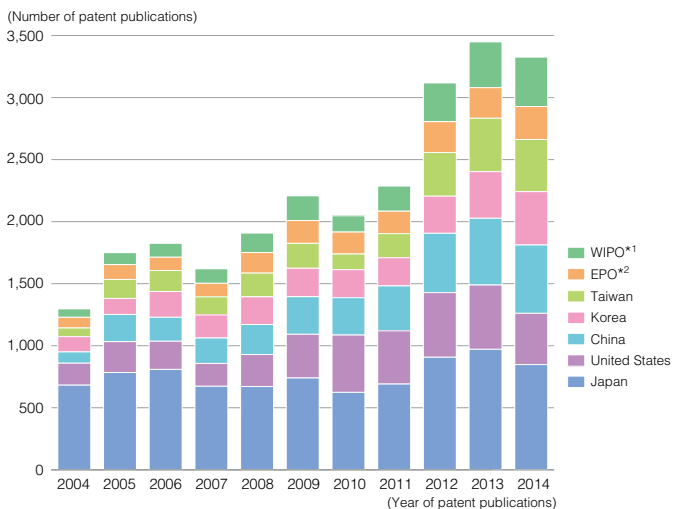


In line with the globalization of each of our business units, we are also required to demonstrate optimum responses in intellectual property activities in every region and technical field. Furthermore, in launching new business, we are promoting the transition to intellectual property activities which will enable the protection of new business models, seeking to provide management stability and maximization of revenue across the whole Group.

Specifically, under our policy of “Securing rights to intellectual property necessary in operating our business”, we will actively:

- Practice intellectual property strategies aligned with management and business
- Practice intellectual property activities which are optimum globally and in each area
- Aim at improvement in quality of intellectual property and practice a wide variety of intellectual property activities, from acquiring intellectual property to protect our own products to acquiring intellectual property covering our business models.

Patent Publications of the Nitto Group (In Japan and major countries)



*1: World Intellectual Property Organization *2: European Patent Office

As one of these activities, we are actively advancing overseas applications for and acquisition of patents. According to the *Japan Patent Office Annual Report 2014*, the global application rate of Japanese applicants is approximately 30%, which is low compared with the global application rate of applicants in the U.S. and Europe, each of which is about 50%. In contrast, the global application rate of Nitto has reached 65.3%, which is a high level and ninth out of the top two hundred companies utilizing the patent system.

Thomson Reuters 2014 Top 100 Global Innovators

Nitto Selected One of Top 100 Global Corporations in Intellectual Property and Patents for Fourth Consecutive Year

In November 2014, Nitto received a Thomson Reuters Top 100 Global Innovator award for the fourth consecutive year. This award is given to the most innovative corporations and research institutes by Thomson Reuters Professional KK (Head Office: New York City, U.S.A.; Japan Office: Chiyoda Ward, Tokyo). In particular, Nitto won recognition for achieving exemplary results in intellectual property.

Nitto considers intellectual property as the essence of management itself, strengthening our business by amalgamating business strategy and intellectual property strategy. In line with the global development of our business, we have promoted globalization of intellectual property activities. Furthermore, by asserting our property rights to adequately protect our innovations throughout the Group, and by efficiently industrializing those innovations, we have endeavored to maximize the value of our intellectual capital, which led to our receipt of the award.

We were awarded a 2014 Top 100 Global Innovator trophy by Mr. Masaki Nagao, Thomson Reuters' Managing Director, IP & Science, Asia-Pacific, at Nitto Head Office on December 17, 2014.

With this as encouragement, we will seek to further enhance our intellectual property and to maximize our corporate value in the future.



Mr. Masaki Nagao, Thomson Reuters' Managing Director, IP & Science, Asia-Pacific (left) with Mr. Hideo Takasaki, President of Nitto