

Summary of Financial Results for the Fiscal Year Ended March 2014
[Japanese Accounting Standards] (Consolidated)

Member, Financial Accounting Standards Foundation

May 8, 2014

Name of listed company: LINTEC Corporation

Stock exchange listing: Tokyo Stock Exchange 1st Section

Code number: 7966

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

Representative: Hiroyuki Nishio, President and CEO

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Scheduled date for ordinary general meeting of shareholders: June 26, 2014

Scheduled date for starting dividend payments: June 6, 2014

Scheduled date for filing annual securities report: June 26, 2014

Supplemental material on annual results: Yes

Presentation on annual results: Yes (For institutional investors and analysts)

(Amounts less than one million yen are omitted)

1. CONSOLIDATED BUSINESS RESULTS FOR THE FISCAL YEAR ENDED MARCH 2014

(from April 1, 2013 to March 31, 2014)

(1) Consolidated Operating Results

(% represents year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY ended March 2014	203,242	6.5	13,766	30.3	13,165	19.9	8,501	10.7
FY ended March 2013	190,844	(5.0)	10,564	(24.4)	10,981	(19.3)	7,681	(11.2)

(Note) Comprehensive income: Fiscal Year Ended March 31, 2014: 17,978 million yen, up 33.5%

Fiscal Year Ended March 31, 2013: 13,468 million yen, up 92.8%

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY ended March 2014	114.22	114.09	5.8	6.0	6.8
FY ended March 2013	102.83	102.74	5.6	5.2	5.5

(Reference) Equity in net income of affiliates: FY ended March 2014: — million yen FY ended March 2013: — million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net income per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 2014	225,073	152,610	67.3	2,100.87
As of March 2013	216,048	143,569	66.0	1,909.57

(Reference) Shareholders' equity: As of March 31, 2014: 151,530 million yen As of March 31, 2013: 142,634 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents at end of term
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY ended March 2014	16,309	(6,952)	(8,020)	44,992
FY ended March 2013	19,619	(13,966)	(2,877)	40,739

2. DIVIDENDS

	Cash dividends per share					Total dividends (annual)	Dividend Payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY ended March 2013	—	17.00	—	17.00	34.00	2,539	33.1	1.8
FY ended March 2014	—	21.00	—	21.00	42.00	3,083	36.8	2.1
FY ending March 2015 (forecasts)	—	22.00	—	22.00	44.00		30.2	

3. FORECASTS OF CONSOLIDATED BUSINESS RESULTS FOR THE FISCAL YEAR ENDING MARCH 2015
(from April 1, 2014 to March 31, 2015)

(% represents changes over the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
First half (cumulative)	—	—	—	—	—	—	—	—	—
Full year	210,000	3.3	16,000	16.2	15,500	17.7	10,500	23.5	145.57

*Notes

- (1) Changes in status of significant subsidiaries during the year (changes in status of specified subsidiaries accompanying changes in the scope of consolidation): None
Newly consolidated subsidiaries: None
Subsidiaries excluded: None
- (2) Changes in accounting principles, changes in accounting estimates, and retrospective restatements
(a) Changes due to revisions to accounting standards: Yes
(b) Changes other than (a): None
(c) Changes in accounting estimates: None
(d) Retrospective restatements: None
(Note) For more details, refer to (Changes in accounting principles) on page 11 of the [attached materials].
- (3) Number of outstanding shares (common stock):
(a) Number of outstanding shares at period-end (including treasury stock)
(b) Number of treasury stocks at period-end
(c) Average number of shares during the period

(a)	FY ended March 2014	76,564,240	FY ended March 2013	76,564,240
(b)	FY ended March 2014	4,436,436	FY ended March 2013	1,869,676
(c)	FY ended March 2014	74,427,540	FY ended March 2013	74,695,086

(Reference) Financial Highlights of the Company

Financial Highlights of the Company for the FY ended March 2014 (from April 1, 2013 to March 31, 2014)

(1) Operating results of the Company

(% represents year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY ended March 2014	160,820	3.3	8,319	34.0	12,036	32.2	8,721	29.4
FY ended March 2013	155,678	(4.0)	6,208	(15.9)	9,102	(5.5)	6,738	5.8

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY ended March 2014	117.18		117.05	
FY ended March 2013	90.21		90.13	

(2) Financial position of the Company

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of Yen		Millions of Yen		%		Yen	
As of March 2014	182,436		115,267		63.1		1,596.04	
As of March 2013	184,318		114,210		61.9		1,527.52	

(Reference) Shareholders' equity: As of March 31, 2014: 115,119 million yen

As of March 31, 2013: 114,097 million yen

* Indication of audit process implementation status

- At the time of the disclosure of these financial results, the audit of the financial statements according to the Financial Instruments and Exchange Act is under way.

*Explanation relating to the appropriate use of forecasts of business results and other items of note

- The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Actual results, etc. may differ from projections due to a variety of reasons.
- Supplemental material will be posted on our website (<http://www.lintec-global.com>) in a timely manner.

Financial Statements**(1) Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Assets		
Current assets		
Cash and deposits	44,603	51,212
Trade notes and accounts receivable	61,791	63,488
Inventories	27,531	30,554
Deferred tax assets	2,307	1,922
Other	2,530	2,308
Allowance for doubtful accounts	(259)	(89)
Total current assets	138,505	149,396
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	27,369	27,386
Machinery, equipment and vehicles (net)	24,405	21,829
Land	10,382	10,395
Construction in progress	1,023	354
Other (net)	1,734	1,490
Total property, plant and equipment	64,915	61,456
Intangible assets	3,047	2,794
Investments and other assets		
Investment securities	3,370	3,594
Assets related to retirement benefits	-	366
Deferred tax assets	5,047	5,940
Other	1,334	1,798
Allowance for doubtful accounts	(171)	(275)
Total investments and other assets	9,580	11,425
Total non-current assets	77,543	75,676
Total assets	216,048	225,073

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Liabilities		
Current liabilities		
Trade notes and accounts payable	43,124	41,286
Short-term borrowings	1,430	1,510
Accrued income taxes	1,931	2,594
Provision for directors' bonuses	46	73
Other	10,378	9,355
Total current liabilities	56,911	54,820
Non-current liabilities		
Accrued pension costs	14,136	-
Provision for environmental measures	132	132
Liabilities related to retirement benefits	-	16,375
Other	1,297	1,133
Total non-current liabilities	15,566	17,641
Total liabilities	72,478	72,462
Net Assets		
Shareholders' equity		
Common stock	23,201	23,201
Capital surplus	26,830	26,830
Retained earnings	99,198	104,771
Treasury stock	(2,752)	(7,754)
Total shareholders' equity	146,478	147,048
Accumulated other comprehensive income		
Net unrealized holding gain on securities	213	355
Foreign currency translation adjustments	(3,843)	5,236
Adjustment regarding pension obligations of consolidated overseas subsidiaries	(213)	-
Accumulated adjustment related to retirement benefits	-	(1,110)
Total accumulated other comprehensive income	(3,843)	4,482
Share subscription rights	113	148
Minority interests	822	930
Total net assets	143,569	152,610
Total liabilities and net assets	216,048	225,073

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Net sales	190,844	203,242
Cost of sales	150,432	158,005
Gross profit	40,411	45,236
Selling, general and administrative expenses	29,847	31,470
Operating income	10,564	13,766
Non-operating income		
Interest income	251	261
Dividends income	228	59
Rent income	50	52
Gain on sales of noncurrent assets	10	39
Foreign exchange gains	543	399
Other income	220	305
Total non-operating income	1,304	1,118
Non-operating expenses		
Interest expenses	57	13
Loss on retirement of noncurrent assets	345	379
Compensation expenses	339	938
Other expense	145	388
Total non-operating expense	887	1,719
Ordinary income	10,981	13,165
Extraordinary gain		
Subsidy	44	28
Gain on sale of noncurrent assets	-	21
Total extraordinary gain	44	49
Extraordinary loss		
Impairment loss	-	308
Loss on sale of noncurrent assets	-	23
Loss on retirement of noncurrent assets	189	-
Total extraordinary losses	189	332
Income before income taxes and other adjustments	10,836	12,883
Income taxes	3,419	4,449
Deferred income taxes	(256)	(55)
Total income taxes	3,162	4,394
Income before minority interests	7,673	8,489
Minority interests loss (loss)	(7)	(12)
Net income	7,681	8,501

Statements of Comprehensive Income

(Millions of yen)

	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Income before minority interests	7,673	8,489
Other comprehensive income		
Net unrealized holding gain on securities	95	140
Foreign currency translation adjustments	5,750	9,221
Adjustment regarding pension obligations of consolidated overseas subsidiaries	(52)	127
Total other comprehensive income	5,794	9,489
Comprehensive income	13,468	17,978
(Comprehensive income attributable to)		
Shareholders of the parent	13,442	17,848
Minority interests	25	130

(3) Consolidated Statements of Changes in Shareholders' Equity
 Previous consolidated fiscal year (from April 1, 2012 to March 31, 2013)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current term	23,201	26,830	94,281	(2,750)	141,561
Changes during current term					
Cash dividends			(2,763)		(2,763)
Net income			7,681		7,681
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		0		0	0
Net changes in items other than shareholders' equity during current term					
Total change during current term	-	0	4,917	(1)	4,916
Balance at end of current term	23,201	26,830	99,198	(2,752)	146,478

	Accumulated other comprehensive income					Share subscription rights	Minority interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustment	Adjustment regarding pension obligations of consolidated overseas subsidiaries	Accumulated adjustment related to retirement benefits	Total accumulated other comprehensive income			
Balance at beginning of current term	117	(9,561)	(160)	-	(9,604)	94	796	132,847
Changes during current term								
Cash dividends								(2,763)
Net income								7,681
Purchase of treasury stock								(1)
Disposal of treasury stock								0
Net changes in items other than shareholders' equity during current term	95	5,717	(52)	-	5,760	19	25	5,805
Total change during current term	95	5,717	(52)	-	5,760	19	25	10,722
Balance at end of current term	213	(3,843)	(213)	-	(3,843)	113	822	143,569

Current consolidated fiscal year (from April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current term	23,201	26,830	99,198	(2,752)	146,478
Changes during current term					
Cash dividends			(2,838)		(2,838)
Net income			8,501		8,501
Purchase of treasury stock				(5,001)	(5,001)
Disposal of treasury stock			(90)		(90)
Net changes in items other than shareholders' equity during current term					
Total change during current term	-	-	5,572	(5,001)	570
Balance at end of current term	23,201	26,830	104,771	(7,754)	147,048

	Accumulated other comprehensive income					Share subscription rights	Minority interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustment	Adjustment regarding pension obligations of consolidated overseas subsidiaries	Accumulated adjustment related to retirement benefits	Total accumulated other comprehensive income			
Balance at beginning of current term	213	(3,843)	(213)	-	(3,843)	113	822	143,569
Changes during current term								
Cash dividends								(2,838)
Net income								8,501
Purchase of treasury stock								(5,001)
Disposal of treasury stock								(90)
Net changes in items other than shareholders' equity during current term	142	9,080	213	(1,110)	8,326	35	108	8,469
Total change during current term	142	9,080	213	(1,110)	8,326	35	108	9,040
Balance at end of current term	355	5,236	-	(1,110)	4,482	148	930	152,610

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Cash flows from operating activities		
Income before income taxes	10,836	12,883
Depreciation and amortization	10,141	10,055
Amortization of goodwill	57	70
Amortization of negative goodwill	(11)	(8)
Change in accrued pension costs (decrease)	161	-
Change in liabilities related to retirement benefits (decrease)	-	945
Change in allowance for doubtful accounts (decrease)	(1)	(80)
Interest and dividend income	(479)	(321)
Interest expense	57	13
(Gain) Loss on sales of property, plant and equipment	(8)	(24)
Loss on retirement of property, plant and equipment	432	331
Change in trade notes and accounts receivable (increase)	4,044	127
Change in inventories (increase)	853	(1,133)
Change in trade notes and accounts payable (decrease)	(3,231)	(3,136)
(Gain) Loss on sales of investment securities	(2)	(0)
Loss on valuation of membership	0	-
Impairment loss	-	308
Other	(889)	(26)
Subtotal	21,960	20,004
Interest and dividend income received	495	302
Interest expense paid	(57)	(13)
Income taxes (paid) refund	(2,778)	(3,984)
Cash flows from operating activities	19,619	16,309

(Millions of yen)

	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Cash flows from investing activities		
Payments into time deposits	(8,286)	(9,369)
Proceeds from withdrawal of time deposit	9,916	7,927
Purchase of property, plant and equipment	(13,823)	(5,508)
Proceeds from sales of property, plant and equipment	10	400
Purchase of intangible assets	(788)	(139)
Purchase of investment securities	(2)	(2)
Proceeds from sales of investment securities	4	3
Purchase of shares of subsidiaries	(775)	(29)
Purchase of capital contributions to subsidiaries	(79)	-
Payments of loans receivable	(70)	(302)
Collection of loans receivable	160	3
Other	(231)	66
Cash flows from investing activities	(13,966)	(6,952)
Cash flows from financing activities		
Change in short-term borrowings (decrease)	110	50
Cash dividends paid	(2,759)	(2,841)
Purchase of treasury stock	(1)	(5,001)
Repayment of lease obligation	(226)	(227)
Other	0	-
Cash flows from financing activities	(2,877)	(8,020)
Effect of exchange rate changes on cash and cash equivalents	1,927	2,979
Change in cash and cash equivalents (decrease)	4,703	4,315
Cash and cash equivalents at beginning of fiscal year	36,036	40,739
Increase in cash and cash equivalents due to addition of consolidated subsidiaries	-	19
Decrease in cash and cash equivalents due to exclusion of consolidated subsidiaries	-	(83)
Cash and cash equivalents at end of fiscal year	40,739	44,992

(5) Notes to Consolidated Financial Statements

(Notes to going concern assumptions)

Not applicable.

(Basis of preparation for consolidated financial statements)

Matters regarding scope of consolidation

Number of consolidated subsidiaries: 23

LINTEC HI-TECH (TAIWAN), INC. is included in the scope of consolidation in the current consolidated fiscal year because of its increased importance. In addition, RENRI, INC. will be dissolved by the resolution made at the ordinary general meeting of shareholders to be held in May 2014, and is excluded from the scope of consolidation because of its decreased importance at the end of the current consolidated fiscal year.

(Changes in accounting principles)

“Accounting Standards for Retirement Benefits (Corporate Accounting Standards, No. 26, May 17, 2012, hereinafter referred to as “Retirement Benefits Accounting Standards”) and Implementation Guidelines on Retirement Benefits Accounting Standards (Corporate Accounting Standards Implementation Guidelines, No. 25, May 17, 2012, hereinafter referred to as “Retirement Benefits Implementation Guidelines”) are applied from the end of this consolidated fiscal year (excluding provisions set forth in the main clause in paragraph 35 of the Retirement Benefits Accounting Standards and the main clause in paragraph 67 of Retirement Benefits Implementation Guidelines), and the accounting method is changed to the method where the amount obtained by deducting the amount of pension assets from the retirement benefits obligations is included in liabilities related to retirement benefits and based on this change, unrecognized actuarial gains or losses and unrecognized past service expenses are included in liabilities related to retirement benefits.

Application of the Retirement Benefits Accounting Standards, etc. are in accordance with the transitional treatment set forth in paragraph 37 of the Retirement Benefits Accounting Standards and at the end of this consolidated fiscal year, the amount affected by such changes is deducted from the accumulated adjustment related to retirement benefits of the accumulated other comprehensive income.

As a result, at the end of this fiscal year, 1,590 million yen is included in liabilities related to retirement benefits, and accumulated other comprehensive income and minority interests decreased 1,024 million yen and 21 million yen, respectively.

Due to the application of the Retirement Benefits Accounting Standards, etc., “adjustment regarding pension obligations of overseas subsidiaries” presented previously under a separate heading in the consolidated balance sheet and the consolidated statements of changes in shareholders’ equity is included in “accumulated adjustment related to retirement benefits” from the end of this consolidated fiscal year.

(Segment information, etc.)

(Segment information)

1. Overview of reportable segments

(1) Decision procedures for reportable segments

The business segments are included in business units of our group and each of their financial statements is available separately and also, the segments are subject to a periodic review in order for the board of directors to make a decision on allocation of management resources and evaluate their performance. Our group consists of six business operations, each of which draws up comprehensive strategies for overseas and domestic markets and conducts business activities. Therefore, we treat these business divisions as units of identification for business segments and based on product manufacturing methods and similarity of the markets, we aggregate those divisions into three reportable segments, such as “Printing and Industrial Materials Products,” “Electronic and Optical Products” and “Paper and Converted Products”

(2) Products and services handled in each segment

Main products and services handled in each reportable segment are 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), identifiable assets, and other items by reportable segment

The reported information regarding business segments is processed mostly following the accounting procedures listed in “Basis of preparation for consolidated financial statements.”

The income of the reportable segments is 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), identifiable assets, and other items by reportable segment

Previous consolidated fiscal year (from April 1, 2012 to March 31, 2013)

(Millions of yen)

	Reportable Segments				Adjustment (Note 1)	Consolidated Statements of Income (Note 2)
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total		
Net sales						
Net sales to outside customers	82,761	72,352	35,730	190,844	—	190,844
Intra-segments sales and transfers	24	19	16,330	16,375	(16,375)	—
Total	82,785	72,372	52,061	207,219	(16,375)	190,844
Segment income	2,380	3,196	4,980	10,557	7	10,564
Others						
Depreciation and amortization (Note 3)	3,087	4,308	2,745	10,141	—	10,141
Amortization of goodwill (Note 3)	57	—	—	57	—	57

Notes:

1. Segment income in each segment is adjusted by eliminating the amount of intra-segments transactions.
2. Segment income is adjusted to be recorded as operating income in the consolidated statements of income.
3. The amount to be written off as depreciation and amortization of goodwill are distributed by business segment on the basis of reasonable criteria.
4. Since companies, offices, and factories serve as the base for administrative classification of segments' assets, no allocation to the segments is done.

Current consolidated fiscal year (from April 1, 2013 to March 31, 2014)

(Millions of yen)

	Reportable Segments				Adjustment (Note 1)	Consolidated Statements of Income (Note 2)
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total		
Net sales						
Net sales to outside customers	86,271	79,139	37,831	203,242	-	203,242
Intra-segments 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 (Note 3)	3,168	4,069	2,816	10,055	-	10,055
Amortization of goodwill (Note 3)	70	-	-	70	-	70

Notes:

1. Segment income in each segment is adjusted by eliminating the amount of intra-segments transactions.
2. Segment income is adjusted to be recorded as operating income in the consolidated statements of income.
3. The amount to be written off as depreciation and amortization of goodwill are distributed by business segment on the basis of reasonable criteria.
4. Since companies, offices, and factories serve as the base for administrative classification of segments' assets, no allocation to the segments is done.

(Per share data)

	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Net assets per share	Yen 1,909.57	Yen 2,100.87
Net income per share	102.83	114.22
Diluted net income per share	102.74	114.09

(Note) 1. Calculation basis for net income per share and diluted net income per share

Item	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Net income per share		
Net income (million yen)	7,681	8,501
Amount not attributable to common shareholders (million yen)	—	—
Net income applicable to common stock (million yen)	7,681	8,501
Average number of shares of common stock outstanding during the fiscal year (thousand shares)	74,695	74,427
Diluted net income per share		
Diluted net income per share (million yen)	—	—
Increase in common stock (thousand shares)	65	84
(Share warrant) (thousand shares)	(65)	(84)
Outline of dilutive shares not included in diluted net income per share since they have no dilutive effect		—

2. Calculation basis for net assets per share

Item	Previous consolidated fiscal year (FY ended March 31, 2013)	Current consolidated fiscal year (FY ended March 31, 2014)
Total net assets in the consolidated balance sheet (million yen)	143,569	152,610
Amount deducted from total net assets (million yen)	935	1,079
(Share warrant)	(113)	(148)
(Minority interests)	(822)	(930)
Term-end net assets per common share (million yen)	142,634	151,530
Number of common stocks used in calculating net assets per share (thousand shares)	74,694	72,127

(Significant Events after Closing of the Year)

Not applicable

4. Other

Changes in board members (will be officially determined at the 120th ordinary general meeting of shareholders to be held on June 26)

(1) Candidate for a newly-appointed audit & supervisory board member (external)

Toru Nozawa (currently serving as an executive officer, as well as the assistant general manager of financial division and the general manager, the account department of Nippon Paper Industries Co., Ltd.)

*The above candidate will be elected as a substitute due to the resignation of the current audit & supervisory board member.

(2) Audit & supervisory board member (external) scheduled to retire

Fumio Manoshiro