

Consolidated Financial Statements  
Consolidated Statements of Financial Position

(Yen in Millions)

	Amount	
	As of March 31, 2018	As of March 31, 2017
<b>Current assets</b>	<b>622,027</b>	<b>563,798</b>
Cash and cash equivalents	304,709	280,343
Trade and other receivables	192,120	173,362
Inventories	95,068	88,701
Other financial assets	8,815	5,455
Other current assets	15,398	15,936
Subtotal	616,112	563,798
Assets held for sale	5,914	—
<b>Non-current assets</b>	<b>315,768</b>	<b>316,100</b>
Property, plant and equipment	248,417	249,541
Goodwill	6,927	7,300
Intangible assets	12,355	13,829
Investments accounted for using equity method	338	326
Financial assets	9,361	8,799
Deferred tax assets	28,295	27,087
Other non-current assets	10,073	9,215
<b>Total assets</b>	<b>937,796</b>	<b>879,899</b>

(Yen in Millions)

	Amount	
	As of March 31, 2018	As of March 31, 2017
<b>Current liabilities</b>	<b>187,436</b>	<b>174,557</b>
Trade and other payables	110,114	110,840
Bonds and borrowings	4,049	1,097
Income tax payables	19,270	15,978
Other financial liabilities	13,362	9,660
Other current liabilities	40,379	36,980
Subtotal	187,175	174,557
Liabilities directly associated with assets classified as held for sale	260	—
<b>Non-current liabilities</b>	<b>56,364</b>	<b>50,920</b>
Bonds and borrowings	—	3,000
Other financial liabilities	1,183	1,449
Defined benefit liabilities	46,227	42,838
Deferred tax liabilities	612	847
Other non-current liabilities	8,339	2,784
<b>Total liabilities</b>	<b>243,800</b>	<b>225,477</b>
<b>Equity attributable to owners of the parent company</b>	<b>693,278</b>	<b>653,772</b>
Share capital	26,783	26,783
Capital surplus	55,981	56,139
Retained earnings	665,561	603,886
Treasury stock	-69,867	-50,876
Other components of equity	14,819	17,839
Non-controlling interests	716	648
<b>Total equity</b>	<b>693,995</b>	<b>654,421</b>
<b>Total liabilities and equity</b>	<b>937,796</b>	<b>879,899</b>

Consolidated Financial Statements  
Consolidated Statements of Income

(Yen in Millions)

	April 1, 2017 - March 31, 2018	April 1, 2016 - March 31, 2017
<b>Revenue</b>	<b>856,262</b>	<b>767,710</b>
Cost of sales	574,879	528,592
<b>Gross profit</b>	<b>281,382</b>	<b>239,118</b>
Selling, general and administrative expenses	118,421	109,317
Research and development expenses	31,243	30,366
Other income	5,709	6,773
Other expenses	11,703	13,618
<b>Operating income</b>	<b>125,722</b>	<b>92,589</b>
Financial income	1,185	1,065
Financial expenses	752	1,848
Equity in profits (losses) of affiliates	12	-13
<b>Income before income taxes</b>	<b>126,168</b>	<b>91,791</b>
Income tax expenses	38,704	28,101
<b>Net income</b>	<b>87,463</b>	<b>63,690</b>
<b>Net income attributable to:</b>		
Owners of the parent company	87,377	63,453
Non-controlling interests	85	236

Consolidated Financial Statements  
Consolidated Statements of Cash Flows

(Yen in Millions)

	April 1, 2017 - March 31, 2018	April 1, 2016 - March 31, 2017
<b>I. Cash flows from operating activities</b>		
Income before income taxes	126,168	91,791
Depreciation and amortization	49,283	48,556
Impairment losses	52	2,341
Increase (decrease) in defined benefit liabilities	2,338	944
Decrease (increase) in trade and other receivables	-18,493	-25,161
Decrease (increase) in inventories	-6,860	-1,328
Increase (decrease) in trade and other payables	-4,471	15,382
Interest and dividend income	1,047	829
Interest expenses paid	-419	-385
Income taxes (paid) refunded	-35,153	-13,742
Others	9,059	710
<b>Net cash provided by operating activities</b>	<b>122,551</b>	<b>119,939</b>
<b>II. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	-48,466	-43,178
Proceeds from sale of property, plant and equipment and intangible assets	99	537
Decrease (increase) in time deposits	-2,811	2,550
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	-4,796
Payments for transfer of business	—	-4,752
Others	963	-99
<b>Net cash provided by investing activities</b>	<b>-50,215</b>	<b>-49,739</b>
<b>III. Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	74	-1,973
Decrease (increase) in treasury stock	-19,354	0
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	-3,224
Cash dividends paid	-25,166	-23,533
Others	-472	-151
<b>Net cash provided by financing activities</b>	<b>-44,919</b>	<b>-28,884</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	<b>-270</b>	<b>-1,864</b>
<b>V. Cash and cash equivalents included in assets held for sale</b>	<b>-2,780</b>	<b>—</b>
<b>VI. Net increase (decrease) in cash and cash equivalents</b>	<b>24,365</b>	<b>39,451</b>
<b>VII. Cash and cash equivalents at the beginning of the period</b>	<b>280,343</b>	<b>240,891</b>
<b>VIII. Cash and cash equivalents at the end of the period</b>	<b>304,709</b>	<b>280,343</b>

Consolidated Financial Statements  
Consolidated Statements of Changes in Equity

April 1, 2017 through March 31, 2018

(Yen in Millions)

	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
<b>Balance at the beginning of current year</b>	26,783	56,139	603,886	-50,876	17,839	653,772	648	654,421
Net income			87,377			87,377	85	87,463
Other comprehensive income					-3,556	-3,556	0	-3,555
<b>Total comprehensive income</b>	—	—	87,377	—	-3,556	83,820	86	83,907
Share-based payment transactions		-174				-174		-174
Dividends			-25,166			-25,166	-18	-25,185
Changes in treasury stock		17		-18,990		-18,973		-18,973
Transfers from other components of equity to retained earnings			-536		536	—		—
<b>Total transactions with owners</b>	—	-157	-25,702	-18,990	536	-44,315	-18	-44,333
<b>Balance at the end of current year</b>	26,783	55,981	665,561	-69,867	14,819	693,278	716	693,995

<Note>

- Part-time employees are included.
- The exchange rate used was JPY110.83 to USD1.00, which was the rate as at March 31, 2018.
- Effective from the fiscal year ended March 31, 2014, the Company and some of its consolidated subsidiaries changed the method of recognition of revenue to one based on the time of delivery to customers from the prior one which was based mainly on the time of shipment. The figures for the fiscal year ended March 31, 2013, are those after the retrospective application of the change except for the figures in "Segment information by geographic area."
- From the fiscal year ended March 31, 2015, the Nitto Denko Group has implemented the International Financial Reporting Standards (IFRS) to prepare its consolidated financial statements (date of transition to IFRS: April 1, 2013). Accordingly, the financial data for the fiscal year ended March 31, 2014 is also presented based on the IFRS.
- The above 10-year Summary is presented based on the International Financial Reporting Standards (IFRS). The term based on the Japanese standard for "Revenue" is "Net sales," "Net income attributable to owners of the parent company" is "Net income," "Equity attributable to owners of the parent company per share" is "Net assets per share," "Basic earnings per share" is "Net income per share," "Total assets" is "Total assets," "Equity attributable to owners of the parent company" is "Equity," "Ratio of profit attributable to owners of the parent company to total assets" is "Return on assets," "Return on equity attributable to owners of the parent company" is "Return on equity" and "Ratio of equity attributable to owners of the parent company to total assets" is "Equity to total assets."

Business Results  
10-Year Summary

Consolidated financial results of the fiscal years (April 1- March 31)

Yen in Millions  
U.S. dollars in Thousands (Note 2)

	Japanese GAAP						IFRS					IFRS
	2008	2009	2010	2011	2012	2013	2013	2014	2015	2016	2017	
<b>Statement of income</b>												
Revenue	577,922	601,859	638,556	607,639	671,253	749,835	749,504	825,243	793,054	767,710	856,262	7,725,905
Operating income	13,838	56,086	85,245	56,491	68,482	72,254	72,503	106,734	102,397	92,589	125,722	1,134,368
ratio to revenue	2.4%	9.3%	13.3%	9.3%	10.2%	9.6%	9.7%	12.9%	12.9%	12.1%	14.7%	14.7%
Ordinary income	14,807	58,833	85,143	58,436	67,182	71,658	-	-	-	-	-	-
ratio to revenue	2.6%	9.8%	13.3%	9.6%	10.0%	9.6%	-	-	-	-	-	-
Net income attributable to owners of the parent company	267	37,570	55,743	31,066	43,696	51,018	51,892	77,876	81,683	63,453	87,377	788,388
ratio to revenue	0.0%	6.2%	8.7%	5.1%	6.5%	6.8%	6.9%	9.4%	10.3%	8.3%	10.2%	10.2%
<b>Segment information by geographic area</b>												
Japan Revenue	207,263	203,982	218,528	194,636	192,600	186,320	185,990	189,779	180,987	186,979	199,441	1,799,522
Japan Operating income	3,305	34,897	64,376	39,571	44,338	43,263	44,112	70,322	60,793	51,979	75,982	685,572
Americas Revenue	39,002	37,766	36,116	35,739	40,014	52,085	52,085	59,451	75,344	80,123	82,568	744,997
Americas Operating income	-1,298	2,012	-289	-1,363	1,768	1,198	1,373	-1,725	12,241	16,570	12,225	110,304
Europe Revenue	25,519	26,933	23,245	21,189	31,057	38,834	38,834	43,041	42,750	40,521	45,578	411,242
Europe Operating income	-20	1,147	1,471	480	898	3,104	3,025	2,729	3,081	3,727	4,218	38,058
Asia & Oceania Revenue	306,136	333,177	360,665	356,074	411,942	472,594	472,594	532,971	493,972	460,085	528,672	4,770,116
Asia & Oceania Operating income	8,368	17,952	19,032	15,514	20,258	22,158	23,874	36,573	24,410	22,905	32,793	295,886
<b>Per share information</b>												
Equity attributable to owners of the parent company per share	2,148.2	2,320.9	2,540.3	2,635.9	2,961.9	3,172.0	3,159.9	3,706.0	3,785.9	4,027.6	4,328.5	39.06
Basic earnings per share	1.6	225.5	337.4	188.9	265.5	309.3	314.6	471.8	495.2	390.9	539.0	4.86
Dividends per share	80.0	40.0	90.0	100.0	100.0	100.0	100.0	120.0	140.0	150.0	160.0	1.44
Shares outstanding (thousands)	173,758	173,758	173,758	173,758	173,758	173,758	173,758	173,758	173,758	173,758	173,758	-
Number of shareholders	63,479	66,032	59,059	65,321	49,234	55,009	55,009	35,014	37,694	29,742	35,847	-
Total assets	558,258	624,992	653,961	651,908	740,949	781,352	783,583	855,433	825,905	879,899	937,796	8,461,572
Equity attributable to owners of the parent company	357,839	386,664	417,606	433,541	488,179	523,391	521,385	612,016	614,425	653,772	693,278	6,255,328
Ratio of profit attributable to owners of the parent company to total assets (ROA)	0.0%	6.4%	8.7%	4.8%	6.3%	6.7%	6.8%	9.5%	9.7%	7.4%	9.6%	-
Return on equity attributable to owners of the parent company (ROE)	0.1%	10.1%	13.9%	7.3%	9.5%	10.1%	10.5%	13.7%	13.3%	10.0%	13.0%	-
Ratio of equity attributable to owners of the parent company to total assets	64.1%	61.9%	63.9%	66.5%	65.9%	67.0%	66.5%	71.5%	74.4%	74.3%	73.9%	-
Capital investment	55,926	37,147	26,882	33,758	49,807	75,814	75,814	56,721	60,420	36,538	47,193	425,814
Depreciation cost	50,556	44,810	39,940	36,806	36,467	43,188	43,223	45,662	48,537	48,556	49,283	444,672
R&D expenses	21,716	20,876	21,949	25,003	27,573	28,573	28,444	28,240	32,120	30,366	31,243	281,900
Number of employees (Note 1)	28,640	31,288	33,192	32,198	30,382	31,504	31,504	31,997	30,007	29,617	29,704	-