

Our Business

The LINTEC Group's operations are divided into six product categories, which have been arranged into three operational segments: Printing and Industrial Materials Products, Electronic and Optical Products, and Paper and Converted Products.

Printing and Industrial Materials Products

This segment consists of Printing and variable information products operations and Industrial and material operations.

In our Printing and variable information products operations, we conduct the production and sales of adhesive papers and films for seals and labels, which are the LINTEC Group's mainstay products. Our adhesive films perform particularly well, boasting a share of over 50% of the domestic market. We are also targeting the expansion of our share in such overseas markets as China and Southeast Asia following the establishment of production and sales bases in these regions.

In our Industrial and material operations, we deal in a wide variety of products, including sheet materials for photovoltaic (PV) modules, specialty adhesive products for use in information devices and automobiles, label system-related equipment, materials for outdoor signs and interior finishing, and even adhesive films for glass.

Electronic and Optical Products

This segment consists of Advanced materials operations and Optical products operations.

In our Advanced materials operations, we develop and provide such products as specialized adhesive tapes and related equipment essential in semiconductor manufacturing and mounting processes as well as coated films for MLCC production and various materials for touch panels.

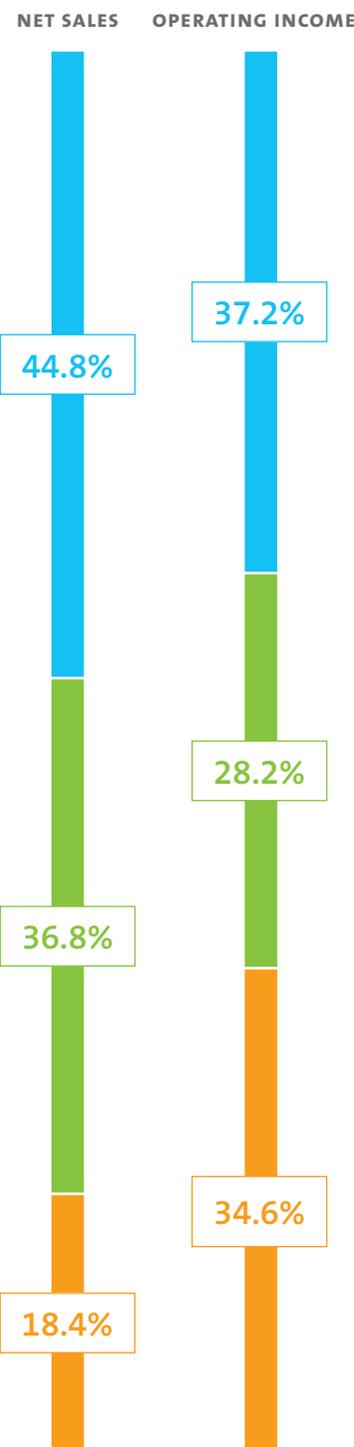
In our Optical products operations, we conduct adhesive processing for the bonding of polarizing films and retardation films used to make LCDs; surface improvement processing for polarizing films, such as antiglare hard coat processing, which reduces reflectivity and protects films from scratches; and the manufacturing of protection films for polarizing films.

Paper and Converted Products

This segment consists of Fine and specialty paper products operations and Converted products operations.

In our Fine and specialty paper products operations, we produce and sell color papers for envelopes and colored construction papers, products for which LINTEC holds the leading share in domestic markets; lint-free papers for use in clean-room environments that almost completely prevent the occurrence of dust; oil- and moisture-resistant papers for food packaging; high-grade printing papers with special textures; and high-grade papers for paper products used for business cards and postcards.

In our Converted products operations, we provide release papers and films that protect the adhesive surfaces of a variety of adhesive products. Additionally, we produce casting papers that are used as patterning papers for placing designs on synthetic leather. We also manufacture casting papers for carbon fiber composite materials, essential for the process of hardening the fine carbon fiber into sheet form. Going forward, we have high expectations for carbon fiber due to its increased usage, such as in the bodies of aircraft.



Printing and Industrial Materials Products

NET SALES

¥90.1 bn

OPERATING INCOME

¥5.2 bn



Printing and Variable Information Products Operations

In the fiscal year under review, sales in Asia were unchanged from the previous year due to the drop in demand in the second half of the fiscal year as a result of the impacts of the financial crisis in Europe as well as the severe flooding in Thailand.

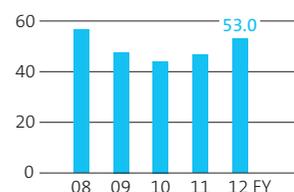
In addition, sales suffered in Japan because of the disruptions to the production activities of major users following the Great East Japan Earthquake. Due to the above, net sales were down 0.6% year on year, to ¥53.0 billion.

MAIN PRODUCTS

- Adhesive papers and films for seals and labels
- Label printing machines

Net Sales*

¥ Billion



SHARE OF NET SALES

26.4%



Industrial and Material Operations

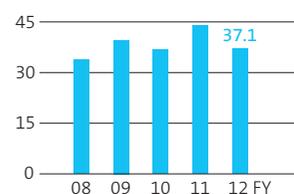
In the fiscal year under review, sales of window films increased substantially due to higher demand for films for electricity saving and glass shatter-proofing purposes as well as the sales contributions from the U.S. subsidiary that was consolidated during the fourth quarter of the previous fiscal year. However, sales of PV backsheets were down notably because of the inventory adjustment trend in the market. Automobile-use adhesive products, including those for motorcycles, and industrial-use adhesive tapes also experienced a drop in sales following the decline in production among manufacturers as a result of the earthquake in Japan and flooding in Thailand. Accordingly, net sales decreased 3.9% year on year, to ¥37.1 billion.

MAIN PRODUCTS

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

Net Sales*

¥ Billion



SHARE OF NET SALES

18.4%

* Due to a reorganization of business segments, Healthcare products operations has been integrated into Printing and variable information products operations from April 1, 2011. Also, some products associated with Printing and variable information products operations were recorded under Industrial and material operations over the period from FY2009 to FY2011.

Electronic and Optical Products

NET SALES

¥73.9 bn

OPERATING INCOME

¥3.9 bn



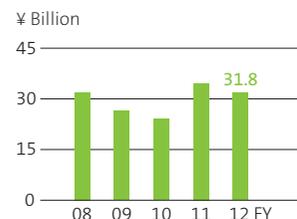
Advanced Materials Operations

In the fiscal year under review, sales of semiconductor-related tapes increased slightly year on year, whereas semiconductor-related equipment saw a large decrease in sales due to limited capital investment among semiconductor manufacturers. Sales of coated films for MLCC production were solid following robust demand for smartphones. Meanwhile, sales of optical device-related products dropped significantly. As a result, net sales were down 8.1%, to ¥31.8 billion.

MAIN PRODUCTS

- Semiconductor-related tapes and equipment
- Coated films for MLCC production
- Touch panel-related products
- RFID-related products

Net Sales



SHARE OF NET SALES

15.9%



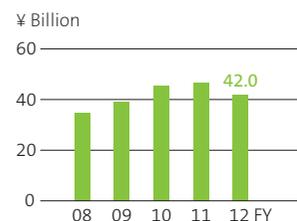
Optical Products Operations

Net sales in the fiscal year under review were down 9.6%, to ¥42.0 billion, due to low demand for flat-screen TVs both inside and outside of Japan, which outweighed the effects of brisk demand for smartphones.

MAIN PRODUCTS

- Polarizing films and retardation films for LCDs (adhesive processing)
- Polarizing films for LCDs (surface improvement processing)
- Protection films for polarizing films

Net Sales



SHARE OF NET SALES

20.9%

Paper and Converted Products

NET SALES

¥36.9 bn

OPERATING INCOME

¥4.8 bn



Fine and Specialty Paper Products Operations

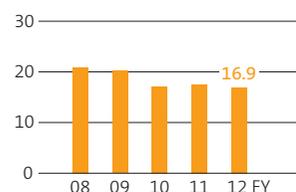
In the fiscal year under review, post-earthquake reconstruction demand drove up sales of construction material papers for wallpaper, but mainstay color papers for envelopes and industrial-use special function papers experienced an overall decrease in demand. This led to a 3.4% year-on-year decline in sales, to ¥16.9 billion.

MAIN PRODUCTS

- Color papers for envelopes
- Colored construction papers
- Special function papers
- High-grade printing papers
- High-grade papers for paper products

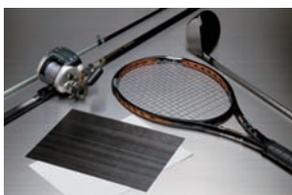
Net Sales

¥ Billion



SHARE OF NET SALES

8.4%



Converted Products Operations

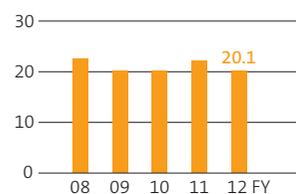
In the fiscal year under review, net sales were down 9.7%, to ¥20.1 billion, due to sluggish demand for mainstay release papers for adhesive products and flexible printed circuits as well as casting papers for synthetic leather.

MAIN PRODUCTS

- Release papers and films for adhesive products
- Casting papers for synthetic leather
- Casting papers for carbon fiber composite materials

Net Sales

¥ Billion



SHARE OF NET SALES

10.0%

Financial Highlights

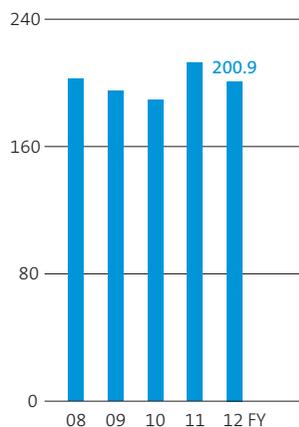
LINTEC Corporation and its consolidated subsidiaries
Years ended March 31

	Millions of yen, except per share data			Thousands of U.S. dollars, except per share data*	% change 2012 / 2011
	2012	2011	2010	2012	
Net sales	¥ 200,905	¥ 212,733	¥ 189,348	\$2,444,401	(5.6)
Operating income	13,975	20,889	11,576	170,033	(33.1)
Income before income taxes	13,382	19,565	11,399	162,817	(31.6)
Net income	8,648	13,622	7,284	105,224	(36.5)
Return on equity (ROE)	6.6%	10.9%	6.2%	6.6%	–
Per share data (yen and dollars)					
Net income	¥ 115.26	¥ 180.21	¥ 96.36	\$1.40	(36.0)
Net assets	1,766.60	1,715.78	1,596.37	21.49	3.0
Cash dividends	40.00	40.00	24.00	0.49	0.0
Depreciation and amortization	¥ 10,079	¥ 10,178	¥ 10,537	\$ 122,634	(1.0)
Capital expenditures	11,684	10,058	7,935	142,168	16.2
Net cash provided by operating activities	18,910	23,307	22,259	230,082	(18.9)
Net cash used in investing activities	(12,262)	(9,926)	(9,253)	(149,198)	23.5
Net cash used in financing activities	(5,099)	(2,820)	(3,454)	(62,044)	80.8
Cash and cash equivalents	36,036	35,188	25,387	438,451	2.4
Total assets	210,203	206,188	195,656	2,557,529	1.9
Net assets	132,847	130,576	121,502	1,616,347	1.7

* The U.S. dollar amounts are translated, for convenience only, at the rate of ¥82.19 to U.S.\$1, the exchange rate prevailing on March 31, 2012.

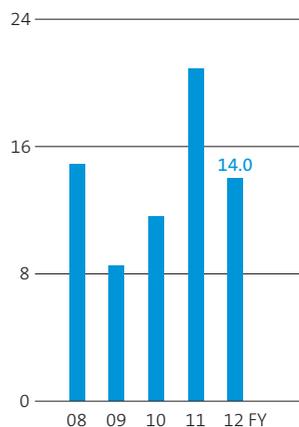
Net Sales

¥ Billion



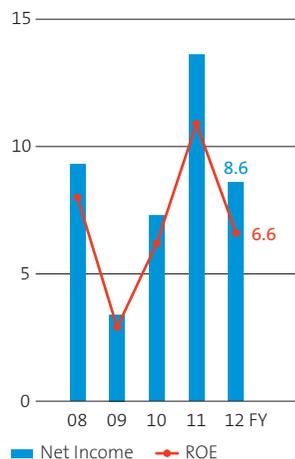
Operating Income

¥ Billion



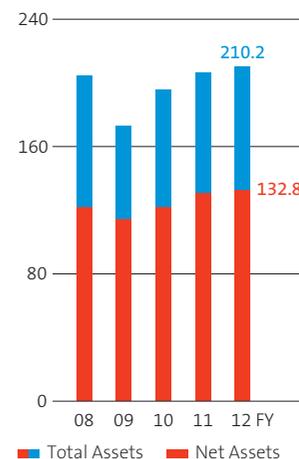
Net Income / ROE

¥ Billion / %



Total Assets / Net Assets

¥ Billion



FORWARD-LOOKING STATEMENTS: All statements contained in this annual report, such as projected operating results, that are not historical facts are forward-looking statements based on the Company's estimates and plans. For various reasons, it is possible that the Company's future results, performance, or achievements will differ from the contents of these forward-looking statements.