



December 2, 2011

Company name: Nitta Gelatin Inc.
Representative: Norimichi Soga, Representative Director and President
(Stock code: 4977)
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Notice of Board of Directors Resolution Concerning the Amount to Be Paid In, and the Provisional Issuance Terms for Book-Building, on the Placement of Shares for Public Subscription

Nitta Gelatin Inc. today announced that at the Board of Directors meeting held on December 2, 2011, the Board of Directors approved a resolution concerning the amount to be paid in and some other conditions that were left undecided when they met on November 15, 2011 to approve a resolution concerning the issuance of new shares and disposal of treasury stock for subscription to the public, and other securities transactions of the Company, with details as follows.

Please note that the per-share price in this press release on the amount to be paid in is different from the underwriting price to the underwriters, which may diverge from the amount to be paid in. Furthermore, please note that this amount to be paid in is different from the subscription price and disposal price of the Nitta Gelatin Inc. shares for public subscription, which will be determined at a later date using the book-building method of surveying demand in accordance with a range of provisional issuance terms.

1. Issuance of New Shares for Public Subscription

(1) Amount to Be Paid In

¥425 per share

(However, in the event that the underwriting price falls short of the amount to be paid in, this issuance of new shares shall be canceled.)

(2) Provisional issuance terms

From ¥500 to ¥570 per share

2. Disposal of Treasury Stock Through Public Subscription

(1) Amount to Be Paid In

¥425 per share

(However, in the event that the underwriting price falls short of the amount to be paid in, this disposal of treasury stock shall be canceled.)

(2) Provisional issuance terms

From ¥500 to ¥570 per share

3. Issuance of New Shares for Third-Party Allotment

Amount to Be Paid In

¥425 per share

[Reference Information]

1. Outline of the Issuance of New Shares and Disposal of Treasury Stock for Subscription to the Public, and Offer of Existing Shares

(1) Number of Shares for Subscription and Offer to the Public

Number of Shares for Subscription to the Public

3,000,000 shares

(Of which, the number of Nitta Gelatin treasury stock disposed for public offering is 219,000 shares)

Number of Existing Shares on Offer

1) Existing Shares Offered Through Purchase and Sale by the Underwriter

628,000 shares

2) Existing Shares on Offer to Cover Over-allotments*

Up to 542,000 shares

(2) Subscription Demand Survey Period

From Monday, December 5, 2011 to Friday, December 9, 2011

(3) Pricing Date

Monday, December 12, 2011 (The subscription price and offer price shall be determined at a price at or above the amount to be paid in for shares subscribed to the public, taking into account among other considerations the level of surveyed demand, based on a range of provisional issuance terms.)

(4) Subscription Period

From Tuesday, December 13, 2011 to Thursday, December 15, 2011

(5) Due Date of Payment

Monday, December 19, 2011

(6) Delivery Date of Shares

Tuesday, December 20, 2011

(7) Grounds to the Decision of Provisional Issuance Terms

The provisional issuance terms in this press release reflect the business content, management performance and financial position of Nitta Gelatin Inc., as compared to a listed company that is very similar in business content and many other regards. The terms were decided in consideration of the input and demand estimate from institutional investors regarded as adept at computing securities prices, and based on a comprehensive evaluation of current stock market conditions, the reception and evaluation of shares listed on the stock market recently, and risks including price fluctuation until the listing date of Nitta Gelatin Inc.'s shares.

*** Existing Shares on Offer to Cover Over-allotments**

SMBC Nikko Securities Inc., as lead manager of Nitta Gelatin's issuance of new stock and disposal of treasury stock for subscription to the public, as well as the existing shares offered through purchase and sale by the underwriter, may borrow up to 542,000 shares of Nitta Gelatin common stock to cover over-allotments in the subscription. This number of shares is the maximum number of shares to be offered. The number of shares may decrease, or the offer of existing shares to cover over-allotments may be canceled altogether depending on the level of demand.

In the event common stock is borrowed and put on offer to cover over-allotments, Nitta Gelatin Inc. shall grant SMBC Nikko Securities Inc. the right (Green Shoe Option) to receive a third-party allotment of newly issued shares, up to the maximum number of shares borrowed to cover over-allotments. This Green Shoe Option may be exercised through Friday, January 13, 2012.

For the purpose of returning the borrowed shares, SMBC Nikko Securities Inc. may conduct syndicate cover transactions, or the purchase of Nitta Gelatin

common stock on the Tokyo Stock Exchange, up to the maximum number of shares it was authorized to borrow. Such syndicate cover transactions would be executed during the syndicate cover transaction period, beginning with the listing and trading commencement date on Tuesday, December 20, 2011, and ending Friday, January 13, 2012. Shares of Nitta Gelatin common stock purchased in this way shall be used to return the borrowed shares. During the syndicate cover transaction period, SMBC Nikko Securities Inc. may at its own discretion decide not to conduct syndicate cover transactions, or suspend the transactions before the number of shares it is authorized to buy back reaches the maximum.

SMBC Nikko Securities Inc. plans to exercise its Green Shoe Option and receive a third-party allotment of new shares amounting to its residual exposure to borrowed shares after the syndicate cover transactions. Accordingly, SMBC Nikko Securities Inc. may not subscribe to part or all of the third-party allocation of new Nitta Gelatin common stock it has the option of receiving. This may result in a decrease in the final number of shares Nitta Gelatin issues for third-party allotment, or in the cancellation of the entire issuance due to forfeiture.

In the event that SMBC Nikko Securities Inc. accepts the third-party allotment of newly issued shares, SMBC Nikko Securities Inc. shall pay for it using the proceeds from the borrowed shares it offered to cover over-allotments in the public subscription.

On Monday, December 12, 2011, a decision will be made on whether or not to borrow shares to cover an over-allotment, as well as the number of borrowed shares that will be placed on offer. In the event no coverage of over-allotments takes place, SMBC Nikko Securities Inc. shall not borrow shares of Nitta Gelatin common stock from the Stock Lender. Accordingly, there would be no third-party allotment of new shares, as SMBC Nikko Securities Inc. would forfeit its Green Shoe Option. There would also be no syndicate cover transactions on the Tokyo Stock Exchange.

**This document is intended as a press release to publicize Nitta Gelatin Inc.'s issuance of new shares for public subscription, disposal of treasury stock, and offer of existing shares, and was not prepared for the purpose of soliciting investment. When making an investment decision, please refer to the "Registered Prospectus on the Issuance of New Shares, Disposal of Treasury Stock and Offer of Existing Shares (along with errata)" prepared by the Company. All investment decisions should be made solely at the discretion of the investor.*