

Making Steady Progress

LINTEC
Integrated Report 2022

For the fiscal year ended March 31, 2022

Company Motto



Sincerity and Creativity

Mission Statement

The company name LINTEC derives from "linkage" and "technology," two key components of our business philosophy, which emphasizes the importance of close relations, inside and outside the Company, and leading-edge R&D programs. By bringing these together to develop innovative solutions, we have established a reputation in Japan and overseas as a dynamic and reliable company that contributes to the prosperity of our stakeholders, to the growth of our industry, and to a brighter future for society as a whole. And underpinning all of our business activities is an unwavering emphasis on "Sincerity and Creativity," the twin values enshrined in our company motto.

For tomorrow we build today



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Editorial Policy

This report is meant to help shareholders and investors understand the LINTEC Group and its quest to achieve sustainable growth and contribute to the further development of society as a whole. With reference to various guidelines, this report introduces not only business results and financial information but also intangible assets that are not included in the financial statements, such as the Group's R&D capabilities and human resource strengths. Please refer to the Company's website and sustainability report, which provide additional information that is not included in this report.

Reporting Period

This report covers the period from April 1, 2021, to March 31, 2022. However, some of the information includes content from April 1, 2022, onward.

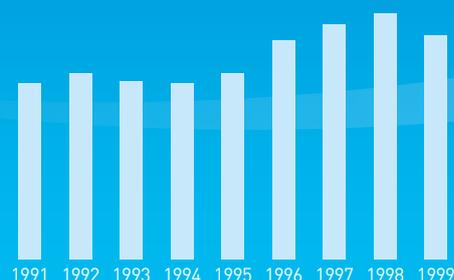
Value Creation

LINTEC is working to raise corporate value by maximizing the use of the assets built up to date, developing products that meet market needs, and delivering them to a large number of customers in Japan and overseas. This section introduces LINTEC's history, strengths, and long-term vision; contains messages from the president and CFO; and describes the Company's mainstay businesses.



Achieving Steady Growth by Meeting the Needs of the Times

In 1990, a vertical integration was implemented by three companies—a manufacturer with advanced adhesive technologies, a manufacturer with papermaking technologies for specialty paper, and a manufacturer with production technologies for release paper and film. This significant initiative resulted in the foundation of LINTEC Corporation. Since the merger of these three companies, we have accelerated global development with the aim of expanding business.



LINTEC's Advances

Up to 1990

In 1927, we were established as a company engaged in the manufacturing and sales of gummed tape for packaging. In the 1960s, we started to manufacture and sell adhesive paper and film, which are currently mainstay businesses for the Company. We subsequently expanded the scope of our adhesive operations to industrial fields, such as automobile-related areas. In 1986, we made a full-scale entry into the field of semiconductor-related products. The merger of three companies in 1990 established the foundation for our current position as a leading company in various adhesive products, specialty paper, release paper and film, and other products.

1990s

In 1991, we developed a business related to optical displays, setting the stage for our current business spanning six operations. In 1994, we established a production subsidiary in Indonesia for adhesive paper and film for labels. In 1995, we made our sales office in Singapore, which had been established in the previous year, into a locally incorporated sales subsidiary, and in Europe we established a sales subsidiary in the Netherlands. In these ways, we advanced the globalization of our business. At the same time, we worked to further strengthen our business foundation in Japan, acquiring a manufacturer of adhesive products and constructing a new building at our Research Center in 1995.

Changes in Society and LINTEC's Products

1927



1960

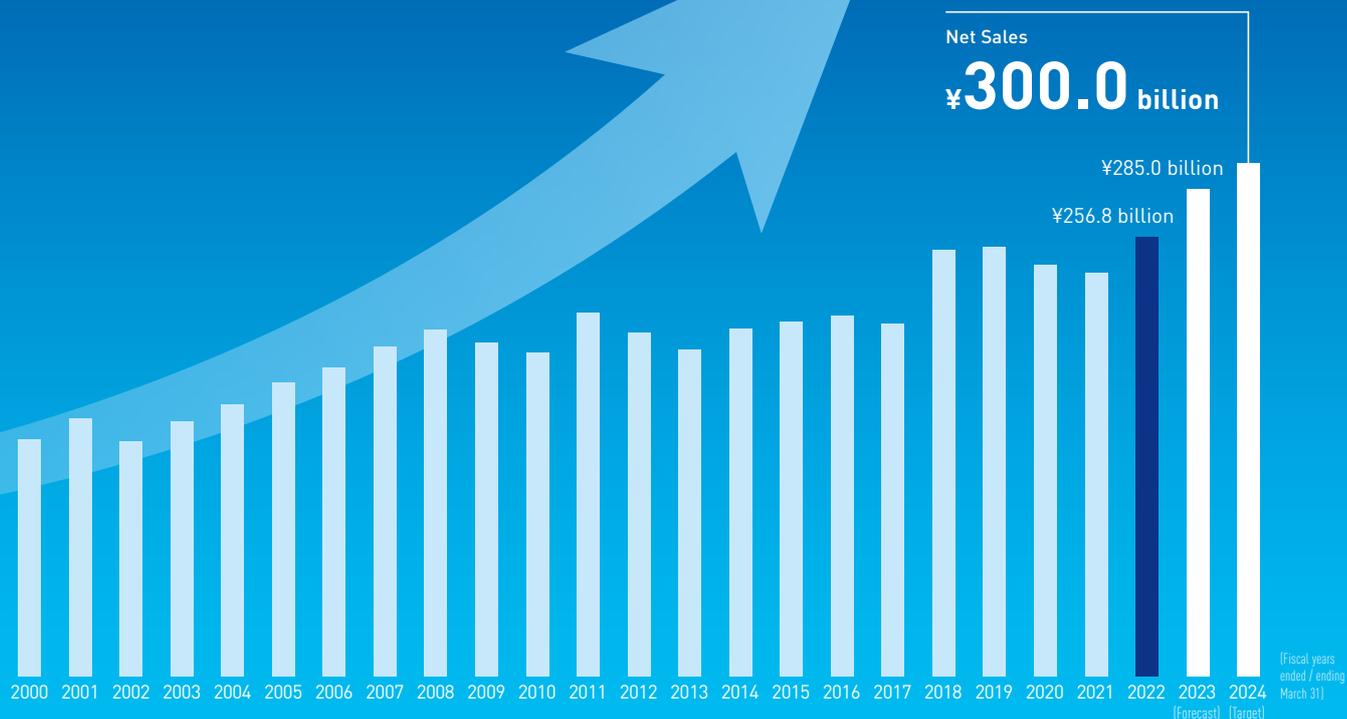


The Company was established in 1927 to manufacture and sell gummed tape, which was applied like postage stamps by adding water. This was at a time when demand was rapidly expanding for cardboard boxes, which were replacing wooden boxes. We began manufacturing and selling adhesive products for labels in 1960.

1970s



During Japan's high-growth period during the 1970s, the Company began manufacturing decorative film for automobiles and motorcycles, in response to their increased production. The Company also entered the field of window film for buildings and automobiles. This film has insulative and energy-saving properties, and prevents shards from scattering when glass is broken.



2000s

Starting with the establishment of an electronic components-related production subsidiary in Malaysia in 2000, from 2002 to 2004 we established production subsidiaries in South Korea and Taiwan in the semiconductor-related, optical display-related, and other fields. In addition, we established semiconductor-related product sales subsidiaries in Asia, Europe, and the U.S., and, as a result, the electronics and optical-related businesses became a major driver of the Group's growth. Moreover, we took steps to further accelerate our global business development, such as establishing a production subsidiary for label-related business in China in 2002.

Since 2010

In 2010, we completed the rebuilding of the Tatsuno Plant (Hyogo Prefecture), which is our main plant for adhesive paper and film for labels. Furthermore, in 2015 we established the Advanced Technology Building at the Research Center (Saitama Prefecture). Through these types of initiatives, we strengthened our production and R&D system in Japan. Overseas, in 2011 we established a production subsidiary in Thailand. After 2016, we acquired four companies in Europe and the U.S. in a bid to expand operations in the fields of Printing and Industrial Materials Products. LINTEC is currently operating under its first medium-term business plan, LSV 2030-Stage 1, which targets consolidated net sales of ¥300.0 billion, in line with its long-term vision for 2030.

1986



In a bid to develop business related to the expanding semiconductor market, the Company developed UV-curable dicing tape, whose adhesive strength can be controlled by ultraviolet (UV) irradiation.

1990



Though a three-way merger with SHIKOKU PAPER and SOHKEN KAKO, we expanded our business fields to include specialty paper, as well as converted products such as release paper and release film.

1991



As LCD products grew in popularity, the Company launched an adhesive processing business for the optically functional film that makes up these displays.

Three Major Strengths That Support Growth

LINTEC has continued to record stable growth since the merger of its three predecessor companies in 1990. The strengths that have supported the growth of the LINTEC Group are an integrated production system for adhesive products that leverage core technologies in such areas as adhesive applications; distinctive positions that have been built in a wide range of fields; and aggressive business development in overseas markets.

Strength

1

Achieving Integrated Production of Adhesive Products

In addition to the development and coating of adhesives, LINTEC also conducts business activities extending from the production of release base paper to release agent coating on paper and film and the improvement of the processing of facestock, which is the base for adhesive products. In this way, we have built an integrated production system for adhesive products, and in our mainstay adhesive operations, we have established a competitive advantage in terms of quality, cost, and delivery. In addition, by developing and manufacturing related equipment that fully draws out the special characteristics of our adhesive products, we are providing total solutions that include materials and equipment.



Strength

2

Establishing a Unique Position in a Broad Range of Fields

Many of the products that we manufacture and sell are intermediate materials that are difficult for consumers to see. However, we are providing these products as components that are indispensable for end products, and we have many products with leading shares in niche markets. In addition, another distinctive feature of our operations is our ability to accommodate small lot production of a wide variety of products for quick delivery. We have established unique positions in a broad range of fields, from color paper for envelopes and other specialty paper to adhesive paper and film for labels, as well as tape and equipment used in the production of semiconductors.



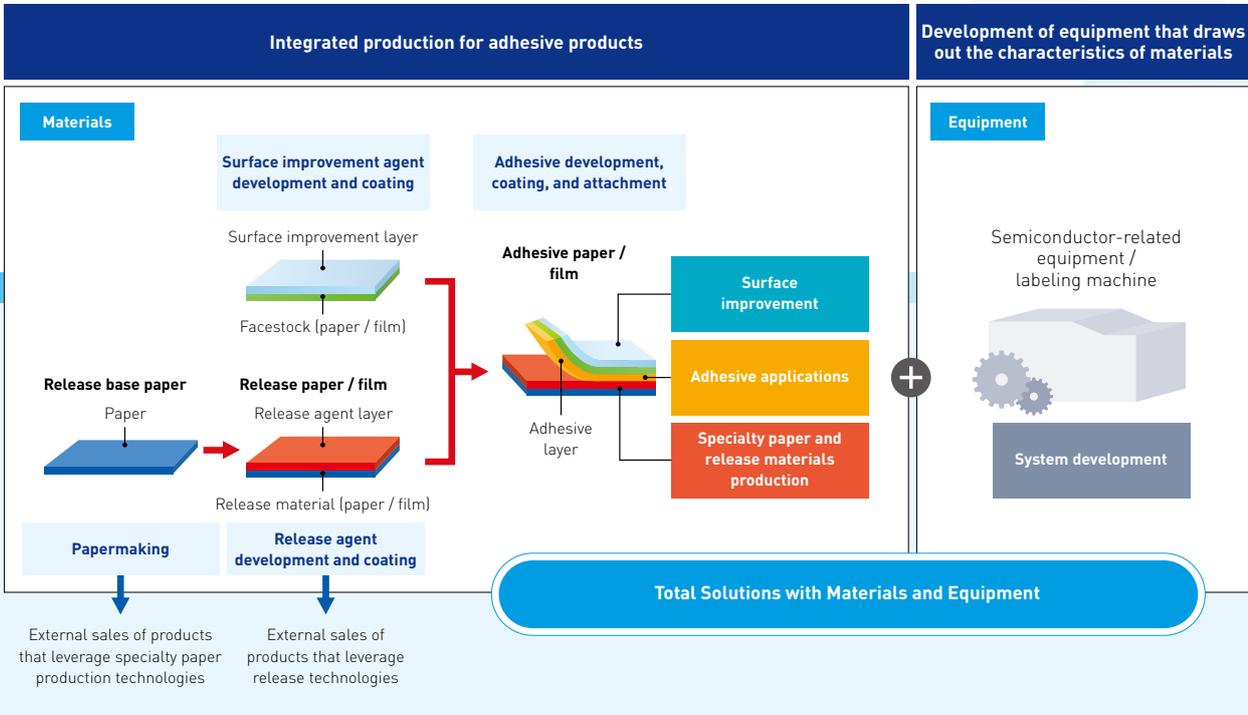
Strength

3

Aggressively Advancing Business Globalization

With domestic markets maturing and our customers moving their production bases overseas, we have advanced the globalization of our businesses. The basic concept of these initiatives is local production, under which we produce and provide a stable supply of products in locations that are closer to our customers. Currently, we have approximately 40 consolidated subsidiaries with more than 5,000 employees in 18 countries and regions, and our overseas sales ratio has increased to more than 55%. Moving forward, we will work to further strengthen our global production and sales system, with a view toward expansion into areas where we do not yet have a presence.





Color paper for envelopes



Adhesive products for labels



Semiconductor-related tapes

Global Network
(As of March 31, 2022)

North America: **13** companies
 Europe: **3** companies
 Asia: **23** companies

Overseas sales ratio



Number of employees
(Consolidated)



LINTEC's Value Creation Process

From its establishment to the present, the LINTEC Group has built up a wide range of assets. In accordance with the Company motto—Sincerity and Creativity—we are utilizing these assets to contribute to the resolution of issues faced by society and customers through the development, production, and sales of a variety of products. The resulting profits are returned to stakeholders and proactively invested in the future to create new value. Through this value creation process, the LINTEC Group aims to contribute to the realization of a sustainable society by striking a balance between sustainable growth and the development of society.

Asset Accumulation

Unique Technical Capabilities



Comprehensive Product Supply System in Japan and Overseas



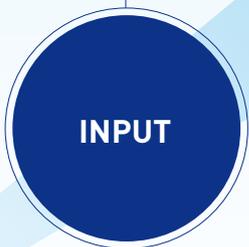
Diverse Human Resources and Corporate Culture



Solid Financial Base



Relationships of Trust with Stakeholders



LINTEC's Unique Strengths



Demands from Society
Market Needs
Mega Trends



External Technologies

Contribute to the realization of a sustainable society

Create economic value

Long-term vision



Key Initiatives

- ① Solve social issues
- ② Foster innovation to build a robust corporate structure
- ③ Create new products and businesses to deliver sustainable growth

Create social value

OUTCOME

OUTPUT

Reduce environmental impact



Promote digitalization within society



Provide a stable supply of products needed in everyday life



Supply products to a broad range of markets



P34 Printing & Variable Information Products Operations

P35 Industrial & Material Operations

P37 Advanced Materials Operations

P38 Optical Products Operations

P40 Fine & Specialty Paper Products Operations

P41 Converted Products Operations

LINTEC SUSTAINABILITY VISION 2030

The LINTEC Group has formulated a long-term vision, which continues through the fiscal year ending March 31, 2030, as well as its first three-year medium-term business plan toward achieving this vision, which launched in the fiscal year ended March 31, 2022. With the basic approach of our long-term vision being to contribute to solving social issues through our business activities, we will actively work on each priority measure from the perspective of sustainability.

| | | | | |
|--|--|--|--|---|
| <p>Long-term Vision</p> | <p>LINTEC SUSTAINABILITY VISION 2030 (LSV 2030)</p> |  | | |
| <p>Basic Policy</p> | <p>Contribute to realizing a sustainable world by strengthening the corporate structure through innovation and creating new products and businesses for sustainable growth</p> | | | |
| <p>Key Initiatives</p> | <table border="0"> <tr> <td data-bbox="432 1160 919 1899"> <p>1. Solve social issues</p> <p>(1) Environment</p> <ul style="list-style-type: none"> • Help to shape a carbon-free world • Help to shape a recycling-oriented world • Comply with the PRTR Act • Contribute to biodiversity preservation initiatives <p>(2) Society</p> <ul style="list-style-type: none"> • Respect human rights • Provide proper information disclosure to stakeholders • Promote work-style reform initiatives • Promote the quality-first and customer-first approaches <p>(3) Governance</p> <ul style="list-style-type: none"> • Strengthen corporate governance • Further increase effectiveness of the Board of Directors • Ensure the timely disclosure of corporate information and the transparency of management • Engage in constructive dialogue with stakeholders and investors <p>(4) Ensure that business activities help to achieve the Sustainable Development Goals (SDGs)</p> </td> <td data-bbox="919 1160 1444 1899"> <p>2. Foster innovation to build a robust corporate structure</p> <p>(1) Transform business processes including design, development, manufacturing, and logistics through digital transformation (DX)</p> <p>(2) Install new production equipment through scrap and build, with the aim to conserve energy, raise quality, increase efficiency, and reduce labor</p> <p>(3) Strengthen cost competitiveness with innovation in production processes</p> <p>(4) Reform the structure of low-growth and unprofitable businesses and soundly manage Group companies</p> <p>(5) Maintain a solid financial base and improve capital efficiency</p> <p>3. Create new products and businesses to deliver sustainable growth</p> <p>(1) Create new products and businesses driven by technological innovation</p> <p>(2) Expand strategic investment and flexibly conduct mergers and acquisitions (M&A)</p> <p>(3) Move aggressively to win a greater presence in the global market</p> <p>(4) Establish localization</p> </td> </tr> </table> | | <p>1. Solve social issues</p> <p>(1) Environment</p> <ul style="list-style-type: none"> • Help to shape a carbon-free world • Help to shape a recycling-oriented world • Comply with the PRTR Act • Contribute to biodiversity preservation initiatives <p>(2) Society</p> <ul style="list-style-type: none"> • Respect human rights • Provide proper information disclosure to stakeholders • Promote work-style reform initiatives • Promote the quality-first and customer-first approaches <p>(3) Governance</p> <ul style="list-style-type: none"> • Strengthen corporate governance • Further increase effectiveness of the Board of Directors • Ensure the timely disclosure of corporate information and the transparency of management • Engage in constructive dialogue with stakeholders and investors <p>(4) Ensure that business activities help to achieve the Sustainable Development Goals (SDGs)</p> | <p>2. Foster innovation to build a robust corporate structure</p> <p>(1) Transform business processes including design, development, manufacturing, and logistics through digital transformation (DX)</p> <p>(2) Install new production equipment through scrap and build, with the aim to conserve energy, raise quality, increase efficiency, and reduce labor</p> <p>(3) Strengthen cost competitiveness with innovation in production processes</p> <p>(4) Reform the structure of low-growth and unprofitable businesses and soundly manage Group companies</p> <p>(5) Maintain a solid financial base and improve capital efficiency</p> <p>3. Create new products and businesses to deliver sustainable growth</p> <p>(1) Create new products and businesses driven by technological innovation</p> <p>(2) Expand strategic investment and flexibly conduct mergers and acquisitions (M&A)</p> <p>(3) Move aggressively to win a greater presence in the global market</p> <p>(4) Establish localization</p> |
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| <p>Financial Indicators for the Fiscal Year Ending March 31, 2030</p> | <p>Operating Profit Margin</p> <p>12% or more</p> | <p>Return on Equity (ROE)</p> <p>10% or more</p> | | |

Basis of the Long-term Vision

We formulate and execute medium-term business plans a every three years as milestones toward achieving our vision for 2030.



Medium-term Business Plan

LSV 2030-Stage 1



Management Targets for the Fiscal Year Ending March 31, 2024 (Final Year)

| | |
|---|-------------------------|
| Net Sales | Operating Income |
| ¥300.0 billion | ¥24.0 billion |
| Profit Attributable to Owners of Parent | Operating Profit Margin |
| ¥17.0 billion | 8% or more |
| ROE | |
| 8% or more | |

Key Initiatives

See pages 33–41 for details on initiatives in each business operation.

Printing & Variable Information Products Operations

- Expand production bases and strengthen sales capabilities overseas, including the U.S. and Asia

Industrial & Material Operations

- Expand sales of window film and develop high-performance products in Japan and overseas

Advanced Materials Operations

- Expand market share of semiconductor- and electronic component-related products through active investment

Optical Products Operations

- Develop adhesives for next-generation displays

Fine & Specialty Paper Products Operations

- Develop and expand sales of new products that promote deplasticization and reduce food loss

Converted Products Operations

- Promote solvent-less and polyethylene-free release paper

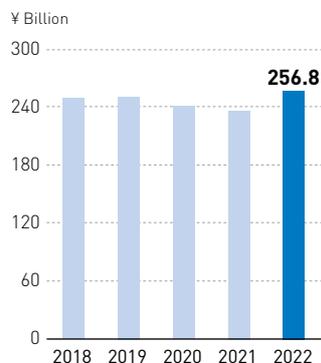
Performance Highlights

Figures are for LINTEC Corporation and its consolidated subsidiaries (environment-related data is for LINTEC Corporation on a non-consolidated basis). Fiscal years are for periods ended March 31.

Financial Information

Net Sales

¥256.8 billion



Application of the Accounting Standard for Revenue Recognition had a ¥13.6 billion negative impact on net sales. Nevertheless, we posted record net sales, thanks to robust demand for products related to semiconductors and electronic components, as well as a recovery in demand for other products.

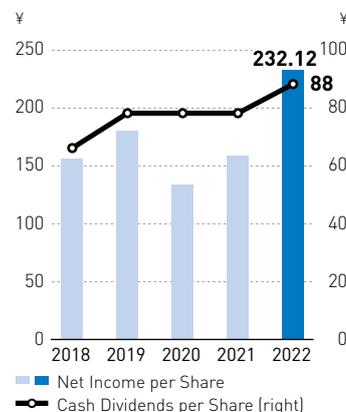
Net Income per Share / Cash Dividends per Share

Net Income per Share

¥232.12

Cash Dividends per Share

¥88



Net income per share was ¥232.12. Based on its basic policy of providing a stable and continued dividend, the Company paid a dividend of ¥88 per share, ¥10 more than in the previous fiscal year, with a dividend payout ratio of 37.9%.

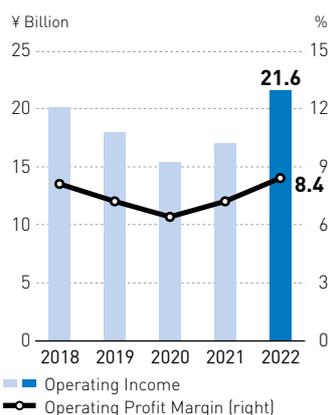
Operating Income / Operating Profit Margin

Operating Income

¥21.6 billion

Operating Profit Margin

8.4%



Despite price rises on key raw materials, such as pulp and petrochemical raw materials, we recorded our highest operating income to date, thanks to substantially higher profits in Electronic and Optical Products and a return to profitability in Printing and Industrial Materials Products.

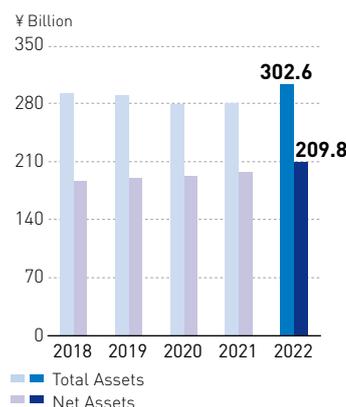
Total Assets / Net Assets

Total Assets

¥302.6 billion

Net Assets

¥209.8 billion



Total assets increased due to the acquisition of a U.S. company, although cash and deposits fell due to the purchase of treasury stock. Net assets also expanded, reflecting an increase in retained earnings. The equity ratio was 69.1%.

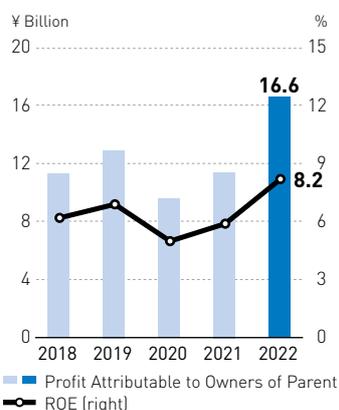
Profit Attributable to Owners of Parent / ROE

Profit Attributable to Owners of Parent

¥16.6 billion

ROE

8.2%



In addition to growth in operating income, we recorded foreign exchange gains and a gain on bargain purchase stemming from the acquisition of a U.S. company. As a result, profit attributable to owners of parent increased, and ROE improved.

Cash Flows

Net Cash Provided by Operating Activities

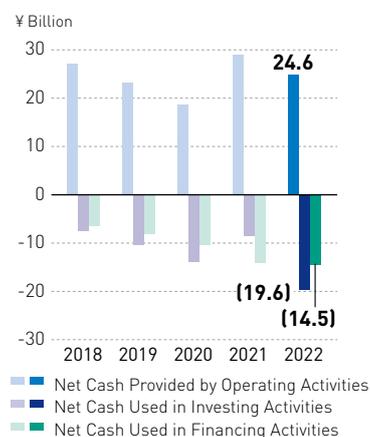
¥24.6 billion

Net Cash Used in Investing Activities

¥(19.6) billion

Net Cash Used in Financing Activities

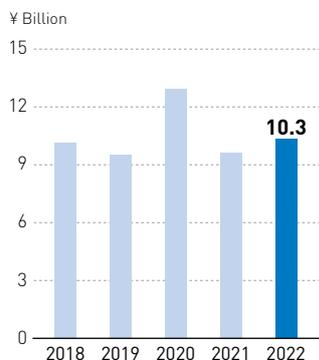
¥(14.5) billion



Cash flows from operating activities were positive, while cash flows from investing activities were negative due to the acquisition of companies and businesses in the U.S., etc. Cash flows from financing activities were negative due to the purchase of treasury stock.

Capital Expenditures

¥10.3 billion



Capital expenditures amounted to ¥10.3 billion, owing to the expansion of coating facilities for multilayer ceramic capacitor-related tape at the Kumagaya Plant (Saitama Prefecture) and the Doi Plant (Ehime Prefecture), and the installation of facilities to reduce CO₂ emissions at various production bases.

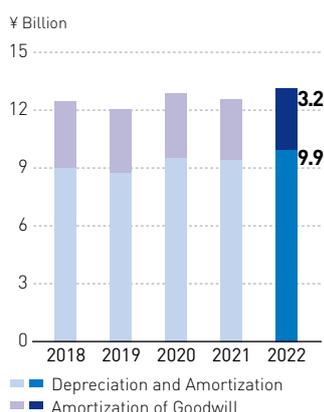
Depreciation and Amortization / Amortization of Goodwill

Depreciation and Amortization

¥9.9 billion

Amortization of Goodwill

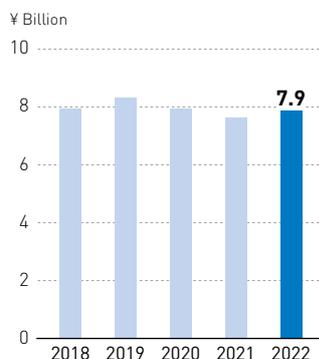
¥3.2 billion



Depreciation and amortization were ¥9.9 billion. Also, amortization of goodwill was ¥3.2 billion, due principally to the amortization of goodwill resulting from the acquisition of MACTAC AMERICAS, LLC, at the end of 2016.

R&D Expenses

¥7.9 billion

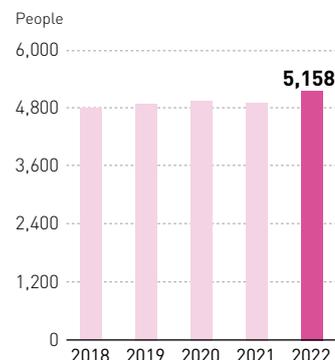


R&D expenses were ¥7.9 billion, with Printing and Industrial Materials Products accounting for ¥2.9 billion; Electronic and Optical Products for ¥3.8 billion; and Paper and Converted Products for ¥1.2 billion.

Non-Financial Information

Number of Employees

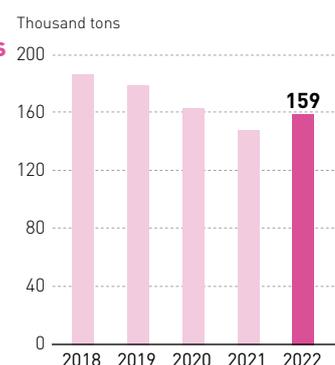
5,158



On a consolidated basis, the number of employees was 5,158, an increase of 245 employees year on year. On a non-consolidated basis, LINTEC had 2,628 employees, up 10 from the previous year.

CO₂ Emissions

159,000 tons



CO₂ emissions volume was up 11,000 tons year on year, to 159,000 tons. This was due to such factors as higher production volumes, despite efforts to reduce environmental impact by installing new facilities at production bases.

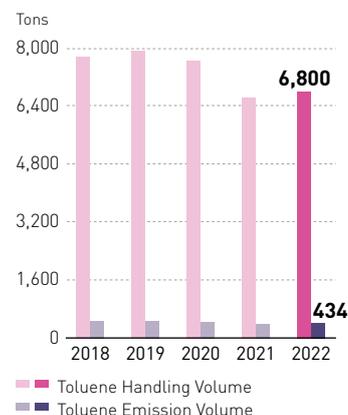
Toluene Handling Volume / Toluene Emission Volume

Toluene Handling Volume

6,800 tons

Toluene Emission Volume

434 tons



Toluene is a volatile organic solvent used mainly used in the adhesive and release agent coating processes. The Company is working to reduce the amount of toluene it handles and emits. During the year under review, production volumes increased, causing toluene handling and emission volumes to increase slightly.

We will strive to reach our new management targets and realize our long-term vision.

Achieving the Management Targets of Our Medium-Term Business Plan in the First Year

The fiscal year ended March 31, 2022, was the first year of our medium-term business plan, LSV 2030-Stage 1. This plan is an initial milestone toward the realization of LINTEC SUSTAINABILITY VISION 2030 (LSV 2030), our long-term vision for 2030. In addition to a major sales increase supported by favorable demand for semiconductor- and electronic component-related products, sales of other products that had been significantly affected in the previous year by the COVID-19 pandemic rebounded, resulting in steady overall progress. Net sales and profit both reached record highs, despite our application of the Accounting Standard for Revenue Recognition to the fiscal year's consolidated performance, which had a ¥13.6 billion negative impact on net sales. Accordingly, we reached our management targets for the fiscal year ending March 31, 2024, the final year of LSV 2030-Stage 1, in the first year of the plan, which were ¥255.0 billion in net sales, ¥21.0 billion in operating income, and ¥14.0 billion in profit attributable to owners of parent. I credit this strong performance to the steady efforts of all LINTEC Group employees to focus on the stable supply of products and the development and sales expansion of new products despite a difficult business environment.

Consolidated Business Results in Fiscal Year Ended March 31, 2022 (Year on Year)

| | |
|---|----------------------------|
| Net Sales | ¥256,836 million (up 8.9%) |
| Operating Income | ¥21,584 million (up 26.7%) |
| Profit Attributable to Owners of Parent | ¥16,641 million (up 45.9%) |

Makoto Hattori

Representative Director
President, CEO and COO



Setting New Management Targets for LSV 2030-Stage 1

We reached our management targets early, but the plan is still not complete. We see the second year of the plan and beyond as a time to further accelerate and promote each of its measures by building on the progress we made in the first year. We believe our achievements over the upcoming period will drive us on to the next stage. We have set new management targets for the fiscal year ending March 31, 2024: net sales of ¥300.0 billion and operating income of ¥24.0 billion. These targets factor in our expectations for further growth in

electronics-related markets and the favorable performances of U.S. companies we acquired in April 2021 and established in February 2022. Also, we have raised our planned capital expenditures over the three-year period of LSV 2030-Stage 1, from ¥40.0 billion to ¥53.7 billion. We have earmarked spending to expand production capacity in response to medium- to long-term growth in markets related to semiconductors and electronic components as well as to augment equipment in efforts to reduce CO₂ emissions.



Management Targets for the Final Year of LSV 2030-Stage 1 (Fiscal Year Ending March 31, 2024) and the Three-Year Total for Capital Expenditures

| | Before Revision | After Revision |
|--|-----------------|-----------------------------------|
| Net Sales | ¥255.0 billion | ▶ ¥300.0 billion |
| Operating Income | ¥21.0 billion | ▶ ¥24.0 billion |
| Profit Attributable to Owners of Parent | ¥14.0 billion | ▶ ¥17.0 billion |
| Operating Profit Margin | More than 8% | ▶ More than 8% (unchanged) |
| ROE | More than 7% | ▶ More than 8% |
| Capital Expenditures (Three-Year Total) | ¥40.0 billion | ▶ ¥53.7 billion |

First-Year Achievements and Second-Year Initiatives

Focusing on Penetration within the Group

In the first year of LSV 2030-Stage 1, we focused on Groupwide penetration—in other words, ensuring that all employees recognized the importance of our long-term vision and sustainability management. I personally also described the significance of our vision and sustainability management to all our employees on numerous occasions. Although COVID-19 still makes it difficult for us to visit each of our offices, I am working to further spread understanding within the Group through online conferencing and other means. On the organizational front, in April 2021 we renamed the CSR Management Office the Sustainability Management Office. At the same time, we established the Sustainability Committee to strengthen the promotion system for our sustainability activities, including committees and subcommittees related to ESG and risk management. The Sustainability Committee, mainly comprising members of management, formulates basic policies for sustainability management, and all outside directors are invited to participate and provide advice drawn from their specialized expertise and objective viewpoints.

Accelerating Policy Development in the Spirit of Immediate Action

Now, in the second year of our business plan, we are asking our employees to implement promptly the various measures that need to be put in place. Speaking to the planned capital expenditures described earlier, for instance, by installing equipment to reduce CO₂ emissions, we should also achieve energy and cost savings. Any delays in undertaking such investments could lower their returns, so the sooner we make these investments, the better. Our basic policy is to proceed immediately. It is important we take such action because, once we do so, we will then become aware of other, non-investment activities we need to engage in. I am looking to our employees to think on their feet. If adjustments are necessary, I want employees to practice making revisions and changes without hesitation. On the management side, we will work to make on-site activities smoother by maintaining close communications with worksites and make decisions quickly so that people at the working level can address any problems promptly.

Enhancing Initiatives from the Dual Perspectives of Cost and Quality

We have set new management targets beginning from the current fiscal year, and the challenge of achieving these targets is not to be underestimated. In particular, we expect the recent sharp rises in raw material and fuel prices to have a significant negative impact on performance. Our initial forecast for the current fiscal year calls for a decline in profit despite higher sales. Given this difficult business environment, we will further strengthen our cost reduction efforts to achieve our final-year targets. At the same time, as we are unable to fully compensate through internal efforts for the rise in manufacturing costs that commenced in the previous fiscal year, we are proceeding with price revisions in Japan and overseas, obtaining the understanding of our customers. On the other hand, steps to improve products' quality and further enhance their stability are also important; these moves increase customer satisfaction as well as serve to prevent unnecessary costs. In April 2022, we moved the quality department from the Quality Assurance & Environmental Protection Division, making it the independent Quality Assurance Division. As a manufacturer, we are working to reinforce the quality assurance that underpins our business.

Consolidated Forecasts for Fiscal Year Ending March 31, 2023 (Year on Year)

| | |
|---|---------------------------|
| Net Sales | ¥285.0 million (up 11.0%) |
| Operating Income | ¥21.5 million (down 0.4%) |
| Profit Attributable to Owners of Parent | ¥15.5 million (up 6.9%) |

Medium- to Long-Term Focus Measures

Reinforcing Electronics-Related Products

In recent years, the Group's performance has been driven by demand in Advanced Materials Operations for electronics-related products such as semiconductor-related adhesive tape and equipment and ceramic capacitor-related tape. We expect demand to continue increasing in the current fiscal year, but lockdowns at large cities in China, which serves as a global manufacturing and logistics hub, have negatively affected the demand for and supply of automobiles, consumer electronics, and other items. Given society's ongoing digitalization, evinced by the proliferation of data centers and artificial intelligence (AI), as well as advances in self-driving car technology, we believe these production adjustments will be temporary. We are convinced that demand for electronics-related products will grow steadily over the medium to long term. The LINTEC Group needs to remain a step ahead by preparing for this expected growth in demand. We need to forecast market

demand trends and execute appropriate investment plans. In addition to investing in production facilities, we will continue to invest actively in R&D that allows us to propose new processes and respond to new technologies, which we believe will lead to significant growth for the Group.



LINTEC's electronics-related products, supporting the increasing sophistication of a variety of electronic devices

PICK UP

Augmenting Three Plants for Electronics-Related Products with New Equipment and Facilities

We have been responding to recent increases in demand for electronic components by aggressively ramping up our investment in the production of electronics-related products. We are spending a total of nearly ¥20.0 billion to construct new buildings and install new equipment at the Doi Plant (Ehime Prefecture) and the Kumagaya Plant (Saitama Prefecture), which produce multilayer ceramic capacitor-related tape. Construction, which is slated for completion in March 2025, will gradually bring online a total of four coating machines. We are also investing around ¥4.5 billion at the Agatsuma Plant (Gunma Prefecture), our core production base for semiconductor-related adhesive tape. This spending is going toward the installation of a state-of-the-art adhesive coater, which should be in place by the end of 2023. In semiconductor- and electronic component-related markets, which are expected to grow over the medium to long term, we will continue striving to maintain stable supplies of high-quality products.



Existing Agatsuma Plant building where new equipment will be installed

Expanding Business in North American Label-Related Markets

The LINTEC Group has leading shares of the Japanese market for adhesive paper and film for labels, its mainstay products. While continuing to cultivate the domestic market, we are also working to expand our operations overseas. The North American market, which accounts for around 25% of the global total, is attractive due to its ongoing stable growth, and we have been investing aggressively in this market. In December 2016, the LINTEC Group made a full-fledged entry into the market by acquiring MACTAC AMERICAS, LLC, which has the number-three share of the North American market. As MACTAC's production capacity was unable to keep up with growing demand, in April 2021 we purchased DURAMARK PRODUCTS, INC. (merged with the MACTAC Group in December 2021), which boasts cutting-edge production equipment. In February 2022, we took over the business of a manufacturer of adhesive paper and film for labels and established SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC, which excels in high-mix, low-volume production, and brought it into the MACTAC Group. Through these moves, we believe we have secured supply capacity sufficient to meet our needs for the foreseeable future. We anticipate significant synergies, and we intend to ensure that the growth of the North American market will translate into profits in the future. We will also continue to focus on expanding the MACTAC Group's products and technologies into countries outside the U.S. and expanding sales of LINTEC products in the North American market.

Expanding Our Lineup of Environmentally Friendly Products

Demand for environmentally friendly products is rising each year due to the increasingly serious impacts of global warming and marine plastic pollution. The development and sales expansion of more environmentally friendly products will be an important theme for all businesses in the LINTEC Group; in the future, without such products it will be difficult to survive. Under these circumstances, we believe our specialty paper production technology will provide a great advantage in moves to reduce and eliminate the use of plastic. While plastic film is commonly used for its water resistance and transparency, we manufacture and sell paper that is tear-resistant, even when wet, as well as translucent paper. We are expanding our sales

of products using paper instead of film and proposing specialty paper products as alternatives to film applications. We are also promoting the development and increased adoption of adhesives containing plant-derived biomass materials and thinner film substrates while promoting the use of recycled PET resin made from used PET bottles. For window film, which is applied to building and automobile windows to reduce heat from the sun and improve air-conditioning efficiency and energy savings, we aim to develop and expand sales of highly functional products. We are strengthening cooperation between U.S. companies MADICO, INC., our window film production base, and VDI, LLC, a manufacturer of functional film.



Adhesive products for labels using water-resistant paper facestock



Paper files using translucent paper



Automotive window film that keeps vehicle cabin temperatures from rising and improves air-conditioning efficiency

Creating New Businesses and Products That Will Serve As Pillars of Future Earnings

In recent years, semiconductor- and electronic component-related products have become a major source of income for the LINTEC Group. However, products have life cycles; we cannot rely on the continuing success of the same products forever. Existing products must be upgraded to meet changing customer needs, but we cannot respond to major changes in technological trends by drawing on conventional technologies alone. Accordingly, we must actively promote initiatives to create new technologies by evolving and integrating existing ones or by combining external technologies with our own to create new ones. In these ways, we will develop new businesses and products that will become future pillars of earnings for the LINTEC Group. To drive this process, we have established the New Project Planning Office within the Business Administration Division, which is in charge of sales and marketing. This office works to develop new businesses, focusing on the fields of telecommunications, electronics, mobility, the environment, life science, and energy, and several of its products have entered the stage of practical application. We also have established the Next Generation Innovation Group within the same division. From the current fiscal year, this office will begin to consider the development of products that go beyond existing technologies, thereby accelerating efforts to create new products and businesses.



Wearable sensors employing carbon nanotubes for use in the fields of nursing care and welfare

Accelerating Initiatives with a View to Sustainability

Steps to enhance ESG-related initiatives are essential to our efforts to realize a sustainable society, as outlined in LSV 2030. The reduction of CO₂ emissions remains our biggest environmental challenge. In addition to the fuel and electricity used in manufacturing processes, the LINTEC Group needs to reduce CO₂ emissions from the combustion of organic solvents. The Research & Development Division has adopted “Carbon Neutral Challenge” as its slogan, and we are stepping up R&D efforts to reduce CO₂ emissions by moving toward solvent-less products. We are also promoting the introduction of solar power generation systems, cogeneration systems, and high-efficiency, energy-saving facilities at each of our production sites. Our goal is to reduce the LINTEC Group’s CO₂ emissions by 50% or more by 2030, from the fiscal 2013 level, and to achieve net-zero emissions by 2050.

CO₂ Emissions Reduction Targets:

Reduce CO₂ Emissions by **50% or More** by 2030, Compared with Fiscal 2013 Level,



and Achieve **Net-Zero** Emissions by 2050



As a social initiative, in April 2022 we established the Diversity & Work Style Reform Promotion Subcommittee. Composed of people from across the Company, this subcommittee aims to create a more diverse workforce and a more comfortable workplace. On the governance front, independent outside directors have accounted for one-third of the Board of Directors since the previous fiscal year. Through the participation of outside directors in various meetings, we have increased opportunities to receive their objective and expert recommendations. We will continue to promote sustainability initiatives with a focus on our material issues.

Taking All Stakeholders into Consideration

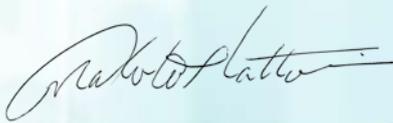
Looking at performance by business segment in the fiscal year ended March 31, 2022, Electronic and Optical Products accounted for nearly 90% of consolidated operating income. We recognize that this imbalanced profit structure is undesirable. Standard practice might suggest we should withdraw immediately from low-profit businesses. I do not see things that way. Given this profit structure, we offer many products that are needed by various industries and consumers, and our customers and suppliers have supported us for many years. I believe we should take prompt action to do what we need to do right now and aim to optimize our business portfolio after thoroughly improving profitability. This approach is based on my policy of "taking all stakeholders into consideration." While valuing our employees, who are the cornerstone of the Company, we provide products that help solve various

environmental problems and other social issues, that are indispensable to people's lives, and that make people's lives more convenient, continuing to do so while enjoying the patronage and support of our customers, suppliers, subcontractors, and others. We return the profits we earn to shareholders and local communities and reinvest in production facilities, R&D, and human resources. By steadily implementing this cycle of value creation, we would like to continue to be a company of value to all stakeholders.

We succeeded in achieving our LSV 2030-Stage 1 management targets in the first year of our business plan. Rather than resting on our laurels, we will work together throughout the Group to reach our new management targets and realize our long-term vision for 2030. I am grateful to our shareholders and investors and ask for their continued support going forward.

Makoto Hattori

Representative Director
President, CEO and COO




Special Feature 1

LINTEC's Electronics-Related Business

As digitalization progresses, each year we are seeing increases in the number of electronic components in smartphones, personal computers, and other devices, as well as in automobiles and consumer electronics. Notably, we posted record earnings in the fiscal year ended March 31, 2022, in Advanced Materials Operations, the business division that focuses on electronics-related products such as various tape and equipment essential for the manufacturing of semiconductor chips and multilayer ceramic capacitors. In this section, we will introduce the LINTEC Group's electronics-related products.

Semiconductor-Related Products

Process Proposal
Combining Tape and Equipment

Semiconductor chips are made by forming electronic circuits on the surface of wafers (thin silicon disks), which are then cut into individual chips. These chips serve as the brains of electronic devices, processing and storing information. The LINTEC Group's lineup includes the various adhesive tape used in the "back-end process." In this process, wafers are ground thin after circuits are formed on to them. The wafers are then cut, mounted on substrates, and packaged. We have also designed our own equipment for applying and releasing tape, and we have established a unique position in the market by proposing processes that combine tape and equipment.

Fundamental Manufacturing Process for Semiconductor Chips (Back-End Process)

Back Grinding

First, the back side of the wafer on which the circuit is formed is ground down with a grindstone to make it thinner. The LINTEC Group offers surface protective tape, which protects circuit surfaces from grinding fluid and debris, and equipment for application and removal of the tape.



Surface protective tapes and laminator for back grinding

Dicing

Next, wafers are cut into individual chips. Dicing tape is used to attach wafers to a ring frame and prevent them from flying off during cutting. The LINTEC Group boasts the world's top market share for this tape.



Dicing tapes and laminator for fixing wafers in place

Picking Up and Mounting

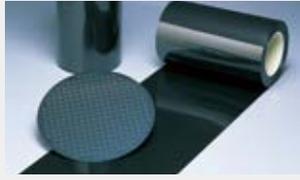
Irradiation with UV light reduces the adhesive strength of the dicing tape, so the cut chips can be picked up and mounted on a substrate. The LINTEC Group also offers a lineup of dicing die bonding tape that allows for mounting directly to substrates by transferring the adhesive from the tape to the back side of the chip.



Dicing die bonding tapes and UV irradiation system

Backside Coating Tape for Flip Chips Meeting Demand for High-Performance, Thinner Electronic Devices

Conventionally, metal wires are used on semiconductor chips to connect the circuitry on the surface of the chip to the substrate. By contrast, flip chips are mounted directly on the substrate by inverting chips with protruding electrodes on the circuit surface. This approach helps improve electrical characteristics and reduce the mounting area. On the other hand, this method leaves the back side of the chip exposed, and reinforcing chips has become an issue as they become thinner. LINTEC has taken the lead over other companies in developing a tape that protects and reinforces the back side of the chip, preventing light from penetrating to the circuit surface to reduce damage. In this area, we maintain a particularly high market share, and this business contributes substantially to the Group's profitability.



Backside coating tape for flip chips

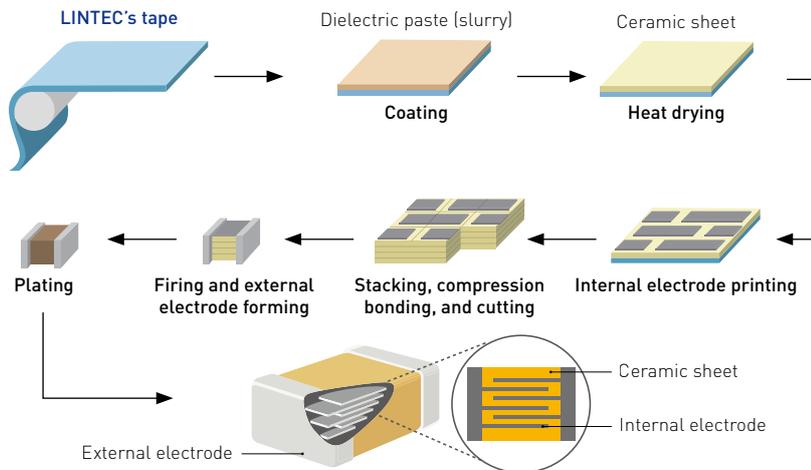


Multilayer Ceramic Capacitor-Related Tape

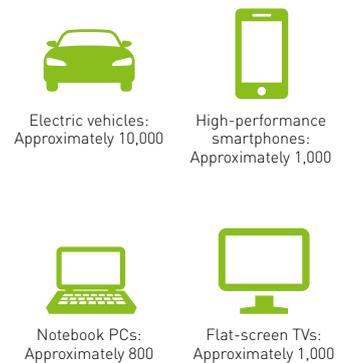
High Quality for High-End Products

Multilayer ceramic capacitors, which function to store electricity and regulate current, are tiny electronic components, some of which measure less than 0.25 mm in size. Inside these capacitors are ceramic sheets numbering anywhere from several hundred to nearly one thousand that are less than 1/1,000 mm thick and have electrodes printed on them. The LINTEC Group's multilayer ceramic capacitor-related tape, which is manufactured using precision thin-film coating technology, is used to form the ceramic sheet. This tape has earned a strong market reputation for its excellent surface smoothness, heat resistance, and release properties. We supply this tape to major capacitor manufacturers. Our tape is used mainly for high-end products that require particularly high quality.

Multilayer Ceramic Capacitor Manufacturing Process



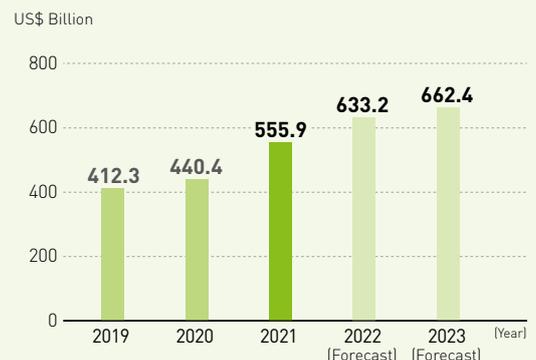
Number of Multilayer Ceramic Capacitors Used



An Eye to Further Demand Growth

In response to the recent global shortage of semiconductors, semiconductor manufacturers are stepping up investment to increase production. Going forward, the semiconductor market is expected to grow due to the further adoption of AI, advances in the Internet of Things (IoT), evolution of automotive electronics, and the spread of high-speed communication standards. At the same time, the number of multilayer ceramic capacitors used in electronic equipment, automobiles, and other applications is increasing, and higher levels of performance are being required. In light of these market trends, we are also moving forward with capital investment plans to expand our capacity to manufacture electronics-related products. We will continue to contribute to the digitalization of society and expand our business through manufacturing that meets customer needs, including by improving quality and adapting to new production processes.

Global Semiconductor Market Forecast



Source: World Semiconductor Trade Statistics (WSTS)

Special Feature 2

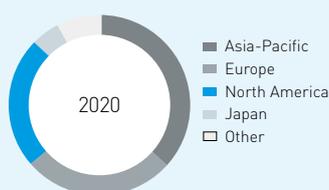
LINTEC's North American Label-Related Business

As a leading company in adhesive products for labels in Japan, we are accelerating the expansion of our business overseas. Particularly in recent years, we have worked to increase the production capacity and sales capabilities of our U.S. subsidiary, MACTAC AMERICAS, LLC, in the North American market. In this section, we introduce the North American label-related business, which holds the key to growth for the LINTEC Group.

Ongoing Stable Growth in the North American Market

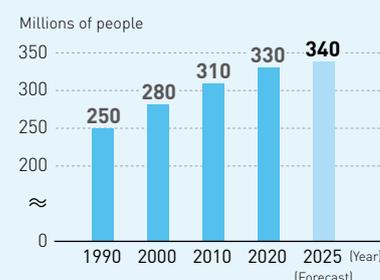
In terms of shipments, North America accounts for a 23% share of the global market for adhesive labels, making it the third-largest market after the Asia-Pacific region and Europe. The U.S., its central market, is a developed country whose population continues to grow. Accordingly, the North American market for adhesive labels is forecast to grow steadily, at an annual rate of 3% or more.

Global Shipments of Adhesive Labels, by Region



Source: "The Japanese Label Market 2022," *Label Shimbum*

U.S. Population Trends



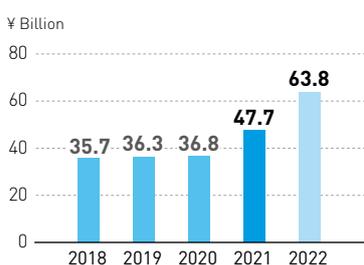
Source: International Monetary Fund (IMF)

MACTAC AMERICAS, LLC, Building a Firm Position in the North American Market

Since the 1980s, the LINTEC Group has been expanding its label-related business overseas, particularly in Asia. In December 2016, the Company made a full-scale entry into the North American market through the acquisition of MACTAC AMERICAS, LLC. A manufacturer of adhesive paper and film for labels, MACTAC AMERICAS also produces and sells decorative graphic film for wall surfaces and various types of industrial and medical tape. With production facilities in Mexico as well as the U.S., MACTAC AMERICAS has established a sales, cutting, and shipping system that spans the vast North American market. With a full range of services for more than 1,000 clients, the company has built a strong position in the North American market.

The company also possesses superior formulation technology and high-speed coating facilities for hot-melt adhesives that coat by melting with heat, capabilities that were new to the LINTEC Group. These adhesives do not use organic solvents in the coating process, which reduces environmental impact, and they feature sufficient adhesive strength even on objects that are typically difficult to adhere to, such as surfaces that are frozen, condensate-covered, or rough. We are currently working to increase sales of this company's products in Japan, as well as in the Southeast Asian and European markets. Meanwhile, LINTEC has sent staff from Japan to actively promote its high-value-added film products in the North American market.

Net Sales of the MACTAC Group



(Fiscal years ended / ending December 31)



Overview of MACTAC AMERICAS, LLC

| | |
|------------|--|
| Location | Ohio, United States |
| Employees | 763 (as of December 31, 2021) |
| Net sales | ¥47.7 billion (fiscal year ended December 31, 2021) |
| Businesses | Production and sale of adhesive products for labels and graphic film |

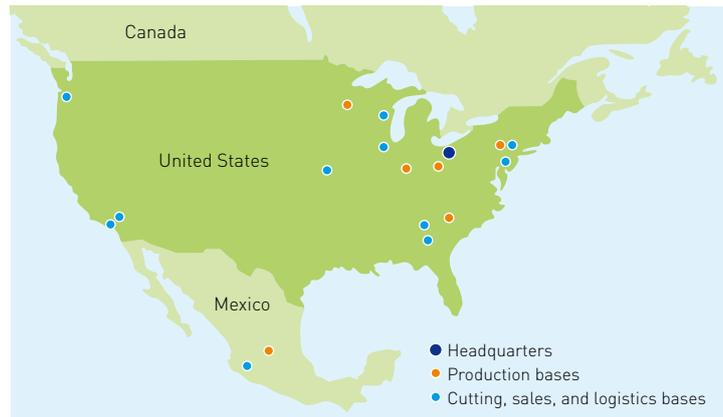


Hot-melt adhesive products for labels

Expanding the Business Base through a Series of Acquisitions

In April 2021, we acquired DURAMARK PRODUCTS, INC., a U.S. manufacturer of adhesive products. Our aim was to increase production capacity at MACTAC AMERICAS, LLC, to meet growing demand in the label-related market, stemming from economic growth in the U.S. In another proactive investment in the North American market, in February 2022 we also took over the business of a manufacturer in the same industry. From this business, we established SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC, which we added to the MACTAC Group. These moves have significantly increased the Group's share of the North American market, and we look forward to boosting our share even further.

MACTAC Group Spanning the Entire North American Market



Former DURAMARK PRODUCTS, INC. (Merged into a Subsidiary of MACTAC AMERICAS, LLC, in December 2021)



In addition to state-of-the-art production facilities for various adhesive formulations and high-speed coating, centered on film-type adhesive products for labels, this company has an integrated production system for graphic film. By acquiring this company, we have significantly increased the MACTAC Group's production capacity and established an optimal manufacturing structure by consolidating and streamlining production.

SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC



This company, which handles high-mix, low-volume production, manufactures and sells various adhesive products for labels. SPINNAKER's strength lies in its ability to provide detailed services and a wide range of products, especially to small and medium-sized customers; its service model differs from that of MACTAC, which mass-produces general-purpose adhesive products for labels. The addition of SPINNAKER thus enhances the Group's ability to meet market needs.

INTERVIEW

We spoke with the head of LINTEC USA HOLDING, INC., the regional headquarters for the U.S., about prospects for the label-related business in North America.

The U.S. economy, like Japan's, was temporarily sluggish due to restrictions on movement right after the COVID-19 pandemic started. However, since last year the economy has been on a recovery path, and demand in the label-related market has also been progressing steadily. In the North American market, I believe the addition of the former DURAMARK PRODUCTS, INC., and SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC to the Group was extremely meaningful in terms of future business expansion. The former DURAMARK PRODUCTS has state-of-the-art production facilities, and SPINNAKER has strengths in a different business model from MACTAC AMERICAS, LLC. MACTAC has been operating at an operational profit loss since its acquisition in 2016, due to the goodwill amortization burden associated with the acquisition through fiscal 2026, but the business is essentially stable and profitable. Although the business environment is currently challenging as a result of soaring raw material and fuel prices, the addition of these two companies to the Group is sure to create strong and positive effects. We aim to increase profitability by improving productivity and optimizing operations. As a result, we anticipate a quick return to operating profitability even including goodwill amortization.



Kazuyoshi Node
President
LINTEC USA HOLDING, INC.



A Message from the CFO

We aim to increase profitability and capital efficiency through aggressive investment, thereby enhancing corporate value.

Yoichi Shibano

Director, Senior Executive Officer, and CFO, Executive General Manager, Administration Div., and General Manager, Finance & Accounting Dept.

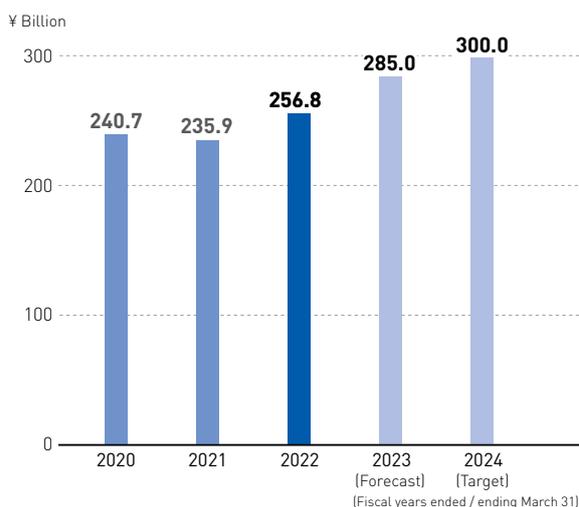
Review of the Fiscal Year Ended March 31, 2022, and Outlook for the Future

In the fiscal year ended March 31, 2022, the application of the Accounting Standard for Revenue Recognition had a ¥13.6 billion negative impact on net sales. Nevertheless, net sales rose ¥20.9 billion year on year, to ¥256.8 billion, thanks to a major increase in the sale of semiconductor- and electronic components-related products, as well as a recovery in demand for other products, and the acquisition of a U.S. company. Operating income rose ¥4.6 billion, to ¥21.6 billion, as income increased in Electronic and Optical Products, and Printing and Industrial Materials Products turned profitable. As a result, we posted record highs in net sales, exceeding the previous record of ¥250.9 billion in the fiscal year ended March 31, 2019, and operating income, ¥20.9 billion in the fiscal year ended March 31, 2011. Accordingly, in the first year of our medium-term business plan, LSV 2030-Stage 1, we achieved the management targets we had set for the final year of that plan (the fiscal year ending March 31, 2024).

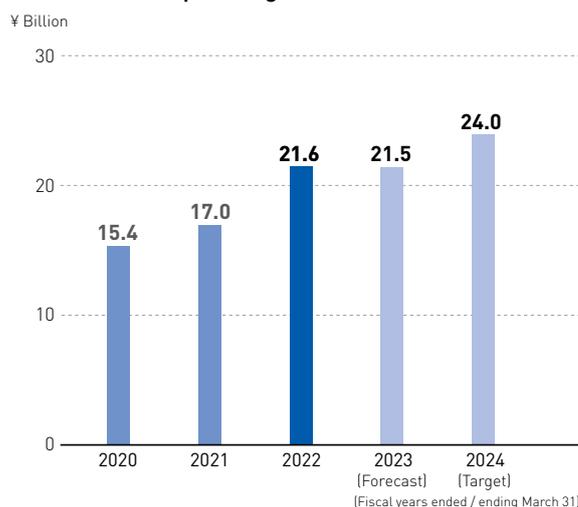
Given this situation, we changed our management targets, which included net sales of ¥300.0 billion and operating income of ¥24.0 billion. The operating environment is extremely

challenging, due to such factors as sharply higher prices on raw materials and fuel, as well as the resurgent COVID-19 pandemic. Consequently, in the fiscal year ending March 31, 2023, we expect a year-on-year decline in income despite higher sales. While we anticipate positive contributions to performance from our newly established U.S. subsidiary, SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC, and the impact of price revisions, we expect these improvements to fall short of compensating for higher raw materials, fuel, and logistics costs. For the current fiscal year, we assume an exchange rate of ¥115 to US\$1. We expect annual exchange rate sensitivity to result in approximately ¥100.0 million in operating income for each ¥1 in depreciation against the dollar. That said, the sensitivity is difficult to judge exactly, due to the major impact of other Asian currencies, such as the South Korean won, the Chinese yuan, and the Taiwanese dollar. In addition, although Russia's invasion of Ukraine will not affect our operations directly because we have no Group bases or major customers there, we expect to be affected indirectly through higher prices on raw materials, fuel, and logistics.

Consolidated Net Sales



Consolidated Operating Income



Investing Aggressively in Growth Fields

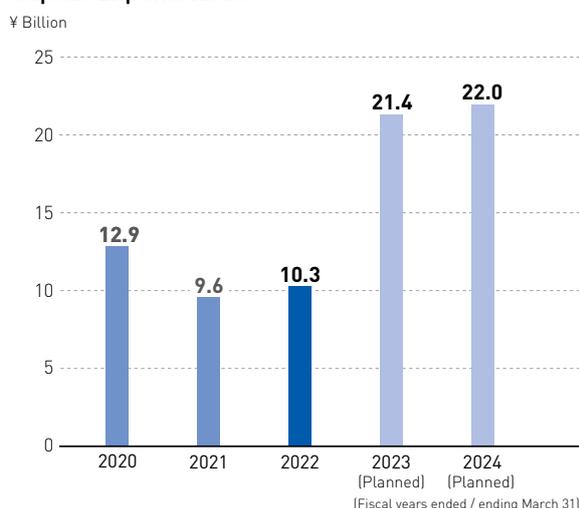
Despite these challenging conditions, we revised our planned capital expenditures during the three years of LSV 2030-Stage 1 from the initially planned ¥40.0 billion to ¥53.7 billion to promote the aggressive investment needed to drive the Group's growth. We mainly increased investment in electronics-related products, including semiconductor-related products and multilayer ceramic capacitor-related tape, which we are positioning as an engine of growth. In addition to boosting capacity, we will build a production system that also takes into account such factors as automation, labor and energy savings, and a reduction in CO₂ emissions. We expect demand for semiconductor- and multilayer ceramic capacitor-related products to grow in the medium to long term, spurred by the proliferation of 5G high-speed communications, data centers, electric vehicles, and self-driving vehicle technologies. For this reason, we will continue to invest flexibly in this category, including through R&D investment.

We made major corporate and business acquisitions to strengthen our label-related business in North America. Last April, our U.S. subsidiary, MACTAC AMERICAS, LLC, acquired DURAMARK PRODUCTS, INC., a U.S. manufacturer of adhesive products, for approximately ¥6.4 billion. In addition, in February 2022 we established SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC to handle a business we purchased from a U.S. adhesive products manufacturer for approximately ¥4.6 billion. The MACTAC Group will incur approximately ¥3.0 billion in annual goodwill amortization costs through fiscal 2026. However, by strengthening our production and sales structure through this series of investments, we aim to capture demand in the North American label-related market, which is trending toward expansion, and achieve an early return to profitability, including the

amortization of goodwill. We will continue to consider production-boosting investments and acquisitions, targeting countries and regions where we can expect growth for the Group.

Other important measures involve the transformation of design, development, manufacturing, logistics, and other business processes through digital technology, in other words, through digital transformation (DX). On the production front, we plan to introduce AI to make our capital expenditures, in multilayer ceramic capacitor-related tape mentioned earlier "smarter." We also plan to revamp the enterprise resource planning system at some of our bases. Going forward, we will accelerate investment in systems to improve operational efficiency and reduce costs, including in sales, research, and administrative divisions.

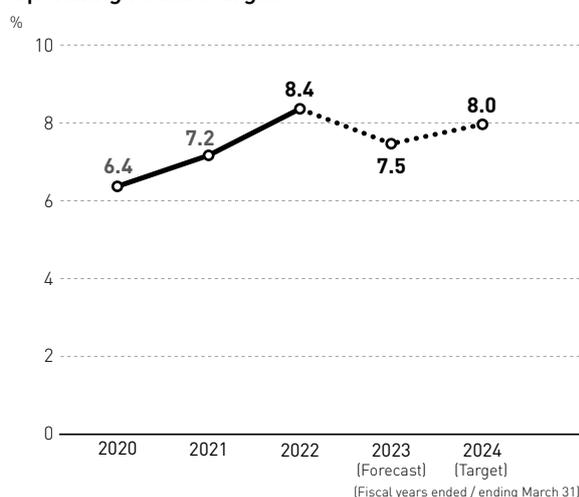
Capital Expenditures



Aiming to Increase Profitability and Capital Efficiency

The LINTEC Group believes boosting profitability and capital efficiency are among the most important initiatives for achieving sustainable growth. Accordingly, we have set an operating profit margin of 12% or more and ROE of 10% or more as financial indicators to be achieved by the fiscal year ending March 31, 2030. Notably, Printing and Industrial Materials Products, the business segment that accounts for the majority of the LINTEC Group's consolidated net sales, moved into the black in the fiscal year ended March 31, 2022. Even so, we need to improve profitability further. In Japan, we continue to move ahead with a profit-improvement project involving the Business Administrative, Production, Procurement, and Research & Development divisions. These divisions are working together on initiatives to review raw materials, increase production efficiency, and reduce fixed costs. We will also continue to focus on improving the profitability of our overseas subsidiaries.

Operating Profit Margin

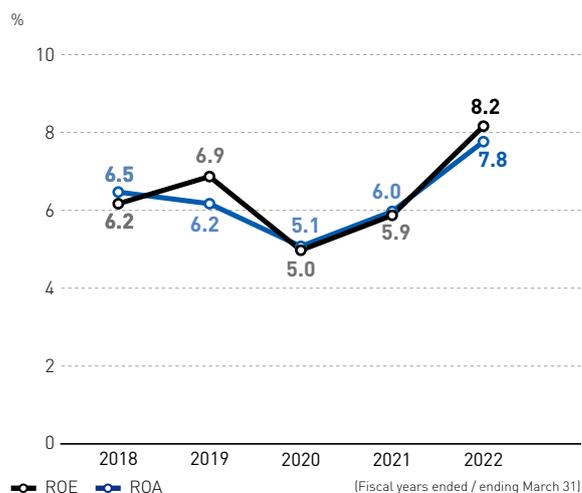


Value Creation

A Message from the CFO

In addition to looking at the sales and profitability levels of each business operation, we are creating balance sheets for each to draw more attention to capital efficiency. This move will make it possible to ascertain fixed asset turnover, inventory turnover, and receivables turnover on a quarterly basis to allow an understanding of each business operation's strengths and weaknesses, enabling comparison of business operations against competitors. From the upcoming fiscal year, we will set and manage KPIs based on balance sheets for each business operation. As a result, we will strive to manage assets properly, eliminate unprofitable factors, and further enhance ROE and ROA throughout the Group.

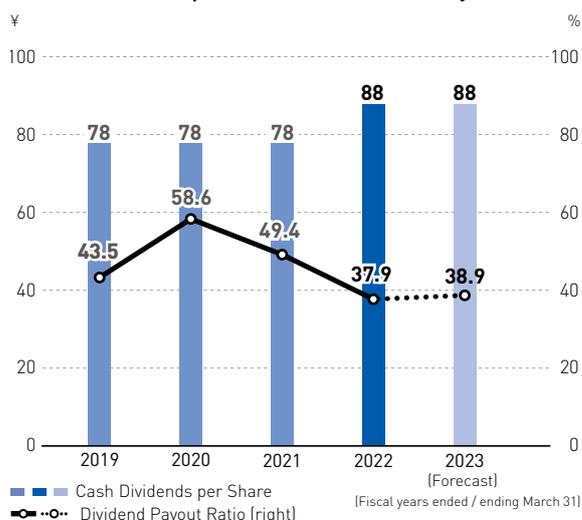
ROE / ROA



Enhancement of Shareholder Returns

LINTEC's basic policy for shareholder returns is to provide stable and continued dividends with consideration for each fiscal year's consolidated performance, while also working to strengthen its management foundation. In line with this policy, for the fiscal year ended March 31, 2022, we awarded annual dividends of ¥88 per share—the highest level to date—for a dividend payout ratio of 37.9%. To enhance shareholder returns and improve capital efficiency, from November 2021 to July 2022 we acquired 4,000,000 of the Company's shares. For the fiscal year ending March 31, 2023, we forecast annual dividends of ¥88 per share, resulting in a dividend payout ratio of 38.9%. We consider the distribution of profits to shareholders to be one of our most important management issues. To appropriately distribute the cash we generate, we will continue to consider various ways to further enhance shareholder returns.

Cash Dividends per Share / Dividend Payout Ratio



My Mission as CFO

As of March 31, 2022, the Group's equity ratio was high, at 69.1%, which demonstrates financial soundness. The challenge is how to increase capital efficiency while maintaining this strong financial base. In the fiscal year ended March 31, 2022, ROE was 8.2%. This level exceeds the cost of shareholders' equity, which we currently see as being less than 6%, but the price-to-book value ratio (PBR) currently remains below 1x. We need to improve this situation as soon as possible by enhancing corporate value. To achieve sustainable growth, we will boost profitability by aggressively investing cash where it

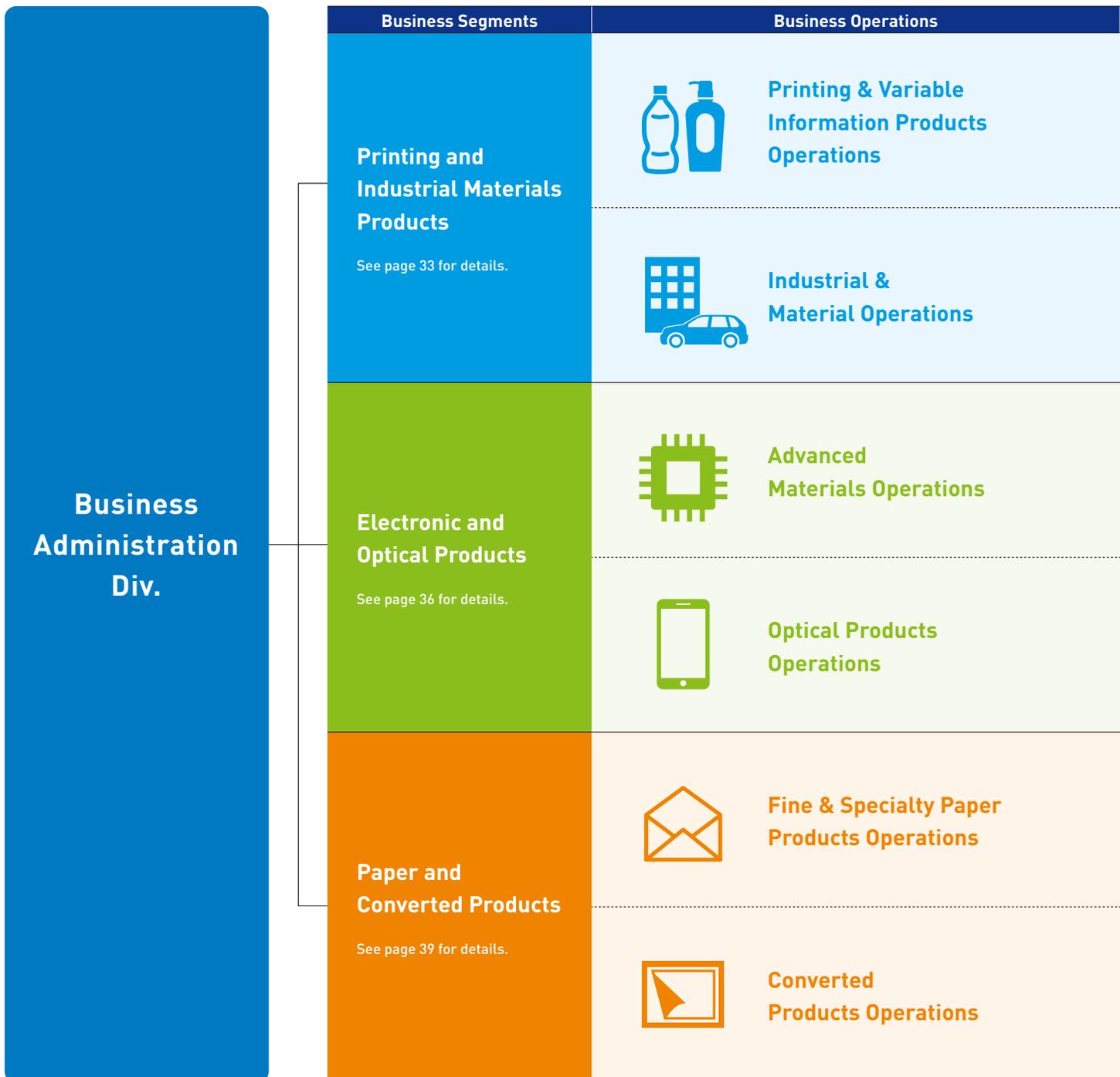
is needed, such as in systems to improve R&D efficiency and operational efficiency, as well as in M&A, not to mention facilities to increase production, reduce costs, and respond to environmental issues. In addition, we work toward achieving the management indicator of an ROE of 10% or more ahead of our target date in the fiscal year ending March 31, 2030. We are also committed to meeting the expectations of our shareholders and investors by enhancing our corporate value and further improving shareholder returns.

Strategy

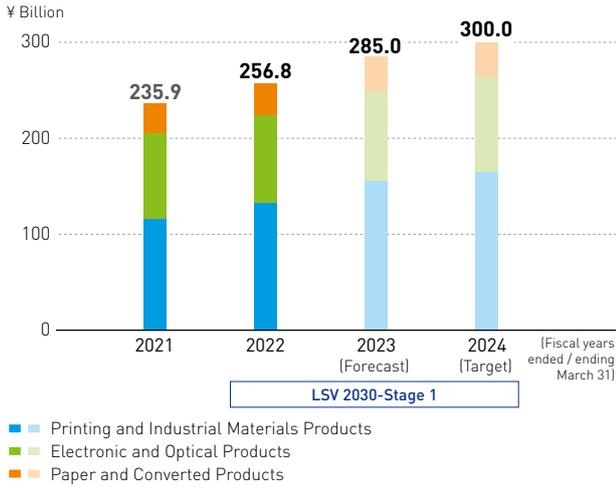
LINTEC has cultivated four core technologies over many years, and by combining these technologies in a sophisticated manner, the Company has developed numerous groundbreaking products. Under the Business Administration Div., six operations bring these products to market and help address issues in a variety of industries. This section introduces LINTEC's growth strategies in sales and R&D, centering on messages from the executive general manager of the Business Administration Div. (who is the head of sales), the executive general manager of each business operation, and the executive general manager of the Research & Development Div.

Business Strategy

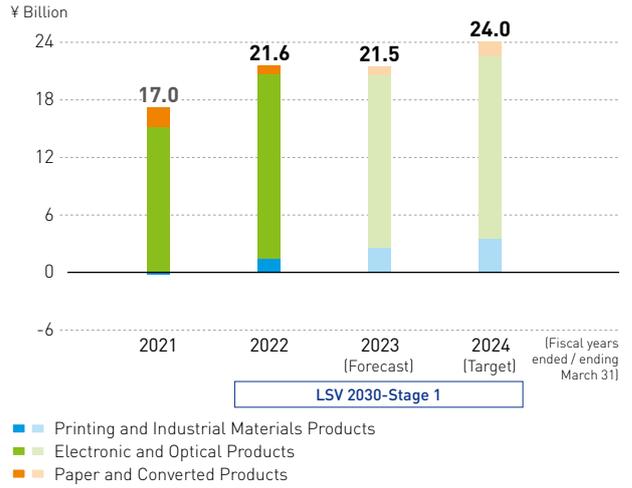
Based on the similarities of their products, technologies, and markets, the Company's six operations are classified into three segments. Printing and Industrial Materials Products is our mainstay segment; Electronic and Optical Products is driving growth; and Paper and Converted Products supports our adhesive business. In each operation, we are developing growth strategies tailored to the characteristics of each business and market.



Consolidated Net Sales



Consolidated Operating Income



Main Products

- Adhesive papers and films for labels
- Adhesive papers and films for barcode labels



- Window films
- Films for outdoor signs and advertising
- Interior finishing mounting films
- Automobile-use adhesive products
- Industrial-use adhesive tapes
- Labeling machines



- Semiconductor-related adhesive tapes
- Semiconductor-related equipment
- Multilayer ceramic capacitor-related tapes



- Polarizing films / adhesive processing
- Touch screen-related products



- Color papers for envelopes
- Colored construction papers
- Special function papers
- High-grade printing papers
- Construction material papers



- Release papers for general-use adhesive products
- Release papers for electronic materials
- Release films for optical-related products
- Casting papers for synthetic leather
- Casting papers for carbon fiber composite materials



A Message from the Executive General Manager, Business Administration Div.

We aim to achieve sustainable growth together with society by further cultivating existing markets and building new businesses.

The fiscal year ended March 31, 2022, was characterized by a recovery in market conditions following COVID-19 and a sharp increase in demand for electronics-related products. We were able to respond to such rapidly changing market needs, which led to favorable operating results. In the current fiscal year, however, we face an extremely difficult environment, as the sharp rise in raw material and fuel prices has reached a level that we cannot overcome solely through our own efforts. With the understanding

of our customers, we will continue to enact price revisions to ensure we are able to generate appropriate profits and provide a stable supply of products.

Looking back on the preceding fiscal year, electronics-related business generated the bulk of the LINTEC Group's profits. However, semiconductor manufacturing technology is one example of technology that is constantly evolving. Hence, we cannot survive forever by relying on existing products and businesses. Just as we did when we entered the semiconductor-related business some 35 years ago, we need to focus on creating the beginnings of products and businesses now that will become mainstays into the future and that will ensure our sustainable growth. In this division, we have the Technical Planning Office, which is in charge of marketing and product development for existing businesses, and the New Project Planning Office, which seeks to create new businesses by combining existing technologies. This April, we also established the Next Generation Innovation Group, which aims to develop new products by using technologies and materials that were unprecedented for us, thereby accelerating the creation of new businesses. The SDGs Committee, where I serve as an officer in charge of their promotion, has discussed a number of ways to help solve social issues. Our aim is to actively give shape to promising ideas.

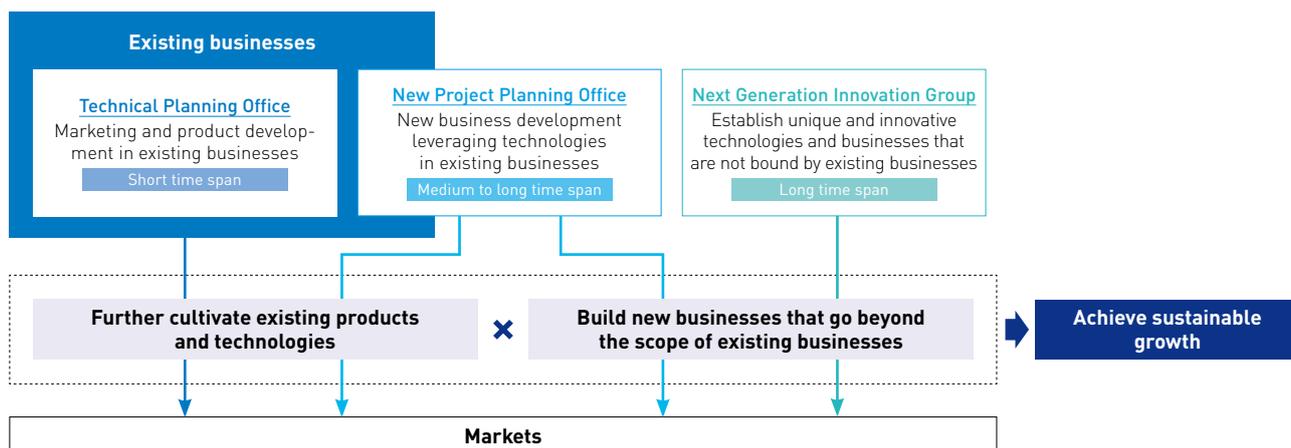
The greatest strength of the LINTEC Group is its ability to utilize proprietary technologies to customize products that meet customer needs. We will leverage this strength to further explore existing markets, including those that involve environmental response measures. We will also proactively launch new businesses that will serve as future pillars of business and provide new value to the market. By taking these two approaches, we achieve sustainable growth in step with society.



Takeshi Kaiya

Director
Managing Executive Officer
Executive General Manager,
Business Administration Div.

Role of Organizations within the Business Administration Div. in the Creation of New Products and Businesses



Printing and Industrial Materials Products

Printing & Variable Information Products Operations / Industrial & Material Operations



Strengths

- Long record of supplying numerous customers and a large share of a wide range of domestic markets
- Ability to provide comprehensive solutions that combine adhesive products for labels and labeling machines

Weaknesses

- Brand power and price competitiveness in overseas markets
- Profitability of manufacturing subsidiaries in the U.S. and Southeast Asia

Opportunities

- Increase in environmental needs around the world
- Increased demand for automated label application due to expansion of the market for online sales and labor shortages

Threats

- Sluggish growth for the domestic market and falling demand for film products
- Sharply higher prices on mainstay materials and disorder in the supply chain
- Slump in domestic and overseas markets due to the reemergence of COVID-19

Main Initiatives in Medium-term Business Plan LSV 2030-Stage 1

Printing & Variable Information Products Operations

- Expand production bases and strengthen sales capabilities overseas, including in the U.S. and Asia
- Generate synergies with the MACTAC Group
- Pursue initiatives to coexist harmoniously with the environment and help build a recycling-oriented world
- Strengthen quality, cost, and delivery and increase profits

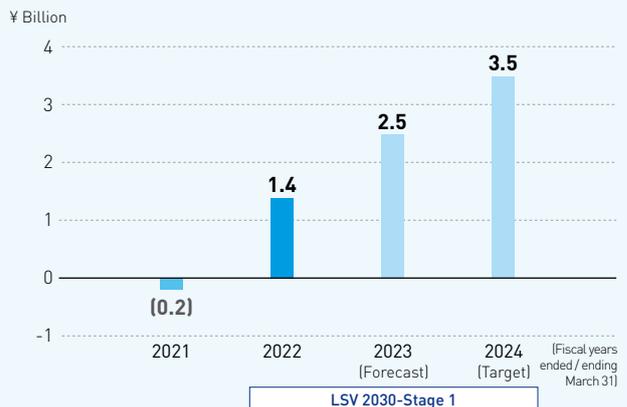
Industrial & Material Operations

- Expand sales of window film and develop high-performance products in Japan and overseas
- Expand sales of automated systems centered on labeling technology
- Launch new automotive products
- Develop wall covering materials by applying digital printing

Net Sales by Segment



Operating Income (Loss) by Segment



Printing & Variable Information Products Operations



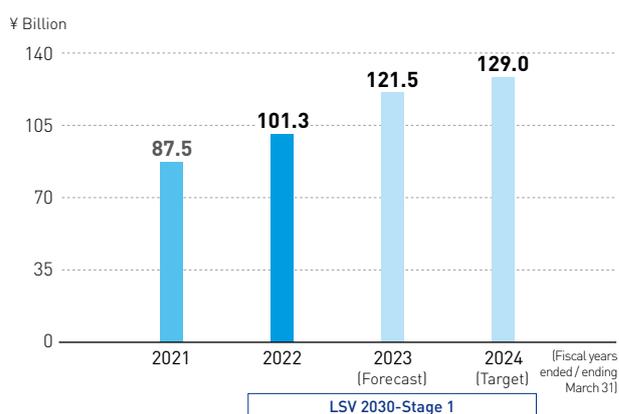
Main Products

- Adhesive papers and films for labels
- Adhesive papers and films for barcode labels

Business Operations Introduction

Accounting for approximately 40% of the sales of the LINTEC Group, these are its largest operations. They manufacture and sell adhesive paper and film for labels, which are used in a wide range of fields. We have a leading share of Japan's market for adhesive film, which has particularly high added value. Overseas, we are working to expand our manufacturing and sales network, mainly in Asia, and in recent years we have focused on expanding business in the North American market, centered on U.S. subsidiary MACTAC AMERICAS, LLC.

Net Sales: Printing & Variable Information Products Operations



Note: At the start of the fiscal year ended March 31, 2022, all products belonging to Industrial & Material Operations at MACTAC AMERICAS were transferred to Printing & Variable Information Products Operations. Results for the fiscal year ended March 31, 2021, have been restated to reflect this transfer.

A Message from the Executive General Manager, Printing & Variable Information Products Operations

In the fiscal year ended March 31, 2022, domestic demand for cosmetics and other products was weak due to a significant decrease in inbound demand, but demand for food- and online sales-related products remained solid. Meanwhile, overseas sales were strong, thanks to favorable performance in the North American, Chinese, and Southeast Asian markets, as

well as to the acquisition of U.S. adhesive products manufacturer DURAMARK PRODUCTS, INC., which became a subsidiary last April. As a result, this operation exceeded sales of ¥100 billion for the first time.

To ensure future growth, it is essential to expand sales in overseas markets, as well as in Japan. In February 2022, we acquired an adhesive products business from a U.S. peer company and established SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC. Through this move, we aim to accelerate the creation of synergies between SPINNAKER, which specializes in high-mix, low-volume production, and MACTAC AMERICAS, LLC, which mass-produces adhesive products for general labels. To enhance our presence in environmentally friendly products, another major theme, we intend to expand product development of hot-melt formulations that do not use organic solvents, both in Japan and overseas. Recent trends have focused on reducing the amount of plastic used by replacing the shrink film on PET beverage containers with small adhesive labels, as well as on reusing and recycling plastic containers. We will actively market products that meet these needs. We also aim to take an industry lead in the early establishment of recycling systems for the release paper and release film used in adhesive products.



Masaaki Yoshitake

Senior Executive Officer
Deputy Executive General Manager, Business Administration Div., and Executive General Manager, Printing & Variable Information Products Operations

Industrial & Material Operations



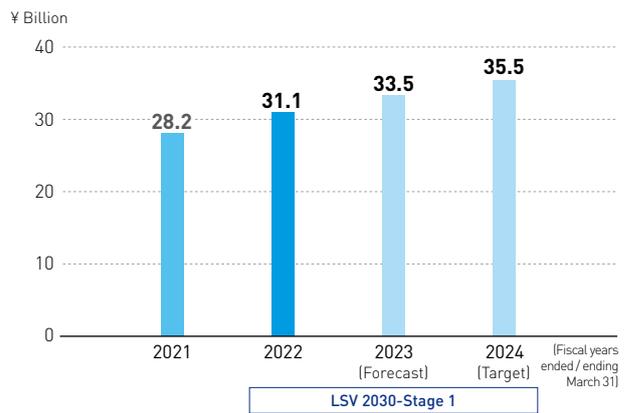
Main Products

- Window films
- Films for outdoor signs and advertising
- Interior finishing mounting films
- Automobile-use adhesive products
- Industrial-use adhesive tapes
- Labeling machines

Business Operations Introduction

These operations manufacture and sell a wide range of products. Our window film offers various functions, such as cutting out solar radiation heat and ultraviolet light when it is attached to building and automobile windows, and preventing shattering when glass is broken. Other products include decorative film for interiors, film for outdoor signs and advertising, motorcycle- and automobile-use adhesive products for such applications as vehicle body decoration and protection, industrial-use adhesive tape for bonding components in mobile and other devices, and labeling machines for efficient automated labeling.

Net Sales: Industrial & Material Operations



Note: At the start of the fiscal year ended March 31, 2022, all products belonging to Industrial & Material Operations at MACTAC AMERICAS were transferred to Printing & Variable Information Products Operations. Results for the fiscal year ended March 31, 2021, have been restated to reflect this transfer.

A Message from the Executive General Manager, Industrial & Material Operations

Although performance fell short of pre-pandemic levels, the vibrant market for online sales led to strong sales of industrial system-related products that handle delivery lines—mainly labeling machines that automatically attach address and control labels to cardboard boxes and other products—as well as a recovery in demand for various automotive-related products, window film, and construction material-related products. As a result, sales rose year on year in the fiscal year ended March 31, 2022. I was appointed executive general manager of this business operation last April. Over the past year, I feel I have begun to understand the business environment and trends in each market, and then to address the various issues.

High raw material and fuel costs are a major concern in the current fiscal year. We will step up efforts to improve profitability by integrating product lines and reviewing appropriate inventory levels. Looking to our sales expansion strategy, Japan's market for online sales is expected to grow significantly. In response, we will focus on sales of labeling machines for small and medium-sized businesses, as well as those for large businesses in the industrial system-related market. Regarding window film, we will promote the development of high-performance products and aim to expand our market share in Japan, North America, and other parts of Asia. MADICO, INC., a window film production subsidiary

in the U.S. that has experienced sluggish performance in recent years, is working to rebuild its business performance by improving manufacturing efficiency and quality. In addition, we will actively develop and expand sales of environmentally friendly products across our operations. For example, in construction material-related products we use recycled plastic film and develop new products that conserve energy for electric vehicles.

Hideki Miyake

Executive Officer
Executive General Manager,
Industrial & Material
Operations, Business
Administration Div.



Electronic and Optical Products

Advanced Materials Operations / Optical Products Operations

Main
Markets



Communications device related



Automobile related



Consumer electronics related



Industrial equipment related

Strengths

- Ability to provide comprehensive solutions that combine semiconductor-related adhesive tape and equipment, and a product lineup boasting the top share of the global market
- Long record of supplying numerous semiconductor and electronic component manufacturers worldwide and an ability to respond to customer needs
- Product design capabilities that utilize our core technologies in optical display-related businesses

Weaknesses

- Creation of a new field of business to follow semiconductor- and electronic component-related businesses and adhesive processing of polarizing film
- Profitability in optical display-related businesses

Opportunities

- Market expansion accompanying society's rapid digitalization, as reflected in 5G, the IoT, and increasing use of electronics in automobiles
- Technological innovation in relation to semiconductor packages, electronic components, and optical displays

Threats

- Supply chain disruptions caused by geopolitical risks and natural disasters
- Increasingly severe competition in the display market and the commoditization of related technologies

Main Initiatives in Medium-term Business Plan LSV 2030-Stage 1

Advanced Materials Operations

- Expand market share of semiconductor- and electronic component-related products through active investment
- Develop thin-film, high-density, multilayer products for next-generation device manufacturing processes
- Develop adhesive tape for semiconductor processes used in power devices for automobiles and MEMS (microelectromechanical systems)
- Launch carbon nanotube products

Optical Products Operations

- Develop adhesives for next-generation displays
- Develop and expand sales of new optical clear adhesive (OCA) products
- Enter new markets for light diffusion film

Net Sales by Segment



Operating Income by Segment



Note: Some products in Paper and Converted Products were transferred to Electronic and Optical Products from the fiscal year ended March 31, 2022. Results for the fiscal year ended March 31, 2021, have been restated to reflect this transfer.

Advanced Materials Operations



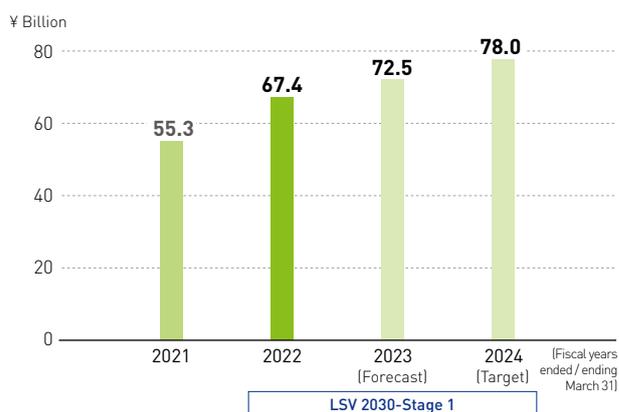
Main Products

- Semiconductor-related adhesive tapes
- Semiconductor-related equipment
- Multilayer ceramic capacitor-related tapes

Business Operations Introduction

We are building a unique position in the electronics industry, which is expected to continue to record substantial growth. Our products include a variety of specialized adhesive tape that plays an important role in semiconductor manufacturing and mounting processes, and we also make equipment that fully leverages the special features of this tape. In addition, we produce and sell release film that is crucial in the production of multilayer ceramic capacitors.

Net Sales: Advanced Materials Operations



A Message from the Executive General Manager, Advanced Materials Operations

The fiscal year ended March 31, 2022, was marked by strong sales of semiconductor-related tape and equipment, as well as multilayer ceramic capacitor-related tape, spurred by rapid digitalization worldwide since the onset of COVID-19. On the other hand, during the year supply chain disruptions revealed issues in the procurement of materials.

In the previous fiscal year, we were able to ride out strong market demand by operating our plants at full capacity. We are now working to increase production capacity to meet future increases in demand. We are investing a total of around ¥19.0 billion to construct new buildings for multilayer ceramic capacitor-related tape at two plants in Ehime and Saitama prefectures. For semiconductor-related adhesive tape, we are also moving forward with a plan to invest approximately ¥4.5 billion to introduce new production equipment at a plant in Gunma Prefecture. Furthermore, as part of our efforts to improve our business foundation, we will strive to reduce procurement risks by purchasing raw materials from multiple suppliers and placing bulk orders, and to continuously strengthen the sales capabilities of our overseas subsidiaries. New product development is extremely important in the rapidly changing electronics industry. We are developing tape for micro light-emitting diodes (LEDs), which are being touted as

next-generation displays. We are also developing tape for semiconductor manufacturing processes that further enhance the capacity of semiconductor memories. In addition, we aim to quickly commercialize new businesses involving pellicles for extreme ultraviolet (EUV) lithography systems, which form the fine electronic circuits required for next-generation devices, and Peltier modules, which are used to cool devices.

Kinya Mochida

Senior Executive Officer
Deputy Executive General Manager,
Business Administration Div., and
Executive General Manager,
Advanced Materials Operations



Optical Products Operations



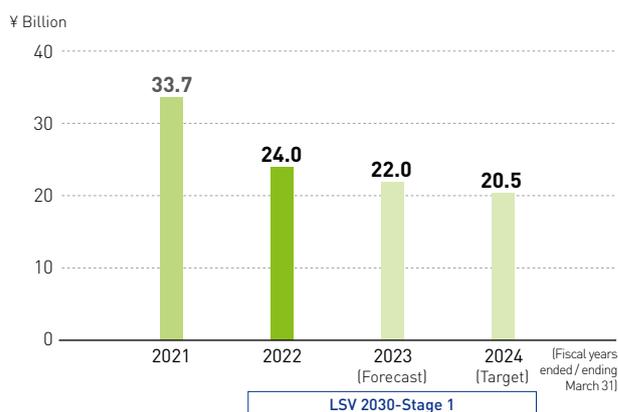
Main Products

- Polarizing films / adhesive processing
- Touch screen-related products

Business Operations Introduction

In Optical Products Operations, LINTEC produces and sells adhesive products for a variety of optical displays using its development technology for special adhesives and surface coating agents, its precision coating technology, and its high-performance production facilities. In addition to mainly carrying out adhesive processing of polarizing film used in LCD and OLED displays, the Company is working to launch and increase sales of new products, such as thick OCA sheets used in automotive touch screens.

Net Sales: Optical Products Operations



Note: Due to the application of the Accounting Standard for Revenue Recognition, sales are down sharply compared with the period prior to application in the fiscal year ended March 31, 2021.

A Message from the Executive General Manager, Optical Products Operations

During the fiscal year ended March 31, 2022, we experienced strong growth in the business of adhesive processing of polarizing film. This was the result of greater demand for mobile PCs, desktop monitors, and TVs, as COVID-19 prompted teleworking and demand from people staying at home. In addition, thick OCA sheets for optical applications for in-vehicle use grew, despite a decrease in automobile production in the second half of the year.

Satoru Shoshi

Executive Officer
Executive General Manager,
Optical Products Operations,
Business Administration Div.



Application of the Accounting Standard for Revenue Recognition led to a substantial year-on-year decline in divisional sales, which were up, however, under the previous standard.

However, since the beginning of the current fiscal year, the business environment has become more severe than we had initially expected. The reason is that the rise of Chinese companies has made the market increasingly competitive, teleworking and stay-at-home demand has run its course, and personal consumption has languished due to a sluggish global economy. In response, we aim to strengthen cooperation with a collaborating manufacturer to expand sales of high-end products and promote efficient operations. Also, one key to growth will be our expansion of business outside the area of the adhesive processing of polarizing film. In particular, we are seeing a solid response to our offerings of thick adhesive sheets for automotive applications. We hope to further increase our market share as display sizes continue to increase. In addition to our focus on expanding sales of environmentally friendly, solvent-less products that offer excellent performance, we are cultivating new demand outside the automotive industry by offering products with additional functionality: UV blocking, coloring, and light diffusion. The LINTEC Group's strength lies in its ability to design overall products from the dual perspectives of adhesion and release. We will continue honing our offerings to ensure against missing out on commercial opportunities, regardless of what displays become mainstream in the future.

Paper and Converted Products

Fine & Specialty Paper Products Operations / Converted Products Operations

Main Markets



Stationery related



Industry related



Aircraft related



Food related



Automobile related

Strengths

- Large shares of domestic markets for color paper for envelopes and special function paper as well as original papermaking technologies
- Integrated production system beginning with release base paper and outstanding technologies for release agent formulation and coating

Weaknesses

- Sales networks, delivery capabilities, brand power, and price competitiveness in overseas markets
- Ability to research new markets and develop new products

Opportunities

- Increasing demand for high-value-added products overseas
- Growing environmental needs in Japan and overseas

Threats

- Further progression toward becoming paperless
- Soaring prices for key raw materials, including imported pulp and petrochemical raw materials
- Changing market conditions due to COVID-19 and uncertainty about the market's recovery

Main Initiatives in Medium-term Business Plan LSV 2030-Stage 1

Fine & Specialty Paper Products Operations

- Develop and expand sales of new products that promote deplasticization and reduce food loss
- Develop and market new products
- Roll out new applications by strengthening competitiveness of existing products
- Expand sales of special function paper to overseas markets

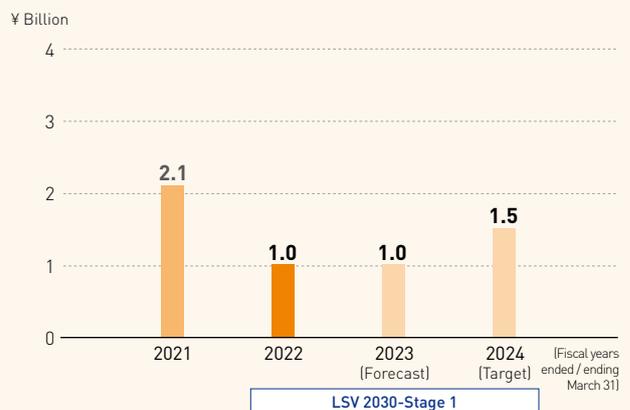
Converted Products Operations

- Promote solvent-less and polyethylene-free release paper
- Develop and expand sales of casting paper for enamel finish and automotive synthetic leather
- Develop new products and expand market

Net Sales by Segment



Operating Income by Segment



Note: Some products in Paper and Converted Products were transferred to Electronic and Optical Products from the fiscal year ended March 31, 2022. Results for the fiscal year ended March 31, 2021, have been restated to reflect this transfer.

Fine & Specialty Paper Products Operations



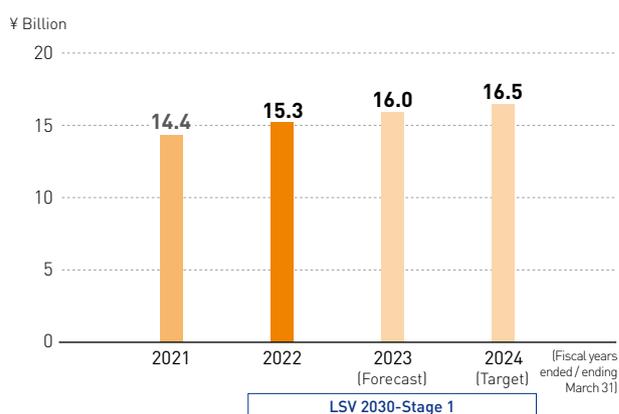
Main Products

- Color papers for envelopes
- Colored construction papers
- Special function papers
- High-grade printing papers
- Construction material papers

Business Operations Introduction

We have the leading share in the domestic market for color paper for envelopes and colored construction paper. We also manufacture and sell special function paper, such as dust-free paper for use in places such as clean rooms, and oil- and water-resistant paper used in food packaging, as well as high-grade printing paper with special textures and construction material paper used as lining for wallpaper. The Company is also stepping up the development and proposal of products that meet growing needs in recent years for plastic alternatives.

Net Sales: Fine & Specialty Paper Products Operations



A Message from the Executive General Manager, Fine & Specialty Paper Products Operations

During the fiscal year ended March 31, 2022, sales in this business operation increased, due mainly to growth in sales of dust-free paper used in clean rooms and construction material paper, driven by the robust semiconductor and housing markets. Although performance was also solid in our mainstay area of color paper for envelopes and other products, overall demand was weaker than before the pandemic. Also, soaring prices of

pulp and other raw materials and fuel put pressure on profits, resulting in a difficult year.

While the recovery in demand for paper is uncertain in the post-pandemic market, this business unit is working to expand its lineup of environmentally friendly products. We are operating according to a vision of “helping to realize a sustainable society through the power of paper,” with an eye toward 2030. I was appointed executive general manager of this business operation in April. Even as society moves away from the use of paper, we have received many requests for environmentally friendly products that take advantage of the characteristics of paper as an alternative material to petroleum-based film. We are focusing in particular on the proactive launch of products geared toward decarbonization and deplasticization. We have seen a strong response to our translucent specialty paper that launched in April, and we are developing new markets by strengthening our proposals for stationery applications. In addition, we will strive to expand sales of thick oil- and water-resistant paper that can be used as containers for convenience store lunch boxes, water-resistant printing paper that does not require film processing, and base paper for paper straws. We will also focus on using new equipment to develop products that can coat chemicals without producing waste, reducing the cost of existing products, and improving the work processes of sales personnel to promote new customer development.



Satoshi Aoki
Executive Officer
Executive General Manager,
Fine & Specialty Paper
Products Operations,
Business Administration Div.

Converted Products Operations



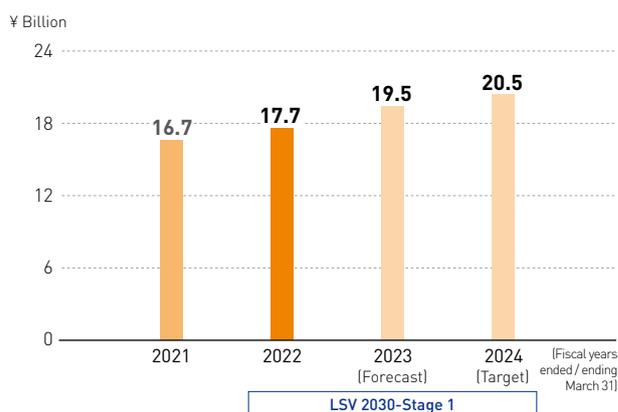
Main Products

- Release papers for general-use adhesive products
- Release papers for electronic materials
- Release films for optical-related products
- Casting papers for synthetic leather
- Casting papers for carbon fiber composite materials

Business Operations Introduction

We manufacture and sell release paper and film that protect the adhesive surfaces of various adhesive products, casting paper that is used as patterning paper for placing designs on synthetic leather, casting paper used in the manufacture of carbon fiber composite material sheets from fibers, and other products. These are endowed with a variety of special functions, including not only releasability but also resistance to water, heat, and abrasion.

Net Sales: Converted Products Operations



A Message from the Executive General Manager, Converted Products Operations

Sales increased in the year ended March 31, 2022, owing to several factors: sales of release paper and release film were flat year on year, but demand for casting paper for synthetic leather recovered for use in automobile interiors and other applications, and sales of casting paper for carbon fiber composite materials increased, due to the growth in demand for golf clubs and other sports and leisure items. Nevertheless, sales have yet to return to pre-pandemic levels. Many of the markets this operation serves have experienced reduced production due to material shortages. Also, sales continue to decline for casting paper used for primary structural materials for passenger aircraft, owing to sluggish demand in the aviation sector.

As medium- and long-term themes for this business operation, we will continue to promote the development of solventless release paper, which does not use organic solvents in its production process. We will also concentrate on removing polyethylene resin from release paper. By responding to growing demand for environmentally friendly products, we will lead the industry in these efforts as the top manufacturer of release paper in Japan. In addition, we intend to further expand sales of casting paper for synthetic leather, mainly for use in vehicles in Japan and overseas, including North America and other regions we have not yet entered. I headed the Fine & Specialty Paper Products Operations until last fiscal year, becoming executive

general manager of Converted Products Operations in April 2022. I believe our ability to produce and supply our own release paper from base paper is a major strength for LINTEC. In Fine & Specialty Paper Products Operations, we focused on new product development. In this business operation, we will continue to develop high-performance products such as casting paper that can give water repellency and release materials for film deposition to provide new value to our customers.

Toshimi Sugaya

Senior Executive Officer
Deputy Executive General
Manager, Business
Administration Div., and
Executive General Manager,
Converted Products
Operations



Research and Development

As a technology-centered company, we realize that strengthening R&D capabilities is one of our most important management strategies for achieving sustainable growth. At the LINTEC Group, two approaches help us to create products that resolve our customers' diverse technological issues and that are unprecedented, innovative, and lead the market: the developing of functional materials and related processing technologies that leverage our proprietary technological capabilities and a market-dialogue style of research that emphasizes customer needs. Going forward, we will further strengthen our R&D system in a bid to accelerate the speed of product development, and create new technologies that lead to new products and businesses.

LINTEC's R&D Capabilities
 Fiscal year ended March 31, 2022 /
 As of March 31, 2022



R&D expenses
¥7.9 billion
 (Consolidated)



Ratio of R&D expenses to net sales
3.1%
 (Consolidated)



Number of researchers
About 200



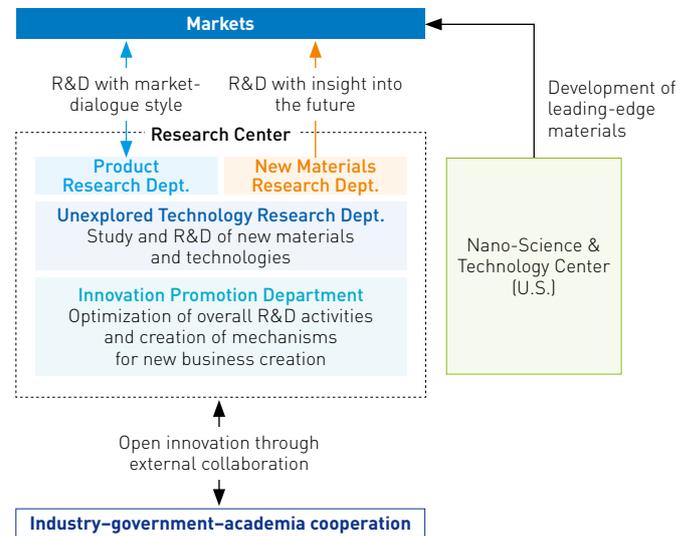
Overseas dispatch of researchers
U.S., Taiwan, Germany, Thailand, etc.



Number of patents held in Japan and overseas
5,380
 (Consolidated)

R&D System

The Research Center (Saitama Prefecture) of the Research & Development Division is the core base for the Group's R&D activities. The center has high-precision testing and analysis equipment, and a clean room, as well as the same equipment that is actually used by customers in semiconductor-related fields. Moreover, we have installed large-scale pilot coaters that closely resemble plant mass-production facilities, building systems for a smooth flow from R&D to mass production. The center includes the Product Research Department, which develops products directly connected to our current business, and the New Materials Research Department, which conducts R&D with a focus on the future. In addition, this fiscal year we established the Unexplored Technology Research Department and the Innovation Promotion Department. About 200 researchers are engaged in research on these themes. In addition, the Nano-Science & Technology Center, our R&D base in the U.S., focuses on the development of leading-edge materials, such as carbon nanotubes and artificial muscles, with the objective of establishing technologies and products that will drive new businesses for the Group.



R&D Policy

We are pursuing R&D to ensure that our focus themes make a real contribution to strengthening the competitiveness of existing businesses and creating new products and businesses. LINTEC is working to improve development efficiency and speed based on two key phrases: "Front-Loading Design" and "One-Stop Development." In addition, through coordination between the Research Center and the Business Administration Division, we have established an R&D scheme called the "Stage Gate System." Under this scheme, we are building a process that ensures results centered on medium- to long-term themes.

1 Front-Loading Design

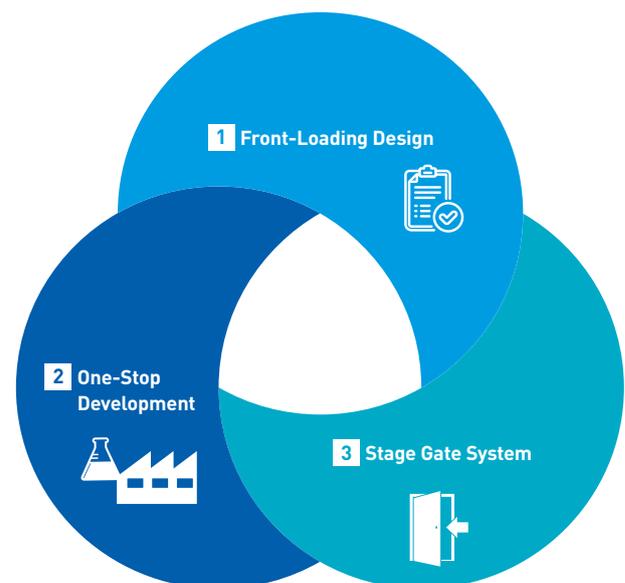
With a focus on carefully surveying customer needs and development processes, this method identifies development issues and risks, to the greatest extent possible, at the initial stage of product development. By implementing countermeasures in advance, we do our utmost to reduce the need to redo work at intermediate stages. This contributes to increased development efficiency and reduced costs.

2 One-Stop Development

This approach involves simultaneously advancing the development of new materials and the development of processes for mass production. In the Research Center, large-scale testing and research facilities similar to the production facilities in our plants are used to collect various data necessary for mass production and to improve the speed of development leading up to mass production.

3 Stage Gate System

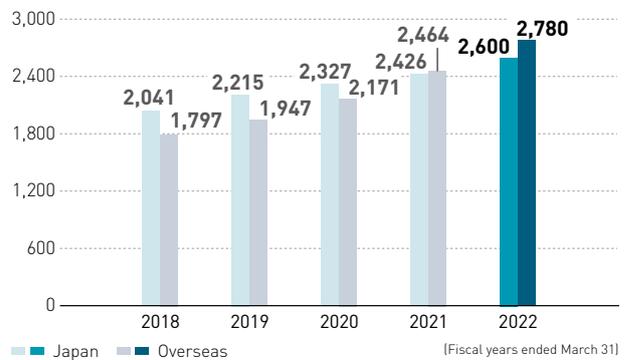
This is an internal process that divides the development status of R&D themes into five stages, and rigorously examines and determines whether to advance a theme to the next stage or halt development. The aim is to prevent development from backtracking and to bring each theme to fruition steadily and quickly.



Intellectual Property Activities

LINTEC aims to increase corporate value by developing original products that fully satisfy customer needs. We therefore position intellectual property, including patents, trademarks, and design rights acquired through these development activities as important management resources. Making respect for the rights of other companies our basic premise, the Intellectual Property Department coordinates with respective business operations and R&D departments in promoting strategic intellectual property activities. These activities aim to increase and improve intellectual property rights, which are the lifeblood of LINTEC given that it is a technology-centered company. By such means as building a patent portfolio for our foundation and growth business domains and securing intellectual property in step with the globalization of our business, we aim to maximize profits on the products we develop.

Number of Patents



Carbon Neutral Challenge

Part of the LINTEC Group’s mission as a manufacturer is to consider the environment in the product development and production processes. The Group aims to become carbon neutral with net-zero CO₂ emissions by 2050. As a part of this effort, “Carbon Neutral Challenge” was adopted as a slogan for the Research & Development Division, which will focus more on product development that is environmentally friendly at every stage, from production through to product disposal, such as by stopping the use of solvent in products to help reduce CO₂ emissions and by using plant-derived biomass and biodegradable materials.



Removable-type adhesive products for labels using biomass materials

Creating New Products and Businesses for the Next Generation

To sustain growth, in addition to expanding existing operations, the LINTEC Group must create new products and businesses that go beyond the boundaries of conventional technologies. Under its long-term vision, LSV 2030, the Company is focusing efforts on the fields of electronics, energy, thermal, resources and emissions, and the 3Rs (reduce, reuse, and recycle). We aim to create products that will be pillars of new businesses and help solve social issues.

Major Fields of Focus

| | |
|------------------------------|---|
| Electronics | <ul style="list-style-type: none"> • Pellicles for EUV lithography systems • Materials for next-generation device manufacturing processes, etc. |
| Energy | <ul style="list-style-type: none"> • Ultra-thin thermoelectric modules • High-performance window film, etc. |
| Thermal | <ul style="list-style-type: none"> • Ultra-thin and lightweight Peltier modules • Transparent film heaters, etc. |
| Resources and emissions | <ul style="list-style-type: none"> • Biodegradable products • Biomass products, etc. |
| 3Rs (reduce, reuse, recycle) | <ul style="list-style-type: none"> • High-frequency dielectric heating adhesive film • Recyclable products, etc. |

A Message from the Executive General Manager, Research & Development Div.

We will further strengthen our R&D capabilities to achieve our long-term vision.

In line with our policy under LSV 2030-Stage 1 of "Accelerating Development of 'Number One, Only One' Products," this division aims to create high-value-added products in mature, growing, and new markets. In mature fields such as adhesive products for labels, industrial-related products, specialty paper, and release paper, we are developing products that create new value to achieve multifunctionality and high profitability by reducing costs and integrating the market needs and technologies of individual businesses. In growth areas, we will further enhance our competitiveness by strengthening development of electronics-related products, for which demand is expected to grow over the medium to long term. Specifically, we will work to improve the functionality of semiconductor-related adhesive tape, which requires high precision, and optical clear adhesive sheets for automotive displays. In new fields, we are nearing market launch for such developmental products as pellicles for EUV lithography systems, ultra-thin and lightweight Peltier modules, and transparent film heaters. For new businesses such as these, we will take a long-term perspective and continue the cycle of sowing, cultivating, and harvesting. We also consider it our responsibility to develop technologies that contribute to the realization of a sustainable society in all these areas.

To achieve our long-term vision, LSV 2030, this April we established the Unexplored Technology Research Department to look for and shape new technologies and the Innovation Promotion Department to maximize output by managing overall research and development. We see advances in DX as essential for enhancing our R&D capabilities. In addition to

using AI in patent searches, in some product designs we have begun to incorporate materials informatics (MI), which uses machine learning to develop materials more efficiently. In the future, we intend to expand the range of applications to speed up development and lead to revolutionary new products.



Yoshihisa Mineura

Executive Officer
Executive General
Manager,
Research &
Development Div.

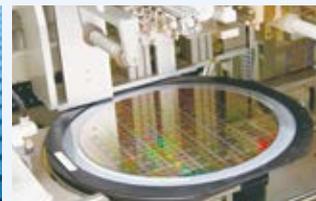
Key R&D Themes under LSV 2030-Stage 1



1. Contribute toward a sustainable society



2. Create new businesses



3. Expand existing businesses



4. Cultivate core technologies

Sustainability

The LINTEC Group promotes sustainability management that achieves both corporate growth and the sustainable development of society. We aim to increase corporate value and help solve social issues through our business activities. To this end, we introduce our sustainability initiatives from an environmental, social, and governance (ESG) perspective.



E



S



G

Sustainability Promotion System

LINTEC updated its activity promotion system in April 2021 in order to reinforce sustainability initiatives by further advancing corporate social responsibility (CSR) activities. The Sustainability Committee was established with the president as its leader, and all directors participating as members. Under this committee, we

organized committees and subcommittees for ESG activities, the SDGs, risk management, and other matters. These committees are staffed by employees drawn from across the organization, and aim to grow together with society by carrying out activities from a Companywide perspective.

Sustainability Promotion System (As of April 1, 2022)



SDGs Committee

We established the SDGs Committee with the aim of integrating the SDGs into our management and contributing to the resolution of various social issues through our core business. The committee consists of approximately 40 members from a wide range of departments across the Company, including sales, research, production, and administrative divisions. Members are assigned to multiple teams within the Innovation Group, which creates new business ideas, and the Brush-Up Group, which digs deeply into and implements business models. Members regularly discuss what they can do to address the social issues they have been assigned. Ideas generated by each team are proposed to management, with the aim of turning the themes evaluated most highly into businesses and products. In addition, we publish a placard newspaper summarizing the activities of the committee.

We post the newspaper in each department to disseminate the SDGs throughout the Company and raise employees' awareness of participation.



Material Issues (Important Issues)

The LINTEC Group has identified material issues, which are areas of particular focus within its wide range of CSR activities. We first identified these issues in 2014. We revised our material issues in 2021, after taking into account ongoing changes in social issues and our daily stakeholder dialogues. The new material issues incorporate LSV 2030, our long-term vision that looks ahead to 2030, as well as an SDG perspective. This year, we have also defined key performance indicators (KPIs) corresponding to the material issues. As it moves forward with its activities, the LINTEC Group will focus on these material issue themes.

Process for Reviewing Material Issues

STEP
1

Analyze Value Chain

We evaluated our value chain and summarized the business activities and ESG themes for each department. We also analyzed risks and opportunities for each ESG theme in the value chain.

STEP
4

Identify Material Issues

We identified material issues after evaluating areas judged to be of importance, using map distribution to shed light on social demands and internal importance to LINTEC.

List of Material Issues

| | Material Issues | Risks Associated with Material Issues | Opportunities Associated with Material Issues |
|------------------|---|--|--|
| Overall business | Contributions to the business side | <ul style="list-style-type: none"> Raw material procurement and logistics risks Loss of business opportunities due to delays in technological innovation | <ul style="list-style-type: none"> Introduce innovative new production equipment in the pursuit of cost reductions and create new products using new manufacturing methods Create new products and businesses through technological innovation and diversify operations Through DX, improve R&D efficiency, accuracy, and inspection system technologies |
| Environment | Contributions to a sustainable global environment | <ul style="list-style-type: none"> Increased investment costs for environmental measures Impact on procurement, including costs due to high dependence on chemicals, petrochemicals, and other raw materials Decrease in the availability of raw materials due to tighter environmental regulations | <ul style="list-style-type: none"> Build smart factories that do not rely on external electrical power or other sources Expand markets by providing environmentally friendly products and services Transition from the use of petrochemical raw materials to biomass materials Accelerate the search for and conversion to alternative products and promote the development of raw materials from unique recipes Develop products using raw materials on positive lists |
| Society | Respect for human rights | <ul style="list-style-type: none"> Suspension of operations or damages incurred due to problems related to human rights in the supply chain Loss of opportunities to secure excellent global human resources and the outflow of such talent Decrease in labor productivity and an exodus of human resources | <ul style="list-style-type: none"> By promulgating the corporate culture, foster a greater awareness among employees of how they can help realize a sustainable society Motivate employees by creating a safe and secure working environment Encourage varied business decisions by diverse human resources |
| | Improvement in value chain management | <ul style="list-style-type: none"> Loss of customer confidence due to lack of appropriate quality control | <ul style="list-style-type: none"> Foster safe and secure business activities by ascertaining appropriate information and through system configuration |
| | Strengthening of communication with stakeholders | <ul style="list-style-type: none"> Decline of trust from local communities due to poor communication Decline in corporate reputation due to lack of integrity in information disclosure (reputation risk) | <ul style="list-style-type: none"> Achieve coexistence and co-prosperity with local communities Reflect in business activities issues of interest to stakeholders |
| Governance | Promotion of Groupwide governance | <ul style="list-style-type: none"> Impact on operations from a lack of management decisions based on objective perspectives Impact on corporate activities of insufficient governance at Group companies overseas Damage to corporate value due to noncompliance | <ul style="list-style-type: none"> Expand business by making appropriate management decisions Improve internal control systems to prevent acts that are illegal, improper, or unfair Enhance trust and satisfaction among stakeholders |

STEP
2**Understand the Demands of Society**

In narrowing down ESG initiatives, we gave consideration not only to changes in various international guidelines and frameworks, such as the SDGs, the GRI Standards, the U.N. Global Compact, and ISO 26000, but we also screened important ESG themes recommended by ESG evaluation organizations.

STEP
3**Define the Importance of Issues for LINTEC**

We identified the ESG themes that have a large impact on our businesses, based on internal information that includes the medium- to long-term strategies and business plans of each department, while referring to LSV 2030.

STEP
5**Set KPIs**

With consideration for the material issues that have been specified, we will establish KPIs for activities and advance toward application.

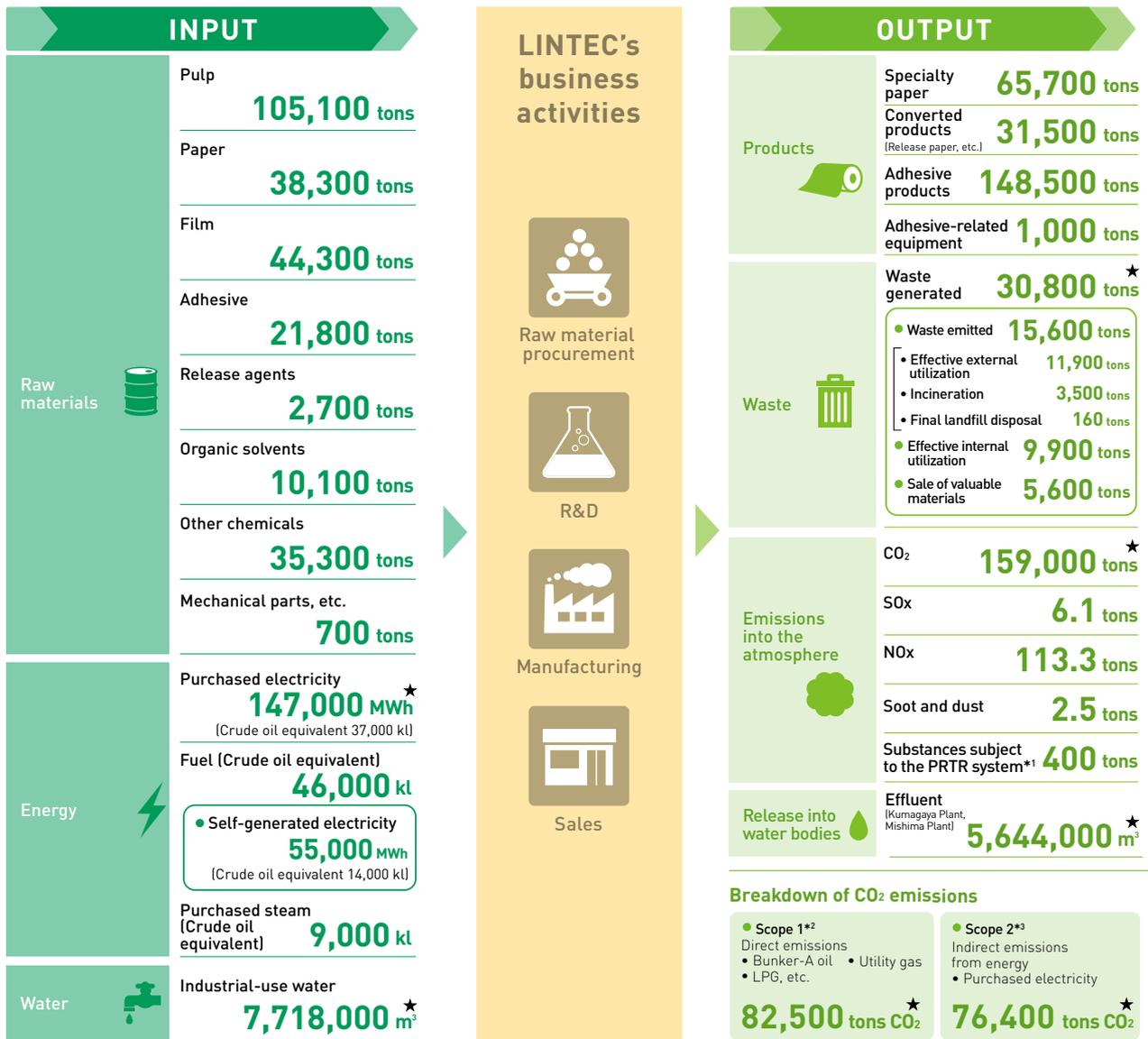
| Issues to Address | KPIs | Related SDGs |
|--|---|--------------|
| | Principal Items | |
| <ul style="list-style-type: none"> Strengthen the corporate structure through innovation Create new products and businesses for sustainable growth | <ul style="list-style-type: none"> Percentage of sales from products we have newly developed (20% by 2030) Number of patent applications and patents held | |
| <ul style="list-style-type: none"> Address climate change Realize a recycling-oriented world Procure sustainable raw materials Preserve biodiversity | <ul style="list-style-type: none"> Reduction of CO₂ emissions Landfill disposal rate Response rate to questionnaire to raw material suppliers | |
| <ul style="list-style-type: none"> Give human rights due diligence Address occupational health and safety Promote diversity Reform work-style | <ul style="list-style-type: none"> Number of consultations related to harassment Occupational accident frequency rate Occupational accident severity rate Percentage of female employees Percentage of male employees taking childcare leave | |
| <ul style="list-style-type: none"> Embrace customer-first principle Improve quality, cost competitiveness, and customer satisfaction | <ul style="list-style-type: none"> Number of responses to CSR surveys Rate of quality incidents | |
| <ul style="list-style-type: none"> Co-exist with local communities | <ul style="list-style-type: none"> Number of plant tours accepting visitors | |
| <ul style="list-style-type: none"> Strengthen organizational governance Operate fair business activities | <ul style="list-style-type: none"> Rate of attendance at Board of Directors' meetings Rate of attendance at Audit & Supervisory Committee meetings Regular publication of legal news | |



Environment

The LINTEC Group uses large amounts of raw materials, fossil fuels, water, and other materials to manufacture products. We are working to fulfill our responsibilities as a manufacturer by reducing the environmental impact of our operations and developing and expanding sales of environmentally friendly products.

Material Flow (Fiscal year ended March 31, 2022)



*1 PRTR system: The Pollutant Release and Transfer Register system that requires companies to estimate the volume of chemical substances they have released and transferred in waste and report the data to the government
 *2 Scope 1: Direct CO₂ or other greenhouse gas emissions from the consumption of purchased gas and liquid fuels, such as liquid natural gas (LNG), liquid petroleum gas (LPG), utility gas, kerosene, light oil, and gasoline
 *3 Scope 2: CO₂ or other greenhouse gas emissions generated by other companies in the production of energy, such as electricity and steam, purchased by the Company

Note 1: The numerical data in the environmental report has been compiled from the following organizations: LINTEC Corporation's head office, its 10 production sites, the Research Center, and TOKYO LINTEC KAKO, INC.
 Note 2: Figures denoted with a star mark have received third-party evaluation by SGS Japan.

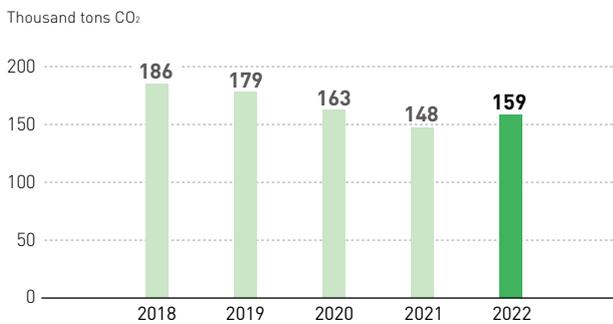
Managing the Environment

We have acquired global integrated certification for a total of 22 bases under international standard ISO 14001, including the LINTEC head office and plants, the Research Center, Group company TOKYO LINTEC KAKO, INC., and overseas Group companies. We will continue to promote the acquisition of global integrated certification by overseas Group companies as we strengthen Companywide initiatives in environmental preservation.

Reducing Energy Usage and CO₂ Emissions

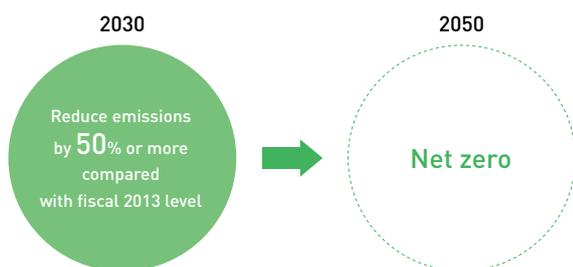
As part of its climate change countermeasures, the Group is working to reduce energy usage and CO₂ emissions. In the fiscal year ended March 31, 2022, LINTEC's total energy consumption increased year on year to 15,000 kiloliters of crude oil equivalent, due to higher production volumes, despite efforts to promote the efficient operation of production facilities and boilers. Its CO₂ emissions rose 11,000 tons from the previous fiscal year, to 159,000 tons. LINTEC has set Group targets for reducing CO₂ emissions by 50% or more by 2030 compared with the fiscal 2013 level, and for achieving net-zero emissions by 2050.

CO₂ Emissions



* Scope: LINTEC's head office, its 10 production bases, the Research Center, and TOKYO LINTEC KAKO, INC.

The LINTEC Group's Target for Reducing CO₂ Emissions



* Targets for Scope 1 and Scope 2 emissions

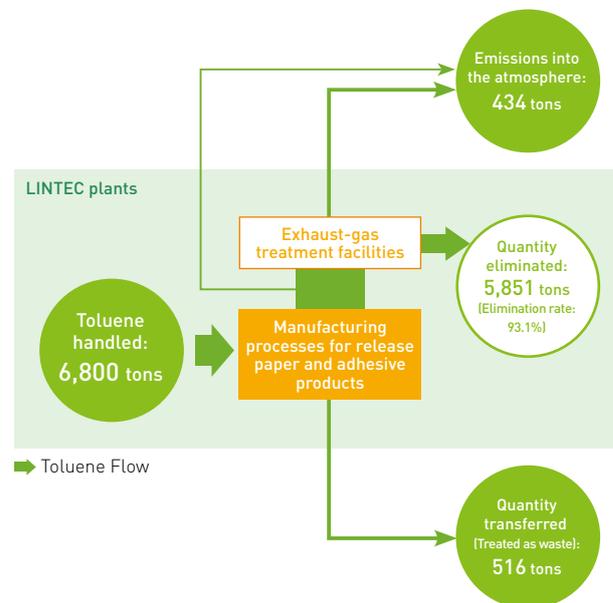
Complying with Environmental Laws, Directives, and Regulations

The LINTEC Group seeks to be compliant with environmental laws, directives, and regulations in Japan and overseas and reduce chemical substances that are harmful to the environment. In addition to responding to restricted substances stipulated by REACH*¹ and RoHS,*² we check for substances with environmental impact in the raw materials that we purchase and disclose necessary information to our customers. In the fiscal year ended March 31, 2022, on a non-consolidated basis the total handling volume of substances under the PRTR system was 6,944 tons, of which 6,800 tons were toluene, an organic solvent. Toluene emitted into the atmosphere amounted to 434 tons, an increase of 35 tons compared with that of the previous fiscal year, while the quantity transferred (treated as waste) was 20 tons more than in the previous fiscal year, at 516 tons.

*1 REACH: EU regulation for the Registration, Evaluation, Authorization and Restriction of Chemicals

*2 RoHS: EU Restriction of Hazardous Substances in Electrical and Electronic Equipment

Fiscal Year 2021 Emission and Transfer of Toluene

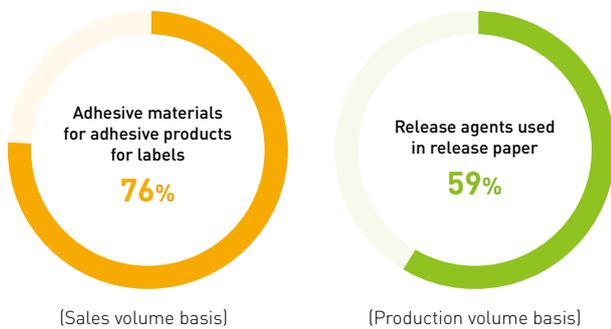


Note: Elimination rate = eliminated amount / (handled amount - transferred amount) × 100

Reducing the Use of Organic Solvents

To reduce the use of organic solvents, which have a high environmental burden, we are advancing the use of solvent-less methods that do not use organic solvents for the coating process of adhesives and release agents. In the fiscal year ended March 31, 2022, the solvent-less percentage was 76% for adhesives used in adhesive products for labels and 59% for release agents used in release paper. Going forward, we will continue striving to further reduce our environmental burden by expanding the product lineup and sales of solvent-less products.

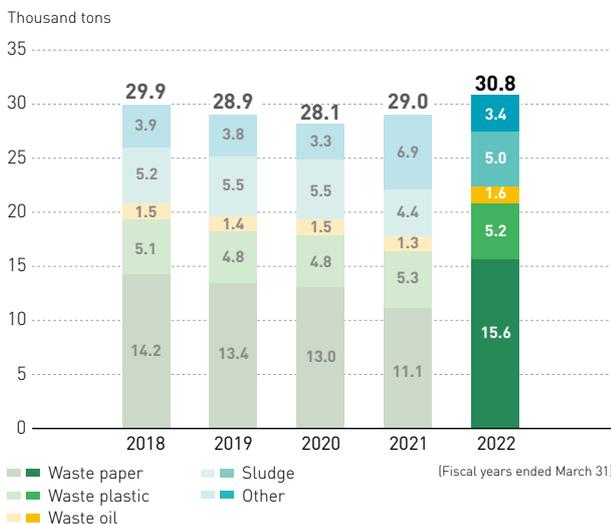
Solvent-Less Percentage (Fiscal year ended March 31, 2022)



Achieving Zero Emissions

In the fiscal year ended March 31, 2022, waste generated was 30,800 tons, and waste emitted was 15,600 tons. Of the waste emitted, 11,900 tons were recycled externally, and 3,700 tons were properly disposed of by waste disposal companies. In addition, the final landfill disposal was 160 tons, or 0.51% of waste generated. With a final landfill disposal rate of less than 1.0%, we achieved zero emissions.

Waste Generated



Developing Environmentally Friendly Products

In addition to reducing the environmental burden of production, the LINTEC Group is actively developing environmentally friendly products that meet a wide range of needs: reducing the amount of plastic used, reusing materials, recycling, and energy conservation.

Adhesive Products for Labels

As well as promoting solvent-less products, LINTEC is working to reduce its use of oil-derived materials by using recycled PET film, utilizing more plant-based biomass materials, and making film thinner. We are also focusing on the development of products that can be recycled while affixed, and other products that can be peeled off cleanly to facilitate the reuse and recycling of the objects they are affixed to.



Adhesive film for labels that uses 100% recycled PET resin in facestock

Special Function Paper

We are proposing special function paper to meet the demand for alternatives to plastic. We have found some success with major convenience store chains, which are using this paper in boxed lunch containers. We will continue to step up the development of specialty paper offering functionality that has nearly the durability, water resistance, and transparency of plastic film, and promote this paper as a plastic substitute.



Thick oil- and water-resistant paper that can be used for boxed lunch containers

Window Film

Applying this film to entire window surfaces of buildings, automobiles, and railcars significantly cuts the heat energy of sunlight and prevents internal temperatures from rising. Window film improves air conditioning efficiency and contributes to power and energy-saving measures. The LINTEC Group is promoting development in Japan and overseas to achieve even higher levels of functionality.



Window film for buildings

Focus

Capital Investment to Reduce Environmental Load

Having set the goal of becoming carbon neutral by 2050, the LINTEC Group is accelerating capital expenditures in the aim of reducing its environmental burden, including by reducing CO₂ emissions. First, we aim to reduce CO₂ emissions by 50% or more from fiscal 2013 levels by 2030. Our medium-term business plan, LSV 2030-Stage 1, promotes approximately ¥7.0 billion in capital investment related to decarbonization. In this section, we will discuss investments in environmental measures at production bases.

Accelerating the Introduction of Environmentally Friendly Equipment in Various Locations

We are promoting the introduction of cogeneration systems that simultaneously generate electricity and heat from gas energy and other sources, waste heat boilers that recover and reuse as steam the heat generated when treating organic solvents, and the installation of solar power generation systems for in-house consumption. In addition, we are working to further reduce environmental burdens and costs by switching from heavy oil to liquid natural gas (LNG), switching boilers and chillers to high-efficiency, energy-efficient units, and transitioning our sites to LED lighting.



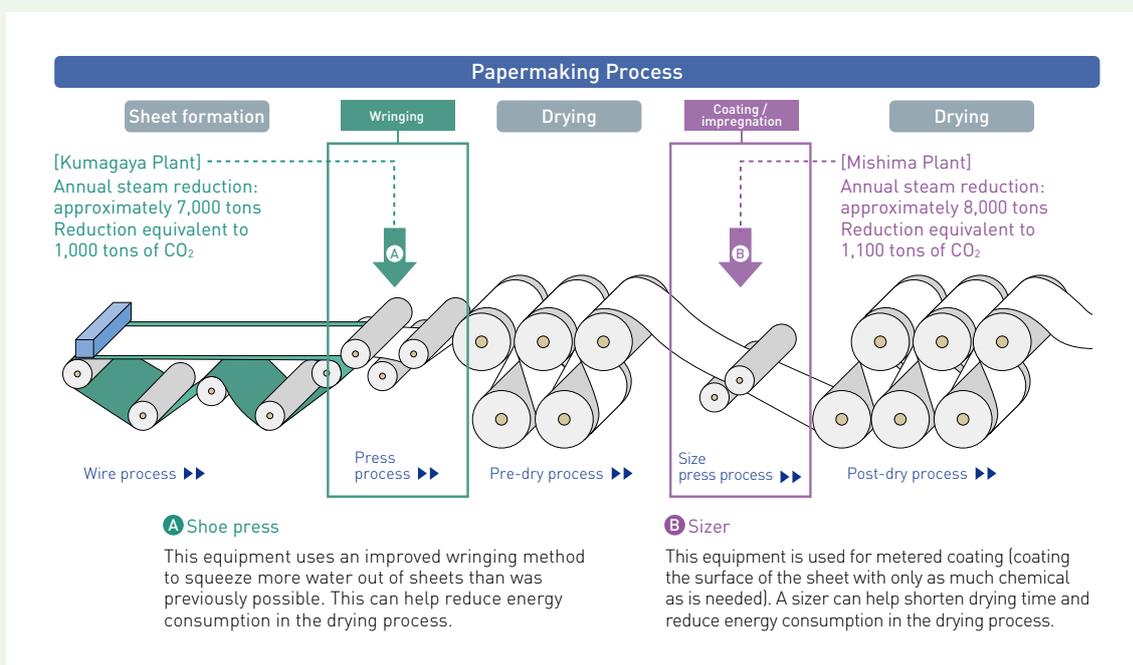
Waste heat boiler



Cogeneration system

Substantially Reducing the Energy Used in Papermaking Processes

At the Kumagaya Plant (Saitama Prefecture), a production base for specialty paper, we have introduced a shoe press, which is used in the papermaking process to squeeze out more water than before. In addition, at the Mishima Plant (Ehime Prefecture), another specialty paper production base, we have introduced a sizer that applies chemicals only in the necessary quantities. These two types of equipment significantly reduce energy use in the drying process. In addition to reducing CO₂ emissions and costs, we expect to use the sizer in new product development, and we are moving forward with further introductions of both.



Information Disclosure Based on TCFD

The LINTEC Group recognizes that climate change affects its business activities in a variety of ways and considers it one of the Group’s most important management issues. We aim to contribute to sustainable growth and the realization of a sustainable society by strengthening our risk management system and responding to each risk, as well as discovering new business opportunities. We proactively disclose information on our response to climate change in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and strive to further enhance our corporate value through engagement with our stakeholders.

Governance

The Sustainability Committee (which meets four times a year, in principle) discusses response policies and action plans, as well as oversees the progress of specific measures related to sustainability, including measures to manage climate change-related issues. Chaired by the president, members of this committee include all directors, as well as officers in charge of promotion on subordinate committees. The results of this committee’s discussions are reported to the Board of Directors. Issues related to climate change are first evaluated by the Environmental Committee via the TCFD Subcommittee before being finally evaluated by the Sustainability Committee. Individual bases enact and manage response measures. The Environmental Committee summarizes the status of these responses, which are reported to all directors and officers in charge of their promotion by the Sustainability Committee.

Strategy

The LINTEC Group considers the various risks and opportunities associated with climate change as an important part of its business strategy formulation. Accordingly, we have established the following two scenarios and are conducting a scenario analysis for domestic operations through 2030. Having thus identified risks and opportunities, our long-term vision, LSV 2030, reflects measures to deal with risks and capitalize on opportunities related to these climate changes. We will continue to analyze these risks and opportunities from a longer-term perspective, including with respect to our overseas operations.

Reference scenarios

| | 4°C scenario | 2°C scenario |
|------------------|--|--|
| Transition risks | Transition Scenarios According to the International Energy Agency (IEA) | |
| | Stated Policies Scenario (STEPS)*1 | Sustainable Development Scenario (SDS)*1 |
| Physical risks | Climate change forecast scenarios according to the UN Intergovernmental Panel on Climate Change (IPCC) | |
| | RCP8.5*2 | RCP2.6*2 |

*1 Source: *World Energy Outlook 2021*, IEA

*2 Source: “Fifth Assessment Report,” IPCC



Please visit this website to learn about the major risks and opportunities, and our response measures.
<https://www.lintec-global.com/csr/tcfd/>

Risk Management

In April 2018, the LINTEC Group established the Corporate Risk Management Committee to reinforce its risk management system. This committee, which meets regularly, comprises the executive general managers of each division and general managers of each organization that report directly to the president. In April 2021, we revamped and strengthened our structure for promoting sustainability activities. We redefined the committee’s purpose as “ascertaining business risks and opportunities, formulating policies to address them, and incorporating them into the organization and verifying them.” The committee evaluates and analyzes individual risks, including natural disasters, based mainly on the issues recognized by committee members and the results of risks identified annually by managers and others. Results are reported on a quarterly basis to the Sustainability Committee and the Board of Directors for instructions on actions to be taken.

The Environmental Committee collects, identifies, and evaluates information about climate-related risks and reports its results to the Sustainability Committee. This committee considers the need for responses, and then instructs the officers in charge of promotion as appropriate, via subordinate committees and subcommittees. The officers then implement the measures in their respective departments. The Environmental Committee continuously monitors subsequent changes in the situation and periodically ascertains whether the indicators and targets originally set are being met.

Going forward, the LINTEC Group will work to link these activities to sustainable growth. To do so, we will foster cooperation among the individual committees to enhance risk management capabilities and continue working to improve our risk management system.

Indicators and Targets

The LINTEC Group recognizes the importance of reducing greenhouse gas emissions as a response to climate change and is promoting various measures on the R&D, manufacturing, sales, and distribution fronts. In addition to being our mission as a manufacturer, we believe these efforts toward decarbonization will also help us embrace new climate-related opportunities. The LINTEC Group has set the following targets in LSV 2030, its long-term vision for 2030.

Target Reducing CO₂ emissions by **50% or more** by 2030 compared with fiscal 2013 level



Society

In continuing and expanding business activities, creating favorable relationships with all stakeholders is indispensable. The LINTEC Group continues efforts at establishing employee-friendly workplaces, maintaining stable supplies of high-quality products, and strengthening partnerships with customers and suppliers.

Respect for Diversity and Human Rights

The LINTEC Group avoids discriminatory treatment of employees based on race, nationality, gender, age, education, creed, religion, or disability status, thereby respecting diversity. In the areas of recruitment and employment, the Group complies strictly with labor laws and regulations, including the prohibition of unfair discrimination, child labor, and harassment, and endeavors to promote an environment where all employees can go about their work in a positive and energized frame of mind. Every year, we conduct a Groupwide survey of human rights and working conditions. As well as checking compliance in Japan and overseas countries and regions, the surveys confirm that companies are respecting basic human rights and providing safe, healthy workplaces. Furthermore, we have a helpline through which employees can consult with the General Affairs & Human Resources Division or a lawyer if they have any concerns or have witnessed illegal behavior in the workplace. Access has been extended to overseas Group companies and English-language and Chinese-language helplines are also available.

Work-Style Reforms

In Japan, the working age population is currently decreasing due to a declining birthrate and an aging population. This has become a major social issue, and the government is advancing work-style reforms to support sustained growth. We are creating workplaces that are more amenable to all employees' needs and enhancing labor productivity.



Work-Life Balance

LINTEC is taking steps to curb long working hours and late-night work, including for managers, and encouraging employees to take paid leave. In addition to a planned vacation system under which employees designate in advance five days on which they will take paid leave, in 2021 we introduced an hourly leave system. Under this system, which is designed to make leave-taking more flexible, employees can take paid leave in one-hour increments. As a result of such initiatives, the percentage of paid leave taken has risen from around 51% in the fiscal year ended March 31, 2015, the year before the planned vacation system was introduced, to approximately 64% in the fiscal year ended March 31, 2022. We also increased the number of days that could be taken for family care leave and the period during which the shorter-hours program could be used for family care. We raised the children's age limit in regard to the use of the shorter-hours program for childcare and strove to expand various systems, including wage increases for young employees. We are also working to improve the rate of male employees taking childcare leave by reviewing the system itself and promoting understanding in the workplace.

During the COVID-19 pandemic, LINTEC introduced and encouraged the use of teleworking. As this system has improved productivity and achieved a work-life balance for our employees, in October 2020 we officially included teleworking as a part of our work system. We also created a work-at-home benefit for employees that covers a portion of their utility bills and other costs associated with working from home. We focus on creating amenable working environments that suit employees' lifestyles; for example, we strongly encourage the use of flex-time systems.

Percentage of Paid Leave Taken



► Diversity-Related Initiatives

As one facet of our measures to promote the active participation of women, LINTEC has been advancing the awareness of female employees as well as the entire workforce through various types of training for female employees and for managers. We are also working to increase the percentage of women among our managers and supervisors as well as our new hires. In addition, former employees can start to contribute immediately, and accordingly we have introduced the Job Return System, under which we rehire employees who have resigned due to such circumstances as childbirth, family care, or the job transfer of a spouse. In these ways, we are expanding the opportunities for active participation of women in the workplace. We had established a retiree rehiring program under which we rehire employees who have reached the retirement age of 60, utilizing one-year employment agreements up to the age of 65. Last June, we also established such a system for employees older than 65, allowing rehiring up to the age of 70. Six employees took advantage of this system in its first year. We are also preparing for the early introduction of a system raising the retirement age to 65. We are working to increase the rate of employment of people with disabilities by establishing specialized departments at our head office and research centers to create an amenable working environment for employees with disabilities. Due to limits on work experience sessions during the pandemic, the employment rate for people with disabilities was 2.0% in the fiscal year ended March 31, 2022, below the legal employment rate of 2.3%. Going forward, we will expand the employment of people with disabilities by developing specialized departments at other locations and conducting work experience sessions.

Female Manager Ratio

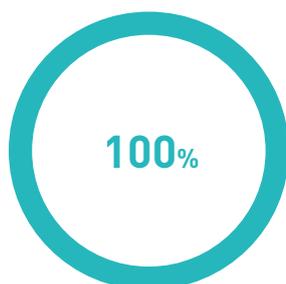
[As of the end of March 2022]



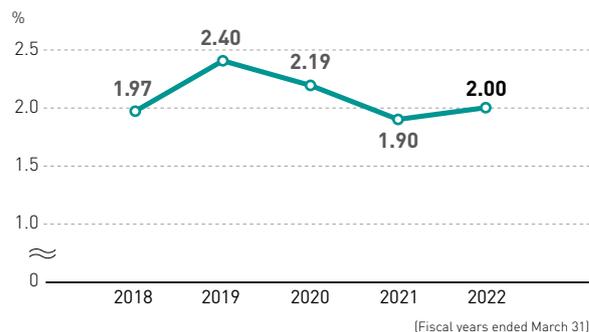
[LINTEC Group, including non-consolidated companies]

Rate of Return after Childcare Leave

[As of the end of March 2022]



Employment Rate for People with Disabilities



► Harassment Countermeasures

The LINTEC Compliance Guidelines, which have been translated into seven languages and are distributed to all employees, expressly prohibit harassment. Through management training and study sessions for all employees, we take a thorough approach to fostering a correct understanding about harassment. In Japan, we are instituting harassment training for the improvement of workplace environments, which is provided for all employees at the Company and Group companies. In addition, we have established the Harassment Consultation Hotline, which enables employees to consult directly with clinical psychologists and other experts. Moving forward, we will continue working to prevent harassment on a Groupwide basis, including overseas.



Compliance Guidelines

Employee Education

LINTEC has a Companywide training system based on rank with human resource education programs tailored to years of continuous service and career. In addition, we are taking steps to promote the career advancement of employees, including theme-based training, such as legal training and Companywide information security training, as well as language training for the development of global human resources. In the fiscal year ended March 31, 2022, we spent approximately ¥20 million on increasing the capabilities of employees and human resource development. In other initiatives, the Company's intranet offers e-learning programs to increase all our employees' understanding of topics such as the environment, product quality, the business continuity management system, compliance, and CSR.

Zero-Accident Culture

Safety is the top priority in LINTEC Group plants, which are operated with the aim of preempting injuries to personnel. We have formulated safety and hygiene policies in compliance with the ISO 45001 standard for occupational health and safety management systems, and our practices include risk assessment, which enables us to put safety standards in place; hazard prediction exercises; and the rigorous pursuit of our 5S* activities through various types of safety patrols. Safety and hygiene committees hold monthly meetings at all our sites to enable us to ascertain progress of our safety activities and share information. In addition, we have held a safety conference for domestic plant safety officers for the exchange of information about each plant's initiatives. We will continue activities on multiple fronts in accordance with our zero-accident culture.

* 5S: *Seiri* (organizing), *seiton* (clearing up), *seiso* (cleaning), *seiketsu* (cleanliness), and *shitsuke* (discipline) in Japanese

Efforts toward Business Continuity

The Group is working to strengthen its systems that enable business operations to continue or restart quickly if struck by a disaster. All the Company's locations in Japan, subsidiaries TOKYO LINTEC KAKO, INC., and LINTEC SPECIALITY FILMS (TAIWAN), INC., have obtained certification under ISO 22301:2012, the international standard for a business continuity management system (BCMS). In relation to these systems, study meetings and drills are held at all sites so that in the event of a natural disaster or accident that disrupts business operations, we can ensure the safety of our employees and then recommence the supply of products promptly, minimizing impact on our customers and other stakeholders. We also evaluate the business continuity capabilities of suppliers of raw materials that are critical in securing stable supplies of our products. Additionally, we request that these suppliers introduce a business continuity plan (BCP) and establish a system for implementing it on an organization-wide basis.

Thorough Quality Management

The LINTEC Group is advancing the acquisition of certification under ISO 9001:2015, an international standard for a quality management system (QMS). We are unifying the previous quality assurance systems, which had been implemented by each business operation, into a single Group QMS, and we received certifications at 12 locations overseas. Furthermore, we are realizing rigorous quality management with daily inspections on the production front lines and, in addition, we continually carry out employee education targeting the maintenance and enhancement of quality and the prevention of quality-related issues. This education is provided for people working in production or sales. Also, with the cooperation of suppliers, we are making sure to control quality issues resulting from materials by stabilizing the quality of procured materials. When comparing major quality incidents by year, the fiscal year ended March 31, 2011, is set as 100 in

an index of major quality incidents, and we reduced the level of the index to 35 in the fiscal year ended March 31, 2022. We construct and actualize management systems that enable us to take swift action if a quality incident should occur, collecting information, analyzing causes, and working toward preventing a recurrence. This framework is in place in Japan and overseas.

Percentage of Quality Incidents versus FY2011



Fair Transactions

The basic policy of the LINTEC Group is to conduct fair and transparent transactions with suppliers based on the principle of free competition. We conduct procurement activities in compliance with laws and social norms. In addition, we ask suppliers to consistently implement CSR activities from multiple perspectives, including respect for human rights, occupational health and safety, information security, and corporate ethics. In the fiscal year ended March 31, 2022, we continued working to maintain and strengthen partnerships and to promote CSR procurement. Through the distribution of a questionnaire, we evaluated major suppliers in such areas as management, labor, service, quality, and the environment.

Governance

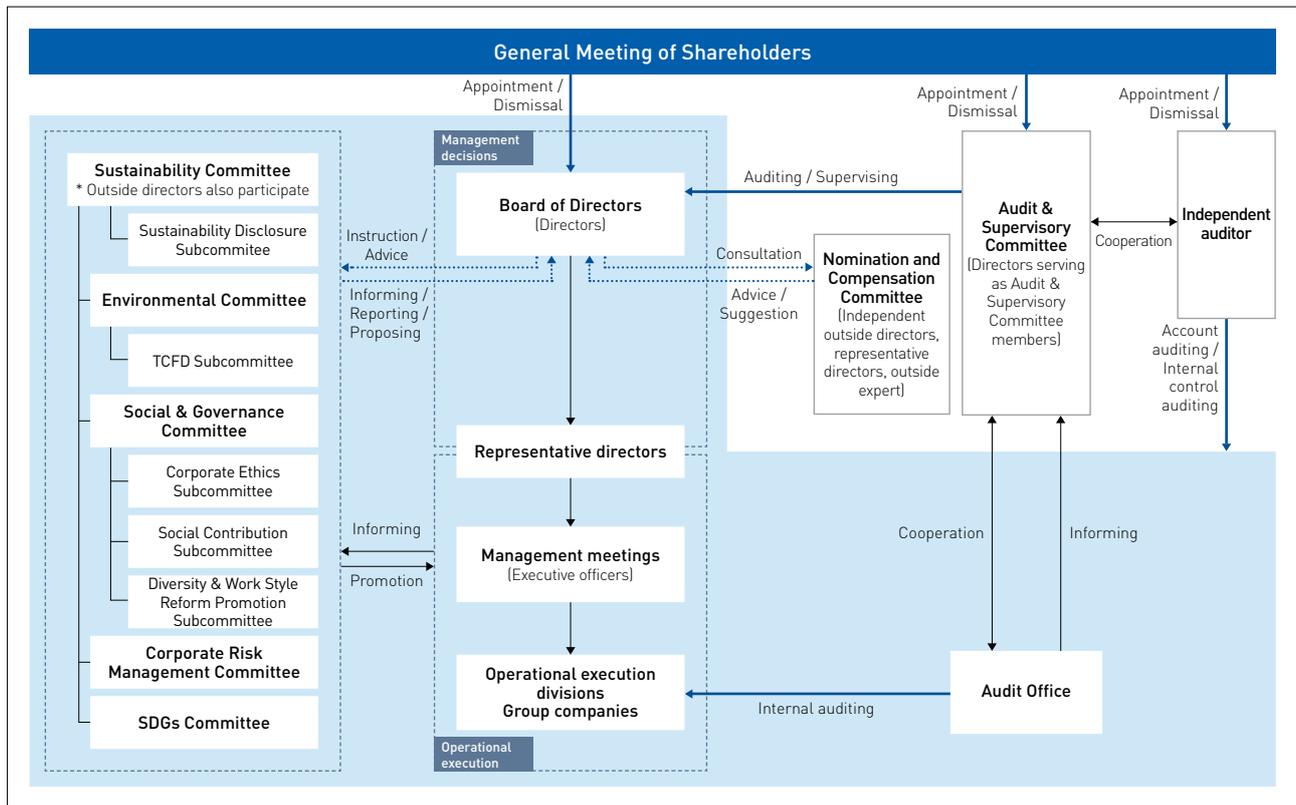
Fundamental Policies and Structures Related to Corporate Governance

The Group believes that the fundamentals of corporate governance are to achieve thorough legal compliance, to increase management transparency and promote corporate ethics, and to make prompt decisions and effectively execute operations. By enhancing and reinforcing corporate governance, we aim to further increase our corporate value and joint profits with shareholders.

For that reason, LINTEC has selected the Company with Audit & Supervisory Committee system described in the Companies Act of Japan for its organizational structure. The Company has placed directors that are also Audit & Supervisory Committee members

with voting rights on its Board of Directors in order to strengthen the Board's supervisory function. In addition, we have established committees that are unique to the Company: the Sustainability Committee, in which all outside directors also participate to provide advice and recommendations from an objective perspective, and the Nomination and Compensation Committee, which deliberates and reports on the selection and dismissal of directors and executive officers and on their evaluation and compensation. In these ways, the Company is working to step up corporate governance and streamline management even further.

Corporate Governance Organization Chart



Corporate Governance System

| | |
|---|--|
| Organizational Structure | Company with Audit & Supervisory Committee |
| Number of Directors (Number of Outside Directors) | 12 (5) |
| Number of Audit & Supervisory Committee Members (Number of Outside Directors) | 3 (2) |
| Number of Independent Outside Directors | 4 |
| Directors' Term of Office | One year |
| Number of Board of Directors' Meetings in FY2022 | 15 |
| Adoption of an Executive Officer System | Yes |
| Takeover Defense Measures | None |
| Accounting Auditor | Ernst & Young ShinNihon LLC |

Independent Outside Director Ratio



Female Director Ratio



Evaluation of the Effectiveness of the Board of Directors

Once each year, LINTEC conducts an annual survey of all directors on their evaluation of the effectiveness of the Board of Directors through questionnaires and open-ended questions. This evaluation was performed most recently in April 2022. This time, we used a third-party governance survey, with a view to further improving the effectiveness of the Board of Directors. The survey identified “items for which the Company received low marks” and “items that are not generally emphasized by companies but that are emphasized by investors” as suggested areas for initiatives, and we proceeded by asking the Board members for their opinions on these items. The results obtained were analyzed and evaluated, and issues were identified by the representative directors, and those that should be prioritized in the current fiscal year were considered. “Sustainability initiatives” and “utilization of cost of capital and capital efficiency in decision-making” were identified as the most important themes, which will be discussed, mainly by the Sustainability Committee, the Board of Directors’ Council, and the Nomination and Compensation Committee. After conducting these processes, we received a final evaluation on the “overall effectiveness of the Board of Directors” from the Company’s independent outside directors. Based on this evaluation, we will continue to enhance the environment to improve the effectiveness of the Board of Directors.

Content of Key Deliberations by the Board of Directors in the Fiscal Year Ended March 31, 2022

Discussion related to management strategies and plans

Review of the medium-term business plan, monitoring of market trends, revision of earnings forecasts, etc.

Discussion related to sustainability

Participation of outside directors in the Sustainability Committee, identification of material issues (important issues), response to information disclosure under the TCFD, etc.

Discussion related to corporate governance

Report evaluating the Board of Directors’ effectiveness and consideration of measures, reorganization of the advisory committee structure, transition to the TSE Prime Market, compliance with the revised Corporate Governance Code, etc.

Discussion related to business risks

Group internal audit reports, Group company risk monitoring reports, etc.

Discussion related to important investment projects and individual businesses

Large-scale capital investment at the Agatsuma Plant, establishment of SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC in the U.S., etc.

Discussion related to human capital

Increases in base pay, review of wage levels for younger employees, transition to a mandatory retirement age of 65, etc.

Changes in Corporate Governance

| | 1990~ | 2010~ | 2020~ |
|---|--|---|--|
| Organizational Structure | <ul style="list-style-type: none"> ■ 1990 Formed the LINTEC Corporation as a Company with Audit & Supervisory Board | <ul style="list-style-type: none"> ■ 2015 Transitioned organizational structure to a Company with Audit & Supervisory Committee | |
| Separation of Management and Execution | | <ul style="list-style-type: none"> ■ 2011 Introduced an executive officer system | |
| Governance | | <ul style="list-style-type: none"> ■ 2016 Implemented the evaluation of the effectiveness of the Board of Directors | |
| Outside Directors | <ul style="list-style-type: none"> ■ 2004 Appointed an outside director ■ 2008 Appointed an independent outside director | <ul style="list-style-type: none"> ■ 2015 Increased the number of outside directors (from two to four) | <ul style="list-style-type: none"> ■ 2021 Increased the number of outside directors (from four to five) |
| Independent Outside Directors | <ul style="list-style-type: none"> ■ 2008 Increased the number of outside directors (from one to two) | <ul style="list-style-type: none"> ■ 2015 Increased the number of independent outside directors (from one to two) | <ul style="list-style-type: none"> ■ 2020 Increased the number of independent outside directors (from two to three) ■ 2021 Increased the number of independent outside directors (from three to four) |
| Committees, etc. | | <ul style="list-style-type: none"> ■ 2018 Established the Corporate Governance Committee (two independent outside directors participate) | <ul style="list-style-type: none"> ■ 2021 Augmented the Corporate Governance Committee (all independent outside directors participate) ■ 2021 Established the Sustainability Committee (all outside directors participate) ■ 2021 Renamed the Corporate Governance Committee as the Nomination and Compensation Committee |

Status of Outside Directors

The Company has appointed five outside directors—Akira Sebe, Akiko Okushima, Shigeru Sugimoto, Satoshi Ohoka, and Kanako Osawa. Two of these outside directors—Satoshi Ohoka and Kanako Osawa—are Audit & Supervisory Committee members. The Company does not have its own set standards or policies with regard to the independence of outside directors and refers instead to the standards stipulated by the Tokyo Stock Exchange, Inc. (TSE). Since appointment is based on a request from the Company, we recognize that independence from management is to be ensured.

Outside Director

| Name | Human, Financial, and Business Relationships and Other Shared Interests between the Outside Directors and the Company | Functions and Roles in the Company's Corporate Governance |
|------------------|--|---|
| Akira Sebe | There are no particular shared interests between the Company and Akira Sebe, but Nippon Paper Industries Co., Ltd., where he serves as an executive officer, is a major trading partner of the Company, which purchased ¥1,610 million worth of raw materials from and sold ¥83 million worth of products to Nippon Paper (both results from the fiscal year ended March 31, 2022). In addition, Nippon Paper is a major shareholder in the Company; its holding amounted to 21,293,592 shares (30.49% of the total number of Company shares outstanding, excluding treasury stock) on March 31, 2022. | By utilizing knowledge and experience from his directorship experience at Nippon Paper and his many years of business experience in this company's materials department, Akira Sebe is able to strengthen the supervisory function of the Company's Board of Directors. Therefore, he has been appointed as an outside director. He is also a member of the Sustainability Committee. |
| Akiko Okushima | There are no particular shared interests between the Company and Akiko Okushima. | By utilizing her extensive management experience gained through many years of work in a different industry from that of the Company as representative director and president and wide-ranging expertise in the marketing field, including her know-how and experience, Akiko Okushima is able to strengthen the supervisory function of the Company's Board of Directors. Therefore, she has been appointed as an outside director. She is also a member of the Sustainability Committee and the Nomination and Compensation Committee. The Company has designated her as an independent officer based on the criteria stipulated by the TSE. |
| Shigeru Sugimoto | There are no particular shared interests between the Company and Shigeru Sugimoto. | By utilizing the knowledge and experience obtained as an outside director and auditor in a sector different from the Company, even managing his own company, as well as his practical experience, broad knowledge, and advanced expert insight as a certified public accountant, registered real estate appraiser, and certified tax accountant, Shigeru Sugimoto is able to strengthen the supervisory function of the Company's Board of Directors. Therefore, he has been appointed as an outside director. He is also a member of the Sustainability Committee and the Nomination and Compensation Committee. The Company has designated him as an independent officer based on the criteria stipulated by the TSE. |
| Satoshi Ohoka | There are no particular shared interests between the Company and Satoshi Ohoka. | By utilizing his long years of policy-based finance experience, his rich international experience, his specialist academic experience, and his knowledge and experience gained as an outside director in industries different to that of the Company, Satoshi Ohoka is able to audit and supervise the Company's Board of Directors. Therefore, he has been appointed as a director serving as a member of the Audit & Supervisory Committee and the Sustainability Committee, and chair of the Nomination and Compensation Committee. The Company has designated him as an independent officer based on the criteria stipulated by the TSE. |
| Kanako Osawa | There are no particular shared interests between the Company and Kanako Osawa. | By utilizing her specialist expertise and extensive knowledge gained as an attorney, along with the knowledge and experience gained through her career in corporate legal affairs both at home and abroad, Kanako Osawa is able to audit and supervise the Company's Board of Directors. Therefore, she has been appointed as a director serving as a member of the Audit & Supervisory Committee. She is also a member of the Sustainability Committee and the Nomination and Compensation Committee. The Company has designated her as an independent officer based on the criteria stipulated by the TSE. |

Director Diversity

The following table shows the fields in which each director is expected to make an especially strong contribution.

| Name | Attribute | Corporate management, management strategy, SDGs | Production, technology, research, IT | Sales, marketing | Finance, accounting, capital policy, M&A | Audit | Human resources, labor, human resource development | Legal affairs, risk management | Global experience | Knowledge of other business |
|----------------------|--|---|--------------------------------------|------------------|--|-------|--|--------------------------------|-------------------|-----------------------------|
| Akihiko Ouchi | | ● | ● | ● | ● | | | | ● | |
| Makoto Hattori | | ● | ● | ● | ● | | | | ● | |
| Gohei Kawamura | | ● | ● | ● | | | | | ● | |
| Tsunetoshi Mochizuki | | ● | | | | | ● | ● | | |
| Takeshi Kaiya | | ● | | ● | | | | | ● | |
| Yoichi Shibano | | ● | | | ● | | | | ● | |
| Akira Sebe | Outside Director | ● | ● | | | | | | ● | ● |
| Akiko Okushima | Independent Director Outside Director | ● | ● | ● | | | | | ● | ● |
| Shigeru Sugimoto | Independent Director Outside Director | ● | | | ● | ● | | | ● | ● |
| Masaaki Kimura | | | | | ● | ● | | ● | | |
| Satoshi Ohoka | Independent Director Outside Director | ● | | | ● | ● | | | ● | ● |
| Kanako Osawa | Independent Director Outside Director | | | | ● | ● | | ● | ● | ● |

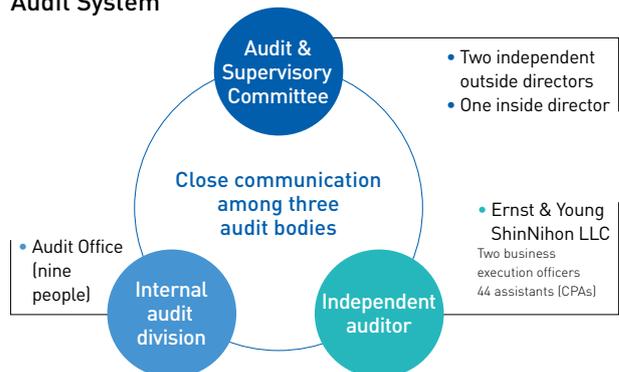
* The above table does not indicate all of the knowledge of each director.

Status of Audits

At LINTEC, audits are performed by the Audit & Supervisory Committee, which is composed of directors who are Audit & Supervisory Committee members, the Audit Office, which is the Company's internal audit division, and the independent auditor. While utilizing the internal control system, the Audit & Supervisory Committee cooperates with the Audit Office and the independent auditor, receives the necessary reports, and conducts audits of the directors' business execution through such methods as exchanges of opinions. Each Audit & Supervisory Committee member attends management and other meetings, obtains the information needed for the audits, attends Board of Directors' meetings as a director, and supervises the directors in the execution of their duties by stating opinions and participating in resolutions through their voting rights. The Audit Office provides advance notice to the Audit & Supervisory Committee of a summary of internal auditing plans, audit items, and other details, and after internal audits are completed, reports all of the audit results and assessments to the Audit & Supervisory Committee. The Audit Office also shares information regularly with the independent auditor. In addition, the full-time Audit & Supervisory Committee member and the general manager of the Audit Office hold monthly liaison meetings to exchange

opinions and information. Ernst & Young ShinNihon LLC, which serves as the independent auditor, conducts audits via two certified public accountants and 44 assistants. The Audit & Supervisory Committee conducts an annual evaluation based on its "criteria for evaluation and selection of independent auditors" and selects independent auditors on the bases of a comprehensive evaluation of their independence, internal control system, audit plan, audit methods and results, and performance of their duties.

Audit System

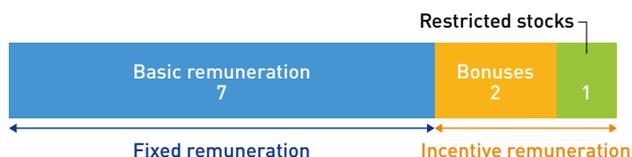


Remuneration of Corporate Officers

The Company's basic policy is to set the amount of remuneration for directors and its calculation method at an appropriate level based on the directors' position and responsibilities within the maximum amount determined by the General Meeting of Shareholders. In addition, in order to enhance objectivity and transparency in the evaluation of directors (excluding outside directors and Audit & Supervisory Committee members) and the determination of their compensation, the Nomination and Compensation Committee provides advice and suggestions in consultation with the Board of Directors.

| | Fixed remuneration | Incentive remuneration | |
|---------------------|-------------------------------|--|--|
| Position | Basic remuneration | Short-term incentive remuneration | Long-term incentive remuneration |
| Remuneration format | Basic remuneration | Bonuses | Restricted stocks |
| People eligible | Directors | Directors (excluding outside directors and Audit & Supervisory Committee members) | Directors (excluding outside directors and Audit & Supervisory Committee members) |
| Grant format | Monetary | Monetary | Shares |
| Grant details, etc. | Paid as fixed monthly amounts | Reflects evaluation of consolidated operating performance (consolidated net sales and consolidated operating income) | Shares the benefits and risks of stock price fluctuations with shareholders and motivates the directors to contribute to share price appreciation and the enhancement of corporate value |

Remuneration System for Directors (Excluding Outside Directors and Audit & Supervisory Committee Members)



Remuneration System for Outside Directors (Excluding Audit & Supervisory Committee Members)



Remuneration System for Directors (Audit & Supervisory Committee Members)



Total Remuneration by Corporate Officer Type

| Corporate officer type | Total remuneration | Total remuneration by type | | | Number of people receiving remuneration |
|---|--------------------|----------------------------|---------|-------------------|---|
| | | Basic remuneration | Bonuses | Restricted stocks | |
| Directors (excluding Audit & Supervisory Committee members and outside directors) | 302 | 200 | 72 | 28 | 6 |
| Directors / Audit & Supervisory Committee members (excluding outside directors) | 21 | 21 | — | — | 2 |
| Outside officers | 41 | 41 | — | — | 6 |

Capital Tie-Up Shares

The Company views the establishment and maintenance of stable, long-term relationships with business partners as a matter of importance. For this reason, shares of business partners are held strategically based on a comprehensive evaluation of factors such as the Company's business relationship with the partner in question. The Company only acquires such shares when increasing trust and coordination with the business partner is judged as an effective means of mutually raising corporate value. These holdings are reviewed based on this perspective when necessary, and consideration is given to reducing them. Once a year, the Board of Directors reviews the appropriateness of holding all capital tie-up shares, taking into consideration the necessity of business relationships and other factors for each individual issue. On shareholdings for which the rationale for holding cannot be confirmed, we proceed with actions such as downsizing our holdings, based on dialogue with the issuing company.

Number of Issues of Capital Tie-Up Shares and Amount Recorded on Balance Sheet

(Millions of yen)

| | Number of issues (issues) | Total amount recorded on balance sheet |
|-----------------------------------|---------------------------|--|
| Unlisted shares | 17 | 118 |
| Shares other than unlisted shares | 23 | 1,660 |

Number of Capital Tie-Up Shares and Amount Recorded on Balance Sheet (Top 10 Issues)

(Millions of yen)

| Issue | Fiscal year ended March 31, 2022 | Fiscal year ended March 31, 2021 | Purpose of holding, quantitative effects of holding, and reasons for increase in the number of shares | Whether or not investee holds shares of the Company |
|--------------------------------------|---|---|---|---|
| | Number of shares (shares) Amount recorded on balance sheet | Number of shares (shares) Amount recorded on balance sheet | | |
| Toray Industries, Inc. | 1,160,000 | 1,160,000 | To maintain and strengthen business relationships | Yes |
| | 741 | 826 | | |
| Fujipream Corporation | 936,000 | 936,000 | Same as above | No |
| | 331 | 376 | | |
| IMURA ENVELOPE CO., INC. | 200,000 | 200,000 | Same as above | Yes |
| | 169 | 197 | | |
| Mitsubishi UFJ Financial Group, Inc. | 159,710 | 159,710 | Same as above | Yes |
| | 121 | 94 | | |
| KING JIM CO., LTD. | 76,630 | 76,630 | Same as above | Yes |
| | 70 | 72 | | |
| OZU CORPORATION | 17,384 | 16,978 | Same as above* | No |
| | 36 | 34 | | |
| ASAHI PRINTING CO., LTD. | 42,658 | 38,054 | Same as above* | No |
| | 35 | 35 | | |
| Arisawa Mfg. Co., Ltd. | 35,431 | 35,431 | Same as above | No |
| | 33 | 35 | | |
| Mizuho Financial Group, Inc. | 20,695 | 20,695 | Same as above | Yes |
| | 32 | 33 | | |
| Canon Marketing Japan Inc. | 6,938 | 6,938 | Same as above | No |
| | 17 | 17 | | |

* The reason for the increase in the number of shares was the acquisition of shares through the company's stock ownership association.

Takeover Defense Measures

The Company has not introduced takeover defense measures. However, in regard to persons who are engaging in or aim to engage in a large-scale purchase of the Company's stock, the Company will act from the perspective of securing its corporate value and the common interests of its shareholders. From that perspective, the Company will request that persons who are engaging in or aim to engage in a large-scale purchase provide necessary and sufficient information to allow the shareholders to appropriately determine the pros and cons of the large-scale purchase in accordance with relevant laws and regulations. At the same time, the Company will disclose the opinions of the Board of Directors and endeavor to secure the necessary time and information for the shareholders to consider such large-scale purchase. Further, if it is rationally judged that there is a risk of damage to the Company's corporate value and the common interests of shareholders unless timely defensive measures are implemented to address a large-scale purchase, the Company will endeavor to secure its corporate value and the common interests of its shareholders, as an obvious obligation of the Board of Directors entrusted with management of the Company by its shareholders, by promptly deciding the content of the concrete measures deemed most appropriate at the time in accordance with the relevant laws and regulations and executing such measures.

Risk Management

The Group is working to identify and prevent the occurrence of Groupwide risks and to establish an action-based approach to seizing and leveraging opportunities. To that end, the Group set up the Corporate Risk Management Committee, which is advancing the construction of a Groupwide risk management system. With the aim of establishing a risk management system for the entire Group, this committee has the responsibility for system construction, management, and operation, and the committee is continually implementing improvement activities.

Corporate Officers (As of June 22, 2022)

Representative Director, Chairman and CEO

Akihiko Ouchi (Date of Birth: Jan. 2, 1945)



Mar. 1967 Joined the Company
Apr. 1994 Manager, Nagoya Branch Office
Jun. 2000 Director, Plant Manager, Tatsuno Plant, Production Div.
Jun. 2004 Representative Director, President
Apr. 2014 Representative Director, Chairman and CEO (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Representative Director, President, CEO and COO

Makoto Hattori (Date of Birth: Oct. 12, 1957)



Apr. 1980 Joined the Company
Apr. 2014 Executive Officer, Executive General Manager, Advanced Materials Operations, Business Administration Div.
Jun. 2015 Director, Executive Officer, Executive General Manager, Advanced Materials Operations, Business Administration Div.
Apr. 2017 Director, Managing Executive Officer, Executive General Manager, Business Administration Div.
Apr. 2020 Representative Director, President, CEO and COO (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Director, Senior Managing Executive Officer

Gohei Kawamura (Date of Birth: Jan. 12, 1956)



Apr. 1979 Joined the Company
Jun. 2011 Executive Officer, Chairman and President, LINTEC (SUZHOU) TECH CORPORATION (seconded)
Jun. 2015 Director, Managing Executive Officer, Chairman and President, LINTEC (SUZHOU) TECH CORPORATION (seconded)
Apr. 2017 Director, Managing Executive Officer, Executive General Manager, Production Div., and in charge of Quality Assurance & Environmental Protection Div.
Apr. 2020 Director, Senior Managing Executive Officer, Executive General Manager, Production Div., and in charge of Quality Assurance & Environmental Protection Div.
Apr. 2022 Director, Senior Managing Executive Officer, Executive General Manager, Production Div., and in charge of Quality Assurance Div. and Environment & Safety Div. (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Director, Senior Managing Executive Officer

Tsunetoshi Mochizuki (Date of Birth: May 12, 1958)



Jan. 1983 Joined the Company
Jun. 2011 Executive Officer, Executive General Manager, General Affairs & Human Resources Div., General Manager, General Affairs & Legal Dept. and Human Resources Dept.
Jun. 2015 Director, Managing Executive Officer, Executive General Manager, General Affairs & Human Resources Div.
Apr. 2020 Director, Senior Managing Executive Officer, Executive General Manager, General Affairs & Human Resources Div. (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Director, Managing Executive Officer

Takeshi Kaiya (Date of Birth: Nov. 19, 1961)



Apr. 1984 Joined the Company
Apr. 2017 Executive Officer, Executive General Manager, Advanced Materials Operations, Business Administration Div.
Apr. 2020 Managing Executive Officer, Executive General Manager, Business Administration Div.
Jun. 2020 Director, Managing Executive Officer, Executive General Manager, Business Administration Div. (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Director, Senior Executive Officer, and CFO

Yoichi Shibano (Date of Birth: Nov. 14, 1963)



Apr. 1987 Joined the Company
Mar. 2015 Director, LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED (seconded)
Apr. 2018 Executive Officer, Executive General Manager, Administration Div., and General Manager, Finance & Accounting Dept.
Apr. 2021 Senior Executive Officer, Executive General Manager, Administration Div., and General Manager, Finance & Accounting Dept.
Jun. 2021 Director, Senior Executive Officer, Executive General Manager, Administration Div., and General Manager, Finance & Accounting Dept. (current position)

Attendance at the meetings of the Board of Directors:
10/10 meetings (FY2022)

Outside Director

Akira Sebe (Date of Birth: Dec. 12, 1965)



Apr. 1988 Joined Jujo Paper Co., Ltd.
Jun. 2020 Executive Officer, Raw Material & Purchasing Div., Nippon Paper Industries Co., Ltd.
Jun. 2021 Outside Director of the Company (current position) and Executive Officer, General Manager, Corporate Planning Div., in charge of Subsidiaries and Affiliated Companies and International Business Div., Nippon Paper Industries Co., Ltd. (current position)

Attendance at the meetings of the Board of Directors:
10/10 meetings (FY2022)

Outside Director

Akiko Okushima (Date of Birth: Feb. 1, 1958) Independent Director



Apr. 1981 Joined IBM Japan, Ltd.
Mar. 2001 Representative Director and President, JBtoB CO., LTD. (current position)
Jun. 2020 Outside Director of the Company (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Outside Director**Shigeru Sugimoto** (Date of Birth: Oct. 12, 1958) **Independent Director**

Apr. 1982 Joined Housing and Urban Development Corporation (currently Urban Renaissance Agency)

Oct. 1985 Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)

Jul. 1988 Representative, Sakura & Co. (currently Crowe Sakura & Co.) (current position)

Feb. 1989 Registered as a Certified Public Accountant

Dec. 1995 Representative Member, Sakura Audit Corporation (currently Sakura LLC) (current position)

Jun. 2021 Outside Director of the Company (current position)

Jul. 2021 Representative, Sakura & Co. (current position)

Attendance at the meetings of the Board of Directors:
10/10 meetings (FY2022)

Director / Audit & Supervisory Committee Member**Masaaki Kimura** (Date of Birth: Oct. 9, 1961)

Mar. 1988 Joined the Company

Apr. 2006 General Manager, Audit Office

Oct. 2012 General Manager, General Affairs & Legal Dept., General Affairs & Human Resources Div.

Apr. 2021 Chief Project Manager, General Affairs & Human Resources Div.

Jun. 2021 Director / Audit & Supervisory Committee Member of the Company (current position)

Attendance at the meetings of the Board of Directors:
10/10 meetings (FY2022)

Attendance at the meetings of the Audit & Supervisory Committee:
10/10 meetings (FY2022)

Outside Director / Audit & Supervisory Committee Member**Satoshi Ohoka** (Date of Birth: Apr. 24, 1951) **Independent Director**

Apr. 1975 Joined Japan Development Bank (currently Development Bank of Japan)

Apr. 2003 Professor, Nihon University, Advanced Research Institute for the Sciences and Humanities; Lecturer, Chuo University, Graduate School of Commerce (current position)

Jun. 2006 Outside Director, Ryobi Limited (current position)

Jun. 2012 Outside Director of the Company

Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Attendance at the meetings of the Audit & Supervisory Committee:
13/13 meetings (FY2022)

Outside Director / Audit & Supervisory Committee Member**Kanako Osawa** (Date of Birth: Dec. 22, 1970) **Independent Director**

Apr. 1998 Certified as an Attorney, joined Kajitani Law Offices (to present)

Oct. 2005 Admitted to practice law in the State of New York, U.S.

Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

Jun. 2021 Outside Director, TPR Co., Ltd. (current position)

Mar. 2022 Outside Audit & Supervisory Board Member, Otsuka Holdings Co., Ltd. (current position)

Attendance at the meetings of the Board of Directors:
15/15 meetings (FY2022)

Attendance at the meetings of the Audit & Supervisory Committee:
13/13 meetings (FY2022)

Managing Executive Officer**Takehiko Wakasa**

Deputy Executive General Manager, Production Div., and Plant Manager, Tatsuno Plant

Senior Executive Officers**Toru Onishi**

Plant Manager, Mishima Plant, Production Div.

Norio Murata

Executive General Manager, Osaka Branch Office, Business Administration Div., and in charge of Western Japan

Shigeru Uematsu

General Manager, Public Relations Office

Sumio Morimoto

President, LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED

Tatsuya Tsukida

Executive General Manager, Procurement Div., and General Manager, Strategic Procurement Dept.

Toshimi Sugaya

Deputy Executive General Manager, Business Administration Div., and Executive General Manager, Converted Products Operations

Masaaki Yoshitake

Deputy Executive General Manager, Business Administration Div., and Executive General Manager, Printing & Variable Information Products Operations

Kinya Mochida

Deputy Executive General Manager, Business Administration Div., Executive General Manager, Advanced Materials Operations, and General Manager, Business Planning Dept.

Executive Officers**Hiroyuki Matsuo**

Plant Manager, Agatsuma Plant, Production Div.

Naoshi Nishikado

General Manager, Corporate Strategic Office

Satoru Shoshi

Executive General Manager, Optical Products Operations, Business Administration Div.

Yoshihisa Mineura

Executive General Manager, Research & Development Div.

Hideo Senoo

Deputy Executive General Manager, Research & Development Div., and General Manager, Research Center

Hideki Miyake

Executive General Manager, Industrial & Material Operations, Business Administration Div.

Naoki Yamamoto

Plant Manager, Kumagaya Plant, Production Div.

Satoshi Aoki

Executive General Manager, Fine & Specialty Paper Products Operations, Business Administration Div.

Messages from Independent Outside Directors

As part of its ongoing effort to reinforce corporate governance, last year at its General Meeting of Shareholders the Company increased the ratio of independent outside directors on its Board of Directors to one-third. At the General Meeting of Shareholders in June 2022, Akiko Okushima and Shigeru Sugimoto were reappointed as outside directors. As a result of these appointments, along with Satoshi Ohoka and Kanako Osawa, who are independent outside directors and members of the Audit and Supervisory committee, the structure is the same as last year's. We asked these four directors to evaluate the Company's governance and talk about initiatives they expect from the Company, as well as share their thoughts about their own roles.



Akiko Okushima
Outside Director

I would like the Company to aim for stronger governance at the global level.

The Company engages in robust governance, based on its motto of "Sincerity and Creativity." Last year, the ratio of independent outside directors was increased to one-third. Accordingly, statements from outside directors on the Board of Directors have increased and discussions have become more active. If I could make a request, as it is difficult to ascertain the actual status of overseas business through numerical figures alone, I would suggest more detailed reporting, to help strengthen governance on a global basis.

I specialize in marketing using customer purchasing data; sales fluctuations invariably reflect changes in the market. Although the Company is not a consumer goods manufacturer, I try to use this knowledge to speak from an end-consumer perspective. I will continue contributing toward the realization of LSV 2030 from the areas of marketing and DX.



Shigeru Sugimoto
Outside Director

It is important to share the Company mission among a broad range of stakeholders.

The Board of Directors provides a wealth of numerical accounting data and makes evidence-based management decisions. I appreciate that we can receive direct explanations from individual departments and need not hesitate to ask questions of outside directors. As the business environment is undergoing drastic changes, such as the shift to DX and the response to climate change, I strive to share my expertise in accounting and taxation, as well as to introduce case studies that have been helpful in the management of my own accounting office, so that I can provide useful advice.

As a leading company in adhesive-related products, we are expected to broadly support the social infrastructure and demonstrate leadership as a global corporate citizen. It will be important to disseminate our philosophy among a wide range of stakeholders, and I will make every effort to achieve this from my position of management oversight.

Akiko Okushima

Joined IBM Japan Ltd. in 1981. Subsequently worked in data-driven marketing and consulting operations, including positions at foreign IT companies. In 2001, established JBtoB CO., LTD., becoming representative director and president (current position). In 2020, became an outside director at LINTEC.

Shigeru Sugimoto

Joined Housing and Urban Development Corporation (currently Urban Renaissance Agency) in 1982. Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) in 1985. Established Sakura & Co. (currently Crowe Sakura & Co.) in 1988. Provides consulting services as a CPA for M&A and business restructuring and reorganization. Became an outside director of the Company in 2021.

Main Committees Joined by Independent Outside Directors

| Name | Members (of which, independent outside directors) | Composition and roles |
|--|---|--|
| Audit & Supervisory Committee | 3 (2) | Composed of directors serving as Audit & Supervisory Committee members, this committee is chaired by an internal director. While utilizing the internal control system, the Audit & Supervisory Committee cooperates with the Audit Office and the independent auditor, and conducts audits of the directors' business execution through such methods as the receipt of necessary reports and exchanges of opinions. |
| Sustainability Committee | 15 (4) | Committee members include all directors (except the internal director who is a member of the Audit & Supervisory Committee) and some executive officers, and is chaired by the representative director and president. This committee establishes basic policy for sustainability management, as well as planning and verifying measures. |
| Nomination and Compensation Committee | 7 (4) | Composed of representative directors, independent outside directors, and an outside expert, this committee is chaired by an independent outside director. In addition to deliberating and reporting on the selection and dismissal of directors and executive officers, evaluation, and compensation, the committee also forms opinions and provides advice and recommendations on corporate governance in general. The committee adopted its current name in December 2021 (formerly the Corporate Governance Committee). |

I look forward to a robust corporate structure and the creation of new products and businesses.

I have focused on improving the transparency and effectiveness of various meetings while keeping in mind the "outside eye," drawing on my knowledge of policy finance, education, and research, as well as my experience as an outside director of other companies. I have received many opportunities to participate in management. For instance, in addition to Board of Directors' and Audit & Supervisory Committee meetings, I attend many others, such as those of the Sustainability Committee, as well as the Nomination and Compensation Committee, which I chair.

In recent years, the Company has been working to strengthen our governance system by reducing the number of directors and increasing the number of outside directors, allowing it to separate decision-making from business execution. I believe these are good examples of how the Company is responding to society's demands. I look forward to the Company's continued proactive efforts to achieve a robust corporate structure through innovation and to the creation of new products and businesses in line with the basic policy of LSV 2030.

Satoshi Ohoka

Outside Director /
Audit & Supervisory
Committee Member



I encourage the Company to promote sustainability to help realize a sustainable society.

The Company's Board of Directors consists of independent outside directors with diverse experience who express opinions based on their own perspectives, and management listens sincerely. In addition, we can obtain background information of the reports and resolutions at Board of Directors' meetings in advance, from distributed materials and by attending management meetings. We can apply this information to ask questions and offer opinions from a variety of perspectives at Board of Directors' and committee meetings.

The world is currently undergoing a turbulent period, due to the situation in the Ukraine, among other factors. In this context, it is essential for us to contribute toward the realization of a sustainable society as well as to achieve our business goals. I think the Company is sending a strong and clear message about the promotion of sustainability management. I also hope to contribute to sustainable growth by providing advice and recommendations based on my expertise in legal affairs.

Kanako Osawa

Outside Director /
Audit & Supervisory
Committee Member



Satoshi Ohoka

In 1975, joined the former Japan Development Bank. Worked in guidance policy finance, including as deputy director general of the now Development Bank of Japan. In addition, has worked in such positions as professor at Nihon University, and has engaged in educational research at a number of universities. Became an outside director of the Company in 2012, and outside director (Audit & Supervisory Committee member) in 2015. Since 2018, has worked concurrently as chair of the Company's Corporate Governance Committee (now the Nomination and Compensation Committee).

Kanako Osawa

Certified as an attorney and joined Kajitani Law Offices in 1998. Admitted to practice law in the State of New York, U.S., in 2005. Involved in corporate law in Japan and overseas. Became an outside director of the Company (Audit & Supervisory Committee member) in 2015. Since 2018, has worked concurrently as a member of the Company's Corporate Governance Committee (now the Nomination and Compensation Committee).

IR Activities

LINTEC aims to support the formation of an appropriate stock price through timely, suitable information disclosure. To that end, the Company conducts a variety of IR activities for institutional investors, securities analysts, and individual investors.

Dialogue with Institutional Investors and Securities Analysts

For institutional investors and securities analysts in Japan, we conduct financial results briefings twice per year. We also conduct quarterly IR meetings and respond to requests for information. For overseas institutional investors, we work to promote an understanding of the Group through web conferences, IR events that are held by securities companies, and other means. Because of COVID-19, it remains difficult to hold a variety of events in the typical manner. However, the Company is taking steps to provide all of its shareholders and investors with ongoing information provision and dialogue initiatives, such as by holding financial results briefings and IR meetings online.

Details of Activities in the Fiscal Year Ended March 31, 2022

| | |
|---|-------------------|
| Number of institutional investors and securities analysts with whom individual meetings were held | Approximately 160 |
| Financial results briefings for institutional investors and securities analysts | 2 |



Financial results briefings for the fiscal year ended March 31, 2022, were held online.

Issuing of Shareholder Newsletter

Four times per year, we issue the LINTEC WAVE shareholder newsletter and deliver it to shareholders. We periodically implement a reader questionnaire in the newsletter, and we reflect the feedback received in newsletter production and IR activities.



LINTEC WAVE shareholder newsletter

Enhancement of Information Provision through IR Websites

From the viewpoint of fair disclosure, the Company provides information through Japanese-language and English-language IR websites, and we are working on a daily basis to update the information and enhance the content.



External Evaluations

• BroadBand Security, Inc.

Gomez IR Site Ranking 2021

Gold Prize (20th)

Gomez ESG Site Ranking 2021

Excellent Company (53rd)



• Daiwa Investor Relations Co., Ltd.

2021 Internet IR Awards

Commendation Award



• Nikko Investor Relations Co., Ltd.

Fiscal 2021 All Japanese Listed Companies' Website Ranking

AAA Website (Overall Ranking)

Rating / Index Information

Ratings (As of August 2022)

Long-term bonds

- Rating and Investment Information, Inc. (R&I): A
- Japan Credit Rating Agency, Ltd. (JCR): A+

Short-term bonds

- R&I: a-1
- JCR: J-1

Status of inclusion in indexes (As of August 2022)

- TOPIX Mid 400 / TOPIX 500 / TOPIX 1000
- Nikkei Stock Index 300
- S&P/JPX Carbon Efficient Index
- MSCI Japan ESG Select Leaders Index
- Japan Empowering Women Index (WIN)
- FTSE Blossom Japan Sector Relative Index

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Management's Discussion and Analysis

Operating Results

In the fiscal year ended March 31, 2022, the global economy was characterized by sharply higher resource and energy prices, as well as supply chain disruptions. Even so, progress with COVID-19 vaccinations prompted a trend toward general recovery. In Japan, personal consumption was sluggish as a result of the pandemic, but corporate earnings rebounded, partly thanks to the impact of yen depreciation.

Against this backdrop, consolidated net sales rose 8.9% year on year, to ¥256.8 billion, buoyed by favorable demand for semiconductor- and electronic component-related products. Demand for other products also recovered compared with the previous year, which had been significantly affected by the pandemic, leading to generally solid performance. Operating income increased 26.7%, to ¥21.6 billion, on substantially higher sales of Electronics and Optical Products and a move to profitability in Printing and Industrial Materials Products. Profit before income taxes expanded 39.6%, to ¥23.2 billion, owing to the rise in operating income, foreign exchange gains, and a gain on bargain purchase stemming from the acquisition of a U.S. manufacturer. Income taxes following the application of tax effect accounting was ¥6.5 billion, and profit attributable to owners of parent increased 45.9%, to ¥16.6 billion.

Net income per share was ¥232.12, up from ¥157.81 in the previous fiscal year, and ROE increased from 5.9% to 8.2%.

Performance by Business Segment

Printing and Industrial Materials Products

In Printing & Variable Information Products Operations, overall results in Japan were solid for both adhesive paper and adhesive film, although sales of adhesive products for labels were sluggish for cosmetics and beverage campaigns, but demand from food and online sales businesses was higher. Overseas, sales rose substantially due to favorable performance in Asia, including China and the ASEAN region, and as the result of an acquisition in the U.S.

In Industrial & Material Operations, demand for window film and automobile-use adhesive products recovered in Japan and overseas. Also, sales of decorative film and machines for online sales were favorable.

As a result, segment sales totaled ¥132.4 billion (up 14.4% year on year) and operating income was ¥1.4 billion.

Electronic and Optical Products

In Advanced Materials Operations, stronger demand related to 5G smartphones and car electronics, and for PCs due to the rise in teleworking, led to brisk sales of semiconductor-related adhesive tape and equipment, as well as multilayer ceramic capacitor-related tape.

In Optical Products Operations, sales of optical display-related adhesive products were solid for use in large-size TVs, PCs, and smartphones. In this business operation, sales were down substantially year on year due to the application of the Accounting Standard for Revenue Recognition.

Accordingly, segment sales were ¥91.4 billion (up 2.7% year on year) and operating income was ¥19.2 billion (up 27.3% year on year).

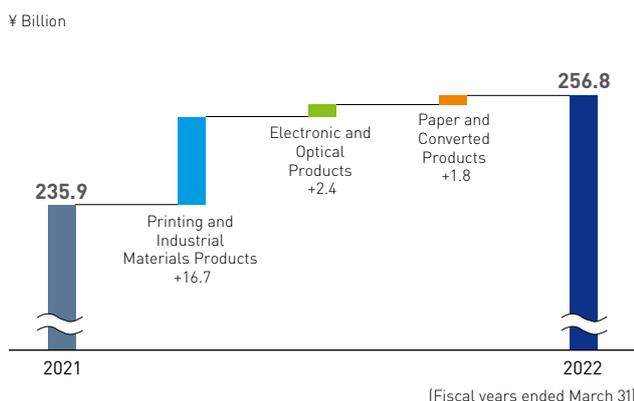
Paper and Converted Products

In Fine & Specialty Paper Products Operations, demand for mainstay color paper for envelopes was firm. Also, demand recovered for industrial specialty paper used in clean rooms and other applications, as did oil- and water-resistant paper for use with fast food.

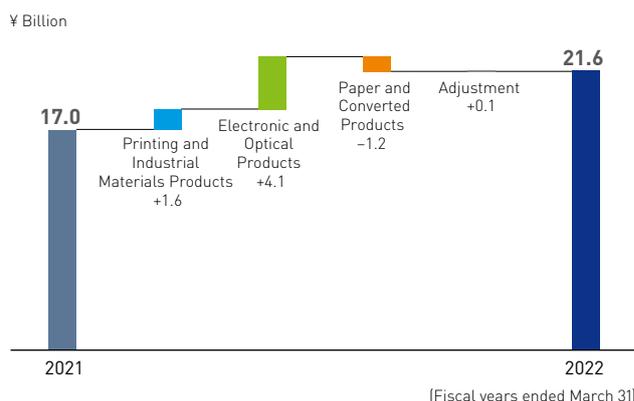
In Converted Products Operations, sales of release paper remained largely unchanged from the previous year. However, demand for casting paper for synthetic leather recovered for use in vehicles. Furthermore, demand for casting paper for carbon fiber composite materials for use in sports and leisure increased, resulting in steady sales.

As a result, sales in this segment came to ¥33.0 billion (up 5.9% year on year), and operating income was ¥1.0 billion (down 54.6%).

Net Sales



Operating Income



Financial Position

Assets

Total assets as of March 31, 2022, were ¥302.6 billion, an increase of ¥22.3 billion from the end of the previous fiscal year. The main changes were as follows:

| | |
|---------------------------------------|----------------|
| · Cash and deposits | -¥6.4 billion |
| · Trade notes and accounts receivable | -¥2.3 billion |
| · Inventories | +¥14.1 billion |
| · Other current assets | +¥6.5 billion |
| · Property, plant and equipment | +¥10.4 billion |

Liabilities

Total liabilities as of March 31, 2022, were ¥92.8 billion, an increase of ¥9.9 billion from the end of the previous fiscal year. The main changes were as follows:

| | |
|---------------------------------|---------------|
| · Provision for bonuses | +¥2.6 billion |
| · Other current liabilities | +¥6.0 billion |
| · Long-term loans payable | -¥1.1 billion |
| · Other non-current liabilities | +¥1.7 billion |

Net Assets

Net assets as of March 31, 2022, were ¥209.8 billion, an increase of ¥12.4 billion from the end of the previous fiscal year. The main changes were as follows:

| | |
|--|----------------|
| · Retained earnings | +¥11.0 billion |
| · Treasury stock | -¥6.5 billion |
| · Foreign currency translation adjustments | +¥7.4 billion |

Cash Flows

Cash and cash equivalents as of March 31, 2022, amounted to ¥50.6 billion, a decrease of ¥7.0 billion year on year.

Cash Flows from Operating Activities

Cash flows from operating activities decreased ¥4.2 billion year on year, to a cash inflow of ¥24.6 billion. The main changes were as follows:

| | |
|---------------------------------------|----------------|
| · Profit before income taxes | +¥6.6 billion |
| · Trade notes and accounts receivable | +¥8.2 billion |
| · Inventories | -¥10.0 billion |
| · Trade notes and accounts payable | -¥7.8 billion |
| · Income taxes (paid) refund | -¥1.9 billion |

Cash Flows from Investing Activities

Cash flows from investing activities decreased ¥11.0 billion year on year, to a cash outflow of ¥19.6 billion. The main changes were as follows:

| | |
|--|---------------|
| · Proceeds from withdrawal of time deposits | -¥1.2 billion |
| · Purchase of property, plant and equipment | +¥0.5 billion |
| · Purchase of shares of subsidiaries resulting in change in scope of consolidation | -¥6.3 billion |
| · Payments for acquisition of businesses | -¥4.6 billion |

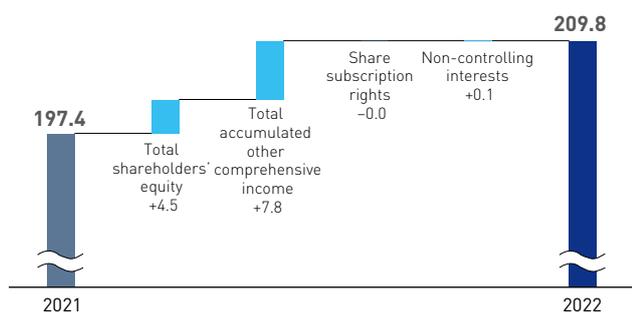
Cash Flows from Financing Activities

Cash flows from financing activities decreased ¥0.3 billion year on year, to a cash outflow of ¥14.5 billion. The main changes were as follows:

| | |
|---|---------------|
| · Proceeds from long-term borrowings | -¥1.4 billion |
| · Repayments of long-term loans payable | +¥7.9 billion |
| · Purchase of treasury stock | -¥6.5 billion |

Net Assets

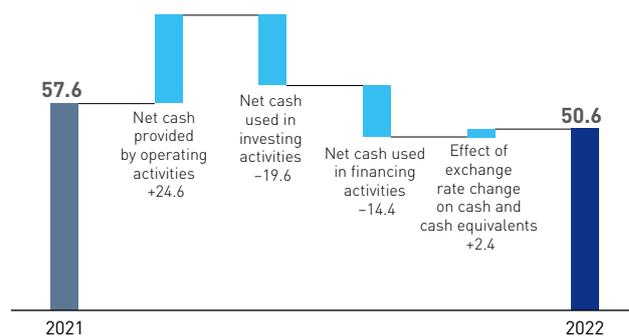
¥ Billion



(Fiscal years ended March 31)

Cash Flows

¥ Billion



(Fiscal years ended March 31)

Financial Information

Financial Summary

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31

| | 2022 | 2021 | 2020 | 2019 |
|---|------------|------------|------------|------------|
| For the year: | | | | |
| Net sales | ¥256,836 | ¥235,902 | ¥240,727 | ¥250,942 |
| Operating income | 21,584 | 17,030 | 15,440 | 17,977 |
| % of net sales | 8.4% | 7.2% | 6.4% | 7.2% |
| Profit before income taxes | 23,230 | 16,635 | 13,939 | 18,338 |
| Profit attributable to owners of parent | 16,641 | 11,407 | 9,620 | 12,937 |
| Return on equity | 8.2% | 5.9% | 5.0% | 6.9% |
| Return on assets | 7.8% | 6.0% | 5.1% | 6.2% |
| Per share data (yen): | | | | |
| Net income | ¥ 232.12 | ¥ 157.81 | ¥ 133.20 | ¥ 179.24 |
| Net assets | 2,996.21 | 2,722.89 | 2,653.80 | 2,625.54 |
| Cash dividends | 88.00 | 78.00 | 78.00 | 78.00 |
| Depreciation and amortization | ¥ 9,895 | ¥ 9,361 | ¥ 9,491 | ¥ 8,700 |
| Purchase of property, plant and equipment | (8,522) | (8,997) | (12,443) | (10,768) |
| Net cash provided by operating activities | 24,642 | 28,824 | 18,501 | 22,858 |
| Net cash used in investing activities | (19,644) | (8,612) | (13,818) | (10,299) |
| Net cash provided by (used in) financing activities | (14,455) | (14,129) | (10,284) | (8,246) |
| At year-end: | | | | |
| Current assets | ¥182,035 | ¥170,098 | ¥163,660 | ¥175,597 |
| Current liabilities | 72,311 | 63,506 | 66,119 | 72,994 |
| Working capital | 109,723 | 106,592 | 97,541 | 102,603 |
| Cash and cash equivalents | 50,603 | 57,636 | 52,260 | 58,303 |
| Property, plant and equipment, net | 90,224 | 79,807 | 80,481 | 75,131 |
| Long-term loans payable | 1,468 | 2,546 | 2,285 | 11,622 |
| % of shareholders' equity | 0.7% | 1.3% | 1.2% | 6.2% |
| Total assets | 302,566 | 280,262 | 278,972 | 290,320 |
| Net assets | 209,758 | 197,350 | 192,298 | 190,226 |
| % of total assets | 69.1% | 70.2% | 68.7% | 65.3% |
| Number of shares outstanding | 76,659,440 | 76,630,740 | 76,600,940 | 76,576,340 |
| Number of employees | 5,158 | 4,913 | 4,948 | 4,888 |
| Segment information: | | | | |
| Net sales: | | | | |
| Printing and Industrial Materials Products | ¥132,421 | ¥115,745 | ¥122,436 | ¥122,935 |
| Electronic and Optical Products | 91,379 | 88,976 | 81,929 | 90,316 |
| Paper and Converted Products | 33,035 | 31,181 | 36,361 | 37,689 |
| Segment income (loss): | | | | |
| Printing and Industrial Materials Products | 1,373 | (239) | 928 | 3,761 |
| Electronic and Optical Products | 19,176 | 15,067 | 10,981 | 11,150 |
| Paper and Converted Products | 971 | 2,138 | 3,502 | 2,970 |

Millions of yen, except per share data, number of shares, and number of employees

| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|------------|------------|------------|------------|------------|------------|
| | ¥249,030 | ¥205,975 | ¥210,501 | ¥207,255 | ¥203,242 | ¥190,844 |
| | 20,095 | 16,595 | 17,692 | 16,881 | 13,766 | 10,564 |
| | 8.1% | 8.1% | 8.4% | 8.1% | 6.8% | 5.5% |
| | 16,666 | 15,398 | 16,799 | 17,555 | 12,883 | 10,836 |
| | 11,257 | 11,450 | 10,899 | 11,659 | 8,501 | 7,681 |
| | 6.2% | 6.6% | 6.4% | 7.2% | 5.8% | 5.6% |
| | 6.5% | 6.1% | 7.4% | 7.8% | 6.0% | 5.2% |
| | ¥ 156.02 | ¥ 158.69 | ¥ 151.07 | ¥ 161.63 | ¥ 114.22 | ¥ 102.83 |
| | 2,573.69 | 2,465.43 | 2,370.49 | 2,363.81 | 2,100.87 | 1,909.57 |
| | 66.00 | 66.00 | 54.00 | 48.00 | 42.00 | 34.00 |
| | ¥ 9,031 | ¥ 7,466 | ¥ 8,800 | ¥ 8,713 | ¥10,055 | ¥ 10,141 |
| | (8,084) | (13,049) | (9,810) | (6,299) | (5,508) | (13,823) |
| | 26,819 | 24,361 | 19,928 | 15,485 | 16,309 | 19,619 |
| | (7,532) | (48,378) | (9,898) | (5,104) | (6,952) | (13,966) |
| | (6,363) | 5,257 | (4,044) | (3,135) | (8,020) | (2,877) |
| | ¥173,593 | ¥151,449 | ¥163,647 | ¥163,017 | ¥149,396 | ¥138,505 |
| | 77,849 | 64,401 | 56,389 | 57,058 | 54,820 | 56,911 |
| | 95,744 | 87,048 | 107,258 | 105,958 | 94,575 | 81,593 |
| | 55,042 | 41,284 | 60,323 | 56,050 | 44,992 | 40,739 |
| | 75,336 | 73,871 | 64,859 | 61,503 | 61,456 | 64,915 |
| | 14,395 | 17,795 | — | — | — | — |
| | 8.0% | 10.3% | — | — | — | — |
| | 292,733 | 274,199 | 240,720 | 237,444 | 225,073 | 216,048 |
| | 186,420 | 178,690 | 172,101 | 171,674 | 152,610 | 143,569 |
| | 63.4% | 64.9% | 71.1% | 71.8% | 67.3% | 66.0% |
| | 76,564,240 | 76,564,240 | 76,564,240 | 76,564,240 | 76,564,240 | 76,564,240 |
| | 4,794 | 4,760 | 4,246 | 4,413 | 4,223 | 4,270 |
| | ¥121,691 | ¥85,661 | ¥87,638 | ¥86,764 | ¥86,271 | ¥82,761 |
| | 88,882 | 83,205 | 85,422 | 83,207 | 79,139 | 72,352 |
| | 38,456 | 37,108 | 37,440 | 37,283 | 37,831 | 35,730 |
| | 3,040 | 1,672 | 2,785 | 2,878 | 2,290 | 2,380 |
| | 11,972 | 9,155 | 10,562 | 10,071 | 6,846 | 3,196 |
| | 4,996 | 5,767 | 4,303 | 3,996 | 4,645 | 4,980 |

Consolidated Balance Sheet

LINTEC Corporation and its consolidated subsidiaries
March 31, 2022 and 2021

| | Millions of yen | |
|---------------------------------------|------------------|-------------|
| ASSETS | 2022 | 2021 |
| Current assets: | | |
| Cash and deposits | ¥ 55,416 | ¥ 61,823 |
| Trade notes and accounts receivable | — | 64,636 |
| Trade notes receivable | 16,176 | — |
| Trade accounts receivable | 46,175 | — |
| Inventories | 52,536 | 38,432 |
| Other | 11,792 | 5,249 |
| Allowance for doubtful accounts | (62) | (45) |
| Total current assets | 182,035 | 170,098 |
| Non-current assets: | | |
| Property, plant and equipment: | | |
| Buildings and structures | 86,845 | 80,827 |
| Machinery, equipment and vehicles | 142,574 | 135,385 |
| Land | 11,831 | 11,327 |
| Construction in progress | 4,129 | 1,398 |
| Other | 16,715 | 14,447 |
| | 262,096 | 243,385 |
| Accumulated depreciation | (171,872) | (163,578) |
| Property, plant and equipment, net | 90,224 | 79,807 |
| Intangible assets: | | |
| Goodwill | 16,958 | 16,981 |
| Other | 1,858 | 2,004 |
| Total intangible assets | 18,817 | 18,986 |
| Investments and other assets: | | |
| Investment securities | 2,116 | 2,447 |
| Deferred tax assets | 7,402 | 6,876 |
| Net defined benefit asset | 0 | 1 |
| Other | 2,063 | 2,162 |
| Allowance for doubtful accounts | (93) | (116) |
| Total investments and other assets | 11,489 | 11,371 |
| Total non-current assets | 120,530 | 110,164 |
| Total assets | ¥ 302,566 | ¥ 280,262 |

| LIABILITIES AND NET ASSETS | Millions of yen | |
|---|-----------------|----------|
| | 2022 | 2021 |
| Current liabilities: | | |
| Trade notes and accounts payable | ¥ 44,282 | ¥ 44,835 |
| Short-term loans payable | 1,292 | 1,516 |
| Current portion of long-term loans payable | 1,346 | 1,217 |
| Accrued income taxes | 4,210 | 3,414 |
| Provision for bonuses | 2,640 | — |
| Provision for directors' bonuses | 72 | 53 |
| Other | 18,466 | 12,467 |
| Total current liabilities | 72,311 | 63,506 |
| Non-current liabilities: | | |
| Long-term loans payable | 1,468 | 2,546 |
| Provision for environmental measures | 111 | 111 |
| Net defined benefit liability | 15,937 | 15,431 |
| Other | 2,979 | 1,317 |
| Total non-current liabilities | 20,496 | 19,406 |
| Total liabilities | 92,808 | 82,912 |
| Commitments and contingent liabilities | | |
| Net assets: | | |
| Shareholders' equity: | | |
| Common stock: | | |
| Authorized: 300,000,000 shares in 2022 and 2021 | | |
| Issued: 76,659,440 shares in 2022 and 76,630,740 shares in 2021 | 23,320 | 23,285 |
| Capital surplus | 26,943 | 26,907 |
| Retained earnings | 166,242 | 155,241 |
| Less: treasury stock, at cost: | | |
| 6,833,643 shares in 2022 and 4,336,994 shares in 2021 | (14,118) | (7,583) |
| Total shareholders' equity | 202,388 | 197,850 |
| Accumulated other comprehensive income | | |
| Net unrealized holding gain on securities | 301 | 382 |
| Foreign currency translation adjustments | 8,936 | 1,547 |
| Remeasurements of defined benefit plans | (2,414) | (2,932) |
| Total accumulated other comprehensive income | 6,823 | (1,002) |
| Share subscription rights | 93 | 99 |
| Non-controlling interests | 451 | 403 |
| Total net assets | 209,758 | 197,350 |
| Total liabilities and net assets | ¥302,566 | ¥280,262 |

Financial Information

Consolidated Statement of Income

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2022 and 2021

| | Millions of yen | |
|--|-----------------|----------|
| | 2022 | 2021 |
| Net sales | ¥256,836 | ¥235,902 |
| Cost of sales | 191,699 | 177,673 |
| Gross profit | 65,137 | 58,228 |
| Selling, general and administrative expenses | 43,553 | 41,198 |
| Operating income | 21,584 | 17,030 |
| Non-operating income: | | |
| Interest income | 143 | 167 |
| Dividend income | 274 | 49 |
| Rent income | 22 | 21 |
| Gain on sales of non-current assets | 7 | 17 |
| Insurance income | 37 | 49 |
| Foreign exchange gains | 1,003 | — |
| Subsidy income | 20 | 115 |
| Other income | 375 | 300 |
| Total non-operating income | 1,884 | 721 |
| Non-operating expenses: | | |
| Interest expenses | 110 | 149 |
| Loss on sales of non-current assets | 12 | 16 |
| Loss on retirement of non-current assets | 387 | 367 |
| Compensation expenses | 160 | 36 |
| Foreign exchange losses | — | 249 |
| Other expenses | 99 | 161 |
| Total non-operating expenses | 770 | 981 |
| Ordinary income | 22,698 | 16,770 |
| Extraordinary gain: | | |
| Gain on sales of investment securities | 13 | 35 |
| Gain on bargain purchase | 282 | — |
| Gain on sale of shares of subsidiaries and associates | 259 | — |
| Total extraordinary gain | 555 | 35 |
| Extraordinary loss: | | |
| Loss on valuation of shares of subsidiaries and associates | 23 | — |
| Impairment loss | — | 171 |
| Total extraordinary loss | 23 | 171 |
| Profit before income taxes | 23,230 | 16,635 |
| Income taxes: | | |
| Current | 7,243 | 5,430 |
| Deferred | (696) | (173) |
| Total income taxes | 6,547 | 5,257 |
| Profit | 16,683 | 11,378 |
| Profit (loss) attributable to non-controlling interests | 41 | (29) |
| Profit attributable to owners of parent | ¥ 16,641 | ¥ 11,407 |

Consolidated Statement of Comprehensive Income

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2022 and 2021

| | Millions of yen | |
|---|-----------------|---------|
| | 2022 | 2021 |
| Profit | ¥16,683 | ¥11,378 |
| Other comprehensive income | | |
| Net unrealized holding gain on securities | (81) | 418 |
| Foreign currency translation adjustments | 7,394 | (2,647) |
| Remeasurements of defined benefit plans | 519 | 1,469 |
| Total other comprehensive income | 7,832 | (758) |
| Comprehensive income | ¥24,515 | ¥10,619 |
| (Comprehensive income attributable to:) | | |
| Owners of parent | 24,467 | 10,653 |
| Non-controlling interests | 48 | (34) |

Consolidated Statement of Changes in Net Assets

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2022 and 2021

| | Thousands | | | | | | | | | | | | Millions of yen | |
|--|----------------------------------|--------------|-----------------|-------------------|----------------|----------------------------|---|--|---|--|---------------------------|---------------------------|------------------|--|
| | Number of shares of common stock | Common stock | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity | Net unrealized holding gain on securities | Foreign currency translation adjustments | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | Share subscription rights | Non-controlling interests | Total net assets | |
| Balance as at April 1, 2020 | 76,600 | ¥23,249 | ¥26,870 | ¥149,471 | ¥ (7,610) | ¥191,981 | ¥ (36) | ¥ 4,193 | ¥(4,405) | ¥ (248) | ¥ 128 | ¥437 | ¥192,298 | |
| Cumulative effects of changes in accounting policies | | | | | | — | | | | | | | — | |
| Restated balance | | 23,249 | 26,870 | 149,471 | (7,610) | 191,981 | (36) | 4,193 | (4,405) | (248) | 128 | 437 | 192,298 | |
| Changes during the year: | | | | | | | | | | | | | | |
| Issuance of new shares | 29 | 35 | 35 | | | 71 | | | | | | | 71 | |
| Cash dividends | | | | (5,637) | | (5,637) | | | | | | | (5,637) | |
| Profit attributable to owners of parent | | | | 11,407 | | 11,407 | | | | | | | 11,407 | |
| Purchase of treasury stock | | | | | (1) | (1) | | | | | | | (1) | |
| Disposal of treasury stock | | | 0 | | 28 | 28 | | | | | | | 28 | |
| Net changes in items other than shareholders' equity | | | | | | | 418 | (2,645) | 1,472 | (753) | (28) | (34) | (816) | |
| Total changes during the year | 29 | 35 | 36 | 5,770 | 26 | 5,869 | 418 | (2,645) | 1,472 | (753) | (28) | (34) | 5,052 | |
| Balance as at March 31, 2021 | 76,630 | ¥23,285 | ¥26,907 | ¥155,241 | ¥ (7,583) | ¥197,850 | ¥382 | ¥ 1,547 | ¥(2,932) | ¥(1,002) | ¥ 99 | ¥403 | ¥197,350 | |
| Cumulative effects of changes in accounting policies | | | | (0) | | (0) | | | | | | | (0) | |
| Restated balance | | 23,285 | 26,907 | 155,241 | (7,583) | 197,850 | 382 | 1,547 | (2,932) | (1,002) | 99 | 403 | 197,350 | |
| Changes during the year: | | | | | | | | | | | | | | |
| Issuance of new shares | 28 | 35 | 35 | | | 71 | | | | | | | 71 | |
| Cash dividends | | | | (5,640) | | (5,640) | | | | | | | (5,640) | |
| Profit attributable to owners of parent | | | | 16,641 | | 16,641 | | | | | | | 16,641 | |
| Purchase of treasury stock | | | | | (6,539) | (6,539) | | | | | | | (6,539) | |
| Disposal of treasury stock | | | 0 | | 4 | 5 | | | | | | | 5 | |
| Net changes in items other than shareholders' equity | | | | | | | (81) | 7,389 | 518 | 7,826 | (5) | 48 | 7,869 | |
| Total changes during the year | 28 | 35 | 36 | 11,001 | (6,534) | 4,538 | (81) | 7,389 | 518 | 7,826 | (5) | 48 | 12,407 | |
| Balance as at March 31, 2022 | 76,659 | ¥23,320 | ¥26,943 | ¥166,242 | ¥(14,118) | ¥202,388 | ¥301 | ¥ 8,936 | ¥(2,414) | ¥ 6,823 | ¥ 93 | ¥451 | ¥209,758 | |

Consolidated Statement of Cash Flows

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2022 and 2021

| | Millions of yen | |
|--|-----------------|-----------------|
| | 2022 | 2021 |
| Cash flows from operating activities: | | |
| Profit before income taxes | ¥ 23,230 | ¥ 16,635 |
| Depreciation and amortization | 9,895 | 9,361 |
| Amortization of goodwill | 3,200 | 3,110 |
| Increase (decrease) in net defined benefit liability | 525 | 507 |
| Increase (decrease) in allowance for doubtful accounts | (11) | (26) |
| Interest and dividend income | (417) | (216) |
| Interest expenses | 110 | 149 |
| Loss (gain) on sales of property, plant and equipment | 4 | (1) |
| Loss on retirement of property, plant and equipment | 193 | 103 |
| Decrease (increase) in trade notes and accounts receivable | 6,184 | (2,025) |
| Decrease (increase) in inventories | (8,546) | 1,467 |
| Increase (decrease) in trade notes and accounts payable | (3,781) | 4,031 |
| Loss (gain) on sales of investment securities | (13) | (35) |
| Gain on bargain purchase | (282) | — |
| Loss (gain) on sale of shares of subsidiaries and associates | (259) | — |
| Subsidy income | (20) | (115) |
| Loss on valuation of shares of subsidiaries and associates | 23 | — |
| Impairment loss | — | 171 |
| Other, net | 829 | 189 |
| Subtotal | 30,866 | 33,307 |
| Interest and dividend income received | 415 | 224 |
| Interest expenses paid | (118) | (163) |
| Subsidies received | 20 | 115 |
| Income taxes (paid) refund | (6,540) | (4,659) |
| Net cash provided by operating activities | 24,642 | 28,824 |
| Cash flows from investing activities: | | |
| Payments into time deposits | (9,906) | (10,016) |
| Proceeds from withdrawal of time deposits | 9,520 | 10,759 |
| Purchase of property, plant and equipment | (8,522) | (8,997) |
| Proceeds from sales of property, plant and equipment | 17 | 27 |
| Purchase of intangible assets | (210) | (451) |
| Purchase of investment securities | (14) | (54) |
| Proceeds from sales of investment securities | 15 | 52 |
| Proceeds from sale of shares of subsidiaries and associates | 478 | — |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (6,349) | — |
| Payments for acquisition of businesses | (4,617) | — |
| Payments of loans receivable | (2) | (5) |
| Collection of loans receivable | 9 | 10 |
| Other, net | (60) | 63 |
| Net cash used in investing activities | (19,644) | (8,612) |
| Cash flows from financing activities: | | |
| Increase (decrease) in short-term loans payable | (331) | — |
| Proceeds from long-term borrowings | — | 1,350 |
| Repayments of long-term loans payable | (1,229) | (9,141) |
| Cash dividends paid | (5,642) | (5,632) |
| Purchase of treasury stock | (6,539) | (1) |
| Repayments of lease obligations | (713) | (704) |
| Other, net | 0 | 0 |
| Net cash provided by (used in) financing activities | (14,455) | (14,129) |
| Effect of exchange rate change on cash and cash equivalents | 2,425 | (706) |
| Net increase (decrease) in cash and cash equivalents | (7,032) | 5,375 |
| Cash and cash equivalents at beginning of year | 57,636 | 52,260 |
| Cash and cash equivalents at end of year | ¥ 50,603 | ¥ 57,636 |

Other Information

Corporate History

| | | |
|------|-----------|--|
| 1927 | April | Keisuke Shiwaku established FUJI SHOKAI in Sugamo, Tokyo Started production and sales of gummed tape for packaging |
| 1931 | August | FUJI SHOKAI was reorganized and FUJI GOMEI KAISHA was established (relocated to Itabashi, Tokyo) |
| 1934 | October | FUJI GOMEI KAISHA was reorganized and FUJI SHIKO CORPORATION was established |
| 1960 | March | Started production and sales of adhesive paper for labels and later commenced production and sales of adhesive film |
| 1972 | March | Started production and sales of labeling machines |
| 1984 | October | Company name was changed to FSK CORPORATION |
| 1986 | July | Listed on the 2nd Section of the Tokyo Stock Exchange Developed UV-curable dicing tape and made full-scale entry into the semiconductor-related product field |
| 1987 | September | MADICO, INC., became a subsidiary in the U.S. |
| 1989 | March | Approved for listing on the 1st Section of the Tokyo Stock Exchange |
| 1990 | April | Merged with SHIKOKU PAPER CO., LTD., and SOHKEN KAKO CO., LTD., and company name was changed to LINTEC Corporation Expanded range of business activities from the fields of adhesive paper and film and related equipment to include specialty paper and release paper and film |
| 1991 | | Made full-scale entry into the optical display-related business |
| 1994 | May | PT. LINTEC INDONESIA was established |
| 1995 | January | MODERN PLASTIC INDUSTRIES CO., LTD., became a subsidiary (merged in April 1996) |
| | April | LINTEC SINGAPORE PRIVATE LIMITED was established LINTEC EUROPE B.V. was established |
| | December | Construction of new building at the Research Center |
| 1999 | March | LINTEC INDUSTRIES (SARAWAK) SDN. BHD. was established |
| 2000 | April | LINTEC INDUSTRIES (MALAYSIA) SDN. BHD. was established |
| | July | LINTEC ADVANCED TECHNOLOGIES (TAIWAN), INC., was established |

| | | |
|------|-----------|---|
| 2001 | December | LINTEC ADVANCED TECHNOLOGIES (KOREA), INC., was established |
| 2002 | June | LINTEC (SUZHOU) TECH CORPORATION was established |
| | August | LINTEC SPECIALITY FILMS (KOREA), INC., was established |
| 2003 | June | LINTEC ADVANCED TECHNOLOGIES (PHILIPPINES), INC., was established |
| | August | LINTEC SPECIALITY FILMS (TAIWAN), INC., was established |
| | October | LINTEC ADVANCED TECHNOLOGIES (EUROPE) GMBH was established |
| 2004 | February | LINTEC ADVANCED TECHNOLOGIES (SHANGHAI), INC., was established |
| | August | LINTEC ADVANCED TECHNOLOGIES (MALAYSIA) SDN. BHD. was established |
| | September | LINTEC KOREA, INC., was established |
| 2009 | June | LINTEC VIETNAM CO., LTD., was established |
| 2010 | August | Completed reconstruction work at the Tatsuno Plant |
| 2011 | June | LINTEC (THAILAND) CO., LTD., was established |
| 2012 | November | LINTEC INDIA PRIVATE LIMITED was established |
| 2013 | December | Nano-Science & Technology Center was established |
| 2015 | January | LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED was established |
| | May | Construction of Advanced Technology Building at the Research Center |
| 2016 | October | VDI, LLC, became a subsidiary in the U.S. |
| | November | LINTEC GRAPHIC FILMS LIMITED became a subsidiary in the U.K. (currently LINTEC EUROPE (UK) LIMITED) |
| | December | MACTAC AMERICAS, LLC, became a subsidiary in the U.S. |
| 2021 | April | DURAMARK PRODUCTS, INC., became a subsidiary in the U.S. (merged with subsidiary MACTAC AMERICAS, LLC, in December 2021) |
| 2022 | February | Acquired a business from a U.S. manufacturer of adhesive products and established SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC |
| | April | Owing to the Tokyo Stock Exchange's readjustment of market categories, moved listing to the Prime Market |

Glossary

| | |
|---|--|
| <p>Adhesive products for labels</p> | <p>These include plain adhesive paper / adhesive film before printing patterns, text, etc., or variable information such as barcodes. The lineup includes a paper base used for a wide range of applications and a film base with superior durability, water resistance, and design.</p> |
| <p>Automobile-use adhesive products</p> | <p>These include film for replacing paint in door sashes, film for protecting aluminum wheels on new cars, and decorative film for motorcycles, etc.</p>  |
| <p>Biomass</p> | <p>Biomass is organic material derived from plants. By using biomass materials in facestock and adhesive for labelstock, environmental load can be reduced in terms of CO₂ emissions and preserving fossil resources.</p> |
| <p>Carbon nanotubes</p> | <p>Carbon nanotubes are cylindrical carbon materials measuring one nanometer (one billionth of a meter) in diameter. Lightweight, they are highly resistant to bending and stretching, and have high electrical and thermal conductivity.</p> |
| <p>Casting papers for carbon fiber composite materials</p> | <p>This release paper is used as a base sheet for manufacturing composite materials composed of a sheeted form of fine, hair-like carbon fibers fixed with resin.</p> |
| <p>Casting papers for synthetic leather</p> | <p>In the manufacturing process for synthetic leather, this release paper is used as patterns for adding designs and gloss to the leather surface.</p> |
| <p>Films for outdoor signs and advertising</p> | <p>This is adhesive film for signs installed outdoors, for body advertisements and decorations for trains and buses, and other applications.</p> |
| <p>Hot melt</p> | <p>Hot melt is a room temperature solid type of adhesive that is applied while being melted with heat. Environmental load can be reduced because dilution by organic solvents is not needed during application.</p> |
| <p>Industrial-use adhesive tapes</p> | <p>These industrial-use adhesive products include double-sided tape that is used for attachment and bonding of precision components of mobile devices, such as smartphones, as well as low-adhesive tape that is used for blanking and transportation of LCD components.</p>  |
| <p>Interior finishing mounting films</p> | <p>This decorative film can achieve creation of diverse interior spaces through attachment to interior walls, etc. In addition to materials with various textures and colors, it also takes on original design decorations by digital output.</p>  |

| | | |
|---|--|--|
| Labeling machines | <p>This equipment is used to automatically affix labels to objects, including models that incorporate printers for the printing of logistics addresses, barcodes, etc.</p> |  |
| Multilayer ceramic capacitor-related tapes | <p>This release film is used in forming hundreds of ultra-thin ceramic layers to configure the interior structure of capacitors.</p> | |
| Optical display-related adhesive products | <p>These include adhesive processed products on optically functional film used in LCD and OLED displays, and adhesive sheets used to adhere parts and materials in touch screens.</p> | |
| Semiconductor-related adhesive tapes | <p>This specialty adhesive tape is used in semiconductor manufacturing back-end processes. It is used to protect the circuit surface when thinning semiconductor wafers through grinding, to secure wafers during dicing, etc.</p> | |
| Semiconductor-related equipment | <p>These products, which are used in semiconductor manufacturing back-end processes, include equipment for laminating / removing semiconductor-related adhesive tape and for UV irradiation of tape to control adhesion of the tape.</p> |  |
| Special function papers | <p>These include specialty paper with high functionality, such as dust-free paper for use in places like clean rooms and washing-resistant paper that withstands tearing even when wet, used in cleaning tags, and oil- and water-resistant paper suitable for food packaging, keeping water and oil from seeping out.</p> | |
| Specialty papers | <p>This is paper used in special applications with a variety of colors, textures, and functions, etc. It includes the color paper for envelopes, colored construction paper, and high-grade printing paper, as well as paper with waterproofing and other special functions.</p> | |
| Window films | <p>This adhesive film is applied to window glass in buildings, automobiles, etc. It has various effects such as improving air-conditioning efficiency in rooms and vehicles, shielding ultraviolet rays, and reducing the scattering of splinters when glass is broken.</p> | |

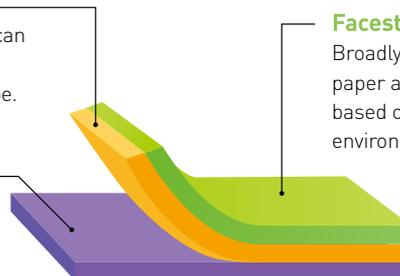
Diagram of Adhesive Products for Labels

Adhesive

In line with purpose and application, it can be selected from a permanent type, a removable type, or a re-applicable type.

Release paper / film

In addition to the protection of the adhesive surface, the paper or film is used as a base during label manufacturing and processing.



Facestock

Broadly divided, there are two types—paper and film—and can be selected based on the application, usage environment, and required performance.

Other Information

Corporate Information

Head Office

23-23, Honcho, Itabashi-ku, Tokyo 173-0001, Japan
 Phone: +81-3-5248-7711
 Fax: +81-3-5248-7760
 URL: www.lintec-global.com

Established

October 15, 1934

Fiscal Year-End

March 31

Common Stock (As of March 31, 2022)

¥23,320 million
 Authorized: 300,000,000 shares
 Issued: 76,659,440 shares

Stock Listing

Tokyo Stock Exchange, Prime Market
 Securities Code: 7966

Shareholder Register Agent for Common Stock

Mitsubishi UFJ Trust and Banking Corporation
 1-4-5, Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan

Number of Employees (As of March 31, 2022)

5,158 (Consolidated)
 2,628 (Non-consolidated)

Major Subsidiaries * Consolidated subsidiary

Domestic

LINTEC COMMERCE, INC.*
 LINTEC SIGN SYSTEM, INC.*
 SHONAN LINTEC KAKO, INC.*
 LINTEC SERVICES, INC.
 LINTEC CUSTOMER SERVICE, INC.
 PRINTEC, INC.
 TOKYO LINTEC KAKO, INC.

Overseas

LINTEC USA HOLDING, INC.*
 LINTEC OF AMERICA, INC.*
 MACTAC AMERICAS, LLC*
 SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC*
 MADICO, INC.*
 VDI, LLC*
 LINTEC EUROPE B.V.*
 LINTEC EUROPE (UK) LIMITED*
 LINTEC ADVANCED TECHNOLOGIES (EUROPE) GMBH*
 LINTEC (SUZHOU) TECH CORPORATION*
 LINTEC PRINTING & TECHNOLOGY (TIANJIN) CORPORATION*
 LINTEC ADVANCED TECHNOLOGIES (SHANGHAI), INC.*
 LINTEC SPECIALITY FILMS (TAIWAN), INC.*
 LINTEC HI-TECH (TAIWAN), INC.*
 LINTEC ADVANCED TECHNOLOGIES (TAIWAN), INC.*
 LINTEC KOREA, INC.*
 LINTEC SPECIALITY FILMS (KOREA), INC.*
 LINTEC ADVANCED TECHNOLOGIES (KOREA), INC.*
 LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED*
 LINTEC SINGAPORE PRIVATE LIMITED*
 PT. LINTEC INDONESIA*
 PT. LINTEC JAKARTA*
 LINTEC (THAILAND) CO., LTD.*
 LINTEC INDUSTRIES (MALAYSIA) SDN. BHD.*
 LINTEC INDUSTRIES (SARAWAK) SDN. BHD.*
 LINTEC KUALA LUMPUR SDN. BHD.*
 LINTEC ADVANCED TECHNOLOGIES (MALAYSIA) SDN. BHD.*
 LINTEC VIETNAM CO., LTD.*
 LINTEC HANOI VIETNAM CO., LTD.*
 LINTEC ADVANCED TECHNOLOGIES (PHILIPPINES), INC.*
 LINTEC PHILIPPINES (PEZA), INC.*
 LINTEC INDIA PRIVATE LIMITED*

Investor Information [As of March 31, 2022]

Ownership and Distribution of Shares

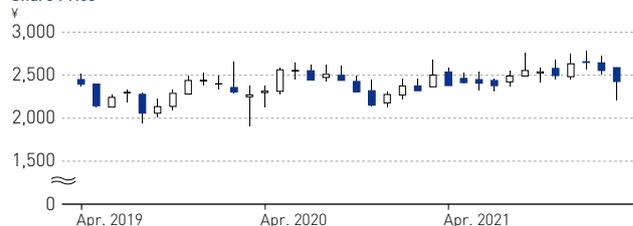


Major Shareholders (Top Five)

| | |
|---|--------|
| Nippon Paper Industries Co., Ltd. | 30.49% |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 10.86% |
| Custody Bank of Japan, Ltd. (Trust Account) | 4.75% |
| National Mutual Insurance Federation of Agricultural Cooperatives | 3.61% |
| Tamie Shoji | 2.57% |

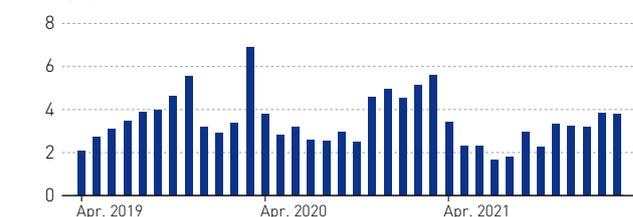
Share Price / Trading Volume

Share Price



Trading Volume

Million shares



Forward-Looking Statements

This report includes forward-looking statements, such as forecasts of business results, based on information currently held and assumptions that have been judged as reasonable by the Company. The Company cannot guarantee the accuracy of these statements or definitively assure the realization of future numerical targets and policies. Actual business results, etc., may vary due to various factors.

Guidelines Used as References

| | |
|--|--|
| IFRS Foundation | International Integrated Reporting Framework |
| Ministry of Economy, Trade and Industry | Guidance for Collaborative Value Creation |

Positioning of Integrated Report

| | Financial information | Non-financial information |
|---|--|---|
| Reports  | <ul style="list-style-type: none"> • Annual Securities Report • Financial Results • Fact Book • Shareholder Newsletter | <ul style="list-style-type: none"> • Corporate Governance Report • Sustainability Report |
| Web  | <ul style="list-style-type: none"> • Investor Relations www.lintec-global.com/ir  | <ul style="list-style-type: none"> • CSR www.lintec-global.com/csr  |



LINTEC Corporation

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