

Date: December 26, 2022

Listed company name: Nitto Denko Corporation

Stock exchange listing: Tokyo, Prime Market

Code number: 6988

Company representative: Hideo Takasaki, President

Contact person: Yasuhiro Iseyama

Executive Vice President

Director of Corporate Accounting & Finance Division

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Announcement Concerning Absorption-Type Merger of Subsidiary **(Simplified Absorption-type Merger)**

Nitto Denko Corporation (hereafter “Nitto”) hereby announces that at the meeting of the Board of Directors held today, Nitto resolved to execute absorption-type merger of a consolidated subsidiary (hereafter the “Merger”), Mie Nitto Denko Corporation. (hereafter “Mie Nitto”), and its scheduled merger date (effective date) is April 1, 2023.

Please note that because the Merger is a simplified absorption-type merger (simplified absorption-type merger /short-form absorption-type merger) of a wholly owned subsidiary, certain disclosure matters, and descriptions are omitted from this notice.

1. Purpose of the Merger

Mie Nitto is a wholly owned subsidiary of Nitto, producing materials for Nitto group products. The purpose of the Merger is to improve business efficiency concentrating management resources.

2. Summary of the Merger

(1) Schedule of the Merger

Date of resolution at the meeting of the Board of Directors December 26, 2022

Scheduled date of execution of the absorption-type merger agreement January 10, 2023

Scheduled merger date (effective date) April 1, 2023

* Please note that because, for Nitto, the merger is a simplified absorption-type merger in Article 796, Paragraph 2 of the Companies Act of Japan; and, for Mie Nitto, it is a short-form absorption-type merger under Article 784, Paragraph 1 of the Companies Act of Japan, the Merger is being executed without obtaining approval by resolution of a general meeting of shareholders of both Nitto and Mie Nitto.

(2) Method of the Merger

The merger will be conducted through an absorption-type merger method in which Nitto will

be the surviving company and Mie Nitto will be dissolved as the absorbed company.

(3) Allotment upon the Merger

Since the Merger is an absorption-type Merger with Nitto's wholly-owned subsidiary, no allotment of new shares, monies or other properties will be performed upon the Merger.

(4) Handling of the dissolving company's share options and bonds with share options

No applicable items

3. Overview of the Parties to the Merger (as at March 31, 2022)

(1) Company name	Nitto Denko Corporation (Surviving company)	Mie Nitto Denko Corporation. (Absorbed company)	
(2) Address	1-1-2, Shimohozumi, Ibaraki, Osaka, Japan	919, Fuke-cho, Kameyama, Mie, Japan	
(3) Representative	President Hideko Takasaki	President Manabu Shiozawa	
(4) Description of business	Sales and manufacturing of industrial/ Electric/ functional Materials	Sales and manufacturing of industrial/ Electric/ functional Materials	
(5) Capital	26,783 million yen	50 million yen	
(6) Date Established	October 25, 1918	December 21, 1998	
(7) Number of shares issued	149,758,428 shares	1,000 shares	
(8) Fiscal year-end	March 31	March 31	
(9) Major shareholders and percentage of shares held	<p>The Master Trust Bank of Japan, Ltd. (Trust Account) 26.64%</p> <p>Custody Bank of Japan (Trust Account) 8.49%</p> <p>STATE STREET BANK AND TRUST COMPANY 505223 2.85%</p> <p>Custody Bank of Japan, Ltd. (Securities Investment Account) 1.93%</p> <p>STATE STREET BANK WEST CLIENT - TREATY 505234 1.71%</p> <p>STATE STREET BANK AND TRUST COMPANY 505025 1.49%</p> <p>Nippon Life Insurance Company 1.41%</p> <p>JP MORGAN CHASE BANK 385781 1.29%</p> <p>STATE STREET BANK AND TRUST COMPANY 505103 1.25%</p> <p>SSBTC CLIENT OMNIBUS ACCOUNT 1.24% (remark)</p>	Nitto 100%	
(10) Financial condition and financial performance in the most recent fiscal year			
Consolidated/IFRS		Non-consolidated/JGAAP	
Equity attributable to owners of the parent company	821,192 million yen	Net assets	1,069 million yen
Total assets	1,094,469 million yen	Total assets	1,571 million yen
Equity attributable to owners of the parent company per share	5,548.09 yen	Net assets per share	1,069,470yen

Revenue	853,448 million yen	Net sales	2,323 million yen
Operating income	132,260 million yen	Operating income	176 million yen
Income before income taxes	132,378 million yen	Ordinary income	176 million yen
Net income	97,234 million yen	Net income	145 million yen
Basic earnings per share	656.31yen	Net income per share - Basic	145,359yen

(Remark) The ownership percentage has been calculated based on the number of shares issued, excluding treasury stock (1,744,778 shares).

4. Status After the Merger

There will be no change in the name, address, name and title of representative, business description, capital, and fiscal year-end of Nitto as the surviving company.

5. Impact of Forecast of Calbee

There will be no significant financial impact on Nitto's consolidated business results.