



August 23, 2013

Company name: Nitta Gelatin Inc.
Representative: Norimichi Soga, Representative Director and President
(Stock code: 4977; First Section of Tokyo Stock Exchange)
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Notice of Decision on Number of Shares to be Issued through Third-Party Allotment

Nitta Gelatin Inc. today announced that it has been notified by the recipient of the allotment that it will be subscribing to part of the third-party allocation of new Nitta Gelatin common stock, about which a resolution was passed at the Board of Director's meeting held on July 10, 2013. The issuance of new shares for public subscription (public subscription) and the offering of existing shares (existing shares on offer to cover over-allotments) were also resolved at the same meeting. Details are as follows.

1. Number of Shares to be Issued: 203,900 shares (Number of shares planned to be issued 360,000 shares)
2. Total Amount to be Paid in ¥245,536,380 (¥1,204.2 per share)
3. Amount of Increase in Capital and Capital Reserves
Amount of Increase in Capital ¥122,768,190
Amount of Increase in Capital Reserves ¥122,768,190
4. Subscription Date: Tuesday, August 27, 2013
5. Due Date of Payment: Wednesday, August 28, 2013

Reference

1. The issuance of new shares for third-party allotment was approved at the Board of Directors meeting held on July 10, 2013, the same day as the issuance of new shares for public subscription (public subscription) and the offering of existing shares (existing shares on offer to cover over-allotments). For details about the third-party allotment, please refer to the press releases entitled "Notice of Issuance of New Shares and Offer of Existing Shares" issued on July 10, 2013 and "Notice of Decision on Subscription Price and Offer Price" issued on July 22, 2013.
2. Change in Total Number of Issued Shares as a Result of the Third-party Allotment
Total number of issued shares at present: 18,170,074 shares (As of August 23, 2013)
Increase in number of shares via the third-party allotment: 203,900 shares
Total number of issued shares after the third-party allotment: 18,373,974 shares
3. Use of Proceeds from Current Fund Procurement
Nitta Gelatin is estimating total proceeds of 3,113,075,380 yen, comprising proceeds of 243,339,380 yen through the third-party allotment of new shares and proceeds of 2,869,736,000 yen from the public subscription approved at the Board of Directors meeting held on the same day as the third-party allotment. Of this amount, the Company plans to allocate 1,402,000,000 yen for

Note: This document is intended as a press release to publicize Nitta Gelatin Inc.'s decision on the number of shares to be issued through third-party allotment, and was not prepared for the purpose of soliciting investment.

use from April 2013 to March 2015 to fund capital investment at Nitta Gelatin's Osaka Plant (552,000,000 yen for gelatin production facilities and 850,000,000 yen for construction of an adhesives office and new laboratory, etc.). The Company also plans to allocate 1,711,075,380 yen for use by March 2015 to fund investment and loans to Nitta Gelatin's consolidated subsidiaries.

In regard to the use of funds by the recipients of investment and loans, the Company plans to allocate 1,261,075,380 yen for use by March 2014 for collagen peptide production facilities at Nitta Gelatin USA, Inc. and 450,000,000 yen for use by March 2015 for collagen casing production facilities at Nitta Casings Inc.

The Company's policy is to invest the proceeds in highly secure financial instruments and similar investments until the scheduled period of allocation.

For details on the capital investment plans of the Company and its consolidated subsidiaries, please see the press release entitled "Notice of Issuance of New Shares and Offer of Existing Shares" issued on July 10, 2013.