Date: January 29, 2016

Preliminary

Summary of Consolidated Financial Statements for the third quarter ended December 31, 2015 (IFRS basis)

Listed company name: **Nitto Denko Corporation**
Stock exchange listing: First Section of Tokyo Stock Exchange
Code Number: 6988 URL http://www.nitto.com/
Company Representative: Hideo Takasaki, President
Contact Person: Jun Yamashita, Vice President, Corporate Strategy Management Div.
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Filing date of quarterly financial statements: February 5, 2016
Estimated starting date of dividend paying: -
Preparation of supplementary explanatory materials: Yes
Holding of quarterly earnings release conference: Yes (for investment analysts and institutional investors)

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

1. Consolidated financial results of the third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015)

(1) Operating results (% of change from same period in the previous year)

	Revenue		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent company		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third quarter ended December 31, 2015	623,373	-0.0	89,588	8.8	89,182	9.2	70,722	24.2	70,437	23.8	59,591	-34.9
Third quarter ended December 31, 2014	623,614	10.5	82,365	46.7	81,693	49.4	56,922	48.6	56,891	49.2	91,517	40.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Third quarter ended December 31, 2015	426.44	425.84
Third quarter ended December 31, 2014	344.68	344.07

(2) Financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets
	Millions of yen	Millions of yen	Millions of yen	%
December 31, 2015	863,056	652,874	649,273	75.2
March 31, 2015	855,433	615,776	612,016	71.5

2. Dividends

Record Date	Dividends per share				
	1Q	2Q	3Q	Year-end	Annual
	yen	yen	yen	yen	yen
March, 2015	–	55.00	-	65.00	120.00
March, 2016	–	70.00	-		
March, 2016 (Forecast)				70.00	140.00

(Note) Revision of dividend forecast in the current quarter: No

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3. Forecast for fiscal year ending March 31, 2016 (April 1, 2015 through March 31, 2016)

(% of change from same period in the previous year)

	Revenue		Operating income		Income before income taxes		Net income		Net income attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Annual	810,000	-1.8	110,000	3.1	110,000	3.8	86,000	10.2	86,000	10.4	520.62

(Note) Revision of consolidated forecast in the current quarter: Yes

- Others

(1) Changes in significant subsidiaries during the third quarter ended December 31, 2015: No

(2) Changes in accounting policies applied and changes in accounting estimates

1. Changes in accounting policies required by IFRS: No
2. Changes in accounting policies other than the above: No
3. Changes in accounting estimates: No

(3) Number of shares outstanding (Common stock)

1. Number of shares outstanding at the end of the period (including treasury stock)
   December 31, 2015: 173,758,428 March 31, 2015: 173,758,428
2. Number of treasury stock at the end of the period
   December 31, 2015: 8,569,378 March 31, 2015: 8,614,484
3. Average number of outstanding shares during the period (cumulative from the beginning of the period)
   April-December 2015: 165,177,335 April-December 2014: 165,058,191

- Information regarding implementation of quarterly review procedures

These quarterly financial results are not subject to quarterly review procedures based on the Financial Instruments and Exchange Act. Thus, at the time of disclosure of these financial results, the quarterly financial statement review procedures based on the Financial Instruments and Exchange Law have not been completed.

- Explanations for adequate utilization of the forecast and other special matters

The forward-looking statements shown in this report, including the forecast, are prepared based on information available to the Company and on certain assumptions deemed reasonable as of the issuing date of the report. Consequently, the statements herein do not constitute promises regarding actual results by the Company. Actual results may differ materially from forecasted figures due to various unknown factors.

(Reference) Segment Information (nine months) (Yen in Millions)

		Third quarter ended December 31, 2014 (April 1, 2014 through December 31, 2014)	Third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015)	
		Revenue	Revenue	Y-o-Y (%)
Industrial Tape	Functional base products	152,198	157,309	103.4
	Automotive products	82,846	91,384	110.3
	Total	235,044	248,693	105.8
	Operating income	15,209	23,092	151.8
Optronics	Information fine materials	317,119	306,565	96.7
	Flexible printed circuits	55,031	41,914	76.2
	Processing materials	17,518	17,477	99.8
	Total	389,669	365,957	93.9
	Operating income	67,431	62,002	91.9
Medical & Membrane	Medical products	11,601	16,705	144.0
	Membrane products	17,753	22,314	125.7
	Total	29,355	39,020	132.9
	Operating income	966	7,422	768.3
Corporate/Elimination	Revenue	-30,455	-30,297	-
	Operating income	-1,241	-2,928	-
Total	Revenue	623,614	623,373	100.0
	Operating income	82,365	89,588	108.8

(Note) From fiscal year 2015, we have changed the allocation method of the costs of Corporate sector in order to evaluate each segment's figure more properly.
Such changes have also been reflected in the figures for the third quarter ended December 31, 2014.

(Reference) Segment Information (three months) (Yen in Millions)

		Third quarter ended December 31, 2014 (October 1, 2014 through December 31, 2014)	Third quarter ended December 31, 2015 (October 1, 2015 through December 31, 2015)	
		Revenue	Revenue	Y-o-Y (%)
Industrial Tape	Functional base products	55,437	53,324	96.2
	Automotive products	29,336	30,456	103.8
	Total	84,774	83,781	98.8
	Operating income	6,178	7,747	125.4
Optronics	Information fine materials	119,864	99,652	83.1
	Flexible printed circuits	20,605	14,285	69.3
	Processing materials	5,790	5,593	96.6
	Total	146,259	119,530	81.7
	Operating income	31,829	19,898	62.5
Medical & Membrane	Medical products	3,874	6,675	172.3
	Membrane products	6,731	7,582	112.6
	Total	10,606	14,257	134.4
	Operating income	601	3,348	556.7
Corporate/Elimination	Revenue	-11,542	-9,932	-
	Operating income	667	-1,566	-
Total	Revenue	230,097	207,636	90.2
	Operating income	39,276	29,427	74.9

(Note) From fiscal year 2015, we have changed the allocation method of the costs of Corporate sector in order to evaluate each segment's figure more properly.
Such changes have also been reflected in the figures for the third quarter ended December 31, 2014.

(Reference) Segment Information (annual forecast) (Yen in Millions)

		Forecasts of fiscal year ending March 31, 2016 (As of January 29, 2016)	
		Revenue	Y-o-Y (%)
Industrial Tape	Functional base products	206,400	101.7
	Automotive products	123,600	108.7
	Total	330,000	104.2
	Operating income	29,200	137.7
Optronics	Information fine materials	392,200	94.9
	Flexible printed circuits	53,765	73.4
	Processing materials	24,035	105.5
	Total	470,000	92.3
	Operating income	72,000	82.3
Medical & Membrane	Medical products	24,100	147.1
	Membrane products	29,900	122.3
	Total	54,000	132.3
	Operating income	10,800	448.7
Corporate/Elimination	Revenue	-44,000	—
	Operating income	-2,000	—
Total	Revenue	810,000	98.2
	Operating income	110,000	103.1

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated statements of financial position

(Yen in Millions)

	March 31, 2015	December 31, 2015
(Assets)		
Current assets		
Cash and cash equivalents	214,559	236,523
Trade and other receivables	191,074	179,626
Inventories	93,448	92,696
Other financial assets	7,726	9,763
Other current assets	12,437	12,573
Total current assets	519,246	531,182
Non-current assets		
Property, plant and equipment	268,601	267,511
Goodwill	2,966	2,791
Intangible assets	12,837	11,405
Investments accounted for using equity method	284	280
Financial assets	12,737	10,467
Deferred tax assets	30,231	31,075
Other non-current assets	8,527	8,341
Total non-current assets	336,186	331,873
Total assets	855,433	863,056

(Yen in Millions)

	March 31, 2015	December 31, 2015
Liabilities and equity		
(Liabilities)		
Current liabilities		
Trade and other payables	108,110	103,706
Bonds and borrowings	6,185	4,547
Income tax payables	20,337	8,899
Other financial liabilities	20,445	14,302
Other current liabilities	42,340	37,076
Total current liabilities	197,420	168,532
Non-current liabilities		
Bonds and borrowings	3,000	3,000
Other financial liabilities	1,364	723
Defined benefit liabilities	34,042	34,692
Deferred tax liabilities	566	437
Other non-current liabilities	3,262	2,796
Total non-current liabilities	42,236	41,649
Total liabilities	239,656	210,182
(Equity)		
Equity attributable to owners of the parent company		
Share capital	26,783	26,783
Capital surplus	56,761	56,686
Retained earnings	508,564	557,531
Treasury stock	-31,232	-31,073
Other components of equity	51,139	39,344
Total equity attributable to owners of the parent company	612,016	649,273
Non-controlling interests	3,760	3,601
Total equity	615,776	652,874
Total liabilities and equity	855,433	863,056

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(Yen in Millions)

	Third quarter ended December 31, 2014 (April 1, 2014 through December 31, 2014)	Third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015)
Revenue	623,614	623,373
Cost of sales	435,909	425,277
Gross profit	187,704	198,095
Selling, general and administrative expenses	88,933	87,562
Research and development expenses	21,004	24,257
Other income	12,102	5,953
Other expenses	7,503	2,640
Operating income	82,365	89,588
Financial income	551	918
Financial expenses	790	1,325
Equity in profits (losses) of affiliates	-432	1
Income before income taxes	81,693	89,182
Income tax expenses	24,771	18,459
Net income	56,922	70,722
Net income attributable to:		
Owners of the parent company	56,891	70,437
Non-controlling interests	31	285
Total	56,922	70,722
Earnings per share attributable to owners of the parent company		
Basic earnings per share (yen)	344.68	426.44
Diluted earnings per share (yen)	344.07	425.84

(Quarterly consolidated statements of comprehensive income)

(Yen in Millions)

	Third quarter ended December 31, 2014 (April 1, 2014 through December 31, 2014)	Third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015)
Net income	56,922	70,722
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	713	109
Revaluation of defined benefit liability	-992	-
Items that will be reclassified to profit or loss		
Exchange differences on translating foreign operations	35,179	-11,528
Net gain (loss) in fair value of cash flow hedges	-323	293
Share of other comprehensive income of associates accounted for using equity method	18	-5
Total other comprehensive income	34,594	-11,131
Total comprehensive income	91,517	59,591
Total comprehensive income attributable to:		
Owners of the parent company	91,160	59,469
Non-controlling interests	356	122
Total	91,517	59,591

(3) Quarterly consolidated statements of changes in equity

For the third quarter ended December 31, 2014 (April 1, 2014 through December 31, 2014)

(Yen in Millions)

	Equity attributable to owners of the parent company							
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2014	26,783	56,958	450,741	-31,746	18,647	521,385	3,167	524,552
Net income	-	-	56,891	-	-	56,891	31	56,922
Other comprehensive income	-	-	-	-	34,269	34,269	325	34,594
Total comprehensive income	-	-	56,891	-	34,269	91,160	356	91,517
Share-based payment transactions	-	-21	-	-	-	-21	-	-21
Dividends	-	-	-17,328	-	-	-17,328	-66	-17,395
Changes in treasury stock	-	-9	-	512	-	503	-	503
Transfers from other components of equity to retained earnings	-	-	-992	-	992	-	-	-
Other increase or decrease	-	-214	-	-	-	-214	187	-27
Total transactions with owners	-	-245	-18,321	512	992	-17,061	120	-16,940
Balance as of December 31, 2014	26,783	56,712	489,311	-31,233	53,909	595,484	3,644	599,129

For the third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015)

(Yen in Millions)

	Equity attributable to owners of the parent company							
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total	Non-controlling interests	Total equity
Balance as of April 1, 2015	26,783	56,761	508,564	-31,232	51,139	612,016	3,760	615,776
Net income	-	-	70,437	-	-	70,437	285	70,722
Other comprehensive income	-	-	-	-	-10,968	-10,968	-163	-11,131
Total comprehensive income	-	-	70,437	-	-10,968	59,469	122	59,591
Share-based payment transactions	-	-14	-	-	-	-14	-	-14
Dividends	-	-	-22,297	-	-	-22,297	-252	-22,549
Changes in treasury stock	-	-3	-	159	-	156	-	156
Transfers from other components of equity to retained earnings	-	-	826	-	-826	-	-	-
Other increase or decrease	-	-57	-	-	-	-57	-28	-86
Total transactions with owners	-	-74	-21,470	159	-826	-22,212	-281	-22,493
Balance as of December 31, 2015	26,783	56,686	557,531	-31,073	39,344	649,273	3,601	652,874

(4) Quarterly consolidated statements of cash flows

(Yen in Millions)

	Third quarter ended December 31, 2014 (April 1, 2014 through December 31, 2014)	Third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015)
Cash flows from operating activities		
Income before income taxes	81,693	89,182
Depreciation and amortization	34,078	36,481
Increase (decrease) in defined benefit liabilities	-6,300	859
Decrease (increase) in trade and other receivables	-25,792	6,514
Decrease (increase) in inventories	-3,838	-1,349
Increase (decrease) in trade and other payables	17,353	-2,146
Interest and dividend income	470	815
Interest expenses paid	-684	-411
Income taxes (paid) refunded	-14,644	-32,365
Others	-3,339	-436
Net cash provided by operating activities	78,996	97,143
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-38,118	-45,972
Decrease (increase) in time deposits	545	-2,053
Proceeds from sales of investment securities	-	1,798
Others	341	147
Net cash provided by (used in) investing activities	-37,232	-46,079
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,533	-781
Repayment of long-term loans payable	-2	-590
Redemption of bonds	-50,000	-
Decrease (increase) in treasury stock	392	-6
Cash dividends paid	-17,328	-22,297
Others	-66	-252
Net cash provided by (used in) financing activities	-65,472	-23,928
Effect of exchange rate changes on cash and cash equivalents	15,462	-5,171
Net increase (decrease) in cash and cash equivalents	-8,246	21,963
Cash and cash equivalents at the beginning of the period	203,446	214,559
Cash and cash equivalents at the end of the period	195,200	236,523

(5) Segment information

Information regarding revenue, income, or loss by segments

Third quarter ended December 31, 2014 (April 1, 2014 through December 31, 2014) (Yen in Millions)

	Industrial Tape	Optronics	Medical & Membrane	Total	Adjustment	Quarterly consolidated statements of income
Revenue from outside customers	218,123	376,847	27,547	622,518	1,095	623,614
Inter-segment revenue	16,921	12,822	1,807	31,551	-31,551	-
Total segment revenue	235,044	389,669	29,355	654,069	-30,455	623,614
Total operating income (loss)	15,209	67,431	966	83,607	-1,241	82,365
Financial income						551
Financial expenses						-790
Equity in profits (losses) of affiliates						-432
Income before income taxes						81,693

(Note) From fiscal year 2015, we have changed the allocation method of the costs of Corporate sector in order to evaluate each segment's figure more properly.
Such changes have also been reflected in the figures for the third quarter ended December 31, 2014.

Major products for each segment

Business segment	Major products
Industrial Tape	Functional base products (bonding and joining products, protective materials, etc.), automotive products
Optronics	Information fine materials, semiconductor-related materials, flexible printed circuits, processing materials
Medical & Membrane	Medical products, membrane products

Third quarter ended December 31, 2015 (April 1, 2015 through December 31, 2015) (Yen in Millions)

	Industrial Tape	Optronics	Medical & Membrane	Total	Adjustment	Quarterly consolidated statements of income
Revenue from outside customers	234,223	352,189	35,936	622,350	1,023	623,373
Inter-segment revenue	14,469	13,767	3,083	31,320	-31,320	-
Total segment revenue	248,693	365,957	39,020	653,671	-30,297	623,373
Total operating income (loss)	23,092	62,002	7,422	92,517	-2,928	89,588
Financial income						918
Financial expenses						-1,325
Equity in profits (losses) of affiliates						1
Income before income taxes						89,182

Major products for each segment

Business segment	Major products
Industrial Tape	Functional base products (bonding and joining products, protective materials, etc.), automotive products
Optronics	Information fine materials, semiconductor-related materials, flexible printed circuits, processing materials
Medical & Membrane	Medical products, membrane products