



Supplementary Data of Consolidated Financial Statements for the Second Quarter Ended September 30, 2017

October 31, 2017
NITTO DENKO CORPORATION

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(Note) In the amounts of money in this material, fractions below the shown figures are omitted.
Percentages(%) are rounded to the nearest decimal point.

Forward-looking statements such as those relating to earnings forecasts and other projections contained in this material are management's current assumptions and beliefs based on currently available information. Such forward-looking statements are subject to a number of risks, uncertainties and other factors. Accordingly, actual results may differ materially from those projected due to various factors.

Business Results

(Unit: Billions of yen, () : % of change from the previous quarter)

		Revenue	Operating Income	Net Income
2Q FY2017 (Jul.-Sep.)	Results	225.8	37.9	27.2
		(+12.3)	(+24.9)	(+33.7)

(Unit: Billions of yen, () : % of change from the previous year)

		Revenue	Operating Income	Net Income
1H FY2017 (Apr.-Sep.)	Results	427.0	68.2	47.5
		(+20.3)	(+133.0)	(+129.6)

(Unit: Billions of yen, () : % of change from the previous forecasts)

		Revenue	Operating Income	Net Income
Forecasts of FY2017	As of Apr 28	800.0	100.0	70.0
	As of Oct 31	860.0 (+7.5)	135.0 (+35.0)	98.0 (+40.0)

(Billions of yen)

(Yen/1US\$)

		Depreciation	Capital Investment	R&D Expenditures	Exchange Rate
1H, FY2017 (Apr.-Sep.)	Results	24.5	19.0	15.8	110.9
Forecasts of FY2017	As of Apr 28	50.0	55.0	34.0	
	As of Oct 31	50.0	55.0	34.0	

Topics

◆ Nitto Enters the New Plastic Optical Cable Business

With the goal of realizing next-generation, high-speed, large-capacity communications, Nitto will embark on activities in the plastic optical cables business. Nitto intends to make a positive contribution to the next generation by developing and mass-producing transmission cables that enable high-speed, large-capacity communications to meet demand in the age of high-definition resolutions of 8K and above, with advice from Dr. Yasuhiro Koike, Professor of the Faculty of Science and Technology at Keio University.

We aim to begin mass production in fiscal 2019 while extensively drawing on the store of extrusion technology related to optical film that we have accumulated so far and accessing a wide range of industries.

In addition to its ability for high-speed data transmission of over 100 Gbps, the new plastic optical cables in development at Nitto will be able to easily deliver optical transmission even in devices with limited space, that are difficult to equip with glass optical cables, thanks to the excellent flexibility of the fiber material itself. Nitto's plastic optical cables will also be able to offer high heat-resistance thanks to an original manufacturing method. As such, in addition to installation in high-definition displays, it can also potentially be equipped in vehicles such as aircrafts and automobiles.

◆ Manufacturing Capacity Expansion for Oligonucleotide Active Pharmaceutical Ingredients in US

Nitto Denko Avecia Inc. (Headquarters: Massachusetts, USA), a subsidiary of Nitto Denko Corporation, has established the new facility in its manufacturing plant in Milford, Massachusetts, in order to expand manufacturing capacity for oligonucleotide active pharmaceutical ingredients (API). Its manufacturing capacity has increased from 1.2 mol to 3.0 mol, making Avecia the largest oligonucleotide manufacturing site in the world.

Segment Information

Revenue & Operating Income by Segment

(Yen in Millions)

		FY2016 Results				FY2017 Results *					Forecasts as of Oct 31	
		2Q, FY2016	1H, FY2016	2H, FY2016	FY2016	1Q, FY2017	2Q, FY2017		1H, FY2017		FY2017	
		Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Y-o-Y(%)	Revenue	Y-o-Y(%)	Revenue	Y-o-Y(%)
Industrial Tape	Functional Base Products	46,875	88,720	97,466	186,187	47,503	55,721	118.9	103,224	116.3	210,000	112.8
	Transportation	29,790	60,172	64,056	124,229	31,402	31,941	107.2	63,344	105.3	130,000	104.6
	Revenue	76,666	148,893	161,523	310,416	78,905	87,663	114.3	166,569	111.9	340,000	109.5
	Operating Income	6,419	12,013	15,420	27,433	7,406	9,559	148.9	16,966	141.2	35,000	127.6
Optronics	Information Fine Materials	87,685	161,606	191,299	352,905	99,832	117,072	133.5	216,905	134.2	435,000	123.3
	Flexible Printed Circuits	10,386	20,106	22,765	42,871	10,378	10,380	99.9	20,759	103.2	40,000	93.3
	Processing Materials	5,972	11,661	11,749	23,410	5,692	6,416	107.4	12,108	103.8	25,000	106.8
	Revenue	104,045	193,374	225,813	419,187	115,903	133,869	128.7	249,773	129.2	500,000	119.3
	Operating Income	9,051	13,208	35,258	48,466	21,521	28,969	320.0	50,490	382.3	100,000	206.3
Life Science	Revenue	7,794	14,642	29,816	44,459	8,262	7,101	91.1	15,364	104.9	32,000	72.0
	Operating Income	2,068	4,446	16,753	21,200	1,516	235	11.4	1,752	39.4	4,000	18.9
Others	Revenue	6,468	13,480	12,558	26,039	6,298	6,527	100.9	12,825	95.1	26,000	99.9
	Operating Income	192	591	-530	61	168	32	17.1	200	34.0	-500	-
Elimination & Corporate	Revenue	-8,408	-15,412	-16,979	-32,392	-8,183	-9,296	-	-17,480	-	-38,000	-
	Operating Income	-179	-966	-3,605	-4,572	-273	-894	-	-1,168	-	-3,500	-
Total	Revenue	186,566	354,978	412,731	767,710	201,187	225,865	121.1	427,052	120.3	860,000	112.0
	Operating Income	17,552	29,293	63,295	92,589	30,339	37,902	215.9	68,242	233.0	135,000	145.8

* From fiscal year 2017, we have changed the allocation method of the costs of Corporate sector.

Such changes have also been reflected in the figures for the fiscal year 2016

A part of New Businesses is transferred from "Others" to "Transportation".

The above figures of fiscal year 2016 are converted into the same reporting segments as fiscal year 2017.

Segment Information by Geographic Area

(Yen in Millions)

		Japan	Americas	Europe	Asia & Oceania	Total	Eliminations & Corporate	Consolidated Total
1H 2016	Revenue to Outside Customers	85,546	37,671	19,669	212,091	354,978	-	354,978
	Inter-segment Revenue or Transfers	154,523	4,421	1,912	16,097	176,954	-176,954	-
	Revenue Total	240,070	42,092	21,581	228,188	531,933	-176,954	354,978
	Operating Income	5,530	8,216	1,423	14,143	29,314	-20	29,293

Revenue to Customers Outside Japan

(Yen in Millions)

		Americas	Europe	Asia & Oceania	Others	Total
1H 2016	Revenue to Customers Outside Japan	32,812	21,664	199,972	599	255,047
	Consolidated Revenue	/				354,978
	Ratio to Consolidated Sales	9.2%	6.1%	56.3%	0.2%	71.8%

		Japan	Americas	Europe	Asia & Oceania	Total	Eliminations & Corporate	Consolidated Total
1H 2017	Revenue to Outside Customers	97,468	38,296	21,494	269,793	427,052	-	427,052
	Inter-segment Revenue or Transfers	201,703	4,673	2,031	16,200	224,608	-224,608	-
	Revenue Total	299,171	42,969	23,525	285,994	651,661	-224,608	427,052
	Operating Income	48,970	5,136	1,839	13,643	69,590	-1,348	68,242

		Americas	Europe	Asia & Oceania	Others	Total
1H 2017	Revenue to Customers Outside Japan	35,044	22,247	257,810	516	315,619
	Consolidated Revenue	/				427,052
	Ratio to Consolidated Sales	8.2%	5.2%	60.4%	0.1%	73.9%

Note: Major countries or regions excluding Japan are represented as follows:
 Americas : U.S.A., Mexico, Brazil
 Europe : Belgium, France, Germany, Sweden, Turkey
 Asia & Oceania : China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand

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 Americas : U.S.A., Mexico, Brazil
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 Asia & Oceania : China, Korea, Taiwan, Singapore, Malaysia, Hong Kong, Thailand
 Others: African countries