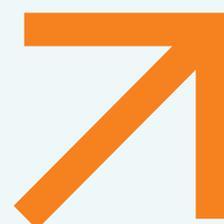
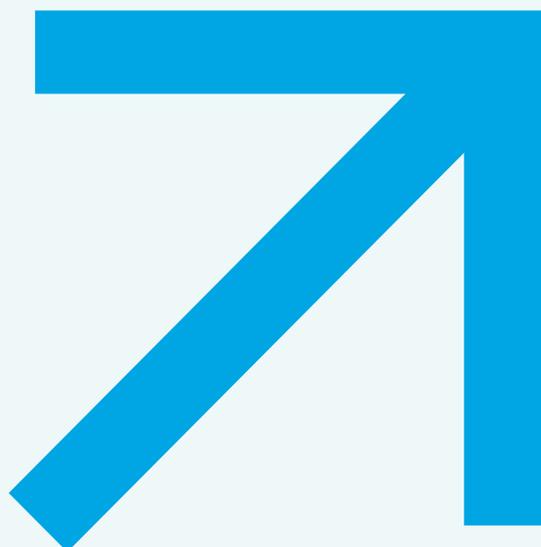
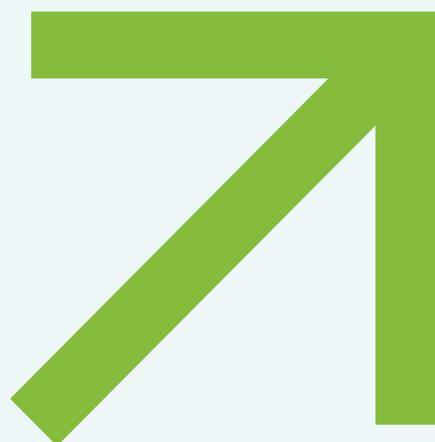


LINTEC
ANNUAL
REPORT
2015

For the year ended
March 31, 2015



ACCELERATING
GROWTH



LINTEC

Contents

1 COVER STORY

- 1 Company Motto & Mission Statement
- 2 LINTEC's History
- 4 Business Overview
- 6 LINTEC's Value Creation

8 Performance Highlights

10 MANAGEMENT STRATEGY

- 10 From the President

16 BUSINESS ACTIVITIES SUPPORTING VALUE CREATION

- 16 R&D Activities and Intellectual Property
- 18 Human Resources
- 19 Partnerships
- 20 Social Contribution Activities
- 21 Environmental Preservation

22 OUR GROWTH FOUNDATION

- 22 Corporate Governance
- 27 CSR Basic Approaches and Promotion System
- 28 Corporate Officers

30 FINANCIAL SECTION

- 31 Management's Discussion and Analysis
- 33 Operating Risks
- 34 Financial Summary
- 36 Consolidated Balance Sheet
- 38 Consolidated Statement of Income
- 38 Consolidated Statement of Comprehensive Income
- 39 Consolidated Statement of Changes in Net Assets
- 40 Consolidated Statement of Cash Flows
- 41 Notes to Consolidated Financial Statements
- 58 Management's Report on Internal Control over Financial Reporting
- 59 Report of Independent Auditors

61 Investor Information

Editorial Policy

This report is meant to help shareholders and other investors understand the LINTEC Group and its quest to achieve sustainable growth and contribute to the further development of society as a whole. Based on the International Integrated Reporting Framework released by the International Integrated Reporting Council in December 2013, in addition to performance and financial information, this report also introduces the R&D capabilities, human resources, and other "intangible assets" accumulated by the LINTEC Group that are of the variety not listed on the financial statements.

Information that could not be contained within this report is available on the following websites.

➤ IR Website

<http://www.lintec-global.com/ir/>



➤ CSR Website

<http://www.lintec-global.com/csr/>



REPORTING PERIOD

This report covers the period between April 1, 2014 and March 31, 2015. However, some of the information includes content from April 2015 onward.

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 and circumstances.

Company Motto & Mission Statement

As a leading company in the adhesive products and fine and specialty papers fields, LINTEC has developed a diverse range of products and achieved sustainable growth. In deference to our company motto, “Sincerity and Creativity,” we strive to maintain integrity toward each and every one of our stakeholders and will continue to engage in new challenges with a passion for innovation. These principles represent our foundation as a manufacturing company and we continue to contribute to the development of society by developing products that meet the needs of everyone.

“Linking your dreams” – LINTEC utilizes its unique technologies to link the countless dreams of people across the world and give form to them. We look forward to your ongoing support.

➤ Company Motto



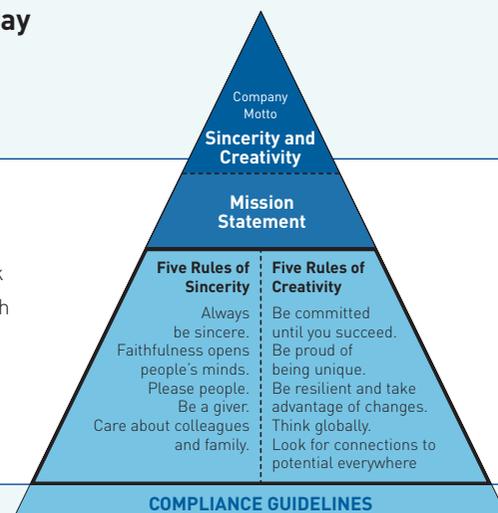
➤ Mission Statement

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

LINTEC WAY

In the year ended March 31, 2015, the LINTEC Group established “LINTEC WAY” as a guidepost to encourage all of its employees in continuing to maintain a unified outlook and aspiring toward sustainable growth. “LINTEC WAY” comprises 10 principles, which represent our cherished sense of values, to support the company motto, “Sincerity and Creativity,” and highlight the ideals that employees should strive to embody. We continue to promote the proliferation and understanding of LINTEC WAY by holding CSR study meetings at Group companies both inside and outside Japan.



LINTEC's History

Over the more than 80 years since its founding, LINTEC has continued to grow its business by adhering to a customer-first mindset and developing original products, all while acting in accordance with its company motto, "Sincerity and Creativity."

1920s to 60s

Stage of Creation – Stage of Business Base Building

FUJI SHOKAI was established in 1927 as Japan's first manufacturer of gummed tape for packaging. Later, in 1934, it was reorganized to form FUJI SHIKO CORPORATION, which it could be said represented the start of the Company. At that time, demand was rising rapidly for cardboard boxes to be used as alternatives for wooden boxes for transporting foods and other goods. This trend fueled substantial growth in demand for gummed tape for sealing these boxes. Entering into the 1950s, we began to actively push forward with the establishment of sales bases geared toward strengthening our business development in major Japanese cities.

In 1960, we began selling adhesive papers for seals and labels, and later advanced into the field of adhesive films. This is when we constructed the foundations for our mainstay businesses of today. In addition, in 1962 we developed an automatic packaging machine (cardboard box automatic sealing machine) manufacturing department, and began to provide of a combination of adhesive materials and related equipment, establishing a business style of comprehensively meeting customer needs that we continue to utilize today.

Apr. 1927 FUJI SHOKAI established in Sugamo, Tokyo
Started production and sales of gummed tape for packaging



Gummed tape

Aug. 1931 FUJI SHOKAI reorganized to establish FUJI GOMEI KAISHA, and head office and head factory relocated to Itabashi, Tokyo

Oct. 1934 FUJI GOMEI KAISHA reorganized to establish FUJI SHIKO CORPORATION



Time of establishment

Sep. 1950 Osaka Office (currently Osaka Branch) opened, nationwide expansion of sales and establishment of large-scale bases commenced

Apr. 1953 Established laboratory in head office in Itabashi, and started full-scale development of technologies and products

Mar. 1960 Started production and sales of adhesive papers for seals and labels; later, also started production and sales of adhesive films

Mar. 1962 Established automatic packaging machine manufacturing department, and started sales of system combined with gummed tape for packaging

Oct. 1968 Transferred laboratory to Warabi Plant in Saitama Prefecture, and started development of new products taking advantage of our core technologies

1970s to 80s

Stage of Entry into Growth Businesses

In the early 1970s, we started manufacturing and selling labeling machines and label printing machines. It was also at this time that we expanded operations into China. In the late 1970s, we developed a colored adhesive film for use in body stripe stickers on motorcycles, in response to the rapid growth in domestic motorcycle sales. In addition, there was a rapid increase in the need for films used for outdoor sign, and we also began to expand our business in the motorcycle, automobile and interior and exterior decorative fields.

In 1984, the company name was changed to FSK CORPORATION. Then, in 1986 we developed an ultraviolet (UV) curable dicing tape that allows for adhesive strength to be controlled by irradiation of UV rays, making our entry into the semiconductor field. The development of this product caused a revolution in the semiconductor industry and also represents the original source of our competitiveness in this field. It was during this period that the Company steadily expanded its presence in the industry, being listed on the Second Section of the Tokyo Stock Exchange in 1986 and then being approved for listing on the First Section in 1989.

Mar. 1972 Started production and sales of labeling machines

Aug. 1973 Developed "A-100 type" label printing machine, incorporating new technologies, and started production and sales of label printing machines



"A-100 type" label printing machine

1974 Started sales of label printing machines and adhesive products in China

Oct. 1984 Company name was changed to FSK CORPORATION

Jul. 1986 Listed on Second Section of Tokyo Stock Exchange

1986 Developed UV-curable dicing tape and made full-scale entry into semiconductor-related business



UV-curable dicing tape

Sep. 1987 FSK OF AMERICA, INC. (currently LINTEC USA HOLDING, INC.), established and MADICO, INC., a U.S. window films manufacturer, became a subsidiary

Mar. 1989 Approved for listing on First Section of Tokyo Stock Exchange



1990s

Second Stage of Creation

In April 1990, FSK merged with SHIKOKU PAPER CO., LTD., a supplier of release papers and other items, and SOHKEN KAKO CO., LTD., another manufacturer of adhesive materials, giving birth to LINTEC Corporation and representing a new start. Through this merger, we have expanded our business into the specialty papers, release papers and films, which has enabled us to establish an integrated adhesive product manufacturing system spanning from upstream areas (base paper for release papers) to downstream areas (adhesive products). The name LINTEC was chosen as a combination of "linkage" and "technology" to symbolize our commitment toward linking people with technology to create new value. This spirit continues to live on in the Company today.

In 1991, we entered into the field of optically functional films for liquid crystal displays (LCDs). Later, we established local manufacturing bases and sales bases in Indonesia and Singapore, which still play the main role in our business in Southeast Asia and India. In this manner, we advanced the globalization of our business.

Apr. 1990 Merged with SHIKOKU PAPER CO., LTD., and SOHKEN KAKO CO., LTD., and company name changed to LINTEC Corporation

1991 Made full-scale entry into LCD-related business



Optically functional films for LCDs

Oct. 1993 LINTEC (TIANJIN) INDUSTRY CO., LTD., established as manufacturing base of label printing machines and sales base of adhesive products

Feb. 1994 Singapore Office opened

May 1994 PT. LINTEC INDONESIA established as manufacturing base of adhesive products



PT. LINTEC INDONESIA

Apr. 1995 Singapore sales office locally incorporated and LINTEC SINGAPORE PRIVATE LIMITED established

Apr. 1995 LINTEC EUROPE B.V. in the Netherlands established

Dec. 1995 Research Center in Saitama Prefecture built

Mar. 1999 LINTEC INDUSTRIES (SARAWAK) SDN. BHD. in Malaysia established as manufacturing base for electronics-related products

2000s to today

Stage of Growth Acceleration

The globalization of LINTEC's business accelerated at the turn of the century. Based on our policy of manufacturing products closer to customers to ensure stable supplies through local production, we established new manufacturing bases in China, Taiwan, South Korea, Malaysia, and Thailand. At the same time, we took steps to reinforce manufacturing and sales systems, such as expanding our network of sales bases that possess warehouses and slitting facilities. Recently, we have established a regional headquarter in Singapore to strengthen competitiveness in the rapidly growing Southeast Asian and Indian markets.

Moreover, we have established an R&D base of LINTEC OF AMERICA, INC., at Dallas in the United States and are pushing forward with the practical implementation of new-generation materials such as carbon nanotubes. In 2015, we also established the Advanced Technology Building adjacent to our existing research center, and we are working toward increasing the speed of product development and developing innovative new products.

Apr. 2000 LINTEC INDUSTRIES (MALAYSIA) SDN. BHD. established as manufacturing base for electronics-related products

Jun. 2002 LINTEC (SUZHOU) TECH CORPORATION in China established as manufacturing base for adhesive products and converted products



LINTEC (SUZHOU)
TECH CORPORATION

Aug. 2002 LINTEC SPECIALITY FILMS (KOREA), INC., established as manufacturing base for optical products

Aug. 2003 LINTEC SPECIALITY FILMS (TAIWAN), INC., established as manufacturing base for optical products

Sep. 2004 LINTEC KOREA, INC., established as manufacturing base for electronics-related products



LINTEC KOREA, INC.

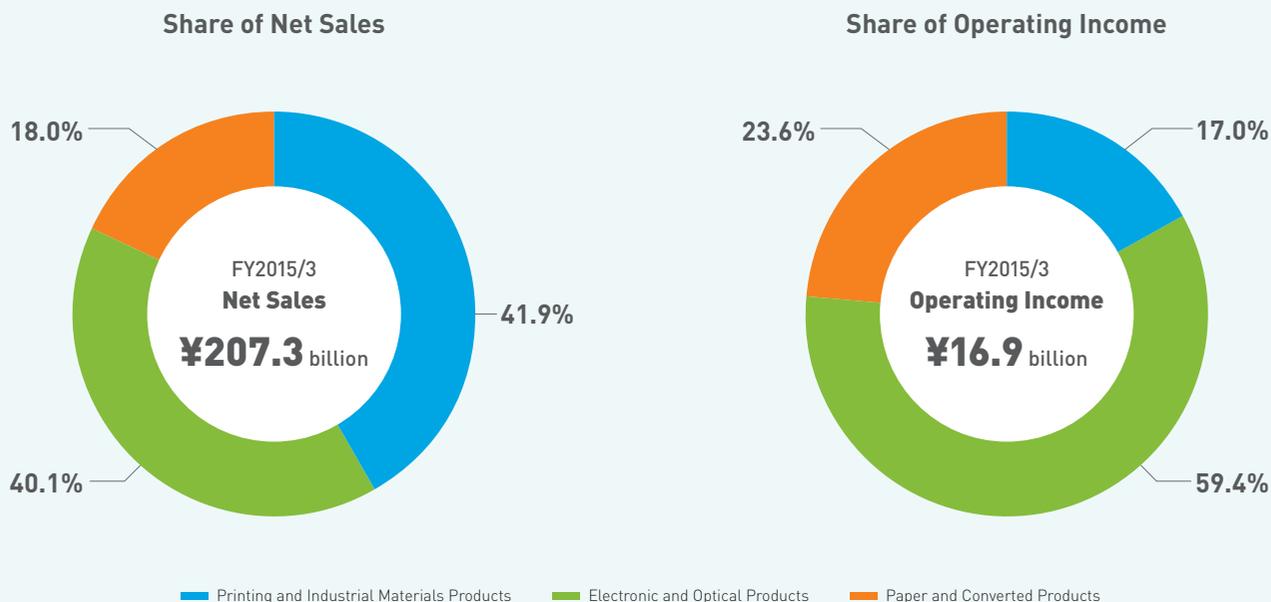
Jun. 2011 LINTEC (THAILAND) CO., LTD., established as manufacturing base for adhesive products

Jan. 2015 LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED in Singapore established

May 2015 Advanced Technology Building constructed in Saitama Prefecture

Business Overview

LINTEC responds to social needs by developing its business in a wide range of fields.



Note: Operating income composition data is based on figures before the elimination of intra-segment transactions.

➤ Printing and Industrial Materials Products



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

In our Printing & variable information products operations, we conduct the manufacture and sale 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 approximately 60% of the domestic market. We are also targeting the expansion of our share in such overseas markets as China and Southeast Asia through the enhancement of production and sales bases in these markets.

In our Industrial & material operations, we deal in a wide variety of products, including automobile-use adhesive products, tapes for bonding components in mobile devices and others, label system-related equipment, adhesive sheets for outdoor signs and interior finishing, and even window films for saving electricity and glass shatter-proofing purposes for which demand has been growing.

Printing & Variable Information Products Operations

Main Products

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

Industrial & Material Operations

Main Products

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

➤ 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 multilayer ceramic capacitor (MLCC) production and touch screen-related products.

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

Advanced Materials Operations

Main Products

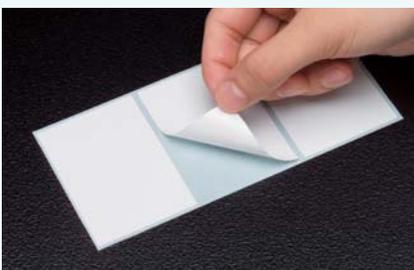
- Semiconductor-related adhesive tapes and equipment
- Coated films for MLCC production
- Touch screen-related products

Optical Products Operations

Main Products

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

➤ Paper and Converted Products



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

In our Fine & specialty paper products operations, we conduct the manufacture and sale of color papers for envelopes and colored construction papers, products for which LINTEC holds the leading share in domestic markets; lint-free papers that are used in places such as clean rooms that cause hardly any dust even when torn; oil 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 for which demand is expected to rise in conjunction with increased usage in aircraft.

Fine & Specialty Paper Products Operations

Main Products

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

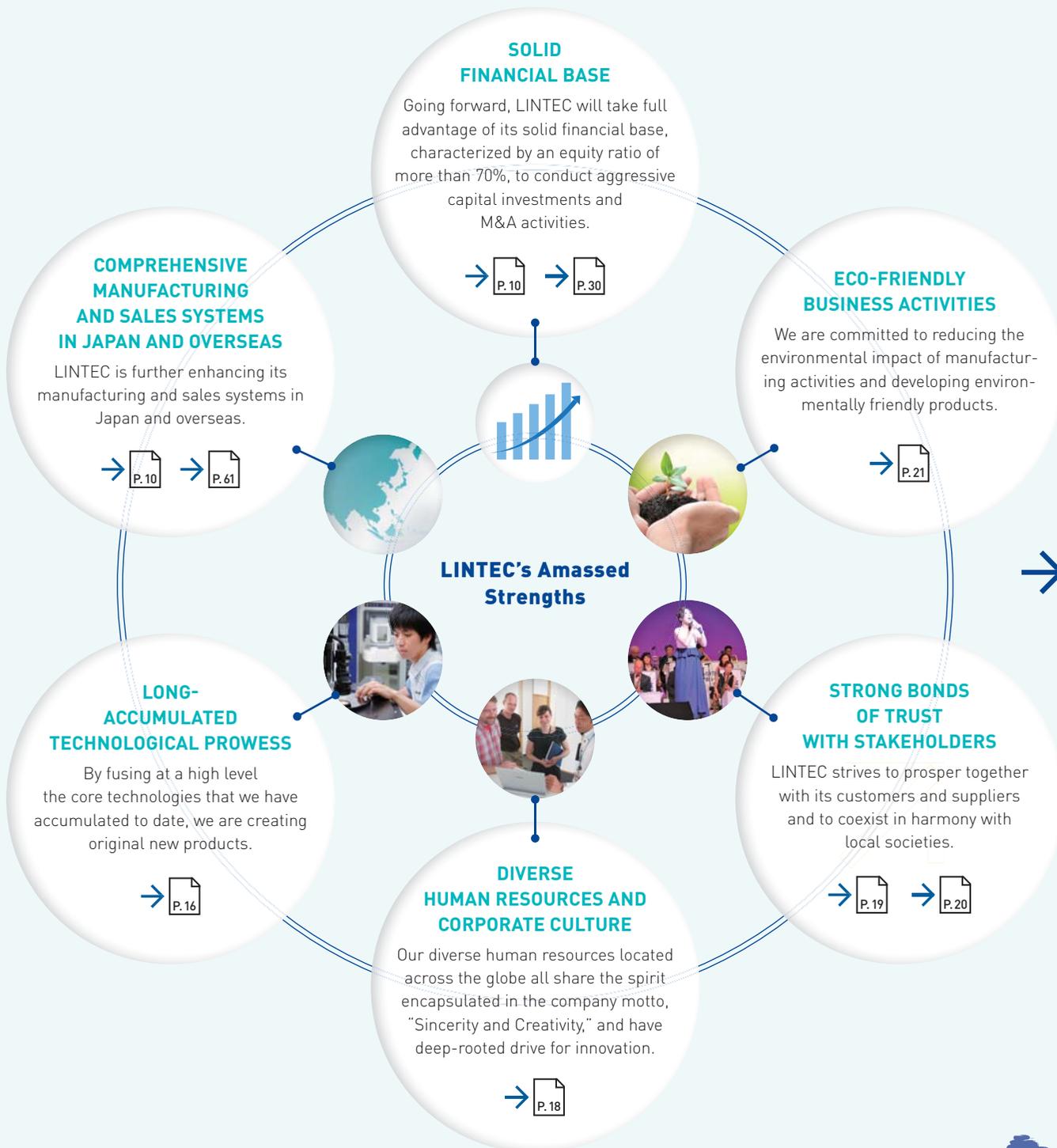
Converted Products Operations

Main Products

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

LINTEC's Value Creation

Since its founding, the LINTEC Group has amassed numerous strengths. These strengths serve as indispensable assets to our business activities, and have been the driving force in creating various high-value-added products in response to a wide range of social needs. Going forward, the LINTEC Group will pursue sustainable growth by contributing to the development of society through the creation of new value.



With the assets we have cultivated over the years, we will further promote our business activities to achieve our targets by

accelerating growth.

Advancing business activities by leveraging amassed strengths

Printing and Industrial Materials Products

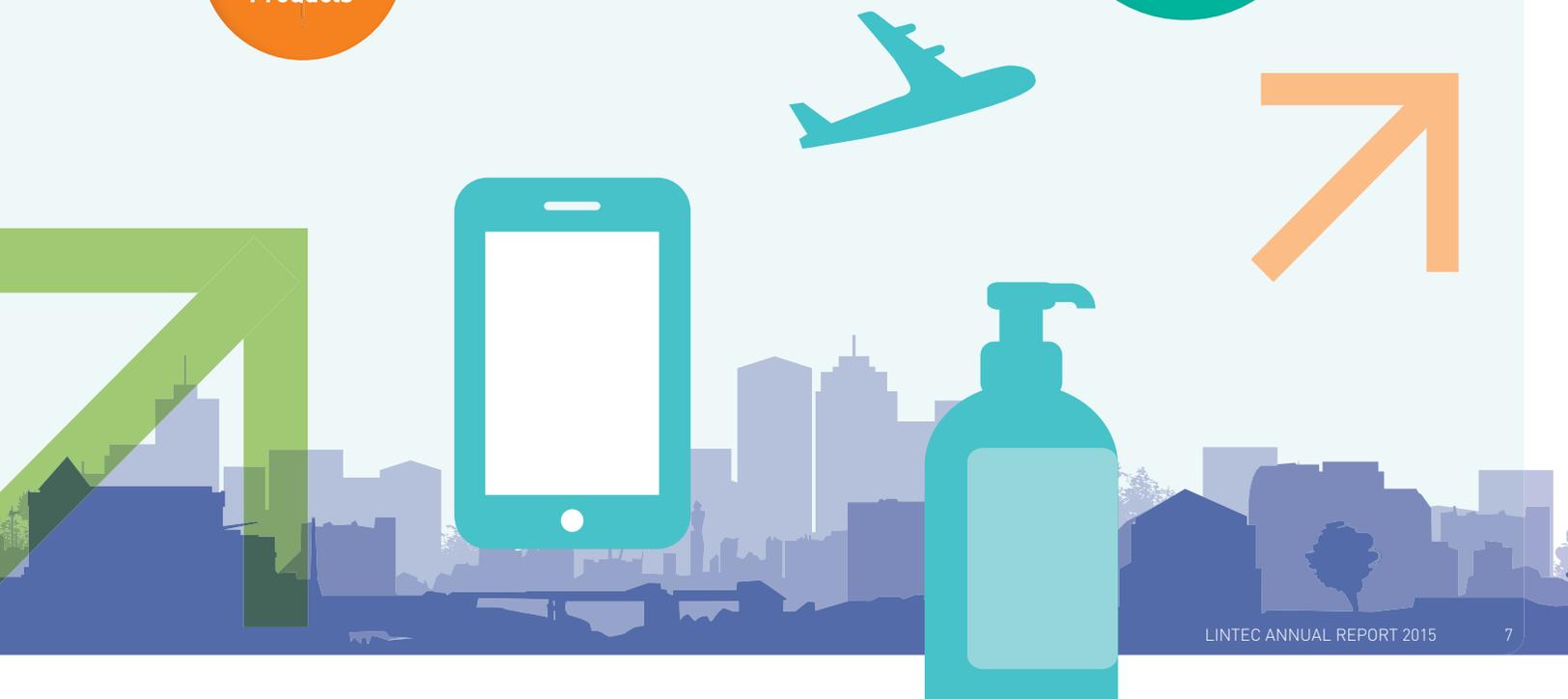
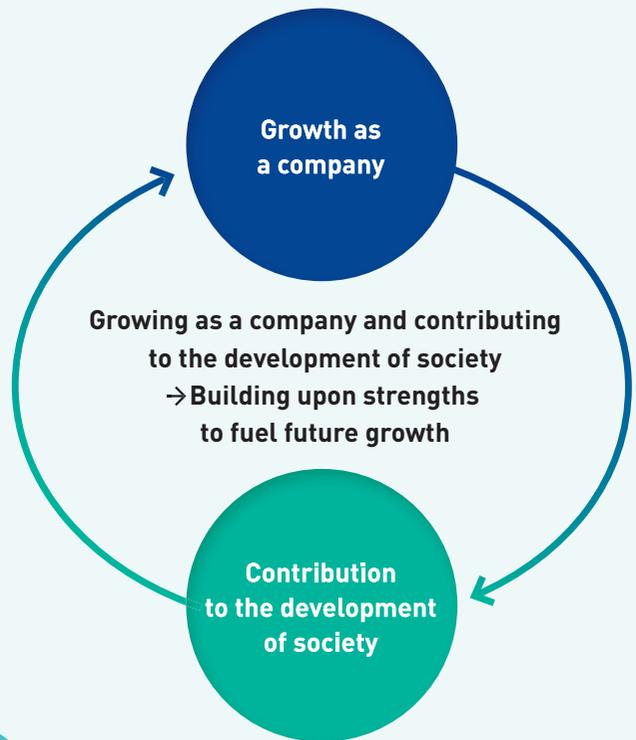
Electronic and Optical Products

Paper and Converted Products

Pushing forward with the medium-term business plan,



to achieve further growth



Performance Highlights

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31

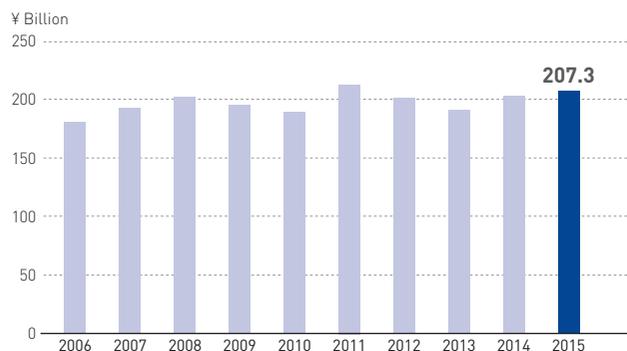
Financial Data	Millions of yen			Thousands of U.S. dollars*	% change 2015 / 2014
	2015	2014	2013	2015	
Net sales	¥207,255	¥203,242	¥190,844	\$1,724,684	2.0
Operating income	16,881	13,766	10,564	140,483	22.6
Income before income taxes	17,555	12,883	10,836	146,091	36.3
Net income	11,659	8,501	7,681	97,023	37.1
Return on equity (ROE)	7.2%	5.8%	5.6%	—	—
Per share data (yen and U.S. dollars)					
Net income (basic)	¥ 161.63	¥ 114.22	¥ 102.83	\$ 1.35	41.5
Net assets	2,363.81	2,100.87	1,909.57	19.67	12.5
Cash dividends	48.00	42.00	34.00	0.40	14.3
Depreciation and amortization	¥ 8,713	¥ 10,055	¥ 10,141	\$ 72,509	(13.3)
Capital expenditures	7,754	4,874	12,293	64,526	59.1
Net cash provided by operating activities	15,485	16,309	19,619	128,861	(5.1)
Net cash used in investing activities	(5,104)	(6,952)	(13,966)	(42,475)	26.6
Net cash used in financing activities	(3,135)	(8,020)	(2,877)	(26,093)	60.9
Cash and cash equivalents	56,050	44,992	40,739	466,428	24.6
Total assets	237,444	225,073	216,048	1,975,903	5.5
Net assets	171,674	152,610	143,569	1,428,594	12.5

Non-Financial Data

	2015	2014	2013	2015	2015 / 2014
CO ₂ emissions (1,000 tons of CO ₂)	202	203	184	—	(0.0)
Number of employees	4,413	4,223	4,270	—	4.5
Disabled persons employment ratio (%)	1.78	1.79	1.74	—	—

* The U.S. dollar amounts are translated, for convenience only, at the rate of ¥120.17 to U.S.\$1, the prevailing exchange rate as of March 31, 2015.

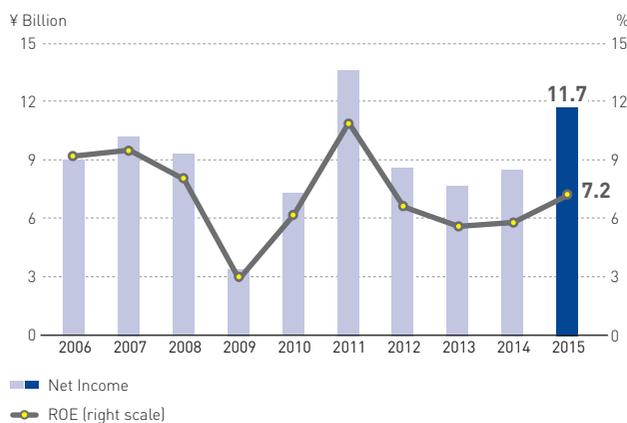
Net Sales



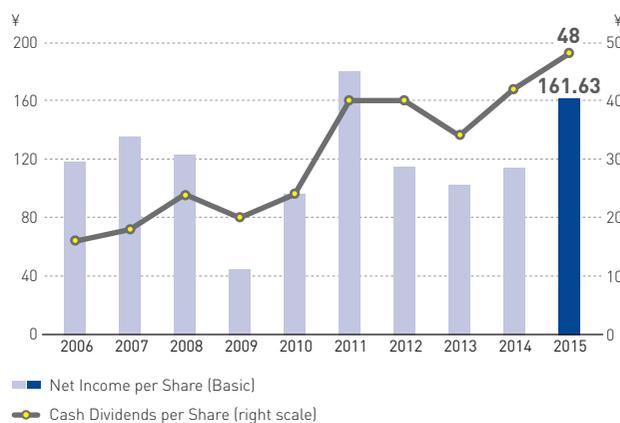
Operating Income



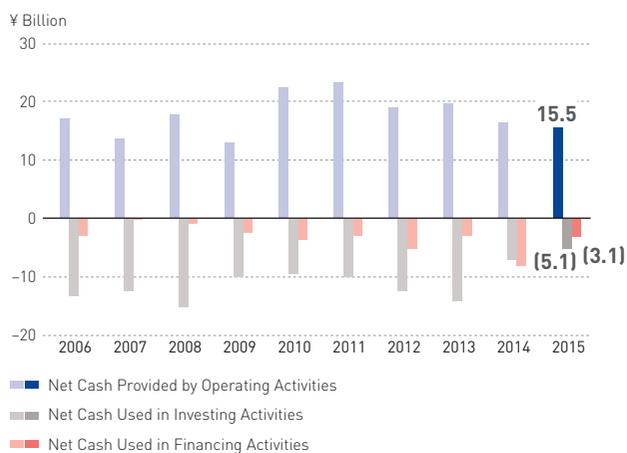
Net Income / ROE



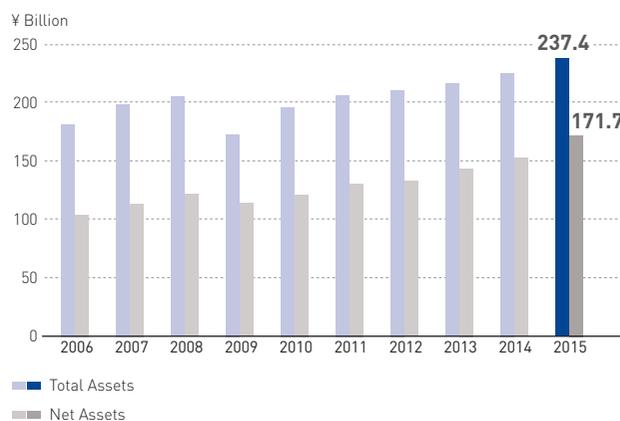
Net Income per Share (Basic) / Cash Dividends per Share



Cash Flows



Total Assets / Net Assets

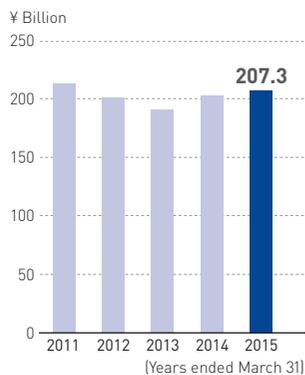


From the President

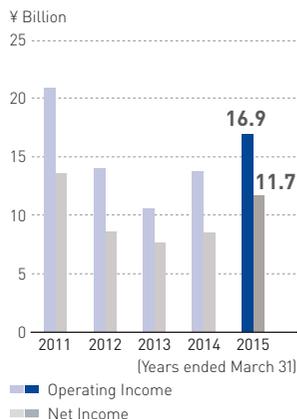


Hiroyuki Nishio
Representative Director
President, CEO and COO

Net Sales



Operating Income / Net Income



➤ Looking back at the Company's performance in the year ended March 31, 2015

We increased sales and income due to significant expansion in the Electronic and Optical Products

From the point of view of sales, in the fiscal year ended March 31, 2015—the inaugural year of our medium-term business plan, LINTEC INNOVATION PLAN 2016 (LIP-2016)—demand for some products was affected by a fall in consumer spending in Japan from the consumption tax hike in April, but there was a significant increase in Electronic and Optical Products due to the effect of demand in such areas as smartphones. From the profit aspect, apart from an increase in sales quantity and an improvement in sales mix, there were also the effects of a decrease in stocking costs at foreign subsidiaries and the pushing up of the yen equivalent amounts due to the weak yen.

As a result of the above factors, sales and income both increased in comparison with the year ended March 31, 2014, with consolidated net sales up 2.0% year on year, to ¥207.3 billion, operating income up 22.6%, to ¥16.9 billion, and net income up 37.1%, to ¥11.7 billion. There were also significant increases in both operating profit margin and ROE, from 6.8% in the previous fiscal year to 8.1%, and from 5.8% to 7.2%, respectively.

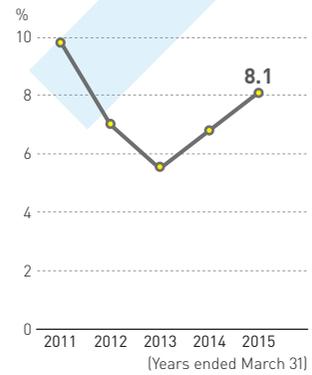
Main initiatives during the inaugural year of LIP-2016
We worked to expand overseas bases, maintaining a focus on Southeast Asia

The Company has been actively promoting business globalization and, in the inaugural fiscal year of LIP-2016, enhanced its overseas business structure, maintaining a focus on Southeast Asia, where growth is expected in the years ahead. We successively commenced full-scale operations at our sales sites in Hanoi (Vietnam), Jakarta (Indonesia), and Kuala Lumpur (Malaysia) and at our delivery center in Mumbai (India), while continuing to steadily develop the system for supplying products to local customers in a timely manner. Furthermore, in January 2015 we established LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED in Singapore with a view to enhancing business development in Southeast Asia and India.

Moreover, from the aspect of product development, we are making steady progress with the development of new products and technologies, which will form the backbone of our next businesses. These include high-barrier film, which is highly anticipated as a material for use in next-generation displays and combines a level of transparency and water barrier properties roughly equal to that of glass with the flexibility unique to film; light diffusion film, which greatly contributes to the increased brightness and reduced power consumption of displays; and the establishment of volume production technology for carbon nanotube sheets, which are expected to be utilized in applications such as in the electrode materials of high-capacity electricity storage devices.

In addition to these developments, in April 2014 we reorganized the previous Cost Innovation Division into the Cost Innovation Office that now comes under the direct supervision of the president as a measure to enhance our cost competitiveness. As well as promoting further efficiencies in our raw material procurement operations, we commenced a “development purchase” initiative that reviews optimal raw materials from the product development stage in collaboration with the research departments. Moreover, we have been enhancing measures for the utilization and personal development of diverse human resources. These measures include training sessions with the aim of cultivating global human resources and promoting the active involvement of female employees.

Operating Profit Margin



ROE



PT. LINTEC JAKARTA



Performance by Operational Segment

For details of performance by operational segment, please see “Performance by Operational Segment” on page 31.

Overview of LIP-2016

(From April 1, 2014, to March 31, 2017)



➤ Basic Policy

Return to a growth path through active management and continuous innovation

➤ Key Initiatives

1. Further promote global development

- (1) Expand overseas businesses with a particular focus on Asian region
- (2) Establish firm business foundations in new regions

2. Create innovative new products that will support the next generation

- (1) Explore new markets and demand by creating new products
- (2) Enhance the base of our research and development in order to create new products

3. Transform into a robust corporate structure

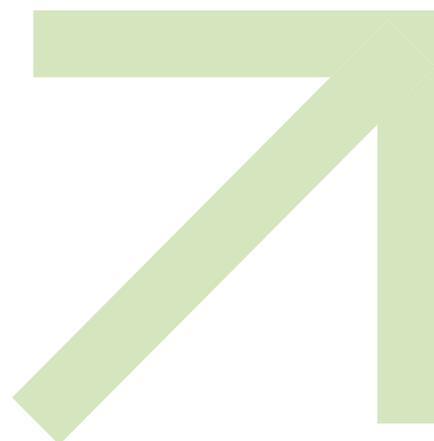
- (1) Strengthen cost competitiveness
- (2) Select and concentrate our management resources

4. Promote strategic M&A

- (1) Clarify the targets that are suited to a growth strategy
- (2) Strengthen the system to promote M&A

5. Foster human resources

- (1) Secure and foster global human resources
- (2) Implement continuous stratified training



➤ Major Numerical Targets (on a consolidated basis)

Net sales:

¥**240.0** billion

Operating income:

¥**20.0** billion

Operating profit margin:

More than **8%**

ROE:

More than **8%**



Activities in the second year of LIP-2016

We will further enhance global development and promote enterprising capital investment

As the current fiscal year, ending March 31, 2016, is viewed as a very important year in influencing our success or failure in reaching the medium-term business plan's targets, we will actively implement a raft of measures under the "A Year to Acceleration of LIP-2016" banner. Firstly, in addition to our efforts to uncover demand in order to expand sales, for example, by formulating new application proposals in Japan, where market maturation continues unabated, we will make further advances in global development toward significant growth in the coming years. In Southeast Asia and India, sales capabilities will be enhanced by and new market development expected from the full-scale operations of the previously mentioned LINTEC ASIA PACIFIC REGIONAL HEADQUARTERS PRIVATE LIMITED. Also, we will work to build an optimized production system, improve efficiency in raw material procurement and strengthen governance. We consider the M&A of companies with brand power and sales channels in each region, and those that possess technologies not currently at LINTEC's disposal, as an effective strategy to enhance our competitiveness in the Southeast Asian and Indian markets and, going forward, we will continue to examine further opportunities.

One of the targets cited in LIP-2016 is an overseas sales ratio of 40% or more, and to continue along that road we have to develop global strategies that not only naturally include Asian markets but also other regions. In September 2015, the Company plans to exhibit on an unprecedented scale at LABELXPO EUROPE 2015, the world's largest label-related trade fair, which is being held in Belgium. There, we will display the appeal of the Company's advanced technological capabilities and product quality as well as enhance LINTEC's brand power, focusing on the European market. Viewing this as an opportunity to expand sales of our mainstay adhesive products for seals and labels, we will also link our efforts to the creation of a firm business foundation in new regions.

From the capital investment standpoint, we are making progress with the expansion of our adhesive coating facilities, including the Shingu Plant in Japan, which is engaged in adhesive processes for optical-related products, and LINTEC (THAILAND) CO., LTD., which serves as a production site for adhesive products for seals and labels as well as for industrial-use. We are also working to enhance our production systems with a view to responding to new demand. Under construction since April 2014, the new Advanced Technology Building at our research center was completed in May 2015. In the years to come, we will install cutting-edge equipment, including large experimental research facilities, which we plan to have in full-scale operation in the fall of 2015. The total amount of capital investment is approximately ¥6.0 billion and can be expected to accelerate the development of innovative products and the volume production of developed products.



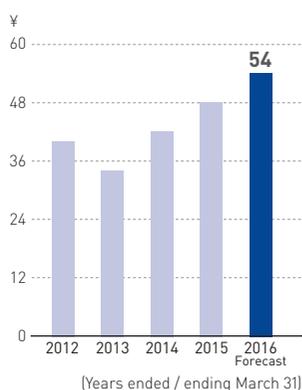
Advanced Technology Building

From the President

➤ Performance forecast for the current fiscal year **We forecast increased sales and income due to our efforts in increasing sales and cost reduction**

With regard to the forecasts for the current fiscal year, we are expecting an increase in fixed costs, due to such factors as our proactive capital investment activities, and rises in the prices for raw materials. In addition to our efforts to increase sales and reduce costs, we also see currency exchange rates as having a positive effect. As a result of the preceding, for the fiscal year ending March 31, 2016, we are forecasting consolidated net sales of ¥220.0 billion, up 6.1% year on year, operating income of ¥18.5 billion, up 9.6%, and net income attributable to parent company's shareholders* of ¥12.7 billion, up 8.9%.

Cash Dividends per Share



Shareholder returns

In the current fiscal year, we plan to increase the dividend per share by ¥6 for the second successive year, to ¥54

LINTEC regards enhancement of return of profits to shareholders as one of its most important management issues. From the perspective of distributing profits, the Company fundamentally aims to provide stable and continued returns after consideration of each fiscal year's consolidated performance while strengthening its management base. Adhering to this basic policy, the year-end dividend for the year ended March 31, 2015 was set at ¥26 and, in combination with the interim dividend of ¥22, dividends for the full year totaled ¥48, an increase of ¥6 over the previous year.

With regard to dividend payments for the year ending March 31, 2016, based on projections of consolidated net income attributable to parent company's shareholders of ¥12.7 billion, we intend to increase dividend payments by ¥6 per share, to ¥54. As we work to improve our corporate performance in the coming years, we will also work to further enhance shareholder returns by cash dividends.

In closing

We increased sales and income in the inaugural year of LIP-2016, but that achievement was largely on the back of the favorable performance related to Electronic and Optical Products and the effects of the weak yen; it cannot be said that we made good progress across all our businesses. The current fiscal year is of extreme importance in the achievement of the medium-term business plan's final-year targets, so our policy is one of closely analyzing and evaluating the progress made

Note: Due to a revision to the "Accounting Standard for Business Combinations," with effect from the consolidated fiscal year beginning April 1, 2015, the previous method for disclosing net income for the period has been changed to "net income attributable to parent company's shareholders."

in the inaugural year, reviewing a raft of measures to address problem areas that hindered progress and continuing to link these moves to rapid and steady results. In the years ahead, Group companies will work in unison to achieve the LIP-2016 targets, aim for the realization of sustainable growth, and vigorously push ahead.

In addition, to remain a company that is highly regarded and trusted by all its stakeholders, we must also remain a presence that contributes to the development of society through its business activities on the basis of improvements in corporate value through performance increases. Under the company motto of "Sincerity and Creativity," I will promote management that positions corporate social responsibility (CSR) as a core element and will contribute to creating a better society by fully leveraging the management resources that we have thus far accumulated.

In grateful and appreciative anticipation of receiving the ongoing support of all our shareholders and investors,

August 2015



H. Nishio

Hiroyuki Nishio
Representative Director
President, CEO and COO



R&D Activities and Intellectual Property



As a technology-centered company, we realize that strengthening R&D capabilities is one of our most important management strategies for achieving sustainable growth. Two approaches help us to create both products that resolve our customers' technological issues and products 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 user needs. Going forward, we will further strengthen our R&D systems to accelerate the speed of product development and create new technologies.

R&D Achievements

In the fiscal year under review, R&D expenses incurred by the Group amounted to ¥6.8 billion. The following is an overview of the principal R&D activities conducted by each operational segment.

Printing and Industrial Materials Products

Printing and Variable Information Materials

As part of its efforts in developing environmentally friendly products, LINTEC has newly developed a label material made from a PET film comprising more than 80% recycled PET resin. The material uses PET that has been re-formed through a mechanical recycling process, and we are beginning to promote it as a new fixture of our environmentally friendly label materials product lineup.



Mechanically recycled PET label materials

Industrial Materials

LINTEC has developed a new automotive film, which adds a touch of luxury to automobile window glass and also prevents the glass from shattering into fragments if broken. The film filters out light close to visible light with a wavelength between 900nm-1200nm, and maintains a high level of transparency while demonstrating outstanding insulation properties.

In industrial machinery-related products, our development activities are focused on labeling systems for the automated application of the adhesive labels that are our core products. In the fiscal year under review, we developed a semi-automatic packaging and address labeling device, in addition to a labeling device equipped with a full-color printer, for the logistics and mail-order industries.

Electronic and Optical Products

Semiconductor-Related Materials

LINTEC is pushing forward with its DBG+LE system, a fusion of our dicing before grinding (DBG) system, which allows for the creation of thinner large-scale integration (LSI) chips, and our LE tape, which functions as both dicing and die bonding tape. This has resulted in the realization of multilayer LSI chips and LINTEC is contributing to increased density of LSI packaging through measures such as the integration of this technology in solid state drives (SSDs), which represent an alternative to conventional hard disk drives (HDDs).

In the electronic equipment-related products, we are focusing our efforts on the development of an application device to improve the efficiency of tape use in the wafer back grinding and wafer dicing back-end semiconductor fabrication processes. In the year under review, we newly developed a vacuum laminator that enables compatibility with both the surface unevenness of the wafers of power devices and the through-silicon via (TSV) process. Moreover, we also developed and released a new multiwafer mounter, which is capable of processing ultra-thin wafers without using Back Grinding (BG) tape.

Optical Functional Materials

We are continually engaged in the development of adhesives for use in mobile devices, such as optically clear adhesive sheets for use in polarizing films and touch screens, and anti-shatter films. Moreover, through a unique optical design we have created a specialized light diffusion film that controls the scatter of light. By offering special customization to meet customer demand, we have sharpened our competitive edge and anticipate the technology to be adopted for display and signage applications. We aim to expand sales of these products while continuing to develop new functional adhesives and coatings.



Conventional reflective LCD (left) and reflective LCD using LINTEC light diffusion film

Paper and Converted Products

In specialty papers, we have developed four new colors of Japanese-style fancy paper. The new colors are pale, pastel hues based on Japan's four seasons. We also pushed forward with the development of a water-repellent paper for envelopes.

In release materials, we aim to enhance our existing range of environmentally friendly products and have been pushing ahead with the development of a solvent-free release paper formula. Moreover, concerning release film formulation, we have launched a new product that significantly reduces the volume of organic solvents used in the dilution process. We have also refined the anti-static formula of process film for



Japanese-style fancy paper

electronic device production, establishing an improved formula that offers excellent substrate adhesion and can be combined with various release formulas.

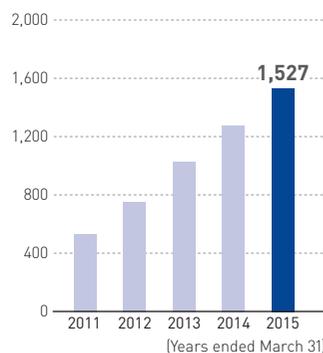
Intellectual Property Activities

The LINTEC Group aims to increase corporate value by developing original products that meet customer needs. We therefore rank intellectual property, such as patents, trademarks, and design rights, which we have acquired through these development activities, as important management resources. While placing the utmost emphasis on respecting the rights of other companies, the Intellectual Property Department, Research & Development Division promotes strategic Companywide intellectual property activities. These activities include seeking to uncover new invention candidates at R&D sites for the purpose of expanding intellectual property rights, which are the lifeline to a technology-centered company.

Accordingly, while planning the linkage of things such as patent portfolio building for our foundation and growth business domains, and support for M&A activities, with our business strategy, we aim to improve profitability based on intellectual property.

Number of Patents Registered in Japan

* Patents held at the end of the fiscal year (cumulative)



Human Resources



The LINTEC Group employs approximately 4,500 people (on a consolidated basis) in 16 countries and regions around the world. Diverse human resources are the Group's asset, and its strength is characterized by a corporate culture nurtured over an 80-year history, which values "harmony among people" and "stand out of the crowd" individuality in its employees, in addition to a deeply rooted awareness of innovation across the entire company. LINTEC strives to create a pleasant working environment for everyone and is engaged in the enhancement of its systems and the education of its employees.

Respecting Human Rights and Diversity

The LINTEC Group avoids discriminatory treatment of employees based on race, creed, gender, education, nationality, religion, or age, thereby respecting the diversity of individuals. In the areas of recruitment and employment, the Group complies thoroughly with labor laws and regulations, including the prohibition of unfair discrimination, child labor, and harassment, and is pushing forward with the creation of workplace environments where all employees can happily and actively do their jobs.

Employment of Disabled Persons

The Group's disabled persons employment ratio for the year ended March 31, 2015 was 1.78%, which was below the legally mandated rate of 2.0%. Going forward, we will strive to increase our disabled persons employment ratio through measures such as the improvement of on-site facilities as required.

Rehiring System

To expand working style options for its employees, the Group has introduced a job return program to rehire ready-to-work employees who had previously resigned for personal reasons such as childbirth, nursing care of a family member, or the transfer of a spouse to a different location. We have also introduced a system to rehire employees who wish to continue working past the mandatory retirement age of 60, on fixed-term one-year contracts up to a maximum age of 65.

Work-Life Balance

LINTEC is working to help employees to balance their professional and personal lives, so that employees are able to perform their jobs with peace of mind and exercise their full abilities. In addition to the establishment of no-overtime days, which aims to deter employees from working excessively long hours, and the implementation of a flextime system, LINTEC is

also working toward the enhancement of programs that allow employees to match their working style to their lifestyle. This includes expanding the field of eligibility for and lengthening the period of shorter work hours for childcare and family care programs, and the introduction of a paid social contribution time-off program. Furthermore, in order to encourage employees to take more paid leave from the fiscal year ending March 31, 2016, we have introduced a system that requires employees to designate in advance three days that they will take as paid leave over the year.

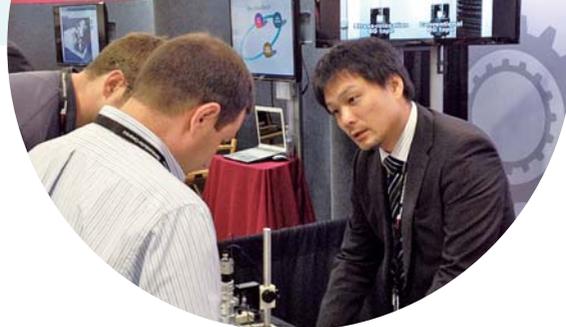
Employee Education

LINTEC has introduced Companywide rank-based training programs, which are human resource education programs tailored to individual employee's years of continuous service and careers. Moreover, with objectives such as promoting second-language acquisition and encouraging women to play a more active role in the workplace, we hold theme-specific group and correspondence training courses to promote the education of global human resources and the career progression of female employees. Furthermore, we are also engaged in efforts to boost Companywide employee understanding of various themes, such as the environment, product quality, the business continuity management system (BCMS), and CSR, through e-learning programs offered via the Company's intranet.



Training session to promote the active involvement of female employees

Partnerships

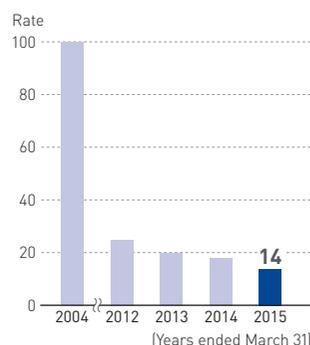


The LINTEC Group boasts a very wide product lineup and conducts transactions with numerous customers and suppliers. We build trusting relationships with suppliers as a partner that aspires toward mutual development, and convey peace of mind and reliability to our customers by developing products that meet their needs, maintaining a stable supply of these products, and endeavoring to improve product quality and service. Moreover, we are also actively engaged in the development of products through collaboration with customers and cooperation with industry, government, and academia.

Conducting Thorough Quality Management

The LINTEC Group has acquired ISO 9001 certification, the international standard for quality management systems, for its major sites in Japan and overseas. In addition, we are working to further reinforce our quality assurance system by expanding ISO 9001 to other departments and acquiring integrated certification for related sites. We also strive to prevent quality problems by conducting design reviews, a method for checking materials under development at each stage of the production process from the perspective of different divisions. As a result of such initiatives, when comparing major quality problems by year, if year ended March 31, 2004 is set as a base of 100, problems declined to 14 by the fiscal year ended March 31, 2015.

Major Quality Problem Rates by Fiscal Year
(2004 set as a base of 100)



Efforts toward Business Continuation

The Company is engaged in building a system capable of either continuing or soon restarting business operations even if struck by a disaster. In March 2014, all the Company's bases in Japan and one of its subsidiaries, TOKYO LINTEC KAKO, INC., obtained certification under ISO 22301:2012, the international standard for business continuity management systems (BCMS). LINTEC holds BCMS study meetings and drills at each site so that, in the event of a natural disaster or accident that disrupts

business operations, we can ensure the safety of our employees before promptly recommencing the supply of products, in addition to minimizing any effect on our stakeholders, including our customers.

LINTEC is continuously evaluating its suppliers' ability to continue their businesses, as raw materials are critical in securing a stable supply of products for our customers. At the same time, we request that our suppliers introduce a business continuity plan (BCP) and establish a management system to implement it.

Fair Transactions

The LINTEC Group has a basic policy for fair and transparent transactions based on the principle of free competition between all suppliers, and we are engaged in procurement activities that comply with all relevant laws and regulations and social norms. We select suppliers by evaluating not only quality, price, punctuality, stability of supply, technology, and service, but also the environmental preservation and CSR efforts of these suppliers.

Green Procurement

The LINTEC Group is committed to procurement that aims to reduce environmental impact, through thorough chemical substance management for raw materials, parts, and secondary materials. On procuring a new material or implementing a new regulation, we ask for suppliers' understanding in conducting ingredient examinations to monitor for the presence of regulated substances. For the year ended March 31, 2015, we implemented ingredient examinations to monitor for the presence of substances regulated by REACH* in the procurement of approximately 12,000 items.

* REACH Regulation: Registration, Evaluation, Authorization and Restriction of Chemicals. This is a European Union regulation to address the production and use of chemicals.

Social Contribution Activities



The LINTEC Group is supported by society and local communities. Recognizing that it is a part of this, and through various social contribution activities, the Group returns some of the profits it has made through its corporate activities to society. Going forward, we will endeavor to maintain harmony with society by actively engaging in social contribution activities as a good corporate citizen.

Support for Disabled Persons

LINTEC holds various support activities on an annual basis for disabled persons living in Itabashi-ku, Tokyo, where our head office is located. The baseball-viewing event in April 2015 marked the ninth time the event has been held, and a total of 118 disabled persons, including their helpers, were invited to Tokyo Dome to watch a professional baseball game. On this occasion, we also invited 385 elementary school students belonging to local youth baseball teams and their leaders. Before the game began, the children engaged in fielding practice, base running on the playing surface, which will be remembered by many. In September 2014, we hosted a jazz concert with the aim of deepening interactions among attendees through music, regardless of whether they had or did not have a disability. This was the fourth time that we hosted this concert and, on this occasion, it was enjoyed by approximately 650 people, comprising disabled persons living in Itabashi-ku, in addition to other local area residents.



Professional baseball-viewing event

Activities at Each Work Site

In addition to cleanup activities around each work site, LINTEC is also engaged in various other social contribution activities with their roots in the community, including participating in and supporting local festivals, conducting plant tours, collecting and handling donations of money and products for municipalities as well as local groups and facilities, and holding tree-planting activities. Moreover, we have been organizing blood donations

for many years at work sites nationwide, which have become established among our employees as a social contribution activity that they can easily participate in.



Participation in local festivals (Awaodori)

Support for Earthquake Disaster Reconstruction

LINTEC is engaged in activities to support reconstruction efforts after the Great East Japan Earthquake of March 2011. For the year ended March 31, 2015, we donated monetary support such as from our employees and the Company to disaster-stricken Ofunato City in Iwate Prefecture. These funds are being used to maintain the grounds at junior high schools within the city, which is flanked by the temporary housing of victims, and have been useful in improving the environment where students exercise. Moreover, we have been holding an event showcasing products from Fukushima Prefecture at our head office, thereby supporting producers in the disaster-affected area who are worried about the financial damage that could be caused to their livelihoods by harmful rumors or misinformation about the safety of foods from Fukushima Prefecture.



Fukushima produce exhibition at head office

Environmental Preservation



Under the slogan, “We have to broaden our scope when working to support the environment. There is only one earth” the LINTEC Group has established environmental management systems. We are committed to reducing environmental impact as an intermediary materials manufacturer and developing environmentally friendly products.

Environmental Management

The LINTEC Group has set up environmental management systems that conform with the ISO 14001 international standard at its major sites in Japan and overseas. We are now actively advancing plans to have our overseas bases certificated in an integrated manner. During the year ended March 31, 2015, the Florida factory of our U.S. subsidiary MADICO, INC., was newly certified and, to date, we have completed the integrated certification of a total of 23 sites in Japan and overseas. By making progress in obtaining global integrated certification for overseas Group companies, we will strengthen efforts toward Companywide environmental preservation.

Reducing Environmental Impact

The LINTEC Group is working toward the realization of a sustainable society and the creation of products with low environmental impact. For the year ended March 31, 2015, despite an increase in our production volume, we reduced our total energy use by 1.2% from the previous fiscal year and surpassed our target for annual CO₂ emissions of 205,000 tons, by achieving a reduction to 202,000 tons. Furthermore, we are also engaged in efforts to reduce the amount of waste generated in our production activities and the amount of water used in the papermaking process, in addition to the implementation of measures to reduce the amount of volatile organic compounds (VOCs), including organic solvents, that are released into the atmosphere.

Environmentally Friendly Products

The LINTEC Group has embraced the rise in environmental awareness of recent years, and continues to develop products to meet a wide range of environmental needs, including those that are conscious of reuse, recycling, and energy-saving principles. In doing so, the LINTEC Group will continue to offer a lineup of products that are environmentally friendly.

High-Peel and Removable Label Materials

High-peel and removable label materials can be attached firmly to plastic containers without leaving a sticky residue when the label is peeled off, thereby contributing to the reuse and recycling of these containers. The products are also environmentally friendly from a design perspective, as the coating process uses the adhesives of a water-based emulsion type and does not use organic solvents.



High-peel and removable label materials

Solar Insulation Film for Glass

Window films can be applied to window glass in buildings and automobiles for various effects. Of these films, our high-transparency type solar insulation film maintains the natural light inside the room and preserves the view through the window, while significantly cutting the thermal energy from solar radiation that causes internal temperatures to increase and improving the efficiency of air conditioners in the summertime.



Window films

Corporate Governance

Basic Philosophy

LINTEC 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.

Corporate Governance System

1. Corporate Governance System

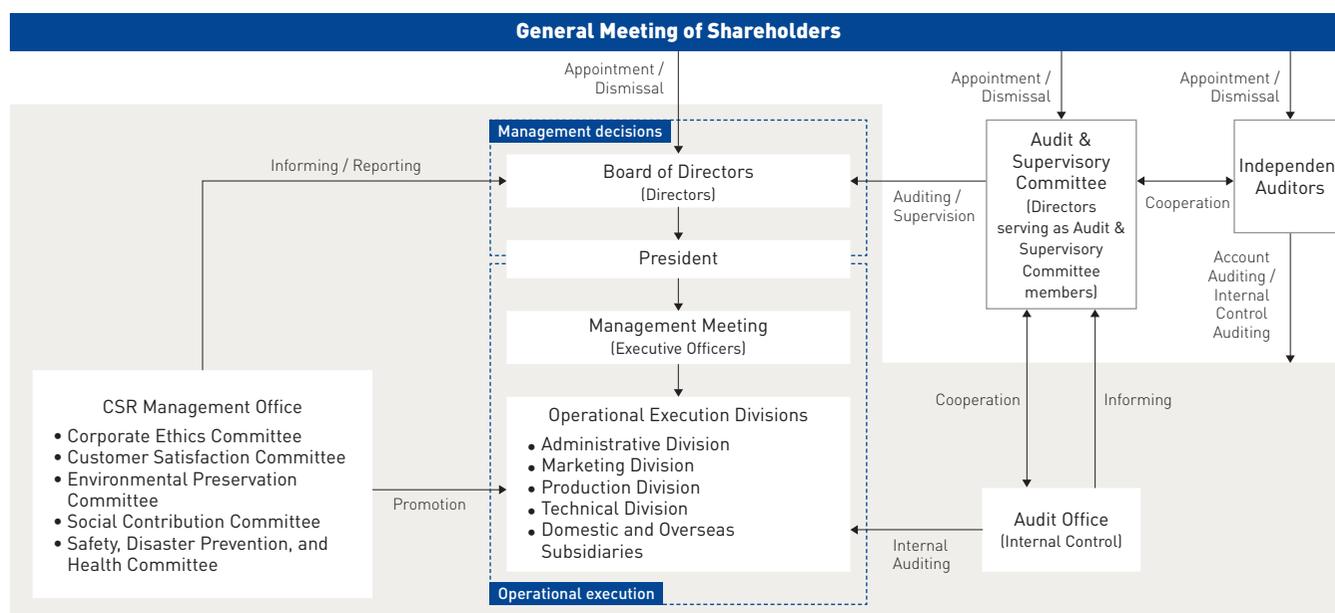
Based on a resolution at the 121st Annual General Meeting of Shareholders held on June 24, 2015, the Company has shifted from being a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee. The Company placed directors who are also Audit & Supervisory Committee members with voting rights on its Board of Directors in order to strengthen the Board's supervisory function, with a view to stepping up corporate governance and to streamlining management even further. Following this shift, the Company formed the Board of Directors and the Audit & Supervisory Committee and appointed 16 directors, of which four are Audit & Supervisory Committee members, and four are outside directors.

Held once a month to make important decisions with regard to management, Board of Directors' meetings are also held on an ad hoc basis as necessary and strive for rapid decision making. Primarily comprising executive officers (including directors serving concurrently) responsible for the execution of business, management meetings are also held once a month and endeavor to streamline business operations through the sharing of information among all business divisions.

The Audit & Supervisory Committee meets once a month and conducts monitoring audits that focus on matters reported from the Audit Office, which is the Company's internal control division. In addition to performing audits covering the appropriateness and legality of the execution of directors' duties, each and every Audit & Supervisory Committee member also plays a role in supervising the execution of the directors' duties through the exercise of the voting rights on the Board of Directors.

2. Internal Control Systems

With regard to an internal control system to ensure that the execution of directors' duties is in compliance with laws and regulations as well as the Articles of Incorporation, and a system to ensure the appropriateness of the execution of other business, the Company decided on the following internal control systems at the Board of Directors' meeting held on June 24, 2015.



- System to ensure that the execution of the duties of directors and employees is in compliance with laws and regulations as well as the Articles of Incorporation

To ensure that the execution of the duties of directors and employees is in compliance with laws and regulations as well as the Articles of Incorporation and that a sense of ethics is maintained, the Company established its motto of “Sincerity and Creativity,” on which was based its Code of Conduct. To ensure the effectiveness of the compliance system with regard to laws and regulations as well as the Articles of Incorporation, the Audit Office—an organization under the president’s direct supervision—investigates and verifies, by means of audits based on the Internal Audit Regulations, whether all of the Company’s operations are being appropriately and reasonably implemented legally and pursuant to the Articles of Incorporation and internal rules and regulations. The results of those audits are regularly reported to directors.
- System for storing and managing information related to the execution of directors’ duties

Documents are stored and managed in accordance with rules agreed for each document type, including those documents stipulated by law.
- Regulations and other systems pertaining to management of risks of loss

By promoting the issue of division-specific manuals and facilitating their thorough use, the Company makes preemptive efforts to reduce or avoid risk. In the case of specific risks, the Company promotes reviews of and upgrades to responses as they arise.

For emergency situations, such as the occurrence of a natural disaster, the Company has established the Companywide Crisis Management Regulations, in addition to a BCMS, which is based on these Regulations. These are separate from risk management conducted through normal operations, so that a crisis management organization can be quickly established in the event of an emergency.
- System to ensure that the execution of the duties of directors is efficiently conducted

In addition to setting out the duties for which directors are responsible for and that correspond to the allocation of roles of each organization, based on the Regulations on the Division of Duties, the Company works to separate management from execution and accelerate decision making by the introduction of an executive officer system. In addition, the Company occasionally reviews internal organizations to be able to respond to environmental changes and works to maintain efficiency in the execution of the duties of directors by such means as the setting up of cross-organizational committees on an as-required basis.
- System to ensure the appropriateness of business in the corporate group comprising the Company and its subsidiaries

Based on the Affiliate Company Operational Regulations, the Company works to maintain the appropriateness of its operations as a group entity by having each of its principal business divisions control the operations of Group companies. Based on the Affiliate Company Operational Regulations, the Company works to maintain a system for receiving corporate performance, risk, and other important reports from other Group companies regularly or on an as-needed basis. Providing business management and support from the appropriate division as required, the Company promotes management efficiency in each company. To ensure that Group companies are in compliance with laws and regulations as well as the Articles of Incorporation, audits are conducted by each company’s internal audit system and by the Company’s Audit Office.
- Matters relating to the employees who are tasked to assist the duties of the Audit & Supervisory Committee, matters relating to the independence of said employees from directors, and matters relating to ensuring the effectiveness of Audit & Supervisory Committee instructions with respect to said employees

To further raise the effectiveness of Audit & Supervisory Committee audits and maintain a system to carry out audit duties more smoothly, the Company has established the

Corporate Governance

Audit & Supervisory Committee secretariat, which supports and takes on Audit & Supervisory Committee duties. It is assumed that the Audit & Supervisory Committee's consent has to be obtained for transfers of personnel to the Audit & Supervisory Committee secretariat staff, personnel evaluations, and disciplinary action. The instructions and orders given to Audit & Supervisory Committee secretariat staff are also deemed to be given by directors serving as Audit & Supervisory Committee members. With regard to said instructions and orders received from Audit & Supervisory Committee members, with the exception of those instructions and orders that are not necessary for the duties of Audit & Supervisory Committee members, it is assumed that Audit & Supervisory Committee secretariat staff members do not receive instructions and orders from directors or other employees.

- System relating to the reporting of cases to the Audit & Supervisory Committee and system for ensuring that the submitting of such reports is not seen as reason enough for the person who submitted them to be subjected to disadvantageous treatment
With regard to cases that are likely to significantly damage the Company or a Group company, such as violations of laws or regulations, all Group directors and employees are to report such cases to the Company's Audit & Supervisory Committee. In addition, it is deemed that the Audit & Supervisory Committee will be able to directly demand a report on the case for all Group directors and employees. Under the Company's Internal Notification System Regulations and its Global Internal Notification System Regulations, the Company established a helpline that can be used by all Group directors and employees and endeavors to maintain a system to ensure that the submitting of such reports is not seen as reason enough for the person who submitted the said notification or report to be subjected to disadvantageous treatment. In the event of an internal notification via the helpline, this will be reported to the Audit & Supervisory Committee.

- Matters concerning policy relating to the handling of costs or liabilities arising from the execution of duties of Audit & Supervisory Committee members

When an Audit & Supervisory Committee member invoices the Company for the prepayment or redemption of expenses incurred for the execution of those duties, the said costs or liabilities will be promptly handled following discussions in the department responsible, with the exception of cases in which said costs have been recognized as being not necessary for the execution of the said Audit & Supervisory Committee's duties. In addition, should Audit & Supervisory Committee members have asked that independent outside experts (such as lawyers, certified public accountants, etc.) be deemed necessary as advisers to Audit & Supervisory Committee, the Company will bear those costs, with the exception of cases in which said costs have been recognized as being not necessary for the execution of the said Audit & Supervisory Committee's duties.

- System for ensuring that the Audit & Supervisory Committee carries out other audits effectively
With a view to ensuring a system so that Company information reaches the Audit & Supervisory Committee unhindered, the Company works to maintain an environment in which information is received from directors (excluding directors serving as Audit & Supervisory Committee members) and not only from employees but also from independent auditors, corporate lawyers, tax accountants, and other specialists. The Company ensures as a system regular meetings with representative directors and venues for important discussions, such as management and strategy meetings, for Audit & Supervisory Committee members to attend and state opinions.

3. Risk Management System

The Company has established the Companywide Crisis Management Regulations, as well as a risk management system for minimizing the possible impact and damage to corporate value if a major problem arises. It has also implemented and oversees the Information Security Management Rules and the Trade Secret Management Rules for the preservation and management of information. There are also Companywide risk assessments centered on the CSR Management Office.

4. Limited Liability Contracts

In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into a contract with each of its non-executive directors—outside directors Shinichi Sato, Toru Nozawa, Satoshi Ohoka, and Kanako Osawa—that limits liability for compensation for damages under Article 423, Paragraph 1 of the Companies Act. Based on this contract, liability for compensation for damages is limited to ¥10 million or the minimum liability amount stipulated by law, whichever is greater.

Internal Audits and Audit & Supervisory Committee Audits

1. Internal Audits

The Audit Office regularly implements internal audits of divisions, work sites, plants, and affiliated subsidiaries in addition to verifying that operational execution processes and results comply with the law and internal regulations. The status of these internal audits is reported from time to time to the Audit & Supervisory Committee, and opinions are exchanged on the results of the audits.

2. Audit & Supervisory Committee Audits

The Company's Audit & Supervisory Committee comprises four directors serving as Audit & Supervisory Committee members, of whom three are outside directors. While utilizing the various systems of the internal control system, Audit & Supervisory Committee cooperate with the Audit Office and the independent auditor, receive the necessary information, and

conduct audits of the Board of 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 Board of Directors in the execution of its duties by stating opinions and participating in resolutions through their voting rights.

Audit & Supervisory Committee members Toshio Yamamoto and Toru Nozawa have considerable knowledge of finance and accounting, having gained many years of experience in their respective roles at the Company's Corporate Strategic Office and Nippon Paper Industries Co., Ltd.'s Administrative Division.

Outside Directors

The Company has selected Shinichi Sato, Toru Nozawa, Satoshi Ohoka, and Kanako Osawa as its four outside directors. With the exception of Shinichi Sato, the other three are also Audit & Supervisory Committee members.

1. Human, financial, and business relationships and other interests between the outside directors and the Company

There are no particular conflicts of interest between the Company and Shinichi Sato, but Nippon Paper Industries Co., Ltd., where he serves as a senior managing executive officer, is a major trading partner of the Company, which purchased ¥2,336 million of raw materials from and sold ¥134 million of products to Nippon Paper (both results from the fiscal year ended March 31, 2015). In addition, Nippon Paper is a major shareholder in the Company, its holding amounted to 21,737,792 shares (28.39% of the total number of Company shares outstanding) on March 31, 2015.

There are no particular conflicts of interest between the Company and Satoshi Ohoka, who is an independent committee member as stipulated in the Company's rules of large-scale purchase to deal with an act of large-scale purchase.

Corporate Governance

There are no particular conflicts of interest between the Company and Toru Nozawa, but Nippon Paper Industries Co., Ltd., where he serves as a director and executive officer, is a major trading partner of the Company, which purchased ¥2,336 million of raw materials from and sold ¥134 million of products to Nippon Paper (both results from the fiscal year ended March 31, 2015). In addition, Nippon Paper is a major shareholder in the Company, its holding amounted to 21,737,792 shares (28.39% of the total number of Company shares outstanding) on March 31, 2015.

There are no particular conflicts of interest between the Company and Kanako Osawa, who is an independent committee member as stipulated in the Company's rules of large-scale purchase to deal with an act of large-scale purchase.

2. Functions performed and roles served by outside directors in the Company's corporate governance

Shinichi Sato is able to apply his accumulated rich knowledge and experience as a current officer at Nippon Paper Industries Co., Ltd., to the Company's management and is thus considered qualified as an outside director.

Satoshi Ohoka is able to apply 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 to strengthen the Company Board of Directors' supervisory function. Thus considered qualified as a director serving as an Audit & Supervisory Committee member, he is also designated as an independent director, as stipulated by Tokyo Stock Exchange, Inc.

Toru Nozawa is able to apply his knowledge and experience from his directorship experience, and many years of business experience at Nippon Paper Industries Co., Ltd.'s Administrative Division to strengthen the Company Board of Directors' supervisory function. He is thus considered qualified as a director serving as an Audit & Supervisory Committee member.

Kanako Osawa is able to apply her specialist expertise and extensive knowledge she gained as an attorney, along with the knowledge and experience gained through her career in corporate legal affairs both at home and abroad, to strengthen the Company Board of Directors' supervisory function. She is thus considered qualified as a director serving as an Audit & Supervisory Committee member. She is also designated as an independent director, as stipulated by Tokyo Stock Exchange, Inc.

3. The Company's basic way of thinking with regard to the independence of outside directors

The Company does not have its own set standards and policies with regard to the independence of outside directors, and refers instead to the standards stipulated by Tokyo Stock Exchange, Inc. Since appointment is based on a request from the Company, we recognize that the independence from management is to be ensured.

4. Outside directors' supervision and internal auditing of directors' execution of duties, mutual cooperation with Audit & Supervisory Committee audits and accounting audits, and relationship with the Internal Control Division.

In addition to attending Board of Directors' meetings and making necessary and effective remarks during agenda deliberations, outside directors cooperate with the Internal Audit Division and the independent auditor as well as oversee directors in the execution of their duties.

Remuneration of Corporate Officers

1. Total remuneration by corporate officer type

Corporate officer type	Total remuneration (Millions of yen)	Total remuneration by type (Millions of yen)			Number of people receiving remuneration
		Basic remuneration	Stock options	Bonuses	
Directors (excluding outside directors)	474	341	21	111	10
Audit & Supervisory board members (excluding outside Audit & Supervisory board members)	36	36	—	—	2
Outside officers	16	16	—	—	5

2. Policy regarding decisions on amounts of director remuneration

(1) Director remuneration (excluding Audit & Supervisory Committee members)

Consisting of basic remuneration, stock options, and bonuses, director remuneration (excluding Audit & Supervisory Committee members) is decided at Board of Directors' meetings in accordance with the Company's internal rules on director remuneration and based on the duties and responsibilities of each director (excluding Audit & Supervisory Committee members), within totals approved at the General

Meeting of Shareholders. Where necessary, the remuneration assessment advisory meeting provides advice and makes suggestions to the president and CEO about decisions regarding the assessment and remuneration of directors (excluding Audit & Supervisory Committee members).

(2) Audit & Supervisory Committee member remuneration
Audit & Supervisory Committee member remuneration is decided by the Audit & Supervisory Committee in accordance with the Company's internal rules on director remuneration and based on each member's duties and responsibilities, within totals approved at the General Meeting of Shareholders.

CSR Basic Approaches and Promotion System

Having set its basic CSR approaches as "thorough implementation of corporate ethics and compliance," "improved customer satisfaction," "environmentally friendly operations," "social contribution," "safety- and health-related activities," and "shareholder- and investor-oriented management," the LINTEC Group conducts CSR activities throughout the Company centered on the CSR Management Office, which reports directly to the president, and its five subcommittees, which consist of members from all areas of the Company.

In 2011, LINTEC announced its participation in the United Nations Global Compact. Over the years to come, we will continue to promote CSR management in conformity with global standards—including ISO 26000, which provides guidance on how organizations can operate in a socially responsible way—in such areas as the protection of human rights, the maintenance of labor standards, environmental friendliness, and the prevention of corruption.

CSR Promotion System As of April 1, 2015



Please see our CSR website for detailed information about our CSR activities.
<http://www.lintec-global.com/csr/>

Corporate Officers

As of June 24, 2015

Representative Director, Chairman and CEO

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



Mar. 1967 Joined the Company
 Apr. 1994 General 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)

Representative Director, President, CEO and COO

Hiroyuki Nishio (Date of Birth: Oct. 18, 1954)



Apr. 1978 Joined the Company
 Jun. 2010 Director, General Manager, Corporate Strategic Office
 Apr. 2014 Representative Director, President, CEO and COO
 (current position)

Director, Vice President Executive Officer, CFO

Hitoshi Asai (Date of Birth: Mar. 7, 1948)



Feb. 1985 Joined the Company
 Jun. 2002 Director, Assistant General Manager, Administration Div., General Manager, Finance & Accounting Dept.
 Apr. 2015 Director, Vice President Executive Officer, General Manager, Administration Div. and Corporate Strategic Office (current position)

Director, Vice President Executive Officer

Shigeru Kawasaki (Date of Birth: Dec. 24, 1949)



Apr. 1972 Joined the Company
 Jun. 2005 Director, General Manager, Printing & Variable Information Products Operations, Business Administration Div.
 Apr. 2013 Director, Vice President Executive Officer, General Manager, Business Administration Div. (current position)

Director, Senior Managing Executive Officer

Koji Koyama (Date of Birth: Nov. 5, 1951)



Mar. 1976 Joined the Company
 Jun. 2008 Director, General Manager, Production Div.
 Apr. 2013 Director, Senior Managing Executive Officer, General Manager, Production Div., and in charge of Quality Assurance & Environmental Protection Div. (current position)

Directors, Managing Executive Officers

Kazuyoshi Ebe (Date of Birth: Jan. 26, 1953)



Mar. 1975 Joined the Company
 Jun. 2008 Director, Assistant General Manager, Research & Development Div., General Manager, Research Center and Intellectual Property Dept.
 Apr. 2015 Director, Managing Executive Officer, Assistant General Manager, Business Administration Div., General Manager, Optical Products Operations, Business Administration Div., and in charge of Shingu Plant, Production Div. (current position)

Takashi Nakamura (Date of Birth: Dec. 23, 1953)



Apr. 1976 Joined the Company
 Jun. 2011 Executive Officer, General Manager, Fine & Specialty Paper Products Operations, Business Administration Div., and in charge of Converted Products Operations
 Apr. 2015 Director, Managing Executive Officer, Assistant General Manager, Business Administration Div. (current position)

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) (current position)

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



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

Directors, Executive Officers

Shuji Morikawa (Date of Birth: Dec. 30, 1955)



Apr. 1979 Joined the Company
Apr. 2013 Executive Officer, General Manager, Industrial & Material Operations, Business Administration Div.
Jun. 2015 Director, Executive Officer, General Manager, Industrial & Material Operations, Business Administration Div. (current position)

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



Apr. 1980 Joined the Company
Apr. 2014 Executive Officer, General Manager, Advanced Materials Operations, Business Administration Div.
Jun. 2015 Director, Executive Officer, General Manager, Advanced Materials Operations, Business Administration Div. (current position)

Outside Director

Shinichi Sato (Date of Birth: Nov. 13, 1953)



Apr. 1978 Joined Jujo Paper Co., Ltd.
Jun. 2008 Director, Deputy General Manager, Fine & Specialty Paper Products Sales Div., Nippon Paper Industries Co., Ltd.
Jun. 2011 Outside Director of the Company (current position)
Jun. 2014 Managing Executive Officer, General Manager of Printing Paper Sales Div., and in charge of International Sales Management & Planning Dept., Nippon Paper Industries Co., Ltd. (current position)

Director / Audit & Supervisory Committee Member

Toshio Yamamoto (Date of Birth: Dec. 27, 1948)



Apr. 1972 Joined the Company
Oct. 2006 Chief Associate Adviser, Corporate Strategic Office
Jun. 2010 Audit & Supervisory Board Member
Jun. 2015 Director / Audit & Supervisory Committee Member (current position)

Outside Directors / Audit & Supervisory Committee Members

Toru Nozawa (Date of Birth: Mar. 10, 1959)



Apr. 1981 Joined Jujo Paper Co., Ltd.
Jun. 2014 Outside Audit & Supervisory Board Member of the Company
Jun. 2014 Director, Executive Officer, General Manager, Corporate Planning Div., and in charge of Subsidiaries and Affiliated Companies, Nippon Paper Industries Co., Ltd. (current position)
Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

Satoshi Ohoka (Date of Birth: Apr. 24, 1951)



Apr. 1975 Joined Japan Development Bank
Apr. 2003 Lecturer, Chuo University, Graduate School of Commerce (current position)
Jun. 2006 Outside Director, Ryobi Limited (current position)
Jun. 2007 Member of LINTEC Independent Committee (current position)
Jun. 2012 Outside Director of the Company
Jun. 2015 Outside Director / Audit & Supervisory Committee Member of the Company (current position)

Kanako Osawa (Date of Birth: Dec. 22, 1970)



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. 2015 Member of LINTEC Independent Committee (current position)

Managing Executive Officers

Seiji Takemura

General Manager, Cost Innovation Office

Toshikazu Yamada

Plant Manager, Tatsuno Plant, Production Div.

Koichi Kimura

General Manager, Quality Assurance & Environmental Protection Div.

Executive Officers

Takehiko Wakasa

Plant Manager, Chiba Plant, Production Div.

Junichi Nishikawa

Plant Manager, Kumagaya Plant, Production Div.

Toru Onishi

Plant Manager, Mishima Plant, Production Div. and General Manager, Administration Dept.

Norio Murata

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

Shigeru Uematsu

General Manager, Public Relations Office

Yutaka Iwasaki

General Manager, Converted Products Operations, Business Administration Div.

Masahiro Oshima

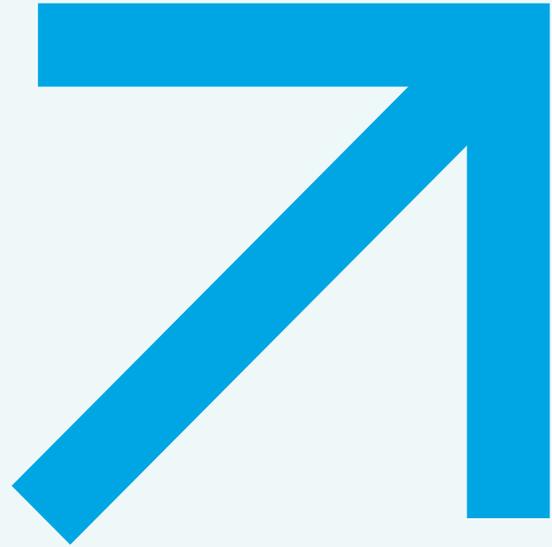
Plant Manager, Agatsuma Plant, Production Div.

Sumio Morimoto

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

Tatsuya Tsukida

General Manager, Research & Development Div. and Research Center



FINANCIAL SECTION

- 31 Management's Discussion and Analysis
- 33 Operating Risks
- 34 Financial Summary
- 36 Consolidated Balance Sheet
- 38 Consolidated Statement of Income
- 38 Consolidated Statement of Comprehensive Income
- 39 Consolidated Statement of Changes in Net Assets
- 40 Consolidated Statement of Cash Flows
- 41 Notes to Consolidated Financial Statements
- 58 Management's Report on Internal Control
over Financial Reporting
- 59 Report of Independent Auditors



Management's Discussion and Analysis

Revenues and Expenses

In the fiscal year under review, consolidated net sales increased 2.0% year on year, to ¥207.3 billion. This increase was attributable to a variety of factors including substantial growth in Advanced materials operations backed by the demand effect of smartphones and other items, in addition to the effect of increasing value of yen equivalents due to the weak yen.

Although impacted by an increase in pulp prices, in addition to rising raw material and fuel prices as a result of the yen's depreciation, gross profit increased 10.8% year on year, to ¥50.1 billion. This largely reflected an increase in the volume of sales. Operating income grew 22.6%, to ¥16.9 billion, primarily due to the new consolidation of sales subsidiaries in the ASEAN region. Income before income taxes was ¥17.6 billion, up 36.3% year on year, income taxes were ¥5.9 billion following the application of tax effect accounting, and net income for the fiscal year under review amounted to ¥11.7 billion, a year-on-year increase of 37.1%.

Net income per share increased from ¥114.22 in the previous fiscal year to ¥161.63, and return on equity (ROE) climbed from 5.8% to 7.2%.

Performance by Operational Segment

Printing and Industrial Materials Products

In Printing and variable information products operations, sales of adhesive products for seals and labels in Japan were sluggish, centering on products for food and home electronics reflecting the effect of a decline in demand following the consumption tax hike. However, outside of Japan, sales grew in the ASEAN region, mainly in Thailand and Vietnam.

In Industrial and material operations, sales of window films and

marking films were weak in Japan. However, overseas, sales of motorcycle- and automobile-use adhesive products were steady in India and the ASEAN region.

As a result of the above, net sales in Printing and Industrial Materials Products were up 0.6% year on year, to ¥86.8 billion, and operating income improved 25.6%, to ¥2.9 billion.

Electronic and Optical Products

In Advanced materials operations, sales of semiconductor-related adhesive tapes grew significantly thanks to the demand effect of such products as smartphones. Sales of semiconductor-related equipment were also strong mainly in the Taiwan market. Coated films for multi-layer ceramic capacitor (MLCC) production experienced substantial sales growth reflecting the effects of demand for MLCCs for smartphones and automobiles.

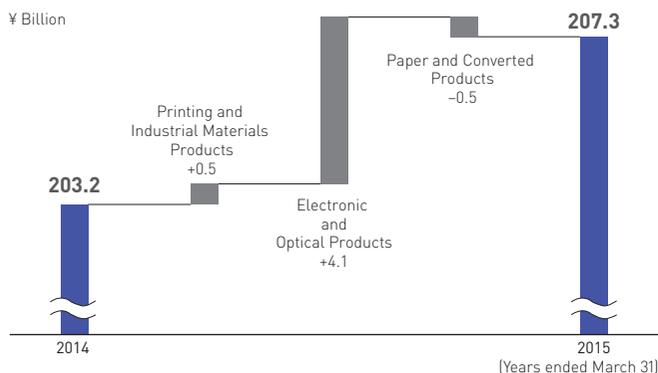
In Optical products operations, sales of LCD-related adhesive products were bolstered by the shift toward larger TVs as well as the demand effect of smartphones, but results were impacted by factors such as changes in the sales mix.

As a result of the above, net sales in Electronic and Optical Products were up 5.1% year on year, to ¥83.2 billion, and operating income increased 47.1%, to ¥10.1 billion.

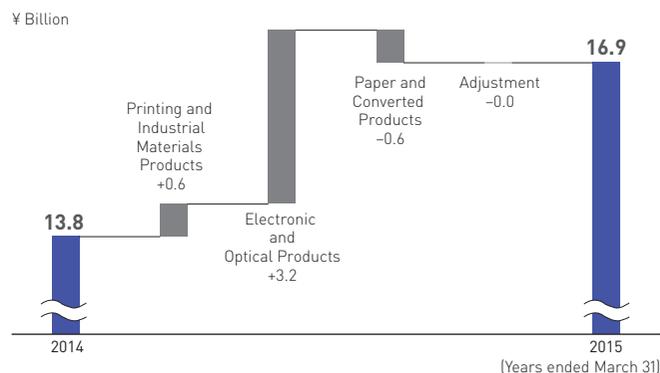
Paper and Converted Products

In Fine and specialty paper products operations, color papers for envelopes, a core product, performed well. Demand for construction material papers, oil resistant papers, and others increased.

Net Sales



Operating Income



Management's Discussion and Analysis

In Converted products operations, sales of casting papers for carbon fiber composite materials grew, centering on use for aircraft. Demand for release papers for flexible printed circuits (FPCs) cover lay films also increased solidly. In contrast, casting papers for synthetic leather decreased due to the effect of sluggish market conditions in China, a mainstay market.

As a result of the above, net sales in Paper and Converted Products were down 1.4% year on year, to ¥37.3 billion, and operating income dropped 14.0%, to ¥4.0 billion.

Financial Condition

[Assets]

Total assets as of March 31, 2015, were ¥237.4 billion, an increase of ¥12.4 billion compared with the end of the previous fiscal year. The main reasons for this increase were as follows:

• Cash and deposits	+¥10.8 billion
• Inventories	+¥ 1.6 billion
• Deferred tax assets	-¥ 2.4 billion
• Net defined benefit asset	+¥ 1.5 billion

[Liabilities]

Total liabilities as of March 31, 2015, were ¥65.8 billion, a decrease of ¥6.7 billion compared with the end of the previous fiscal year. The main reason for this decrease was as follows:

• Net defined benefit liability	-¥8.5 billion
---------------------------------	---------------

[Net Assets]

Net assets as of March 31, 2015, were ¥171.7 billion, an increase of ¥19.1 billion compared with the end of the previous fiscal year. The main reasons for this increase were as follows:

• Retained earnings	+¥11.9 billion
• Foreign currency translation adjustments	+¥ 6.0 billion

Cash Flows

Cash and cash equivalents as of March 31, 2015, amounted to ¥56.1 billion, an increase of ¥11.1 billion, or 24.6%, compared with the end of the previous fiscal year.

[Cash flows from operating activities]

Net cash provided by operating activities decreased ¥0.8 billion year on year, to ¥15.5 billion. The principal movements were as follows:

• Income before income taxes	+¥4.7 billion
• Decrease in depreciation and amortization	-¥1.3 billion
• Decrease in net defined benefit liability	-¥5.6 billion
• Increase in trade notes and accounts receivable	+¥1.3 billion
• Increase in inventories	+¥1.1 billion
• Increase in trade notes and accounts payable	+¥1.0 billion

[Cash flows from investing activities]

Net cash used in investing activities decreased ¥1.8 billion year on year, to ¥5.1 billion. The principal movements were as follows:

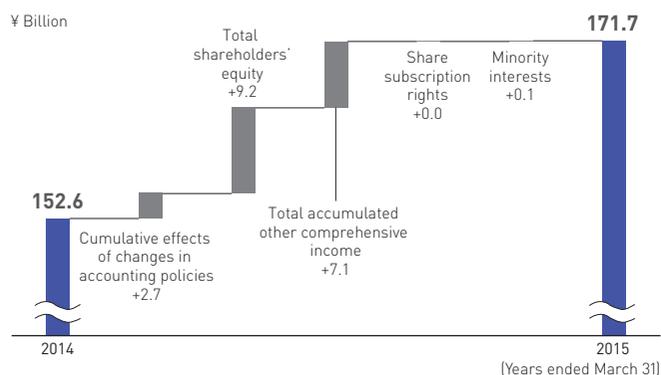
• Payments into time deposits	-¥1.0 billion
• Proceeds from withdrawal of time deposits	+¥3.2 billion
• Purchase of property, plant and equipment	-¥0.8 billion

[Cash flows from financing activities]

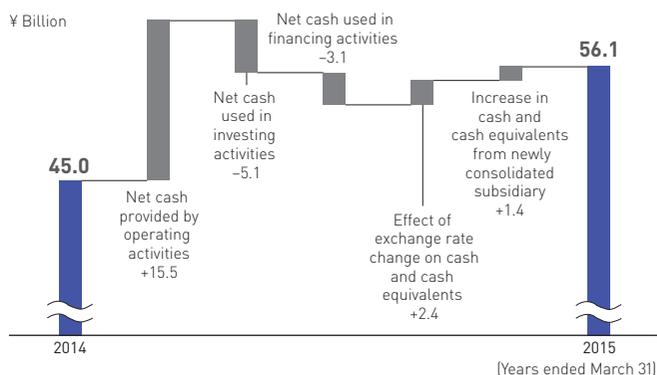
Net cash used in financing activities decreased ¥4.9 billion year on year, to ¥3.1 billion. The principal movement was as follows:

• Purchase of treasury stock	+¥5.0 billion
------------------------------	---------------

Net Assets



Cash Flows



Operating Risks

The following is a summary of risks that could affect the LINTEC Group's operations. This summary provides specific examples of major risks that are anticipated, but it does not include all risks.

1. Changes in Economic Conditions

The Group's operations include development in a wide range of industries. Therefore, domestic and overseas economic conditions affect the Group's operations directly and indirectly. As a result, future trends in economic conditions could affect the Group's business results.

Furthermore, global trends in the electronics industry affect the Group's new businesses in the field of electronics-related products. Future electronics industry trends could affect the Group's business results.

2. Changes in Selling Prices

Due to intense competition in both the domestic and overseas markets in which the Group operates, the Group may be unable to maintain selling prices to preserve sufficient earnings or sales share. Furthermore, the Group's business results could be affected by difficulties related to cost reductions aimed at maintaining profits and recovering its share by refining customer services.

3. Changes in Raw Material Prices

The Group uses a large quantity of pulp for paper and petrochemical products as raw materials and fuel. The prices of these materials and fuels fluctuate in accordance with market conditions, such as inventories and the supply-demand balance. The Group purchases raw materials in light of careful monitoring of market trends. However, a dramatic change in raw material prices could affect the Group's business results.

4. Changes in Foreign Exchange Rates

The Group conducts foreign currency-denominated procurement and sales overseas as well as finance transactions between both domestic and overseas Group companies. Therefore, changes in foreign exchange rates could affect the Group's business results.

5. Overseas Operations

The Group conducts manufacturing and business operations in markets worldwide. In these countries, the following events could affect the Group's business results.

- (1) Political instability or a deterioration in security due to such factors as terrorism, a political change, or a coup d'état
- (2) Labor disputes, such as those involving strikes or boycotts
- (3) Infrastructure failures, such as those related to electric power, water, or communications

(4) Outbreaks of contagious diseases

(5) Unpredictable changes in laws and regulations, such as those involving tax systems, foreign exchange, or customs

(6) Problems arising between the Group and its business associates or in the collection of accounts receivable due to differences in cultures or business practices

6. New Product Development

The Group pursues R&D activities with a view to realizing comprehensive technological capabilities that cater to market demand and bringing to market competitive, high-value-added products. Accordingly, the Group is stepping up allocations of management resources to increase its number of researchers and to pursue such initiatives as joint research with other companies and academic institutions.

However, there is no guarantee that such investment of management resources in R&D will result in the development of new products or increase operating income. Due to such factors as extended development periods, it could become necessary to discontinue development, and if product development costs cannot be recovered, it could affect the Group's business results.

7. Intellectual Property Rights

The Group takes necessary measures to protect intellectual property rights in Japan and overseas for various original production technologies that it has developed. However, legal measures alone do not provide complete protection, possibly preventing the Group from effectively protecting the rights it has obtained. Furthermore, in the event that a lawsuit is filed by a third party regarding intellectual property rights infringement associated with the Group's products, the Group's business results could be affected.

8. Significant Lawsuits

In conducting business in Japan and overseas, the Group may be subject to lawsuits or other claims related to product liability, environmental, or intellectual property rights issues. Lawsuits or claims, depending on their content, could affect the Group's business results.

9. Legal and Regulatory Systems

In the countries in which it conducts business operations, the Group is subject to various legal and regulatory systems, and as such is working to ensure rigorous compliance with these systems. In the event that the systems are strengthened or changed, the Group's business activities could be restricted or the Group's business results could be affected.

Financial Summary

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31

	2015	2014	2013	2012
For the year:				
Net sales	¥207,255	¥203,242	¥190,844	¥200,905
Operating income	16,881	13,766	10,564	13,975
% of net sales	8.1%	6.8%	5.5%	7.0%
Income before income taxes	17,555	12,883	10,836	13,382
Net income	11,659	8,501	7,681	8,648
Return on equity	7.2%	5.8%	5.6%	6.6%
Return on assets	7.8%	6.0%	5.2%	6.5%
Per share data (yen):				
Net income	¥ 161.63	¥ 114.22	¥ 102.83	¥ 115.26
Net assets	2,363.81	2,100.87	1,909.57	1,766.60
Cash dividends	48.00	42.00	34.00	40.00
Depreciation and amortization	¥ 8,713	¥10,055	¥ 10,141	¥ 10,079
Purchase of property, plant and equipment	(6,299)	(5,508)	(13,823)	(8,760)
Net cash provided by operating activities	15,485	16,309	19,619	18,910
Net cash used in investing activities	(5,104)	(6,952)	(13,966)	(12,262)
Net cash used in financing activities	(3,135)	(8,020)	(2,877)	(5,099)
At year-end:				
Current assets	¥163,017	¥149,396	¥138,505	¥137,229
Current liabilities	57,058	54,820	56,911	62,075
Working capital	105,958	94,575	81,593	75,153
Cash and cash equivalents	56,050	44,992	40,739	36,036
Property, plant and equipment, net	61,503	61,456	64,915	62,273
Long-term debt, less current portion	—	—	—	—
% of shareholders' equity	—	—	—	—
Total assets	237,444	225,073	216,048	210,203
Net assets	171,674	152,610	143,569	132,847
% of total assets	71.8%	67.3%	66.0%	62.8%
Number of shares outstanding	76,564,240	76,564,240	76,564,240	76,564,240
Number of employees	4,413	4,223	4,270	4,286
Segment information:				
Net sales:				
Printing and Industrial Materials Products	¥86,826	¥86,310	¥82,785	¥90,143
Electronic and Optical Products	83,281	79,143	72,372	73,925
Paper and Converted Products	54,564	52,781	52,061	53,225
Segment income:				
Printing and Industrial Materials Products	2,878	2,290	2,380	5,213
Electronic and Optical Products	10,071	6,846	3,196	3,942
Paper and Converted Products	3,996	4,645	4,980	4,846

(Supplementary information)

Effective the year ended March 31, 2011, the "Accounting Standard for Disclosure about Segments of an Enterprise and Related Information" (Accounting Standards Board of Japan (ASBJ) Statement No. 17, issued by ASBJ on March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued by ASBJ on March 21, 2008) have been applied.

Since it is impracticable to restate segment information of the fiscal years of 2010 and before complying revised accounting standards for segment information, only reportable segment information for the year ended March 31, 2011 onward have been presented.

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

	2011	2010	2009	2008	2007	2006
	¥212,733	¥189,348	¥194,901	¥202,297	¥192,723	¥180,334
	20,889	11,576	8,498	14,894	14,798	13,618
	9.8%	6.1%	4.4%	7.4%	7.7%	7.6%
	19,565	11,399	5,215	13,191	14,298	13,214
	13,622	7,284	3,391	9,308	10,238	9,011
	10.9%	6.2%	2.9%	8.0%	9.5%	9.2%
	9.7%	6.1%	3.0%	6.6%	7.7%	7.7%
	¥ 180.21	¥ 96.36	¥ 44.86	¥ 123.15	¥ 135.44	¥ 118.34
	1,715.78	1,596.37	1,497.58	1,598.30	1,489.87	1,370.85
	40.00	24.00	20.00	24.00	18.00	16.00
	¥10,178	¥10,537	¥11,286	¥ 9,011	¥ 7,701	¥ 6,823
	(8,237)	(7,777)	(9,584)	(14,700)	(11,646)	(12,715)
	23,307	22,259	12,979	17,739	13,734	17,005
	(9,926)	(9,253)	(9,752)	(15,071)	(12,200)	(13,199)
	(2,820)	(3,454)	(2,300)	(769)	(68)	(2,789)
	¥132,891	¥121,451	¥ 95,937	¥120,028	¥117,531	¥104,433
	60,465	58,654	43,655	67,631	67,950	57,748
	72,426	62,797	52,282	52,397	49,581	46,685
	35,188	25,387	15,370	17,315	15,550	13,766
	61,888	63,337	67,010	73,711	68,377	63,176
	—	54	107	201	280	347
	—	0.0%	0.1%	0.2%	0.3%	0.3%
	206,188	195,656	172,854	204,852	198,526	181,158
	130,576	121,502	113,930	121,635	113,397	104,362
	62.9%	61.7%	65.5%	59.4%	57.1%	57.6%
	76,564,240	76,564,240	76,564,240	76,564,240	76,564,240	76,564,240
	4,198	4,037	3,987	3,802	3,708	3,537
	¥91,936	—	—	—	—	—
	81,193	—	—	—	—	—
	55,317	—	—	—	—	—
	7,990	—	—	—	—	—
	6,732	—	—	—	—	—
	6,129	—	—	—	—	—

Consolidated Balance Sheet

LINTEC Corporation and its consolidated subsidiaries
March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
ASSETS	2015	2014	2015
Current assets:			
Cash and deposits (Notes 10, 12)	¥ 62,059	¥ 51,212	\$ 516,433
Trade notes and accounts receivable (Note 12)	64,094	63,488	533,364
Inventories (Note 3)	32,142	30,554	267,477
Deferred tax assets (Note 17)	1,879	1,922	15,636
Other	2,944	2,308	24,505
Allowance for doubtful accounts	(103)	(89)	(862)
Total current assets	163,017	149,396	1,356,555
Non-current assets:			
Property, plant and equipment (Notes 6, 7, 8, 11):			
Buildings and structures	64,993	63,909	540,846
Machinery, equipment and vehicles	113,258	112,819	942,489
Land	10,263	10,395	85,405
Construction in progress	3,635	354	30,250
Other	11,688	10,957	97,269
Accumulated depreciation	(142,335)	(136,979)	(1,184,454)
Property, plant and equipment, net	61,503	61,456	511,806
Intangible assets (Note 11):	2,538	2,794	21,123
Investments and other assets:			
Investment securities (Notes 12, 13)	3,313	3,594	27,570
Net defined benefit asset (Note 15)	1,823	366	15,174
Deferred tax assets (Note 17)	3,578	5,940	29,779
Other	1,887	1,798	15,707
Allowance for doubtful accounts	(217)	(275)	(1,813)
Total investments and other assets	10,384	11,425	86,417
Total non-current assets	74,427	75,676	619,347
Total assets	¥ 237,444	¥ 225,073	\$ 1,975,903

The accompanying notes are an integral part of the consolidated financial statements.

Thousands of
U.S. dollars
(Note 1)

LIABILITIES AND NET ASSETS	2015	Millions of yen 2014	2015
Current liabilities:			
Trade notes and accounts payable (Note 12)	¥ 40,674	¥ 41,286	\$ 338,473
Short-term borrowings (Notes 12, 24)	1,695	1,510	14,105
Accrued income taxes (Notes 12, 17)	3,413	2,594	28,408
Provision for directors' bonuses	111	73	928
Other	11,164	9,355	92,902
Total current liabilities	57,058	54,820	474,817
Non-current liabilities:			
Provision for environmental measures	140	132	1,167
Net defined benefit liability (Note 15)	7,853	16,375	65,353
Other	717	1,133	5,969
Total non-current liabilities	8,711	17,641	72,490
Total liabilities	65,770	72,462	547,308
Commitments and contingent liabilities (Note 2)			
Net assets:			
Shareholders' equity (Note 23):			
Common stock:			
Authorized: 300,000,000 shares in 2015 and 2014			
Issued: 76,564,240 shares in 2015 and 2014	23,201	23,201	193,070
Capital surplus	26,830	26,830	223,267
Retained earnings	116,638	104,771	970,609
Less: treasury stock, at cost:			
4,428,615 shares in 2015 and 4,436,436 shares in 2014	(7,741)	(7,754)	(64,418)
Total shareholders' equity	158,928	147,048	1,322,529
Accumulated other comprehensive income			
Net unrealized holding gain on securities	832	355	6,927
Foreign currency translation adjustments	11,256	5,236	93,674
Remeasurements of defined benefit plans (Note 15)	(503)	(1,110)	(4,185)
Total accumulated other comprehensive income	11,586	4,482	96,415
Share subscription rights (Note 16)	166	148	1,387
Minority interests	992	930	8,262
Total net assets	171,674	152,610	1,428,594
Total liabilities and net assets	¥237,444	¥225,073	\$1,975,903

Consolidated Statement of Income

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
Net sales	¥207,255	¥203,242	\$1,724,684
Cost of sales	157,122	158,005	1,307,498
Gross profit	50,133	45,236	417,185
Selling, general and administrative expenses (Notes 4, 5)	33,251	31,470	276,701
Operating income	16,881	13,766	140,483
Non-operating income:			
Interest income	335	261	2,792
Dividend income	55	59	465
Rent income	55	52	462
Gain on sales of noncurrent assets	45	39	380
Foreign exchange gains	1,487	399	12,377
Other income	369	305	3,072
Total non-operating income	2,349	1,118	19,550
Non-operating expenses:			
Interest expenses	21	13	179
Loss on retirement of noncurrent assets	388	379	3,235
Compensation expenses	753	938	6,266
Other expenses	166	388	1,384
Total non-operating expenses	1,329	1,719	11,065
Ordinary income	17,901	13,165	148,967
Extraordinary gain:			
Gain on sales of noncurrent assets (Note 6)	259	21	2,158
Gain on liquidation of subsidiaries	69	—	579
Subsidy	—	28	—
Total extraordinary gain	329	49	2,738
Extraordinary loss:			
Impairment loss (Note 8)	674	308	5,614
Loss on sales of noncurrent assets (Note 7)	—	23	—
Total extraordinary losses	674	332	5,614
Income before income taxes	17,555	12,883	146,091
Income taxes (Note 17):			
Current	5,851	4,449	48,691
Deferred	48	[55]	401
Total income taxes	5,899	4,394	49,092
Income before minority interests	11,656	8,489	96,998
Minority interests	(2)	[12]	(24)
Net income (Note 23)	¥ 11,659	¥ 8,501	\$ 97,023

Consolidated Statement of Comprehensive Income

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
Income before minority interests	¥11,656	¥ 8,489	\$ 96,998
Other comprehensive income (Note 9)			
Net unrealized holding gain on securities	476	140	3,968
Foreign currency translation adjustments	5,885	9,221	48,978
Adjustment regarding pension obligations of consolidated overseas subsidiaries	—	127	—
Remeasurements of defined benefit plans (Note 15)	595	—	4,954
Total other comprehensive income	6,958	9,489	57,901
Comprehensive income	¥18,614	¥17,978	\$154,900
(Comprehensive income attributable to:)			
Shareholders of the parent	18,552	17,848	154,383
Minority interests	62	130	516

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Net Assets

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2015 and 2014

	Thousands											Millions of yen		
	Shareholders' equity						Accumulated other comprehensive income							
	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	Adjustment regarding pension obligations of consolidated overseas subsidiaries	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Share subscription rights	Minority interests	Total net assets
Balance as at April 1, 2013	76,564	¥23,201	¥26,830	¥99,198	¥(2,752)	¥146,478	¥213	¥(3,843)	¥(213)	—	¥(3,843)	¥113	¥822	¥143,569
Cumulative effects of changes in accounting policies														
Restated balance		23,201	26,830	99,198	(2,752)	146,478	213	(3,843)	(213)	—	(3,843)	113	822	143,569
Changes during the year:														
Cash dividends				(2,838)		(2,838)								(2,838)
Net income				8,501		8,501								8,501
Purchase of treasury stock					(5,001)	(5,001)								(5,001)
Disposal of treasury stock														
Change of scope of consolidation				(90)		(90)								(90)
Net changes in items other than shareholders' equity							142	9,080	213	(1,110)	8,326	35	108	8,469
Total changes during the year	—	—	—	5,572	(5,001)	570	142	9,080	213	(1,110)	8,326	35	108	9,040
Balance as at March 31, 2014	76,564	¥23,201	¥26,830	¥104,771	¥(7,754)	¥147,048	¥355	¥5,236	—	¥(1,110)	¥4,482	¥148	¥930	¥152,610
Cumulative effects of changes in accounting policies				2,725		2,725								2,725
Restated balance		23,201	26,830	107,497	(7,754)	149,774	355	5,236	—	(1,110)	4,482	148	930	155,336
Changes during the year:														
Cash dividends				(3,101)		(3,101)								(3,101)
Net income				11,659		11,659								11,659
Purchase of treasury stock					(2)	(2)								(2)
Disposal of treasury stock			(0)		15	15								15
Change of scope of consolidation				583		583								583
Net changes in items other than shareholders' equity							476	6,020	—	606	7,104	18	62	7,184
Total changes during the year	—	—	(0)	9,140	12	9,153	476	6,020	—	606	7,104	18	62	16,337
Balance as at March 31, 2015	76,564	¥23,201	¥26,830	¥116,638	¥(7,741)	¥158,928	¥832	¥11,256	—	¥(503)	¥11,586	¥166	¥992	¥171,674

	Thousands											Thousands of U.S. dollars (Note 1)		
	Shareholders' equity						Accumulated other comprehensive income							
	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	Adjustment regarding pension obligations of consolidated overseas subsidiaries	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Share subscription rights	Minority interests	Total net assets
Balance as at April 1, 2014	76,564	\$193,070	\$223,270	\$871,857	\$(64,525)	\$1,223,673	\$2,958	\$43,576	—	\$(9,237)	\$37,298	\$1,236	\$7,745	\$1,269,953
Cumulative effects of changes in accounting policies				22,684		22,684								22,684
Restated balance		193,070	223,270	894,542	(64,525)	1,246,357	2,958	43,576	—	(9,237)	37,298	1,236	7,745	1,292,638
Changes during the year:														
Cash dividends				(25,810)		(25,810)								(25,810)
Net income				97,023		97,023								97,023
Purchase of treasury stock					(22)	(22)								(22)
Disposal of treasury stock			(2)		129	126								126
Change of scope of consolidation				4,854		4,854								4,854
Net changes in items other than shareholders' equity							3,968	50,097	—	5,051	59,117	151	516	59,785
Total changes during the year	—	—	(2)	76,066	107	76,171	3,968	50,097	—	5,051	59,117	151	516	135,956
Balance as at March 31, 2015	76,564	\$193,070	\$223,267	\$970,609	\$(64,418)	\$1,322,529	\$6,927	\$93,674	—	\$(4,185)	\$96,415	\$1,387	\$8,262	\$1,428,594

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen	Thousands of U.S. dollars (Note 1)	
	2015	2014	
Cash flows from operating activities:		2015	
Income before income taxes	¥ 17,555	¥12,883	\$146,091
Depreciation and amortization	8,713	10,055	72,509
Amortization of goodwill	76	70	640
Amortization of negative goodwill	—	(8)	—
Increase (decrease) in net defined benefit liability	(4,671)	945	(38,871)
Increase (decrease) in allowance for doubtful accounts	(57)	(80)	(482)
Interest and dividend income	(391)	(321)	(3,257)
Interest expenses	21	13	179
Loss (gain) on sales of property, plant and equipment	(300)	(24)	(2,504)
Loss on retirement of property, plant and equipment	325	331	2,706
Decrease (increase) in trade notes and accounts receivable	1,449	127	12,059
Decrease (increase) in inventories	(30)	(1,133)	(253)
Increase (decrease) in trade notes and accounts payable	(2,090)	(3,136)	(17,400)
Loss (gain) on sales of investment securities	(0)	(0)	(0)
Increase (decrease) in provision for environmental measures	7	—	63
Impairment loss	674	308	5,614
Loss (gain) on liquidation of subsidiaries	(69)	—	(579)
Other, net	(1,125)	(26)	(9,363)
Subtotal	20,086	20,004	167,150
Interest and dividend income received	397	302	3,303
Interest expenses paid	(21)	(13)	(178)
Income taxes (paid) refund	(4,976)	(3,984)	(41,414)
Net cash provided by operating activities	15,485	16,309	128,861
Cash flows from investing activities:			
Payments into time deposits	(10,353)	(9,369)	(86,160)
Proceeds from withdrawal of time deposits	11,084	7,927	92,243
Purchase of property, plant and equipment	(6,299)	(5,508)	(52,417)
Proceeds from sales of property, plant and equipment	472	400	3,928
Purchase of intangible assets	(195)	(139)	(1,626)
Purchase of investment securities	(12)	(2)	(101)
Proceeds from sales of investment securities	0	3	0
Purchase of shares of subsidiaries	(0)	(29)	(0)
Proceeds from liquidation of subsidiaries	105	—	880
Payments of loans receivable	(2)	(302)	(16)
Collection of loans receivable	34	3	285
Other, net	61	66	510
Net cash used in investing activities	(5,104)	(6,952)	(42,475)
Cash flows from financing activities:			
Increase (decrease) in short-term borrowings	185	50	1,539
Cash dividends paid	(3,103)	(2,841)	(25,823)
Purchase of treasury stock	(2)	(5,001)	(22)
Repayments of lease obligations	(214)	(227)	(1,787)
Other, net	0	—	0
Net cash used in financing activities	(3,135)	(8,020)	(26,093)
Effect of exchange rate change on cash and cash equivalents	2,363	2,979	19,667
Net increase (decrease) in cash and cash equivalents	9,608	4,315	79,959
Cash and cash equivalents at beginning of year	44,992	40,739	374,405
Increase in cash and cash equivalents from newly consolidated subsidiary	1,449	19	12,062
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(83)	—
Cash and cash equivalents at end of year (Note 10)	¥ 56,050	¥44,992	\$466,428

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

LINTEC Corporation and its consolidated subsidiaries
March 31, 2015

1. Summary of Significant Accounting Policies

(a) Basis of presenting financial statements

LINTEC Corporation (the "Company") maintains its accounting records and prepares its consolidated financial statements in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards. The accompanying consolidated financial statements have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

For the convenience of the readers, the accompanying consolidated financial statements have been presented in U.S. dollars by translating all Japanese yen amounts at the rate of ¥120.17=U.S.\$1, the prevailing exchange rate as of March 31, 2015. This translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at this or any other rate of exchange.

As permitted under the Financial Instruments and Exchange Act of Japan, amounts of less than one million yen have been omitted. As a result, the totals shown in the accompanying consolidated financial statements do not necessarily agree with the sum of the individual amounts.

Certain reclassifications of previously reported amounts have been made to conform to the consolidated financial statements for the year ended March 31, 2015 presentation.

(b) Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its 32 significant subsidiaries as of March 31, 2015, but exclude subsidiaries whose total assets, retained earnings, net sales and net income are not material in relation to the comparable amounts in these statements. All significant intercompany accounts and transactions have been eliminated in consolidation.

Goodwill is amortized over periods of the estimated useful economic lives (mainly 5 years) on a straight-line basis.

Investments in subsidiaries and affiliates, which are not consolidated or accounted for by the equity method, are carried at cost. Where there has been a permanent decline in the value of such investments, the Company has written down the investments.

Certain subsidiaries are consolidated on the basis of fiscal period ending December 31, which differ from that of the Company. The necessary adjustments are made to the financial statements of such subsidiaries to reflect any significant transactions from their respective fiscal year ends to March 31.

(c) Foreign currency translation

Receivables, payables and securities denominated in foreign currencies are converted into Japanese yen at the exchange rates at fiscal year end. Transactions in foreign currencies are recorded based on the prevailing exchange rate on the transaction dates and the resulting translation gains or losses are included in statement of income.

In respect of the financial statement items of overseas subsidiaries, all assets and liabilities accounts are translated into Japanese yen by applying the exchange rates in effect at the fiscal year end. All income and expense accounts are translated into Japanese yen by applying the average exchange rate during the fiscal year.

Translation differences after allocating to minority interest for portions attributable to minority interest are reported as foreign currency translation adjustments in a separate component of net assets in the accompanying consolidated balance sheet.

(d) Investment securities

Securities with market value are stated at fair value, and changes in fair value are recorded as a separate component of net assets at an amount, net of tax, and the moving average method is used to calculate the original cost. Securities without market value are stated at cost determined by the moving average method.

(e) Inventories

Inventories mainly apply the cost method based on the weighted-average method, which determines the amount of the inventories shown on the consolidated balance sheet by writing them down based on the decrease in their profitability.

Machinery applies the cost method based on the specific identification method, which determines the amount of the inventories shown on the consolidated balance sheet by writing them down based on the decrease in their profitability.

(f) Property, plant and equipment (Excluding leased assets)

Property, plant and equipment are stated at cost. Depreciation in the Company is principally computed by the declining-balance method over the estimated useful lives of the respective assets except for the buildings acquired on or after April 1, 1998, for which the straight-line method is used.

Depreciation in its consolidated foreign subsidiaries is computed by the straight-line method over the useful lives of the respective assets.

The significant useful lives are summarized as follows:

Buildings and structures	2 – 50 years
Machinery, equipment and vehicles	3 – 17 years

(g) Intangible assets (Excluding leased assets)

Intangible assets are stated at cost less accumulated amortization. Capitalized costs of software for internal use and other intangible assets are amortized using the straight-line method over estimated lives (5 years).

(h) Leases

Leased assets arising from finance lease transactions which transfer ownership to the lessee are depreciated as the same as the owned property, plant and equipment.

Leased assets arising from finance lease transactions which do not transfer ownership to the lessee are depreciated to a residual value of zero by the straight-line method using the contract term as the useful life.

(i) Allowance for doubtful accounts

The allowance for doubtful accounts is provided at the amount of estimated uncollectible accounts, based on individual collectability with respect to identified doubtful receivables and past experience of doubtful receivables.

(j) Provision for directors' bonuses

Bonus to directors is accrued at the year end and to be paid in the following year when such bonuses are attributable.

(k) Accounting method for retirement benefits

- Method of attributing expected retirement benefits to periods
In calculating retirement benefit obligations, the benefit formula basis is used to attribute expected retirement benefits to periods through the end of the fiscal year.
- Method of amortizing actuarial gain and loss and prior service cost
Actuarial gain and loss are amortized in the year following the year in which the gain or loss is recognized by the straight-line method principally over 15 years. Prior service cost is being amortized by the straight-line method principally over 15 years.

(l) Provision for environmental measures

The provision for environmental measures is estimated and recorded to provide for future potential costs, such as costs related to removal and disposal of toxic substances based on related legal requirements.

(m) Accounting for consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(n) Cash and cash equivalents

Cash and cash equivalents are composed of cash and time deposits, all of which are low-risk, short-term financial instruments readily convertible into cash.

(o) Research and development costs

Research and development costs are charged to income when incurred.

(p) Income taxes

Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse.

(q) Shareholders' equity

The Corporation Law of Japan provides that an amount equal to 10% of the amount to be distributed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve and the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the common stock account. Such distributions can be made at any time by resolution of the shareholders or by the Board of Directors if certain conditions are met, but neither the capital reserve nor the legal reserve is available for distributions.

(r) Changes in accounting principles

The main clause of Article 35 of the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26 issued on May 17, 2012, hereinafter "Retirement Benefits Accounting Standard") and the main clause of

Article 67 of the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 issued on March 26, 2015 hereinafter "Retirement Benefits Guidance") are effective from April 1, 2014. In applying these accounting standards, there was a change from the straight-line basis to the benefit formula basis as the method of attributing expected retirement benefits to periods for the calculation of the retirement benefit obligations and service cost. Also, the Company has changed the method of determining the discount rate from a method in which bond duration as the basis for determining the discount rate is determined based on a number of years similar to the average remaining service period of employees to a method of using a single weighted average discount rate that reflects the estimated timing and amount of the retirement benefit payments.

Application of the Retirement Benefits Accounting Standards, etc. are in accordance with the transitional treatment set forth in Article 37 of the Retirement Benefits Accounting Standards and at the beginning of this consolidated fiscal year, the amount affected by such changes is reflected as additions to retained earnings.

As a result, net defined benefit liability as of April 1, 2014 decreased by ¥4,018 million (U.S. \$33,438 thousand), net defined benefit asset increased by ¥217 million (U.S. \$1,807), and retained earnings increased by ¥2,725 million (U.S. \$22,684). The impact on consolidated earnings was insignificant.

In addition, the impact of this accounting change on per share data can be found under Note 23, "Amounts Per Share."

2. Commitments and Contingent Liabilities

The Company and its consolidated subsidiaries had unused lines of credit for short-term financing aggregating ¥22,286 million (U.S. \$185,455 thousand) and ¥21,301 million at March 31, 2015 and 2014, respectively.

3. Inventories

Finished goods and merchandise, work in process, and raw materials and supplies as of March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Finished goods and merchandise	¥10,714	¥ 9,560	\$ 89,164
Work in process	11,678	11,700	97,185
Raw materials and supplies	9,749	9,292	81,127
Total	¥32,142	¥30,554	\$267,477

4. Selling, General and Administrative Expenses

Major items included in selling, general and administrative expenses for the years ended March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Transportation and warehousing expenses	¥ 5,250	¥ 5,041	\$ 43,693
Provision for allowance for doubtful accounts	15	(53)	133
Salaries and allowances	7,430	6,830	61,831
Retirement benefit expenses	396	507	3,295
Provision for directors' bonuses	111	80	928
Depreciation	1,059	1,057	8,817
Research and development expenses	6,771	6,849	56,351
Other	12,215	11,157	101,651
Total	¥33,251	¥31,470	\$276,701

5. Research and Development Expenses

Research and development expenses, all of which were included in selling, general and administrative expenses, for the years ended March 31, 2015 and 2014 were ¥6,771 million (U.S.\$56,351 thousand) and ¥6,849 million, respectively.

6. Gain on Sales of Noncurrent Assets

Gain on sales of noncurrent assets was principally related to sales of land for the year ended March 31, 2015 and sales of buildings and structures for the year ended March 31, 2014.

7. Loss on Sales of Noncurrent Assets

Loss on sales of noncurrent assets was related to sales of land for the year ended March 31, 2014.

8. Impairment Loss on Property, Plant and Equipment

The Company has recognized impairment loss on the following classes of assets for the year ended March 31, 2015:

Major use	Location	Category	Millions of yen	Thousands of U.S. dollars
Company housing for employees	Kumagaya city, Saitama	Buildings and structures	¥ 46	\$ 388
		Land	197	1,639
		Other	0	0
		Subtotal	243	2,028
Pressure-sensitive adhesive related products manufacturing equipment	Massachusetts State, U.S.A.	Machinery, equipment and vehicles	417	3,470
		Other	13	115
		Subtotal	430	3,586
Total			¥674	\$5,614

(1) Circumstances leading to the recognition of impairment loss

- The impairment loss for the company housing has been recognized because the asset has been idled and the market price in real estate has been declined. That asset is planned to be sold since it is not planned to be used in the future.
- The impairment loss for the pressure-sensitive adhesive related products manufacturing equipment has been recognized because the asset has decreased in profitability.

(2) Method of calculating recoverable amounts

The recoverable amounts used for the measurement of the impairment losses above are the net realizable value.

- The recoverable amount of land for the company housing is based on the appraisal value after deduction of the estimated cost of the disposal. The recoverable amounts of other assets are the nominal value.
- The recoverable amounts of the assets above for the pressure-sensitive adhesive related products manufacturing equipment are based on a third-party appraisal value.

The Company has recognized impairment loss on the following classes of assets for the year ended March 31, 2014:

Major use	Location	Category	Millions of yen
Pressure-sensitive adhesive related products manufacturing equipment	Higashi Agatsuma town, Gunma	Machinery, equipment and vehicles	¥153
		Other	1
		Subtotal	155
Paper related products manufacturing equipment	Kumagaya city, Saitama	Machinery, equipment and vehicles	152
Total			¥308

(1) Circumstances leading to the recognition of impairment loss

The impairment loss for the assets above has been recognized because these assets are planned to stop operation or be disposed for the reason of becoming too old and production shutdown.

(2) Method of calculating recoverable amounts

The recoverable amounts used for the measurement of the impairment losses above are the net realizable value or the nominal value.

9. Comprehensive Income

Reclassification adjustment and tax effect of other comprehensive income for the years ended March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Net unrealized holding gain on securities:			
Amount incurred during the fiscal year	¥ 642	¥ 196	\$ 5,346
Reclassification adjustment	(0)	(0)	(0)
Prior to deducting tax effect	642	196	5,346
Tax effect	(165)	(55)	(1,377)
Net unrealized holding gain on securities	476	140	3,968
Foreign currency translation adjustments:			
Amount incurred during the fiscal year	5,885	9,221	48,978
Reclassification adjustment	—	—	—
Prior to deducting tax effect	5,885	9,221	48,978
Tax effect	—	—	—
Foreign currency translation adjustments	5,885	9,221	48,978
Adjustment regarding pension obligations of consolidated overseas subsidiaries:			
Amount incurred during the fiscal year	—	62	—
Reclassification adjustment	—	138	—
Prior to deducting tax effect	—	201	—
Tax effect	—	(73)	—
Adjustment regarding pension obligations of consolidated overseas subsidiaries	—	127	—
Remeasurements of defined benefit plans:			
Amount incurred during the fiscal year	755	—	6,285
Reclassification adjustment	202	—	1,686
Prior to deducting tax effect	958	—	7,972
Tax effect	(362)	—	(3,017)
Remeasurements of defined benefit plans	595	—	4,954
Total other comprehensive income	¥6,958	¥9,489	\$57,901

10. Cash and Cash Equivalents

Reconciliation between cash and cash equivalents in the consolidated statement of cash flows and cash and deposits in the consolidated balance sheet as of March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Cash and deposits	¥62,059	¥51,212	\$516,433
Time deposits with maturity of more than 3 months	(6,009)	(6,219)	(50,005)
Cash and cash equivalents	¥56,050	¥44,992	\$466,428

Assets and liabilities related to finance lease transactions newly recognized for the years ended March 31, 2015 and 2014 were ¥186 million (U.S. \$1,550 thousand) and ¥93 million, respectively.

11. Leases (Lessee's accounting)

For finance lease transactions that transfer ownership, leased assets recognized as property, plant and equipment are mainly production facilities for the years ended March 31, 2015 and 2014.

For finance lease transactions that do not transfer ownership, leased assets recognized as property, plant and equipment are mainly production facilities and vehicles, and those recognized as intangible assets are mainly software for the years ended March 31, 2015 and 2014.

The minimum lease payments under noncancellable operating leases as of March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Due within 1 year	¥241	¥144	\$2,012
Due after 1 year	273	263	2,272
Total	¥514	¥407	\$4,285

12. Financial Instruments

1. Status of financial instruments

(1) Policy regarding financial instruments

The LINTEC Group (the "Group") limits the scope of its cash and fund management activities to short-term deposits and has a policy of relying principally on bank borrowings.

The Group makes use of derivatives only to reduce risk of foreign currency exchange fluctuations and has a policy of not engaging in derivative transactions for speculative purposes.

(2) Details of financial instruments and associated risk and risk management system

In the course of its business activities, the Group is exposed to credit risk arising from trade notes and accounts receivable that are outstanding from its customers. Regarding the risk pursuant to the internal regulations for managing its credit exposure and trade receivables, due dates and balances are managed appropriately for each customer, to mitigate risks of uncollectible accounts.

Investment securities are stocks being exposed to market price risk, and these are mainly the stocks of companies with which the Group has business relationships and it periodically confirms the market value.

All of the trade payables—trade notes and accounts payable—are due within 1 year.

The Company has commitment line contracts with financial institutions and the borrowings are raised mainly for business activities and capital investments.

The Group is exposed to liquidity risk from its business-related obligations and borrowings but the Company and its consolidated subsidiaries prepare and implement financing plans to manage the liquidity risk.

The Group conducts and manages such transactions based on internal rules and regulations. Director of administration division is in charge of managing derivative transactions and related reports are submitted to top management for each case.

2. Estimated fair value and other matters related to financial instruments

Carrying value on the consolidated balance sheet as of March 31, 2015 and 2014 along with their fair value and the variance were shown in the following table.

	Millions of yen			Thousands of U.S. dollars		
	Carrying value	Estimated fair value	Variance	Carrying value	Estimated fair value	Variance
(1) Cash and deposits	¥ 62,059	¥ 62,059	¥ —	\$ 516,433	\$ 516,433	\$ —
(2) Trade notes and accounts receivable	64,094	64,094	—	533,364	533,364	—
(3) Investment securities						
Other securities	2,656	2,656	—	22,104	22,104	—
(4) Trade notes and accounts payable	(40,674)	(40,674)	—	(338,473)	(338,473)	—
(5) Short-term borrowings	(1,695)	(1,695)	—	(14,105)	(14,105)	—
(6) Accrued income taxes	(3,413)	(3,413)	—	(28,408)	(28,408)	—

Note: Figures shown in parentheses are liability items.

	Millions of yen		
	Carrying value	Estimated fair value	Variance
(1) Cash and deposits	¥ 51,212	¥ 51,212	¥ —
(2) Trade notes and accounts receivable	63,488	63,488	—
(3) Investment securities			
Other securities	2,001	2,001	—
(4) Trade notes and accounts payable	(41,286)	(41,286)	—
(5) Short-term borrowings	(1,510)	(1,510)	—
(6) Accrued income taxes	(2,594)	(2,594)	—

Note: Figures shown in parentheses are liability items.

Note 1: Method of computing the estimated fair value of financial instruments and securities

(1) Cash and deposits; (2) Trade notes and accounts receivable

Since these items are settled in a short period of time and have estimated fair values that are virtually the same as the carrying value on the ledger, the carrying value has been used.

(3) Investment securities

The market value of investment securities is determined by the price of the stock traded on an exchange market.

(4) Trade notes and accounts payable; (5) Short-term borrowings; (6) Accrued income taxes
Since these items are settled in a short period of time and have estimated fair values that are virtually the same as the carrying value on the ledger, the carrying value has been used.

Note 2: Financial instruments for which obtaining an estimated fair value is deemed to be extremely difficult:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Unlisted stocks	¥656	¥1,592	\$5,465

The unlisted stocks in the preceding table do not have market values, and as estimating their future cash flows is deemed to be extremely difficult, they are not included in the above table "(3) Investment securities."

Note 3: Planned redemption amounts after the balance sheet date for held-to-maturity securities and receivables were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
	Within 1 year	Within 1 year	Within 1 year
Cash and deposits	¥ 62,005	¥ 51,180	\$ 515,984
Trade notes and accounts receivable	64,094	63,488	533,364
Total	¥126,100	¥114,668	\$1,049,348

13. Marketable and Investment Securities

The carrying value and acquisition cost of other securities as of March 31, 2015 and 2014 were as follows:

		Millions of yen			Thousands of U.S. dollars		
					2015		
	Description	Carrying value	Acquisition cost	Unrealized gain (loss)	Carrying value	Acquisition cost	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost	Stocks	¥2,163	¥ 976	¥1,187	\$18,004	\$ 8,124	\$9,879
	Bonds	—	—	—	—	—	—
	Other	—	—	—	—	—	—
Subtotal		¥2,163	¥ 976	¥1,187	\$18,004	\$ 8,124	\$9,879
Securities whose acquisition cost exceeds their carrying value	Stocks	¥ 492	¥ 522	¥ (29)	\$ 4,099	\$ 4,345	\$ (245)
	Bonds	—	—	—	—	—	—
	Other	—	—	—	—	—	—
Subtotal		¥ 492	¥ 522	¥ (29)	\$ 4,099	\$ 4,345	\$ (245)
Total		¥2,656	¥1,498	¥1,157	\$22,104	\$12,469	\$9,634

		Millions of yen		
		2014		
	Description	Carrying value	Acquisition cost	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost	Stocks	¥1,473	¥ 910	¥563
	Bonds	—	—	—
	Other	—	—	—
Subtotal		¥1,473	¥ 910	¥563
Securities whose acquisition cost exceeds their carrying value	Stocks	¥ 528	¥ 576	¥ (47)
	Bonds	—	—	—
	Other	—	—	—
Subtotal		¥ 528	¥ 576	¥ (47)
Total		¥2,001	¥1,486	¥515

14. Derivatives

No specific disclosure for derivative transactions has been made as of March 31, 2015 and 2014 because of its immateriality.

15. Retirement Benefits

The Company has defined benefit plans of a corporate pension fund plan under the Japanese Defined Benefit Corporate Pension Law and lump-sum payment plan.

Domestic consolidated subsidiaries have lump-sum payment plans and certain foreign consolidated subsidiaries have defined contribution plans and lump-sum payment plans.

The following summarizes information related to retirement benefits for the years ended March 31, 2015 and 2014.

1. Defined benefit plans

(1) Reconciliation statement for the beginning balance and the ending balance of retirement benefit obligations

	2015	2014	2015
	Millions of yen		Thousands of U.S. dollars
Retirement benefit obligations at beginning of year	¥36,788	¥36,663	\$306,134
Cumulative effects of changes in accounting policies	(4,235)	—	(35,246)
Restated balance	32,552	36,663	270,888
Service cost	1,539	1,432	12,810
Interest cost	430	506	3,580
Actuarial gains (losses)	203	(947)	1,691
Retirement benefits paid	(1,511)	(1,197)	(12,577)
Increase (decrease) from foreign currency translation	247	272	2,056
Other	57	56	476
Retirement benefit obligations at end of year	¥33,518	¥36,788	\$278,927

Note: For some of the consolidated subsidiaries, the simplified method is used to calculate retirement benefit obligations.

(2) Reconciliation statement for the beginning balance and the ending balance of plan assets

	2015	2014	2015
	Millions of yen		Thousands of U.S. dollars
Plan assets at beginning of year	¥20,779	¥18,165	\$172,916
Expected return on plan assets	711	647	5,923
Actuarial gains (losses)	1,018	1,720	8,472
Contributions from the employer	5,561	768	46,276
Retirement benefits paid	(776)	(734)	(6,465)
Increase (decrease) from foreign currency translation	195	211	1,626
Plan assets at end of year	¥27,488	¥20,779	\$228,748

Note: "Contributions from the employer" includes contribution of ¥5,000 million (U.S. \$41,607 thousand) to retirement benefit trust.

(3) Reconciliation statement for the ending balance of retirement benefit obligations and plan assets and net defined benefit liability or asset recorded in the consolidated financial statements

	2015	2014	2015
	Millions of yen		Thousands of U.S. dollars
Retirement benefit obligations of a funded pension plan	¥ 32,818	¥ 23,081	\$ 273,103
Plan assets	(27,488)	(20,779)	(228,748)
	5,330	2,301	44,354
Retirement benefit obligations of an unfunded pension plan	699	13,706	5,823
Net amount of liabilities and assets recorded in the consolidated balance sheet	6,029	16,008	50,178
Net defined benefit liability	7,853	16,375	65,353
Net defined benefit asset	(1,823)	(366)	(15,174)
Net amount of liabilities and assets recorded in the consolidated balance sheet	¥ 6,029	¥ 16,008	\$ 50,178

(4) Components of retirement benefit expenses

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Service cost	¥1,539	¥1,432	\$12,810
Interest cost	430	506	3,580
Expected return on plan assets	(711)	(647)	(5,923)
Amortization of actuarial losses (gains)	487	670	4,053
Amortization of prior service cost	(284)	(284)	(2,367)
Other	—	32	—
Retirement benefit expenses for the defined benefit plans	¥1,460	¥1,711	\$12,155

Notes: i. Retirement benefit expenses of consolidated subsidiaries using the simplified method are included in service cost.
ii. Employee's contributions to the corporate pension fund are not included in service cost.

(5) Remeasurements of defined benefit plans

Breakdown of items (before tax effect) recorded in other comprehensive income of remeasurements of defined benefit plans are as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Prior service cost	¥ 284	¥ —	\$ 2,367
Actuarial losses (gains)	(1,242)	—	(10,339)
Total	¥ (958)	¥ —	\$ (7,972)

(6) Remeasurements of defined benefit plans

Breakdown of items (before tax effect) recorded in accumulated other comprehensive income of remeasurements of defined benefit plans are as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Unrecognized prior service cost	¥(1,112)	¥(1,397)	\$ (9,260)
Unrecognized actuarial losses (gains)	1,895	3,113	15,775
Total	¥ 782	¥ 1,715	\$ 6,515

(7) Items related to plan assets

1. Breakdown of major items

The fair value of plan assets, by major category, as a percentage of total plan assets as of March 31, 2015 and 2014 was as follows:

	2015	2014
Bonds	52.6%	40.9%
Stocks	20.1%	44.0%
Cash on hand and in banks	24.8%	11.7%
Other	2.5%	3.4%
Total	100.0%	100.0%

2. Method for determining the long-term expected rate of return on plan assets

In determining the long-term expected rate of return on plan assets, estimates are considered based on the current and expected allocation of plan assets and the long-term current and expected rate of return from the various assets comprising the plan assets.

(8) Major actuarial assumptions as of March 31, 2015 and 2014 were as follows:

	2015	2014
Discount rate	Mainly 1.3%	Mainly 1.3%
Long-term expected rate of return on plan assets	Mainly 3.5%	Mainly 3.5%
Expected rates of pay raises	Mainly 2.8%	Mainly 2.8%

2. Defined contribution plan

Some of the consolidated subsidiaries contributed ¥144 million (U.S. \$1,205 thousand) and ¥125 million, for the years ended March 31, 2015 and 2014 to the defined contribution plans, respectively.

16. Stock Option Plan

Components of stock-based compensation expense for the years ended March 31, 2015 and 2014 were as follows:

	2015	Millions of yen 2014	Thousands of U.S. dollars 2015
Cost of sales	¥ 3	¥ 6	\$ 31
Selling, general and administrative expenses	29	29	246

The following table summarizes contents of stock options as of March 31, 2015:

The 2006 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 10, 2006
Position and number of grantees	Directors, 17
Class and number of stocks	Common stock 10,500 shares
Date of grant	August 25, 2006
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 26, 2006 to August 25, 2026

The 2007 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 9, 2007
Position and number of grantees	Directors, 17
Class and number of stocks	Common stock 9,300 shares
Date of grant	August 24, 2007
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 25, 2007 to August 24, 2027

The 2008 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 8, 2008
Position and number of grantees	Directors, 14
Class and number of stocks	Common stock 9,800 shares
Date of grant	August 25, 2008
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 26, 2008 to August 25, 2028

The 2009 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 7, 2009
Position and number of grantees	Directors, 14
Class and number of stocks	Common stock 15,000 shares
Date of grant	August 24, 2009
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 25, 2009 to August 24, 2029

The 2010 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 9, 2010
Position and number of grantees	Directors, 16
Class and number of stocks	Common stock 14,100 shares
Date of grant	August 24, 2010
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 25, 2010 to August 24, 2030

The 2011 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 9, 2011
Position and number of grantees	Directors, 8
Class and number of stocks	Common stock 7,600 shares
Date of grant	August 24, 2011
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 25, 2011 to August 24, 2031

The 2012 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 8, 2012
Position and number of grantees	Directors, 8 and Executive Officers, 12
Class and number of stocks	Common stock 15,900 shares
Date of grant	August 23, 2012
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director or executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 24, 2012 to August 23, 2032

The 2013 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 7, 2013
Position and number of grantees	Directors, 10 and Executive Officers, 12
Class and number of stocks	Common stock 22,000 shares
Date of grant	August 22, 2013
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director or executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 23, 2013 to August 22, 2033

The 2014 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 6, 2014
Position and number of grantees	Directors, 10 and Executive Officers, 12
Class and number of stocks	Common stock 18,300 shares
Date of grant	August 21, 2014
Condition and settlement of rights	Persons who have received allotment of share subscription rights must hold the position of director or executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 22, 2014 to August 21, 2034

The following tables summarize the scale and movement of stock options for the years ended March 31, 2015 and 2014:

(Non-vested stock options)

(unit: shares)

	The 2006 plan	The 2007 plan	The 2008 plan	The 2009 plan	The 2010 plan	The 2011 plan	The 2012 plan	The 2013 plan	The 2014 plan
Stock options outstanding at April 1, 2014	—	—	—	—	—	—	—	—	—
Stock options granted	—	—	—	—	—	—	—	—	18,300
Forfeitures	—	—	—	—	—	—	—	—	—
Conversion to vested stock options	—	—	—	—	—	—	—	—	18,300
Stock options outstanding at March 31, 2015	—								

(Vested stock options)

(unit: shares)

	The 2006 plan	The 2007 plan	The 2008 plan	The 2009 plan	The 2010 plan	The 2011 plan	The 2012 plan	The 2013 plan	The 2014 plan
Stock options outstanding at April 1, 2014	6,000	5,500	9,300	14,200	12,700	7,600	15,900	22,000	—
Conversion from non-vested stock options	—	—	—	—	—	—	—	—	18,300
Stock options exercised	1,100	1,000	1,400	2,200	1,800	—	1,400	—	—
Forfeitures	—	—	—	—	—	—	—	—	—
Stock options outstanding at March 31, 2015	4,900	4,500	7,900	12,000	10,900	7,600	14,500	22,000	18,300

The following table summarizes the price information of stock options as of March 31, 2015:

	The 2006 plan	The 2007 plan	The 2008 plan	The 2009 plan	The 2010 plan	The 2011 plan	The 2012 plan	The 2013 plan	The 2014 plan
Exercise price	¥ 1	¥ 1	¥ 1	¥ 1	¥ 1	¥ 1	¥ 1	¥ 1	¥ 1
Average market price of the stock at the time of exercise	2,012	2,012	2,012	2,012	2,012	—	2,012	—	—
Fair value at the date of grant	2,788	1,947	1,481	1,726	1,474	1,303	1,203	1,595	1,825

The fair value of stock options granted during the year ended March 31, 2015 was valued by using the Black Scholes option pricing model with the following assumptions:

	The 2014 plan
Volatility	35.662%
Expected remaining period	10 years
Expected dividend	¥ 42
Risk free interest rate	0.549%

The expected remaining period for stock options is assumed to be the mid-point of the exercise period.

17. Income Taxes

1. The Company and its consolidated subsidiaries are subject to a number of taxes based on income which, in the aggregate, resulted in a statutory tax rate of approximately 35.64% and 38.01% for the years ended March 31, 2015 and 2014, respectively. Income taxes of the foreign consolidated subsidiaries are based generally on the tax rates applicable in their countries of incorporation. The effective tax rates reflected in the consolidated statement of income for the years ended March 31, 2015 and 2014 differ from the statutory tax rate for the following reasons:

	2015	2014
Statutory tax rate	35.64%	38.01%
Effect of:		
Permanently non-deductible expenses for income tax purposes such as entertainment expenses	0.39	0.65
Permanently non-taxable income for income tax purposes such as dividend income	(10.66)	(12.13)
Municipal Tax	0.31	0.42
The difference of tax rates applied to foreign subsidiaries	(7.36)	(9.00)
Tax deduction in accordance with special tax measures	(2.38)	(3.42)
Decrease of valuation allowance for such as net operating loss carryforward	2.05	1.67
Consolidating adjustment of dividend income from consolidated subsidiaries	10.95	12.66
Effect of revised corporate tax rate	2.83	0.91
Other, net	1.83	4.34
Effective tax rate	33.60%	34.11%

2. The significant components of deferred tax assets and liabilities as of March 31, 2015 and 2014 were as follows:

	2015	2014	2015
	Millions of yen		Thousands of U.S. dollars
Deferred tax assets:			
Accrued bonuses	¥ 740	¥ 747	\$ 6,159
Accrued enterprise taxes	182	167	1,518
Operating loss carryforwards	413	148	3,443
Net defined benefit liability	2,421	5,712	20,146
Retirement benefit trust	1,616	—	13,454
Research and development cost	498	622	4,145
Loss on valuation of inventories	246	305	2,052
Allowance for doubtful accounts	102	127	852
Unrealized gain	435	345	3,625
Excess depreciation expense	299	218	2,490
Other	613	640	5,105
Gross deferred tax assets	7,570	9,036	62,995
Valuation allowance	(406)	(160)	(3,382)
	7,163	8,876	59,612
Deferred tax liabilities:			
Revaluation of fixed assets in accordance with special tax measures	(208)	(160)	(1,736)
Net unrealized holding gain on securities	(325)	(159)	(2,707)
Depreciation expense of subsidiaries	(274)	(533)	(2,287)
Dividend income from consolidated subsidiaries	(435)	(525)	(3,627)
Net defined benefit asset	(595)	(136)	(4,955)
Other	(62)	(12)	(520)
	(1,902)	(1,528)	(15,834)
Net deferred tax assets	¥ 5,260	¥ 7,347	\$ 43,777

Note: The net deferred tax assets as of March 31, 2015 and 2014 were included in the following items on the consolidated balance sheets:

	2015	2014	2015
	Millions of yen		Thousands of U.S. dollars
Current assets-Deferred tax assets	¥1,879	¥1,922	\$15,636
Noncurrent assets-Deferred tax assets	3,578	5,940	29,779
Current liabilities-Other	17	29	149
Noncurrent liabilities-Other	178	486	1,489

3. Adjustments of deferred tax assets and liabilities due to the change of statutory tax rate

With the announcement of the "Act for the Partial Amendment of the Income Tax Act" and the "Act for the Partial Amendment of the Local Tax Act," the statutory tax rate used to calculate the Company's deferred tax assets and liabilities (limited to settlements made after April 1, 2015) was changed from 35.64% to 33.06% for taxable items between April 1, 2015 and March 31, 2016, and to 32.30% for taxable items after April 1, 2016.

Due to the change, the net amount of deferred tax assets decreased by ¥472 million (U.S. \$3,930 thousand), deferred income taxes increased by ¥496 million (U.S. \$4,128 thousand), net unrealized holding gain on securities increased by ¥33 million (U.S. \$279 thousand), and remeasurements of defined benefit plans decreased by ¥9 million (U.S. \$81 thousand) for the year ended March 31, 2015.

18. Business Combinations

There is no business combination for the year ended March 31, 2015.

19. Asset Retirement Obligations

There is no asset retirement obligation as of March 31, 2015 and 2014.

20. Rental Property

No specific disclosure for rental property has been made as of March 31, 2015 and 2014 because of its immateriality.

21. Segment Information

1. Overview of reportable segments

(1) Decision procedures for reportable segments

The business segments of our group are subject to periodic review, because each of them provides its own financial information separately from other business units of our group and the board of directors not only makes a decision on allocation of management resources, but also evaluates the performance of them.

Our group consists of 6 business segments, each of which develops comprehensive strategies and conducts business activities in overseas and domestic markets.

Based on product manufacturing methods and similarity of the markets where the products are introduced, we aggregate these business segments into 3 distinguishable units, such as "Printing and Industrial Materials Products," "Electronic and Optical Products," and "Paper and Converted Products," to include in this report.

(2) Products and services handled in each segment

Products and services handled in each segment were as follows:

Reportable segments	Main products and services
Printing and Industrial Materials Products	Adhesive products for seals and labels, Label printing machines, Barcode printers, Labeling machines, Automobile-use adhesive products, Industrial-use adhesive tapes, Window films, Films for outdoor signs and advertising, Interior finishing mounting sheets
Electronic and Optical Products	Semiconductor-related tapes, Semiconductor-related equipment, Coated films for multilayer ceramic capacitor production, LCDs-related adhesive products
Paper and Converted Products	Color papers for envelopes, Colored construction papers, Special function papers, High-grade printing papers, High-grade papers for paper products, Release papers for general-use, Release films for optical-related products, Casting papers for synthetic leather, Casting papers for carbon fiber composite materials

2. Method of calculating sales and income (loss), assets, and other items by reportable segment reported

The reported information regarding business segments is processed mostly following the accounting procedures listed in "Significant Accounting Policies" used as basis for preparing consolidated financial statements.

The profits of the segments reported are based on operating income.

The values for internal sales and transfers conducted between segments are given based on the market price for transactions between consolidated companies, and on the first cost for transactions within the same company.

3. Information on sales and income (loss), assets, and other items by reportable segment for the years ended March 31, 2015 and 2014 are outlined as follows:

Millions of yen						
2015						
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Adjustments	Consolidation
Net sales						
Net sales to external customers	¥86,764	¥83,207	¥37,283	¥207,255	¥ —	¥207,255
Intra-segment sales and transfers	61	73	17,281	17,417	(17,417)	—
Total	¥86,826	¥83,281	¥54,564	¥224,672	¥(17,417)	¥207,255
Segment income	¥ 2,878	¥10,071	¥ 3,996	¥ 16,946	¥ (64)	¥ 16,881
Others						
Depreciation and amortization	¥ 2,919	¥ 3,155	¥ 2,638	¥ 8,713	¥ —	¥ 8,713
Amortization of goodwill	¥ 76	¥ —	¥ —	¥ 76	¥ —	¥ 76

Thousands of U.S. dollars						
2015						
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Adjustments	Consolidation
Net sales						
Net sales to external customers	\$722,014	\$692,417	\$310,252	\$1,724,684	\$ —	\$1,724,684
Intra-segment sales and transfers	515	615	143,811	144,942	(144,942)	—
Total	\$722,529	\$693,033	\$454,063	\$1,869,626	\$(144,942)	\$1,724,684
Segment income	\$ 23,952	\$ 83,810	\$ 33,259	\$ 141,022	\$ (539)	\$ 140,483
Others						
Depreciation and amortization	\$ 24,296	\$ 26,256	\$ 21,956	\$ 72,509	\$ —	\$ 72,509
Amortization of goodwill	\$ 640	\$ —	\$ —	\$ 640	\$ —	\$ 640

- Notes: i. Segment income adjustments show elimination of the amount of intra-segment transactions.
 ii. Segment income is adjusted to be reported as operating income in the consolidated statement of income.
 iii. The amounts to be written off as depreciation and amortization of goodwill are allocated among the business segment on the basis of reasonable criteria.
 iv. Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the business segment is done.

Millions of yen						
2014						
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Adjustments	Consolidation
Net sales						
Net sales to external customers	¥86,271	¥79,139	¥37,831	¥203,242	¥ —	¥203,242
Intra-segment sales and transfers	39	3	14,949	14,992	(14,992)	—
Total	¥86,310	¥79,143	¥52,781	¥218,235	¥(14,992)	¥203,242
Segment income	¥ 2,290	¥ 6,846	¥ 4,645	¥ 13,782	¥ (16)	¥ 13,766
Others						
Depreciation and amortization	¥ 3,168	¥ 4,069	¥ 2,816	¥ 10,055	¥ —	¥ 10,055
Amortization of goodwill	¥ 70	¥ —	¥ —	¥ 70	¥ —	¥ 70

- Notes: i. Segment income adjustments show elimination of the amount of intra-segment transactions.
 ii. Segment income is adjusted to be reported as operating income in the consolidated statement of income.
 iii. The amounts to be written off as depreciation and amortization of goodwill are allocated among the business segment on the basis of reasonable criteria.
 iv. Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the business segment is done.

Related Information

1. Information by product and service

Since the Company and its consolidated subsidiaries disclose the same information in its segment information section, it has been omitted.

2. Information by geographical segment

	Millions of yen				Thousands of U.S. dollars			
	Japan	Asia	Others	Total	Japan	Asia	Others	Total
	2015							
Sales	¥126,914	¥69,593	¥10,747	¥207,255	\$1,056,127	\$579,122	\$89,434	\$1,724,684
Property, plant and equipment	45,945	13,901	1,655	61,503	382,340	115,685	13,780	511,806

Note: Sales information is based on location of customers and it is classified by country or region.

	Millions of yen			
	Japan	Asia	Others	Total
	2014			
Sales	¥130,149	¥63,023	¥10,069	¥203,242
Property, plant and equipment	46,592	12,855	2,009	61,456

Note: Sales information is based on location of customers and it is classified by country or region.

3. Information by principal customers

Name of the customer	Related reportable segment	Millions of yen		Thousands of U.S. dollars
		2015	2014	2015
		Sales		
Sumitomo Chemical Company, Limited	Electronic and Optical Products	¥21,383	¥25,103	\$177,944

Information on impairment losses on noncurrent assets by reportable segment

	Millions of yen				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
	2015				
Impairment loss	¥—	¥—	¥—	¥—	¥674

	Thousands of U.S. dollars				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
	2015				
Impairment loss	\$—	\$—	\$—	\$—	\$5,614

Note: Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the segment of the enterprise is done.

	Millions of yen				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
	2014				
Impairment loss	¥—	¥—	¥—	¥—	¥308

Note: Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the segment of the enterprise is done.

Information related to the amount of amortization of goodwill and the unamortized amount of goodwill by reportable segment

					Millions of yen	
					2015	
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation	
Unamortized amount of goodwill	¥—	¥—	¥—	¥—	¥93	

					Thousands of U.S. dollars	
					2015	
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation	
Unamortized amount of goodwill	\$—	\$—	\$—	\$—	\$782	

Notes: i. Since the Company and its consolidated subsidiaries disclose the same information of the amount of amortization of goodwill in the reportable segment information section, it has been omitted.
ii. Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the segment of the enterprise is done.

					Millions of yen	
					2014	
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation	
Unamortized amount of goodwill	¥—	¥—	¥—	¥—	¥158	

Notes: i. Since the Company and its consolidated subsidiaries disclose the same information of the amount of amortization of goodwill in the reportable segment information section, it has been omitted.
ii. Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the segment of the enterprise is done.

Information on profit arising from negative goodwill by reportable segment

There is no profit arising from negative goodwill for the years ended March 31, 2015 and 2014.

22. Related Party Transactions

The Company and its consolidated subsidiaries have transactions with NP Trading Co., Ltd., a subsidiary of Nippon Paper Industries Co., Ltd. The transactions between the companies for the years ended March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
For the year			
Sales of fine & specialty paper products and converted products	¥11,431	¥11,200	\$95,127
Purchase of stencil, chemicals and equipment	4,969	6,577	41,353

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
At year-end			
Trade notes and accounts receivable	¥4,034	¥3,913	\$33,577
Trade notes and accounts payable	1,804	2,305	15,012
Other liabilities	47	9	397

These related party transactions are carried out on an arm's-length basis similar to third party transactions.

23. Amounts Per Share

The amounts per share of net assets and net income as of and for the years ended March 31, 2015 and 2014 were as follows:

	Yen		U.S. dollars
	2015	2014	2015
Net assets	¥2,363.81	¥2,100.87	\$19.67
Net income (basic)	161.63	114.22	1.35
Net income (diluted)	161.41	114.09	1.34

The bases for calculation were as follows:

(1) Basic and diluted net income per share

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Net income (basic) per share:			
Net income	¥11,659	¥ 8,501	\$97,023
Amount not attributable to common shareholders	—	—	—
Net income attributable to common shareholders	¥11,659	¥ 8,501	\$97,023
Weighted-average number of shares issued during the year (thousand)	72,134	74,427	72,134
Net income (diluted) per share:			
Adjustment of net income related to dilutive securities	¥ —	¥ —	\$ —
Adjustment of dilutive securities (thousand)	98	84	98
[Share subscription rights (thousand)]	[98]	[84]	[98]

(2) Net assets per share

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Total net assets	¥171,674	¥152,610	\$1,428,594
Amount deducted from total net assets	1,159	1,079	9,650
[Share subscription rights]	[166]	[148]	[1,387]
[Minority interests]	[992]	[930]	[8,262]
Net assets attributable to shares of common stock	¥170,514	¥151,530	\$1,418,944
Number of shares of common stock outstanding used in calculation of net assets per share (thousand)	72,135	72,127	72,135

Note: As stated in Note 1 (r), "Changes in accounting principles," Retirement Benefits Accounting Standards, etc. have been adopted and applied in accordance with the transitional treatment set forth in Article 37 of the Retirement Benefits Accounting Standard.

As a result, net assets per share for the year ended March 31, 2015 increased by ¥37.79 (U.S. \$0.31). In addition, the impact on basic and diluted net income per share was insignificant.

24. Short-Term Borrowings, Long-Term Debts and Other Interest-Bearing Debts

Short-term bank loans are represented generally by 30-day or 90-day notes issued by the Company and its consolidated subsidiaries to banks at annual interest rates from 0.33% to 0.68% at March 31, 2015 and from 0.35% to 0.72% at March 31, 2014.

Short-term borrowings as of March 31, 2015 and 2014 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Short-term bank loans	¥1,695	¥1,510	\$14,105
Current portion of long-term debt	—	—	—
	¥1,695	¥1,510	\$14,105

Other interest-bearing debts as of March 31, 2015 and 2014 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Short-term lease obligation	¥199	¥183	\$1,657
Long-term lease obligation	471	503	3,922

Planned repayment amounts after the balance sheet date (March 31, 2015) for long-term debt and lease obligation are as follows:

	Millions of yen				Thousands of U.S. dollars			
	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years
Lease obligation	¥175	¥145	¥100	¥47	\$1,464	\$1,213	\$832	\$396

25. Subsequent Event

The following distribution of retained earnings was approved at a meeting of the board of directors held on May 8, 2015.

	Millions of yen	Thousands of U.S. dollars
		2015
Cash dividends (¥26 per share)	¥1,875	\$15,607

Management's Report on Internal Control over Financial Reporting

Basic Framework of Internal Control over Financial Reporting

Hiroyuki Nishio, Representative Director, President, CEO and COO of LINTEC Corporation, and Hitoshi Asai, Director, Vice President Executive Officer & Chief Financial Officer of LINTEC Corporation, are responsible for designing and operating adequate internal control over financial reporting for consolidated financial statements of LINTEC Corporation and consolidated subsidiaries (the "Company") in accordance with the basic framework set forth in "Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting" issued by Business Accounting Council.

Internal control achieves its objectives to a reasonable extent given that all individual components of internal control are integrated and function as a whole. Internal control over financial reporting for consolidated financial statements may not completely prevent or detect misstatements in financial reporting.

Scope of Assessment, Assessment Date and Assessment Procedure

We assessed the effectiveness of the Company's internal control over financial reporting for the accompanying consolidated financial statements as of March 31, 2015 in accordance with the standards for assessment of internal control over financial reporting generally accepted in Japan. For this assessment, we first evaluated the company-level controls which would have a material impact on the reliability of overall financial reporting on a consolidated basis. We then selected the process-level controls to be assessed based on the results of the company-level control assessment. For the process-level control assessment, we evaluated the effectiveness of internal control by analyzing processes in scope, identifying key controls that would have a material impact on the reliability of the financial reporting, and assessing the design and operation of such key controls.

We determined the scope of assessment by selecting consolidated subsidiaries based on their materiality of impact on the reliability of financial reporting. We determined their materiality of impact by considering both quantitative and qualitative aspects. The scope of our process-level control assessment was determined based on the results of our assessment of company-level controls, which included its 15 consolidated subsidiaries. We excluded 18 consolidated subsidiaries from the scope of the company-level control assessment since their quantitative and qualitative impacts were deemed insignificant.

For the purpose of determining the scope of process-level controls assessment, we selected 1 consolidated subsidiary as "Significant Business Locations," which contributed approximately two thirds of the Company's net sales on a consolidated basis for the fiscal year ended March 31, 2014. For the Significant Business Locations, we primarily included business processes related to sales, accounts receivable, and inventory in the scope of assessment as the aforementioned accounts were closely associated with the Company's business objectives. In addition, we included certain business processes in the scope of assessment not only from "Significant Business Locations" but also from all subsidiaries and affiliates, which were related to significant accounts involving estimates and management's judgment or include high-risk operations and/or transactions, as "business processes with a material impact on financial reporting."

Assessment Result

Based on the results of our assessment with the above mentioned scope, date and procedures, we concluded that Company's internal control over financial reporting for the accompanying consolidated financial statements as of March 31, 2015 was effective.

Report of Independent Auditors



Ernst & Young ShinNihon LLC
Hibiya Kokusai Bldg.
2-2-3 Uchisaiwai-cho, Chiyoda-ku
Tokyo, Japan 100-0011

Tel: +81 3 3503 1100
Fax: +81 3 3503 1197
www.shinnihon.or.jp

Independent Auditor's Report

The Board of Directors
LINTEC Corporation

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of LINTEC Corporation and its consolidated subsidiaries, which comprise the consolidated balance sheet as at March 31, 2015, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of LINTEC Corporation and its consolidated subsidiaries as at March 31, 2015, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Report of Independent Auditors



Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1(a).

Report on the Internal Control

We also have audited the accompanying Management's Report on Internal Control Over Financial Reporting for the consolidated financial statements as at March 31, 2015 of LINTEC Corporation and its consolidated subsidiaries (the "Management's Report").

Management's Responsibility for the Management's Report

Management is responsible for designing and operating internal control over financial reporting, and for the preparation and fair presentation of the Management's Report in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Internal control over financial reporting may not prevent or detect misstatements.

Auditor's Responsibility

Our responsibility is to express an opinion on the Management's Report based on our internal control audit. We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Management's Report is free from material misstatement.

An internal control audit involves performing procedures to obtain audit evidence about conclusions of management's assessment of internal control over financial reporting in the Management's Report. The procedures selected depend on the auditor's judgment, including the degree of impact on the reliability of financial reporting. An internal control audit also includes examining the overall presentation of the Management's Report, including disclosures on scope, procedures and conclusions of management's assessment of internal control over financial reporting.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our internal control audit opinion.

Opinion

In our opinion, the Management's Report referred to above, which represents that internal control over financial reporting of the consolidated financial statements as at March 31, 2015 is effective, presents fairly, in all material respects, management's assessment on internal control over financial reporting for the consolidated financial statements in conformity with standards for assessment of internal control over financial reporting generally accepted in Japan.

Ernst & Young ShinNihon LLC

June 24, 2015

Investor Information

As of March 31, 2015

Head Office

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

Established

October 15, 1934

Fiscal Year-End

March 31

Net Assets

¥171,674 million

Common Stock

Authorized: 300,000,000 shares
 Issued: 76,564,240 shares

Stock Listing

Tokyo Stock Exchange, 1st Section
 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

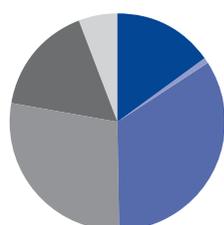
Number of Employees

4,413 (Consolidated)
 2,524 (Parent company only)

Major Shareholders

Nippon Paper Industries Co., Ltd.	30.13%
MSIP CLIENT SECURITIES	4.51%
National Mutual Insurance Federation of Agricultural Cooperatives	3.18%
The Master Trust Bank of Japan, Ltd. (Trust Account)	2.50%
Tamie Shoji	2.49%

Ownership and Distribution of Shares



Financial Institutions	15.25%
Securities Companies	0.75%
Other Companies	33.79%
Overseas Companies	28.12%
Individuals and Other	16.31%
Treasury Stock	5.78%

Major Subsidiaries

Domestic

LINTEC COMMERCE, INC.*
 LINTEC SIGN SYSTEM, INC.*
 FUJI-LIGHT, INC.*
 LINTEC SERVICES, INC.
 LINTEC CUSTOMER SERVICE, INC.
 PRINTEC, INC.
 TOKYO LINTEC KAKO, INC.
 OSAKA LINTEC KAKO, INC.

Overseas

LINTEC USA HOLDING, INC.*
 MADICO, INC.*
 LINTEC OF AMERICA, INC.*
 LINTEC EUROPE B.V.*
 LINTEC ADVANCED TECHNOLOGIES (EUROPE) GMBH*
 LINTEC (SUZHOU) TECH CORPORATION*
 LINTEC (TIANJIN) INDUSTRY CO., LTD.*
 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.*
 PT. LINTEC INDONESIA*
 PT. LINTEC JAKARTA*
 LINTEC SINGAPORE PRIVATE LIMITED*
 LINTEC ADVANCED TECHNOLOGIES (PHILIPPINES), INC.*
 LINTEC PHILIPPINES (PEZA), INC.*
 LINTEC (THAILAND) CO., LTD.*
 LINTEC BKK PTE LIMITED*
 LINTEC VIETNAM CO., LTD.*
 LINTEC HANOI VIETNAM CO., LTD.*
 LINTEC INDIA PRIVATE LIMITED*
 LINTEC INDUSTRIES (MALAYSIA) SDN. BHD.*
 LINTEC INDUSTRIES (SARAWAK) SDN. BHD.*
 LINTEC KUALA LUMPUR SDN. BHD.*
 LINTEC ADVANCED TECHNOLOGIES (MALAYSIA) SDN. BHD.*

* Consolidated Subsidiary

Share Price / Trading Volume





LINTEC Corporation
Linking your dreams

LINTEC CORPORATION
23-23, Honcho, Itabashi-ku,
Tokyo 173-0001, Japan
www.lintec-global.com/