



LINTEC Integrated Report 2025

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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.

Scope of Reporting

Organizations covered

LINTEC Corporation and its Group companies in Japan and overseas

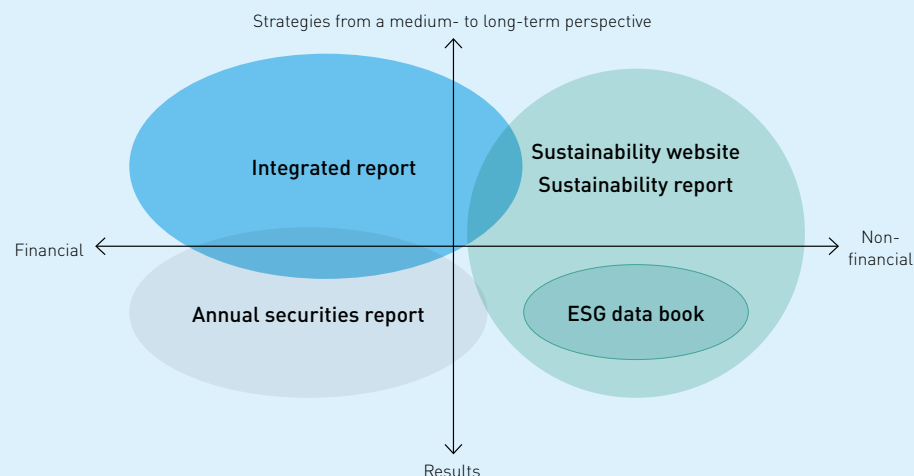
Target audience

All stakeholders, with a focus on shareholders and investors

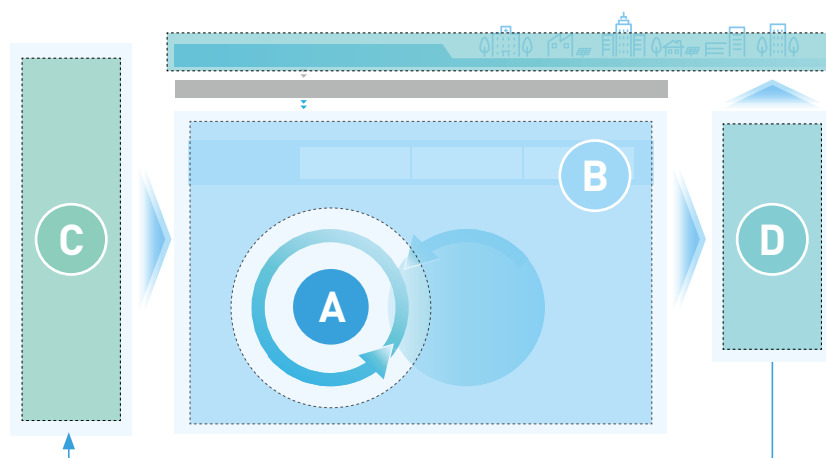
Reporting Period

This report covers the period from April 1, 2024, to March 31, 2025. However, some of the information includes content from April 1, 2025, onward.

LINTEC's Main Information Disclosure Tools and Their Positioning



Outline of LINTEC's Value Creation Process [▶ Pages 10–11](#)



A Message from the President

[▶ Pages 12–17](#)

Since its establishment, LINTEC has sincerely addressed social issues and customer needs, inspired by the values exemplified by its Company motto: "Sincerity and Creativity." LINTEC will continue to be a reliable company that is chosen by its customers by being their most important and strongest supporter.

<p>A Values and Continuously Refined Strengths</p>	<p>The spirit of "Sincerity and Creativity," our company motto, lies at the core of our business activities. This spirit embodies our starting point as a manufacturing company of seeking to serve society and bring joy in every era.</p>	<p>Introduction of the values and the strengths cultivated by LINTEC over its long history.</p> <p>▶ Value Creation Story ▶ Pages 2–17</p>
<p>B Growth Strategies and Business Activities Capitalizing on Our Strengths</p>	<p>With "values and continuously refined strengths" as our cornerstone, we have positioned our long-term vision, medium-term business plan, and material issues—formulated based on social issues and market needs—as growth strategies. Connecting such strategies with business activities characterized by the three-way integration of sales, research, and production creates a virtuous cycle, enabling us to realize sustainable value creation.</p>	<p>Overview of our growth strategies, our business strategies based on them, and our ESG initiatives</p> <p>▶ Long-Term Vision, Medium-Term Business Plan, and Material Issues ▶ Pages 18–21</p> <p>▶ Business Strategy ▶ Pages 38–45</p> <p>▶ Reinforcing Our Foundation for Sustainable Growth ▶ Pages 46–61</p>
<p>C Management Capitals</p>	<p>Our management capitals, the source of our competitive advantage, are further strengthened through the implementation of our growth strategies and business activities.</p>	<p>Overview of our key management capitals and our strategies for strengthening them</p> <p>▶ Strategies for Strengthening Our Capitals ▶ Pages 27–37</p> <p>▶ Environment, Society, and IR Activities ▶ Pages 48–53</p>
<p>D Vision</p>	<p>Through business activities with a focus on "values and continuously refined strengths" and "growth strategies and business activities capitalizing on our strengths," we aim to both realize a sustainable society and achieve sustainable growth as a company.</p>	<p>Introduction of the details of our vision</p> <p>▶ Long-Term Vision, Medium-Term Business Plan, and Material Issues ▶ Pages 18–21</p>

Editorial Policy

Our integrated reports are intended to enable stakeholders, including shareholders and investors, to better understand the LINTEC Group, which aims to achieve sustainable growth and contribute to the realization of a sustainable society through its business activities. With reference to various guidelines, our reports introduce not only business results and financial information but also intangible assets that are not included in the financial statements, such as our human capital and technological development capabilities built over many years. In addition to placing particular emphasis on a path for value creation that capitalizes on the Group's strengths and on the connectivity of information across the report as a whole, *LINTEC Integrated Report 2025* features expanded content that addresses many questions we have received from investors. Please refer to our website and sustainability report, which provide additional information that is not included in this report.

Guidelines Used as References

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

A Leading Company in Adhesive Products and Specialty Papers

Since our start as a manufacturer and seller of gummed tape for packaging in 1927, we have steadily evolved by expanding our business into a wide range of fields, including adhesive products and related equipment as well as specialty papers. This progress has been made possible by our ability to sensitively respond to the needs of the times and consistently deliver solutions through technological development. Even today, as social issues grow increasingly complex, we remain guided by our Company motto, “Sincerity and Creativity,” and will continue creating new value as a leading company across diverse industries.

LINTEC by the Numbers (Fiscal Year Ended March 31, 2025)

Consolidated Net Sales

¥**316.0** billion

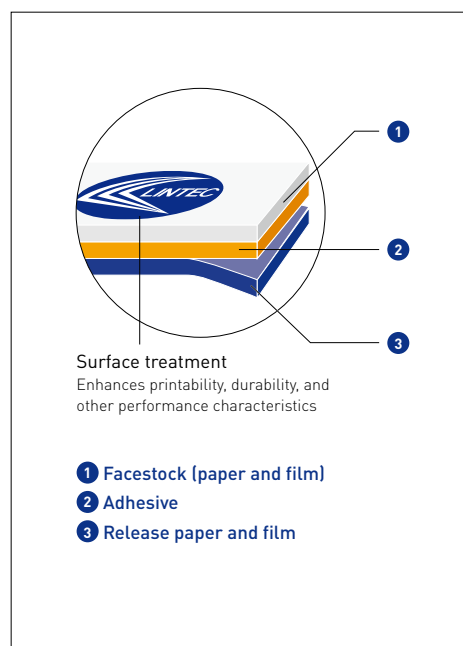
Consolidated Operating Income

¥**24.6** billion

A Unique Business Model Realizing the Integrated Production of Adhesive Products

What most clearly sets LINTEC apart from competitors is its fully integrated production system for adhesive products. As illustrated in the diagram on the right, adhesive products are composed of three layers: facestock material, adhesive agents, and release papers and films. At LINTEC, we not only develop and supply adhesive agents in-house but also handle the entire process for release papers, from manufacturing the base paper stage to performing surface treatment of the substrate. This comprehensive in-house production framework, including the development and manufacture of related equipment designed to maximize the performance characteristics of adhesive materials, enables us to respond precisely to customer needs and deliver highly customized, made-to-order products. This unique capability is the source of our competitive advantage.

Basic Structure of Adhesive Products



Number of Employees
(Consolidated Basis)

5,311

Overseas Sales Ratio

64%

Number of Patents Held
Worldwide

6,199

Number of Consolidated
Subsidiaries

40

Global Footprint

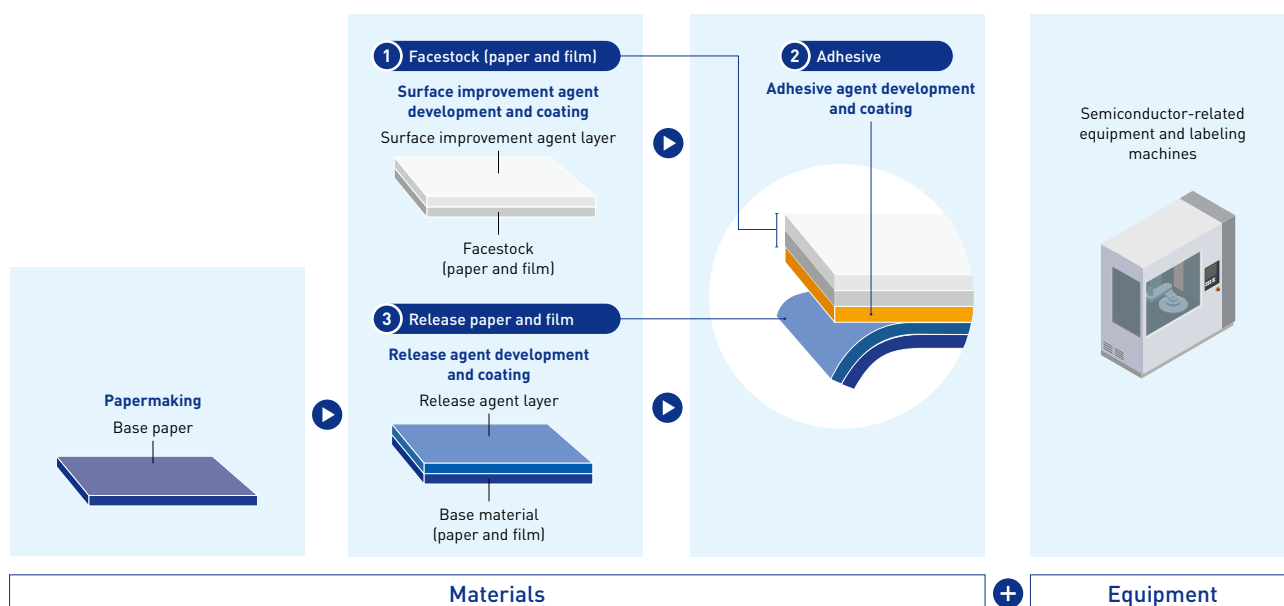
18 countries and
regions

Number of Environmentally
Friendly Products Developed
(Non-Consolidated Basis)

73

Integrated Production Structure for Adhesive Products / Total Solutions for Materials and Equipment

Integrated System for the Production of Adhesive Products



DNA of “Sincerity and Creativity”

● Accurately Identifying Needs

Around 1900, wooden crates were the primary means of packaging and transport. However, due to the industrial boom brought on by World War I (1914–1918), reconstruction demand following the Great Kanto Earthquake of 1923, and material shortages during wartime—including wood, nails, and steel strapping—demand for corrugated cardboard, which offers superior strength, increased rapidly. As a result, demand for sealing tape also grew in parallel.



Our Origins as a Manufacturing Company

At LINTEC, we have always asked ourselves how we can contribute to society and bring value to people’s lives. With sincerity and a spirit of innovation, we have continuously taken on new challenges throughout the years. Carrying forward this corporate culture we have cultivated over many decades, we will continue to forge ahead into the future, striving to remain a company that society cannot do without.



Keisuke Shiwaku
Founder

Accurately
Identifying
Needs



Responding
to Emerging
Needs

● Responding to Emerging Needs

As cardboard boxes began to replace wooden crates as the mainstay of packaging and transport, FUJI SHOKAI,* founded in April 1927, began manufacturing and selling gummed tape that could be applied with water, similar to postage stamps. This marked the starting point of our adhesive technology and precision thin-film coating technology, both of which have been handed down and further developed to the present day.

* FUJI SHOKAI was established as FUJI SHIKO CORPORATION in 1934 and was renamed FSK CORPORATION in 1984.



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. 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

The Practice of “Sincerity and Creativity”

The approach of accurately identifying customer needs and finding tangible solutions through technological development may not be uncommon for a manufacturer. Even so, LINTEC has held fast to this commitment since its founding, consistently upholding it and passing it down through generations. This is precisely what has enabled our continued growth to this day. This DNA is an enduring source of value, and through the ongoing practice of “Sincerity and Creativity,” we will continue shaping a future yet unseen.

Social Needs and Background

The Spread of Corrugated Cardboard to Replace Wooden Crates

We were founded around the manufacture and sale of gummed tape, which is made by coating kraft paper with a water-soluble adhesive and applied with water like a postage stamp. We later expanded the product lineup to include gummed tape for plywood and gummed tape for seals and labels.



Gummed tape

Social Needs and Background

Surge in Logistics Volume During Japan's Era of High Economic Growth

In 1961, we began manufacturing automatic case sealing machines for corrugated boxes at the former Warabi Plant in Saitama Prefecture. In 1962, we established a dedicated department to produce automatic packaging machines (corrugated case sealers) and launched “system sales,” selling gummed tape and sealing machines as a package. This marked the foundation of our current business model, providing total solutions by combining soft (materials) and hard (equipment) components to solve customer challenges.



The former Warabi Plant

1927

1960s

1970s

1980s

Social Needs and Background

Rising Sales of Motorcycles and Cars

We advanced into the industrial field by developing new applications for adhesive materials, such as marking films used for vehicle body stripes and signage, functioning as peel-and-stick paint. In addition, the 1970s and 1980s marked a phase of entry into growth businesses, during which we successively launched new ventures, including the development and production of labeling machines and window films for building designed to enhance glass safety.



Marking films

UV curable dicing tape



Social Needs and Background

Japanese Semiconductors Take the World by Storm

Focusing on the phenomenon of adhesive strength decreasing under ultraviolet (UV) light, we became the first in the industry to develop a UV-curable dicing tape that allows adhesive strength to be controlled by UV exposure. This marked our full-scale entry into the semiconductor field. The tape firmly holds semiconductor chips in place with strong adhesion during dicing, but after cutting, the chips can be easily removed by weakening the adhesive through UV irradiation. This innovation advanced the semiconductor industry significantly and continues to serve as one of our core products today.

[▶ Page 24](#)



Establishment of LINTEC Corporation Through a Three-Company Merger

The merger created vertical integration among manufacturers with advanced adhesive technologies and papermaking technologies for specialty papers and production capabilities for release liners and films. This integration laid the foundation for our current business operations.

FSK CORPORATION

Manufacture and sale of adhesive products, etc.



SHIKOKU PAPER CO., LTD.

Manufacture and sale of specialty papers, release papers, etc.



SOHKEN KAKO CO., LTD.

Manufacture and sale of adhesive papers, release films, etc.



LINTEC Corporation

Social Needs and Background

Growing Awareness of Environmental Issues

In response to growing awareness of environmental issues such as global warming and climate change, we are focusing on the development and proposal of environmentally friendly products with low environmental impact. In the area of label materials, we offer cleanly removable types that support reuse and recycling, products made with recycled PET resin, and products using emulsion-type adhesives that do not contain organic solvents.

▶ Page 48



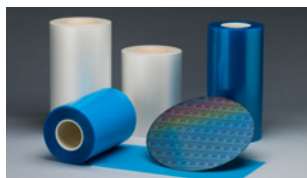
Label materials that support reuse and recycling of OA equipment and other products

1990

2000s

2010s

2020s



Wafer surface protection tape

Social Needs and Background

Proliferation and Advancement of Smartphones

As smartphones and other end products have become thinner and more advanced, with higher storage capacity, demand has grown for LINTEC products used in the back-end processes of semiconductor manufacturing. These include tape that protects the circuit surface when polishing the back of disk-shaped silicon wafers, tape used to secure wafers to ring frames during dicing into individual chips, and related equipment for applying and removing these tapes.

▶ Page 24

Welsurt

Wellbeing, sustainable and smart



Social Needs and Background

Increasingly Complex and Diverse Environmental and Social Challenges

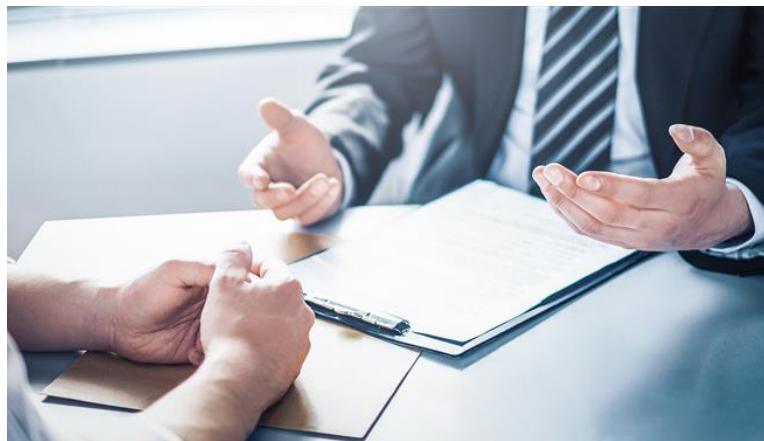
In July 2022, we launched our purpose brand, *Welsurt*. By integrating new technologies with the proprietary adhesive, release, and papermaking technologies we have cultivated over the years, we are strengthening initiatives aimed at solving environmental and social issues and creating new value. Focusing on fields such as energy conservation, energy generation, marine resource conservation, information and communications, electronics, mobility, and healthcare and elder care, we aim to drive the creation of new products and new businesses.

Strengths LINTEC Has Cultivated

01

Ability to Accurately Identify Needs

LINTEC has grown by maintaining close relationships with its customers and responding sincerely to their various needs.



New Product
Sales Ratio

27.7 %

Number of
Exhibitions
Participated In

39

(Fiscal year ended March 31, 2025)

02

Technological Development Capabilities

Our four core technologies and wide range of products underpin our signature strengths: the integrated production of adhesive products and total solutions for materials and equipment.



Number of
Products
Developed

3,441

Number of
Patents Held

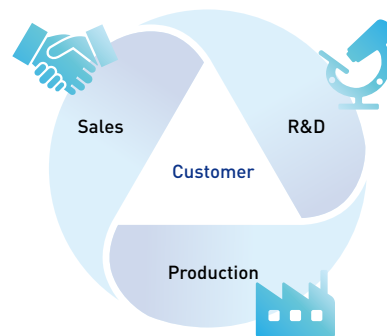
6,199

(Fiscal year ended March 31, 2025)

A Three-Divisions Structure That Drives Our Strength

At the core of our business activities are three key divisions: the sales division, which engages with customers daily; the R&D division, which develops new technologies and products; and the production division, which delivers high-quality products with reliable consistency.

To accurately ascertain customer needs, researchers accompany sales representatives on client visits, and both sales and R&D personnel visit production sites to address challenges directly. By working together across all phases, from development to production to sales, we create unique value through a fully integrated, three-pronged approach.



Four Core Technologies That Drive Our Strength

By building on these four technological pillars and integrating them at a high level, we continue to deliver increasingly differentiated products.

Adhesive applications	Through the development of adhesives and substrates and the combination of related technologies, we are expanding the range of fields in which the basic functions of adhesive products, primarily adhesion and release, are utilized
Surface improvement	Through the chemical and physical processing of the surfaces of paper and film, we are enhancing their characteristics and adding new functionality
System development	Through the systemization of machinery and equipment and building high-level systems that draw on the distinctive characteristics of materials, we are providing advanced solutions
Specialty paper and release materials production	We use original papermaking technologies and coating, impregnation, and laminating technologies to develop special function paper and high-value-added materials that transcend traditional concepts of paper

LINTEC's Value Creation Process

From its establishment to the present, the Group has built up a wide range of assets, including technologies, diverse human resources, and trust-based relationships with stakeholders. 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.

MANAGEMENT CAPITALS

Financial Capital

[See pages 27–29.]

Solid financial base

Equity ratio: 72.1%

Human Capital

[See pages 30–31 and 36–37.]

Diverse human resources and corporate culture

Number of employees: 5,311

R&D system

Researchers: Approx. 200

Intellectual Capital

[See pages 30–32 and 34–35.]

Four core technologies and applications

Patents held: 6,199

R&D expenses: ¥10.1 billion

DX promotion

Manufacturing Capital

[See page 33.]

Global production and sales structure

Capital expenditures: ¥20.6 billion

Natural Capital

[See pages 48–50.]

Harmony with the environment

Raw materials: 219.7 thousand tons

Total energy use: 85 thousand kl

Social Capital

[See pages 51–53.]

Relationships of trust with stakeholders

Meetings with institutional investors and analysts: Total of 311 companies

A Sustainable Society

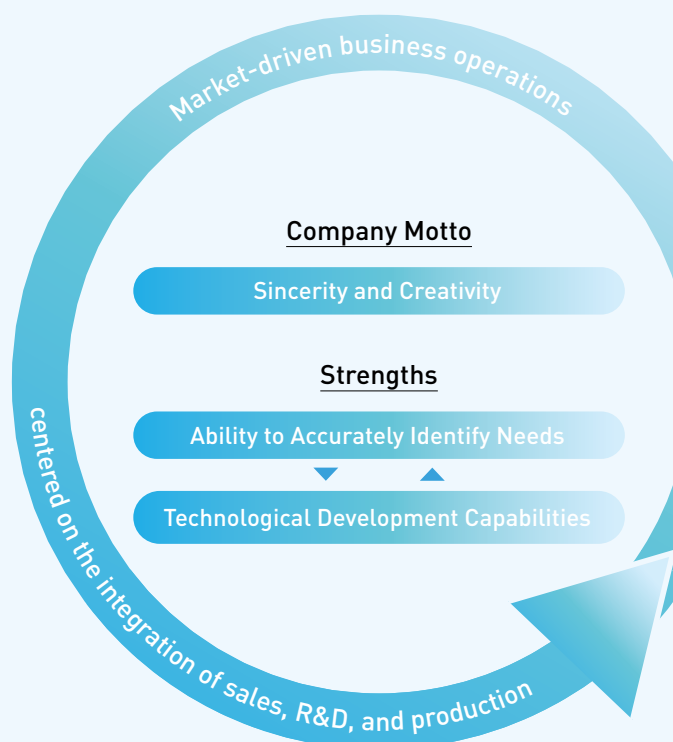
Societal Issues / Market Needs

BUSINESS ACTIVITIES

Contributing to a Sustainable Society

Long-Term Vision (LSV 2030)

► See page 18.





Contribution to its realization

Medium-Term Business Plan

► See page 19.

Material Issues

► See pages 20–21.

Development of highly
customized products

Establishment of a strong
and diverse customer base
built on trust

OUTCOME

Social Value

Help meet the SDGs



Economic Value

Maintain a strong financial
base and enhance capital
efficiency

etc.

Reinvestment

A full-length portrait of Makoto Hattori, an older man with grey hair, wearing a dark blue pinstripe suit, a white shirt, and a blue patterned tie. He is standing with his hands clasped in front of him against a blue gradient background. The text "A Message from the President" is overlaid in large white letters.

A Message from the President

Makoto Hattori

Representative Director
President, CEO and COO

We will sustain robust growth
by accurately grasping
the needs of society and
our customers.

Review of the Fiscal Year Ended March 31, 2025

The fiscal year ended March 31, 2025, which was the first year of the medium-term business plan LSV 2030-Stage 2, saw continued upward trends in raw material prices and logistics costs. However, in addition to the significant expansion of semiconductor- and electronic component-related products, supported by solid demand, the sales volume of adhesive products for seals and labels recovered in the United States. As a result, we achieved significant increases in both sales and income compared with the previous fiscal year. To improve profitability, we also worked to optimize our business portfolio, including the dissolution of our production subsidiaries in South Korea and Taiwan within Optical Products Operations and the recording of impairment losses in Fine & Specialty Paper Products Operations.

Our external environment is growing increasingly uncertain due to factors such as geopolitical risks and concerns over the impact of U.S. tariff policies

stemming from changes in administration. Even so, we were still able to achieve strong results under such business conditions. This was made possible by the dedication of all Group employees, who face their daily tasks with sincerity and put in steady efforts. I would also like to express my sincere gratitude to all our stakeholders, including our customers for continuity to choose LINTEC products, our suppliers who provide us with raw materials, and our partner companies.

The current fiscal year, ending March 31, 2026, is the second year of the medium-term business plan and the midpoint of the long-term vision LSV 2030, which concludes in the fiscal year ending March 31, 2030. To remain a sustainable company, I believe we must look ahead to 2030 and conduct our business with a view toward 2050 and the generations that follow. I fully recognize the weight of this responsibility and will take the lead in tackling the challenges ahead.

Realizing Our Long-Term Vision

To achieve further growth and advancement, I believe it is essential to realize the goals of LSV 2030. This long-term vision outlines our ideal future in terms of both economic value and social value, two inseparable and interdependent pillars. LSV 2030 envisions our ideal state along two axes: economic value and social value.

Our top-priority metric in terms of economic value at present is ROE. We are aiming for 8% or more in the fiscal year ending March 31, 2027, the final year for our medium-term business plan, and 10% or more by the fiscal year ending March 31, 2030, the final year of our long-term vision. Meanwhile, ROE for the fiscal year ended March 31, 2025, stood at 6.1%. To achieve our goals, we are working toward two major pillars: improving profitability and enhancing capital efficiency.

In particular, we are working to improve profitability in our existing product lines by reinforcing quality, cost, and delivery through the integrated efforts of our sales, R&D, and production divisions. Our goal is to achieve high profitability by delivering quality that exceeds market expectations, building cost-competitive manufacturing capabilities, and strengthening our supply systems. In addition, we believe that the key to future

growth lies in the continuous development and launch of numerous new highly profitable, market-leading products within each business division. We will strategically invest in R&D to accelerate the creation of innovative products that meet customer needs. In addition, we are actively working on fundamental structural reforms, the optimization of our business portfolio, and the transformation of development, manufacturing, logistics, and business processes through digital transformation (DX).

If these initiatives progress as planned, we believe we can achieve the ROE target of 8% or more set in LSV 2030-Stage 2. In fact, we see the 8% level as only a waypoint as we aim for even higher ROE levels befitting a global company.

Furthermore, all our initiatives are premised on social value, which entails contributing to the realization of a sustainable society. We believe that achieving tangible results from the perspectives of both economic and social value will further earn the trust of our stakeholders and provide the foundation for new and greater challenges.

Responding Strategically to Current Needs

The core of LINTEC's operations is the business-to-business model, and our role is to listen closely to our customers, delve deeply into the markets, and provide full support in creating new demand that enables our customers to achieve sustainable growth. In other words, being the most important and strongest supporter for our customers is the essential prerequisite for being chosen by them. To achieve this, it is vital that we swiftly and accurately perceive the needs of society and our customers.

At present, we are strengthening our ability to respond to three key needs: the growing awareness of environmental issues, increasing overseas demand for adhesive products for seals and labels, and the increasing sophistication of semiconductors.

Proactive Pursuit of Environmental Targets

In conducting business sustainably, environmental issues are the most pressing theme to be addressed on a global level. LSV 2030-Stage 2 also positions the


response to environmental issues as one of the most important themes.

Regarding the reduction of CO₂ emissions, we achieved the targets set in LSV 2030-Stage 1 ahead of schedule and have now raised our targets to an even higher level: a reduction of 75% or more by March 2030 (compared with the fiscal year ended March 31, 2014). While environmental measures are a given, we are working toward achieving this goal and actively making capital investments that also aim for improvements in quality and production efficiency.

The development and expansion of environmentally friendly products is another important initiative. Regarding materials other than plastic, we have already commercialized products using our proprietary specialty paper production technology. With respect to release agents and adhesive agents, we are promoting solvent-less formulations that do not use organic solvents while also focusing on the expansion of mono-material label materials that contribute to the improved recyclability of

products after labels are affixed. These initiatives leverage LINTEC's core technologies and contribute to the realization of a sustainable society. We are also participating in the Japan Earth Conscious Labeling Association (J-ECOL), a label recycling association, aiming to build a recycling system for used release paper and realize a circular economy across the entire supply chain.

Reducing CO₂ emissions and developing and expanding environmentally friendly products is not easy. However, I am convinced that the technological innovations that arise in the process of tackling these ambitious goals embody the innovation we advocate in LSV 2030 and will lead to sustainable growth. We will continue to accelerate Companywide efforts and make proactive investments.


 For details, see the "Environment" section on pages 48–50.

North America's Label Market Poised for Growth

More than 60% of LINTEC's net sales are from overseas, and we have already established a solid foundation as a global company. However, to further strengthen our competitiveness in global markets, it is essential to flexibly respond to the characteristics and needs of each market. Cultural and regulatory differences, as well as diverse customer requirements, often mean that products developed and manufactured in Japan cannot be deployed as is in overseas markets. We are therefore promoting product development optimized for the needs of each region, leveraging our technological capabilities.


Among these, we have high expectations for growth in our North American label-related business. In terms of market size for pressure-sensitive labels, North America ranks third after the Asia-Pacific and Europe.

With continued population growth, the market is expected to keep expanding. Although MACTAC AMERICAS, LLC has been recording operating losses due to amortization of goodwill, the company possesses advanced technologies, such as formulations for environmentally friendly hot-melt adhesive agents and high-speed coating equipment. By capitalizing on these strengths, we believe the company will make a significant contribution to the LINTEC Group's performance in the near future.

 For details, see "Growth Field 1" on pages 22–23.

Expansion of the Semiconductor-Related Business

In the semiconductor field, we are currently working to establish mass production of carbon nanotube pellicles for extreme ultraviolet lithography equipment by the end of the fiscal year ending March 31, 2026. Additionally, since the latter half of the fiscal year ended March 31, 2024, demand has been increasing in high-bandwidth memory-related products for generative AI, but we must not be satisfied with this alone. It is important that we expand into areas where LINTEC's technologies can be applied. We will thoroughly research customer needs and strengthen our systems to swiftly develop and supply products that will likely be in demand a few years from now. Semiconductor technology is expected to continue evolving toward further miniaturization and higher integration. We will actively take on challenges not only in existing areas but also in the cutting-edge areas of the semiconductor market, aiming to further expand the applications of our products in semiconductor manufacturing processes.

 For details, see "Growth Field 2" on pages 24–26.

Proactively Addressing Future Needs

Creation of Value Through Dialogue with Customers

To realize sustainable growth even in times of uncertainty, it is not enough to respond only to explicit needs. We must also detect latent needs and proactively reflect them in our products and services.

I am convinced that the foundation of this approach lies in LINTEC's core strength: deep communication with our customers. The origin of this belief stems from an experience I had when I first joined the Company.

In 1980, I joined FUJI SHIKO CORPORATION, the predecessor of LINTEC, as a sales representative. At the time, I had little knowledge of pressure-sensitive products and lacked confidence in my ability to improvise, which made me question whether I was suited for a sales role. However, I was encouraged by something my supervisor told me: "Being a good salesperson isn't about having a silver tongue—it's about sincerely thinking about your customer." That message deeply encouraged me then, and more than 40 years later, it remains etched

Value Creation Story

A Message from the President

in my heart. With that teaching in mind, even during periods when I struggled to achieve good sales results, I always asked myself, "What does the customer need right now?" I made repeated visits to our customers, carefully listening to their comments. As I did, I gradually came to understand their challenges and requests. I then broadened the scope of my proposals by working in close collaboration with our internal teams in R&D and production, making use of our collective knowledge to offer solutions that better matched customer needs. Through that process, I began to feel a growing sense of trust and engagement from our customers.


The essence of LINTEC lies in this approach—starting with dialogue to understand customer needs and working across departments to develop products that provide fundamental solutions. This cycle of customer-driven innovation is what drives LINTEC's sustainable growth. It is, without a doubt, the embodiment of our Company motto: "Sincerity and Creativity."

A Companywide R&D Framework

As my experience illustrates, the creation of new products and businesses at LINTEC is not limited to engineers with specialized technical skills. While our Research & Development Division plays a central role, we have also established an organization within the Business Administration Division dedicated to developing new products and businesses. Our structure enables each division, sales, R&D, and manufacturing, to contribute to technological development from their

own unique perspectives. This cross-organizational approach is the key to accurately grasping changes in society and the diversifying needs of customers and to responding quickly even in these times of rapid change. By directly incorporating insights from the front lines into product development, we are able to provide practical solutions that cannot be derived from theory alone.

In recent years, we have also actively pursued open innovation by combining LINTEC's proprietary technologies, built up over many years, with external expertise. A representative example is our participation in ARCH, an incubation center whose mission is to generate new businesses. Through communication with member companies from different industries in this co-creation space, we have discovered new possibilities for applying our technologies and products to solve issues in entirely new fields. Ideas gained from these activities are shared with our research centers and business divisions, enhancing the collaborative use of knowledge and improving the feasibility of commercialization. In today's world, where uncertainty continues to grow, co-creation among companies is becoming increasingly important. By proactively embracing multifaceted external perspectives, we will accelerate the creation of innovative products and services that meet the diverse needs of society and our customers.

 For details, see the "R&D and Intellectual Property Strategy" section on pages 30–32.


Building a System for Speed

DX as a Driver of New Product and Business Creation

We take pride in the steady advances we have made in both organizational and technological aspects of new product development. However, to respond quickly to rapidly evolving market needs, it is essential to further accelerate the speed of our R&D. The key to achieving this lies in promoting DX.

A particular focus of our efforts is to effectively integrate the vast database accumulated over many years by the Research & Development Division into the development process using the latest DX tools. In the past, consideration of material formulations often relied on individual researchers' experience and intuition; however, with AI-driven data analysis, we are now achieving greater precision and significantly

reduced lead times. We are also enhancing cross-functional information sharing, bringing together multifaceted perspectives to drive the creation of new products and businesses.

 For details, see the "DX Strategy" section on pages 34–35.

Unity as a Strength

Alongside innovation born from communication with customers, what I also consider a source of LINTEC's strength is our unity in critical moments. We have fostered a culture of cross-divisional collaboration and flexible coordination, and I take pride in the fact that all our employees move in the same direction.



In recent years, our sales representatives have faced the difficult task of negotiating price increases with customers in an extremely harsh market environment characterized by surging raw material and fuel prices. In such situations, it is only natural to feel discouraged or wish to avoid confrontation, especially when facing strong pushback. Even so, I have always encouraged our employees to engage proactively. If we distance ourselves from our customers, communication will cease, and we will lose sight of what they truly need.

LINTEC employees recognize the essence of a situation and take the initiative, even in tough circumstances. When the Company clearly communicates its policies and thinking, employees understand and move forward as one. I firmly believe this unity is what strengthens our driving force. If at times employees are not aligned with our thinking, then the responsibility lies with me for not communicating well enough. I believe I must further improve how I convey our direction and values so that our employees can fully understand and embrace them.

Message to Our Shareholders and Investors

Amid an increasingly uncertain business environment, LINTEC continues to make strong strides toward both solving social issues and enhancing business performance. In pursuing these goals, I am once again keenly aware that thorough and consistent communication with all our stakeholders is the foundation of sustainable growth. Our continued growth has only been possible through dialogue with our stakeholders. The candid feedback and expectations we receive from you are a source of nourishment for our growth and the wellspring of innovation. As president, I will put into practice the lessons I learned as a new employee and fully support

every employee in actively engaging with our stakeholders to build even stronger relationships of trust.

Even when the path ahead is shrouded in fog, I firmly believe that by deepening our dialogue with shareholders and investors, we can chart a clear direction and forge a path forward. I sincerely ask for your continued and increased support as we move ahead.

Makoto Hattori

Representative Director
President, CEO and COO