

**Consolidated Financial Results for the Fiscal Year Ended March 31, 2024**  
[Japanese Accounting Standards] (Consolidated)

Member, Financial Accounting Standards Foundation

May 8, 2024

Name of listed company: LINTEC Corporation  
Code number: 7966

Stock exchange listing: Tokyo Stock Exchange, Prime Market  
URL: <https://www.lintec-global.com/>

Representative: Makoto Hattori, President and CEO

For inquiries: Yoichi Shibano, Director, Managing Executive Officer and CFO Phone: +81-3-5248-7713

Scheduled date for ordinary general meeting of shareholders: June 20, 2024

Scheduled date for starting dividend payments: June 5, 2024

Scheduled date for filing annual securities report: June 20, 2024

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 31, 2024**

(from April 1, 2023 to March 31, 2024)

**(1) Consolidated Operating Results**

(% represents year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 31, 2024	276,321	(2.9)	10,628	(23.0)	11,537	(26.1)	5,243	(54.5)
FY ended March 31, 2023	284,603	10.8	13,796	(36.1)	15,602	(31.3)	11,512	(30.8)

(Note) Comprehensive income: FY Ended March 31, 2024: 11,602 million yen, up (57.5)%

FY Ended March 31, 2023: 27,307 million yen, up 11.4%

	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 31, 2024	76.66	76.63	2.3	3.6	3.8
FY ended March 31, 2023	167.85	167.74	5.3	5.1	4.8

(Reference) Equity in net income of affiliates: FY ended March 31, 2024: — million yen FY ended March 31, 2023: — million yen

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	333,642	232,984	69.6	3,394.93
As of March 31, 2023	304,881	227,150	74.2	3,311.24

(Reference) Shareholders' equity: As of March 31, 2024: 232,224 million yen As of March 31, 2023: 226,352 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 31, 2024	39,205	(21,512)	(1,288)	52,396
FY ended March 31, 2023	5,936	(12,138)	(12,775)	33,857

**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 31, 2023	—	44.00	—	44.00	88.00	6,015	52.4	2.8
FY ended March 31, 2024	—	44.00	—	44.00	88.00	6,019	114.8	2.6
FY ending March 31, 2025 (forecasts)	—	44.00	—	44.00	88.00		46.3	

3. FORECASTS OF CONSOLIDATED BUSINESS RESULTS FOR THE FISCAL YEAR ENDING MARCH 31, 2025 (from April 1, 2024 to March 31, 2025)

(% represents year-on-year changes)

Full year	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	290,000	5.0	18,000	69.4	18,000	56.0	13,000	147.9	190.05

\* Notes

- (1) Changes in status of significant subsidiaries during the quarter (changes in status of specified subsidiaries accompanying changes in consolidated range): None  
 Newly consolidated subsidiaries: -  
 Subsidiaries excluded: -
- (2) Changes in accounting principles, changes in accounting estimates, and retrospective restatements  
 (a) Changes in accounting principles due to revisions to accounting standards: None  
 (b) Changes other than (a): None  
 (c) Changes in accounting estimates: None  
 (d) Retrospective restatements: None
- (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 31, 2024	76,688,740	FY Ended March 31, 2023	76,688,740
(b)	FY Ended March 31, 2024	8,285,231	FY Ended March 31, 2023	8,329,891
(c)	FY Ended March 31, 2024	68,395,624	FY Ended March 31, 2023	68,591,399

(Reference) Financial Highlights of the Company

Financial Highlights of the Company for the FY ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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 31, 2024	151,637	1.7	6,858	66.3	14,177	9.0	12,025	9.9
FY ended March 31, 2023	149,169	(8.5)	4,122	(68.8)	13,002	(39.9)	10,945	(37.1)

	Net income per share		Diluted net income per share	
	Yen		Yen	
FY ended March 31, 2024	175.82		175.74	
FY ended March 31, 2023	159.58		159.48	

(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 31, 2024	278,407		191,113		68.6	2,793.09
As of March 31, 2023	246,343		184,892		75.0	2,703.52

(Reference) Shareholders' equity: As of March 31, 2024: 191,056 million yen As of March 31, 2023: 184,809 million yen

\* This document is unaudited by certificated public accountants or audit firms.

\* 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. For more information on forecasts of business results, please refer to (4) Outlook on page 5 of the attachment.
- Supplemental material will be posted on our website (<https://www.lintec-global.com>) in a timely manner.

**【Attachment】**

**Contents of Attachment**

1. Overview of Operating Results .....	2
(1) Overview of Operating Results in the Fiscal Year under Review .....	2
(2) Overview of Financial Position in the Fiscal Year under Review .....	3
(3) Overview of Cash Flows in the Fiscal Year under Review.....	4
(4) Outlook.....	4
(5) Policy for Profit Distribution for the Fiscal Year under Review and for the Next Fiscal Year.....	5
2. Basic Rationale for Selection of Accounting Standards .....	5
3. Consolidated Financial Statements and Notes.....	6
(1) Consolidated Balance Sheet.....	6
(2) Consolidated Statements of Income and Comprehensive Income .....	8
(3) Consolidated Statements of Changes in Shareholders' Equity .....	10
(4) Consolidated Statements of Cash Flows .....	12
(5) Notes to Consolidated Financial Statements.....	14
(Notes on going concern) .....	14
(Key points underlying the preparation of consolidated financial statements) .....	14
(Segment information, etc.).....	14
(Per share data).....	14
(Significant events after closing of the year) .....	16

## 1. Overview of Operating Results

## (1) Overview of Operating Results in the Fiscal Year under Review

During the fiscal year under review, solid economic performance in the United States, supported by the employment environment and robust personal consumption, helped bolster the global economy. Recovery in Europe remained sluggish due to fiscal tightening targeting inflation, while the downturn in China's real estate market cast a shadow over personal consumption there, resulting in a lackluster economy. Meanwhile, in Japan, despite hopes for an upturn in the income environment and growing demand driven by inbound tourism, the economic recovery was extremely slow due to lack of growth in personal consumption as a result of factors such as price surges in food and daily commodities and the depreciated yen.

Under these circumstances, the business environment for the Group remained challenging. Despite price adjustments, the positive effects of the weaker yen, and ongoing recovery in orders from the third quarter on, mainly for semiconductor and electronic component products and adhesive products for seals and labels, the results failed to offset poor performance in the first half, resulting in a decidedly unfavorable outcome.

As a result, net sales were 276,321 million yen (down 2.9% year on year); operating income was 10,628 million yen (down 23.0%); ordinary income was 11,537 million yen (down 26.1%); and profit attributable to owners of parent was 5,243 million yen (down 54.5%).

Additionally, following resolutions to dissolve the South Korean subsidiary LINTEC SPECIALITY FILMS (KOREA), INC. and the Taiwanese subsidiary LINTEC SPECIALITY FILMS (TAIWAN), INC., an impairment loss of 921 million yen and provisions for losses on the liquidation of subsidiaries and associates of 1,086 million yen—a total of 2,008 million—were recorded as extraordinary losses for the fiscal year under review. These reflect actual losses expected to be incurred going forward.

The outline by segment was as follows:

## [Printing and Industrial Materials Products]

	Previous consolidated fiscal year	Current consolidated fiscal year	year on year	
			Increase (decrease)	Changes
	Millions of yen	Millions of yen	Millions of yen	%
Net sales	173,324	168,970	(4,354)	(2.5)
Printing & Variable Information Products Operations	140,010	133,175	(6,834)	(4.9)
Industrial & Material Operations	33,314	35,795	2,480	7.4
Operating income (loss)	2,958	(1,115)	(4,074)	-

Net sales in this segment were 168,970 million yen (down 2.5% year on year), due mainly to a marked decline in sales of adhesive products for seals and labels in the US. This was despite the favorable performance of window film in the US and automotive adhesive products in India amid price revisions and yen depreciation. We recorded an operating loss of 1,115 million yen, unchanged year on year, due in part to lower sales volumes in the US and the continuing high cost of key raw materials and the rising cost of logistics in Japan.

Sales by operation of this segment were as follows:

## (Printing &amp; Variable Information Products Operations)

Demand was strong in Japan for adhesive products for seals and labels in the logistics and mail-order businesses, but rising prices dampened overall demand, especially for food products. Demand also slumped for eye-catching labels and products used in beverage promotional campaigns. Overseas, sales volumes fell sharply in the US and China. As a result, sales were 133,175 million yen (down 4.9% year on year).

## (Industrial &amp; Material Operations)

Demand in Japan for automotive adhesive products remained solid. Sales of window film for construction and sales of automotive adhesive products held firm overseas in the US and India. As a result, sales in this operation were 35,795 million yen (up 7.4% year on year).

## [Electronic and Optical Products]

	Previous consolidated fiscal year	Current consolidated fiscal year	year on year	
			Increase (decrease)	Changes
	Millions of yen	Millions of yen	Millions of yen	%
Net sales	78,053	73,892	(4,160)	(5.3)
Advanced Materials Operations	61,455	59,978	(1,477)	(2.4)
Optical Products Operations	16,597	13,914	(2,683)	(16.2)
Operating income	12,463	11,661	(802)	(6.4)

Net sales in this segment were 73,892 million yen, down 5.3% year on year, due mainly to lower demand for products used for large-screen TV units, smartphones, and personal computers. Operating income was 11,661 million yen, down 6.4% year, due in part to fewer orders received, which led to losses accompanying lower utilization rates at production facilities.

Sales by operation of this segment were as follows:

(Advanced Materials Operations)

Orders received for semiconductor-related adhesive tape and semiconductor-related equipment and orders received for multilayer ceramic capacitor-related tape, all of which had recovered since the third quarter, failed to offset sluggish first half sales. As a result, sales in this operation were 59,978 million yen (down 2.4% year on year).

(Optical Products Operations)

Sales of optical display adhesive products remained weak due to intensifying competition and declining demand for products used in large-screen TV units and smartphones. As a result, sales in this operation were 13,914 million yen (down 16.2% year on year).

[Paper and Converted Products]

	Previous consolidated fiscal year	Current consolidated fiscal year	year on year	
			Increase (decrease)	Changes
	Millions of yen	Millions of yen	Millions of yen	%
Net sales	33,225	33,458	233	0.7
Fine & Specialty Paper Products Operations	16,134	15,329	(805)	(5.0)
Converted Products Operations	17,090	18,129	1,038	6.1
Operating income (loss)	(1,688)	21	1,709	-

Due in part to price revisions, and despite lower sales volumes, net sales in this segment remained largely unchanged from last year at 33,458 million yen (up 0.7% year on year). Operating income, at 21 million yen (unchanged year on year) also stayed on par with the previous year, as price adjustments helped to offset continued high fuel costs and higher logistics costs.

Sales by operation of this segment were as follows:

(Fine & Specialty Paper Products Operations)

Despite solid sales of oil- and water-resistant paper, sales in the main product lines of color paper for envelopes and specialty paper for industrial use were sluggish. The resulting sales were 15,329 million yen, down 5.0% year on year.

(Converted Products Operations)

Despite tepid sales of release paper for adhesive products, recovery in demand for release paper for electronic materials was strong. Sales of processing paper for synthetic leather and processing paper for carbon fiber composite materials remained solid. The resulting sales were 18,129 million yen, up 6.1% year on year.

## (2) Overview of Financial Position in the Fiscal Year under Review

(Assets)

Total assets at this consolidated fiscal year end were 333,642 million yen, a year-on-year increase of 28,760 million yen.

Main factors of the change were as follows:

- Increase in "Cash and deposits"	17,457 million yen
- Increase in "Notes receivable - trade"	1,806 million yen
- Increase in "Accounts receivable"	4,154 million yen
- Decrease in "Inventories"	-7,702 million yen
- Increase in "Property, plant and equipment"	12,532 million yen

(Liabilities)

Liabilities at the end of the fiscal year under review were 100,657 million yen, a year-on-year increase of 22,927 million yen. Main factors of the change were as follows:

- Increase in "Notes and accounts payable - trade"	8,725 million yen
- Increase in "Provision for loss on liquidation of subsidiaries and associates"	1,147 million yen
- Increase in "Current liabilities - other"	4,599 million yen
- Increase in "Long-term loans payable"	5,888 million yen

## (Net Assets)

Net assets at this consolidated fiscal year end were 232,984 million yen, a year-on-year increase of 5,833 million yen.

Main factors of the change were as follows:

- Increase in “ Foreign currency translation adjustments” 6,313 million yen

## (3) Overview of Cash Flows in the Fiscal Year under Review

(Millions of yen)

	Previous consolidated fiscal year (FY ended March 31, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)	Increase (decrease)
Cash flows from operating activities	5,936	39,205	33,269
Cash flows from investing activities	(12,138)	(21,512)	(9,374)
Cash flows from financing activities	(12,775)	(1,288)	11,487
Effect of exchange rate change on cash and cash equivalents	2,231	1,954	(277)
Net increase (decrease) in cash and cash equivalents	(16,746)	18,358	35,104
Cash and cash equivalents at beginning of year	50,603	33,857	(16,746)
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	180	180
Cash and cash equivalents at end of year	33,857	52,396	18,539

Cash and cash equivalents at the end of the fiscal year under review were 52,396 million yen, a year-on-year increase of 18,539 million yen. Cash flows in the fiscal year under review are as follows:

## (Cash flows from operating activities)

Cash flows from operating activities increased 33,269 million yen year on year to a cash inflow of 39,205 million yen. The principal movements were as follows:

- Decrease in “Profit before income taxes” -6,409 million yen
- Increase in “Provision for loss on liquidation of subsidiaries and associates” 1,086 million yen
- Decrease in “Trade receivables” -8,737 million yen
- Increase in “Inventories” 22,666 million yen
- Increase in “Trade payables” 16,218 million yen
- Increase in “Income taxes (paid) refund” 4,079 million yen

## (Cash flows from investing activities)

Cash flows from investing activities declined 9,374 million yen year on year to a cash outflow of 21,512 million yen. The principal movements were as follows:

- Increase in “Payments into time deposits” 1,992 million yen
- Decrease in “Proceeds from withdrawal of time deposits” -1,725 million yen
- Decrease in “Purchase of property, plant and equipment” -1,882 million yen
- Decrease in “Purchase of shares of subsidiaries resulting in change in scope of consolidation” -1,090 million yen
- Decrease in “Payments for acquisition of businesses” -6,737 million yen

## (Cash flows from financing activities)

Cash flows from financing activities increased 11,487 million yen year on year, to a cash outflow of -1,288 million yen. The principal movements were as follows:

- Increase in “Proceeds from long-term borrowings” 6,795 million yen
- Increase in “Purchase of treasury stock” 3,554 million yen

## (4) Outlook

For the fiscal year ending March 2025, the global economy is expected to see expanding personal consumption against a backdrop of improving personal income. Nevertheless, uncertainty is expected to persist due to fiscal tightening in the West, protracted conflict in Ukraine and in the Middle East, and ongoing US-China tensions.

In April 2004, under these conditions, the Group began implementing LSV 2030 - Stage 2, its new medium-term business plan. The plan will span three years. Keeping in mind the key themes of our long-term vision for 2030, we will focus on investing aggressively in growth businesses, improving capital efficiency, and optimizing our business portfolio.

The Company has generated the consolidated business results forecasts given below for the fiscal year ending March 31, 2025. The forecasts are based on the assumption of foreign exchange rates at 140 yen per US dollar, 0.1000 yen per Korean won, 19.50 yen per Chinese yuan, and 4.35 yen per Taiwan dollar.

Net sales	290.0 billion yen (up 5.0% year on year)
Operating income	18.0 billion yen (up 69.4% year on year)
Ordinary income	18.0 billion yen (up 56.0% year on year)
Profit attributable to owners of parent	13.0 billion yen (up 147.9% year on year)

The above consolidated business results forecasts were prepared based on information assumed as of the date of the announcement, and actual results may differ from the forecasts due to a variety of factors in the future.

(5) Policy for Profit Distribution for the Fiscal Year under Review and for the Next Fiscal Year

① Basic policy for dividends for the fiscal year under review

Enhancing returns of profits to shareholders is among the Company's key management responsibilities. While strengthening our financial foundations, we have decided in principle not to reduce dividend levels for the duration of LSV2030 - Stage 2 (April 2024 to March 2027), which we began implementing in April 2024. We also intend to distribute dividends with a dividend payout ratio of at least 40% or dividend on equity (DOE) of approximately 3% through March 2027. Internal reserves are used effectively to reinforce the Company's financial base and provide increased future corporate value through investment in production facilities and R&D.

With regard to the acquisition of treasury stock, from time to time we will assess the need to buy back our own shares and adopt a flexible approach in repurchases by considering our available cash reserves.

② Dividends for the fiscal year under review

For the fiscal year ended March 31, 2024, the Company has decided to pay a year-end dividend of 44 yen and a full-year dividend of 88 yen, including the interim dividend.

③ Forecast dividends for the next fiscal year

For the fiscal year ending March 31, 2025, the Company plans to pay an annual dividend of 88 yen per share.

2. Basic Rationale for Selection of Accounting Standards

The Company prepares its consolidated financial statements in accordance with Japanese standards. It will deal appropriately with the future introduction of the International Financial Reporting Standards (IFRS) by taking into account the progress of the adoption of the standards in Japan.

3. Consolidated Financial Statements and Notes  
 (1) Consolidated Balance Sheet

	(Millions of yen)	
	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	38,032	55,490
Trade notes	16,035	17,841
Accounts receivable	42,768	46,922
Inventories	67,250	59,548
Other	8,004	8,354
Allowance for doubtful accounts	(155)	(181)
<b>Total current assets</b>	<b>171,936</b>	<b>187,977</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	41,907	48,178
Machinery, equipment and vehicles (net)	33,960	39,995
Land	12,226	13,238
Construction in progress	6,515	5,008
Other (net)	6,982	7,704
<b>Property, plant and equipment</b>	<b>101,593</b>	<b>114,125</b>
Intangible assets		
Goodwill	15,013	15,064
Other	2,694	3,234
<b>Intangible assets</b>	<b>17,708</b>	<b>18,299</b>
Investments and other assets		
Investment securities	2,342	2,473
Deferred tax assets	5,154	4,819
Net defined benefit asset	3,774	3,601
Other	2,464	2,434
Allowance for doubtful accounts	(91)	(89)
<b>Total investments and other assets</b>	<b>13,643</b>	<b>13,239</b>
<b>Total non-current assets</b>	<b>132,945</b>	<b>145,664</b>
<b>Total assets</b>	<b>304,881</b>	<b>333,642</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	36,980	45,705
Short-term loans payable	960	1,400
Current portion of long-term loans payable	1,602	1,974
Accrued income taxes	1,289	1,975
Provision for bonuses	2,523	2,395
Provision for directors' bonuses	54	52
Provision for loss on liquidation of subsidiaries and associates	-	1,147
Provision for product warranties	-	254
Other	16,413	21,012
Total current liabilities	59,823	75,918
Non-current liabilities		
Long-term loans payable	-	5,888
Provision for environmental measures	111	111
Net defined benefit liability	12,931	13,667
Other	4,863	5,072
Total non-current liabilities	17,906	24,739
<b>Total liabilities</b>	<b>77,730</b>	<b>100,657</b>
<b>Net Assets</b>		
Shareholders' equity		
Common stock	23,355	23,355
Capital surplus	26,709	26,700
Retained earnings	171,325	170,796
Treasury stock	(17,663)	(17,568)
Total shareholders' equity	203,728	203,283
Accumulated other comprehensive income		
Net unrealized holding gain on securities	463	607
Foreign currency translation adjustments	19,381	25,694
Remeasurements of defined benefit plans	2,779	2,639
Total accumulated other comprehensive income	22,624	28,941
Share subscription rights	83	56
Non-controlling interests	715	703
Total net assets	227,150	232,984
<b>Total liabilities and net assets</b>	<b>304,881</b>	<b>333,642</b>

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

## Consolidated Statements of Income

	(Millions of yen)	
	Previous consolidated fiscal year (FY ended March 31, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)
Net sales	284,603	276,321
Cost of sales	221,428	214,913
Gross profit	63,174	61,407
Selling, general and administrative expenses	49,378	50,779
Operating income	13,796	10,628
Non-operating income		
Interest income	292	471
Dividends income	111	179
Rent income	33	21
Gain on sales of noncurrent assets	61	28
Insurance income	95	37
Foreign exchange gains	1,434	692
Subsidy income	83	38
Other income	422	291
Total non-operating income	2,533	1,760
Non-operating expenses		
Interest expenses	116	398
Loss on sales of investment securities	23	0
Loss on retirement of noncurrent assets	360	290
Compensation expenses	27	22
Other expenses	198	140
Total non-operating expenses	727	851
Ordinary income	15,602	11,537
Extraordinary gain		
Gain on sales of investment securities	-	29
Gain on sales of shares of subsidiaries and associates	654	-
Total extraordinary gain	654	29
Extraordinary loss		
Impairment loss	347	1,015
Provision for loss on liquidation of subsidiaries and associates	-	1,086
Loss on sales of investment securities	34	11
Loss on sales of non-current assets	12	-
Total extraordinary losses	394	2,113
Profit before income taxes	15,862	9,452
Income taxes	4,415	4,254
Deferred income taxes	(53)	(63)
Total income taxes	4,361	4,190
Profit	11,501	5,262
Profit (loss) attributable to non-controlling interests	(11)	18
Profit attributable to owners of parent	11,512	5,243

Statements of Comprehensive Income

(Millions of yen)

	Previous consolidated fiscal year (FY ended March 31, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)
Profit	11,501	5,262
Other comprehensive income		
Net unrealized holding gain / loss on securities	161	143
Foreign currency translation adjustments	10,449	6,336
Remeasurements of defined benefit plans	5,195	(140)
Total other comprehensive income / (loss)	15,806	6,340
Comprehensive income	27,307	11,602
(Comprehensive income attributable to)		
Owners of parent	27,313	11,560
Non-controlling interests	(5)	41

## (3) Consolidated Statements of Changes in Shareholders' Equity

Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current term	23,320	26,943	166,242	(14,118)	202,388
Changes during current term					
Issuance of new shares	35	35			70
Cash dividends			(6,429)		(6,429)
Profit attributable to owners of parent			11,512		11,512
Purchase of treasury stock				(3,555)	(3,555)
Disposal of treasury stock		(0)		10	10
Capital increase of consolidated subsidiaries		(268)			(268)
Purchase of shares of consolidated subsidiaries					-
Increase by merger					-
Net changes in items other than shareholders' equity during current term					
Total change during current term	35	(233)	5,083	(3,544)	1,339
Balance at end of current term	23,355	26,709	171,325	(17,663)	203,728

	Accumulated other comprehensive income				Share subscription rights	Non-controlling interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current term	301	8,936	(2,414)	6,823	93	451	209,758
Changes during current term							
Issuance of new shares							70
Cash dividends							(6,429)
Profit attributable to owners of parent							11,512
Purchase of treasury stock							(3,555)
Disposal of treasury stock							10
Capital increase of consolidated subsidiaries							(268)
Purchase of shares of consolidated subsidiaries							-
Increase by merger							-
Net changes in items other than shareholders' equity during current term	161	10,444	5,193	15,800	(10)	263	16,053
Total change during current term	161	10,444	5,193	15,800	(10)	263	17,392
Balance at end of current term	463	19,381	2,779	22,624	83	715	227,150

Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current term	23,355	26,709	171,325	(17,663)	203,728
Changes during current term					
Issuance of new shares					-
Cash dividends			(6,017)		(6,017)
Profit attributable to owners of parent			5,243		5,243
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		1		95	97
Capital increase of consolidated subsidiaries					-
Purchase of shares of consolidated subsidiaries		(10)			(10)
Increase by merger			244		244
Net changes in items other than shareholders' equity during current term					
Total change during current term	-	(9)	(529)	94	(444)
Balance at end of current term	23,355	26,700	170,796	(17,568)	203,283

	Accumulated other comprehensive income				Share subscription rights	Non-controlling interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current term	463	19,381	2,779	22,624	83	715	227,150
Changes during current term							
Issuance of new shares							-
Cash dividends							(6,017)
Profit attributable to owners of parent							5,243
Purchase of treasury stock							(1)
Disposal of treasury stock							97
Capital increase of consolidated subsidiaries							-
Purchase of shares of consolidated subsidiaries							(10)
Increase by merger							244
Net changes in items other than shareholders' equity during current term	143	6,313	(140)	6,317	(27)	(11)	6,278
Total change during current term	143	6,313	(140)	6,317	(27)	(11)	5,833
Balance at end of current term	607	25,694	2,639	28,941	56	703	232,984

## (4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Previous consolidated fiscal year (FY ended March 31, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)
<b>Cash flows from operating activities</b>		
Profit before income taxes	15,862	9,452
Depreciation	11,145	11,837
Amortization of goodwill	3,745	4,065
Increase (decrease) in net defined benefit liability	187	713
Increase (decrease) in allowance for doubtful accounts	13	10
Interest and dividend income	(403)	(650)
Interest expense	116	398
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	-	1,086
Increase (decrease) in provision for product warranties	-	254
Loss (gain) on sales of property, plant and equipment	(24)	(57)
Loss on retirement of property, plant and equipment	147	147
Decrease (increase) in trade notes and accounts receivable	5,606	(3,130)
Decrease (increase) in inventories	(11,751)	10,915
Increase (decrease) in trade notes and accounts payable	(9,976)	6,242
Loss (gain) on sales of investment securities	(1)	(6)
Subsidy income	(83)	(38)
Loss (gain) on sale of shares of subsidiaries and associates	(654)	-
Impairment loss	347	1,015
Loss (gain) on sales of investment securities	34	11
Other	(1,136)	43
Subtotal	13,175	42,312
Interest and dividend income received	381	657
Interest expenses paid	(122)	(300)
Proceeds from subsidy income	83	38
Income taxes (paid) refund	(7,583)	(3,503)
<b>Cash flows from operating activities</b>	<b>5,936</b>	<b>39,205</b>

	(Millions of yen)	
	Previous consolidated fiscal year (FY ended March 31, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(8,707)	(6,715)
Proceeds from withdrawal of time deposits	9,713	7,988
Purchase of property, plant and equipment	(12,549)	(14,431)
Proceeds from sales of property, plant and equipment	79	108
Purchase of intangible assets	(1,179)	(497)
Purchase of investment securities	(55)	(63)
Proceeds from sales of investment securities	28	117
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,090)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	586	22
Payments for acquisition of businesses	(270)	(7,007)
Payments of loans receivable	(28)	(14)
Collection of loans receivable	12	9
Other	229	61
<b>Cash flows from investing activities</b>	<b>(12,138)</b>	<b>(21,512)</b>
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term loans payable	(462)	485
Proceeds from long-term borrowings	-	6,795
Repayments of long-term loans payable	(1,468)	(1,721)
Cash dividends paid	(6,426)	(6,017)
Purchase of treasury stock	(3,555)	(1)
Repayment of lease obligation	(862)	(828)
Other	0	0
<b>Cash flows from financing activities</b>	<b>(12,775)</b>	<b>(1,288)</b>
Effect of exchange rate changes on cash and cash equivalents	2,231	1,954
Net Increase (decrease) in cash and cash equivalents	(16,746)	18,358
Cash and cash equivalents at beginning of year	50,603	33,857
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	180
<b>Cash and cash equivalents at end of year</b>	<b>33,857</b>	<b>52,396</b>

(5) Notes to Consolidated Financial Statements

(Notes on going concern)

Not applicable.

(Key points underlying the preparation of consolidated financial statements)

1. Matters concerning the scope of consolidation

Number of consolidated subsidiaries: 41

The scope of consolidation includes the following two companies acquired and newly established during the fiscal year under review:

PT MULTIYASA SWADAYA

LINTEC ADVANCED TECHNOLOGIES (SINGAPORE) PRIVATE LIMITED

Note that SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC was dissolved due to an absorption-type merger with MORGAN ADHESIVES COMPANY, LLC, a subsidiary of MACTAC AMERICAS, LLC, as the surviving company. Furthermore, MACTAC MEXICO SERVICIOS, S.A. DE C.V., another subsidiary of MACTAC AMERICAS, LLC, was liquidated. Thus, the scope of consolidation at the end of the fiscal year under review excludes SPINNAKER PRESSURE SENSITIVE PRODUCTS LLC and MACTAC MEXICO SERVICIOS, S.A. DE C.V.

Printec Co., Ltd., previously an unconsolidated subsidiary, merged with LINTEC Sign System Co., Ltd., a consolidated subsidiary, on April 1, 2023. LINTEC Sing System Co., Ltd., is the surviving company of this absorption-type merger. As such, the scope of consolidation from the fiscal year under review on includes the operations of Printec Co., Ltd.

2. Matters concerning accounting policies

Standard for recording significant provisions

Provision for loss on liquidation of subsidiaries and associates

To prepare for anticipated disbursements arising from resolutions to dissolve consolidated subsidiaries, an estimate of the amount likely to arise is recorded.

Provision for product warranties

To prepare for the disbursement of expenses related to product quality guarantees, an estimate of the amount likely to be required is recorded.

(Segment information, etc.)

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, Labeling machines, Automobile-use adhesive products, Industrial-use adhesive tape, Window film, Film for outdoor signs and advertising, Interior finishing mounting film
Electronic and Optical Products	Semiconductor-related adhesive tape, Semiconductor-related equipment, Multilayer ceramic capacitor-related tape, Optical display-related adhesive products
Paper and Converted Products	Color paper for envelopes, Colored construction paper, Special function paper, High-grade printing paper, Construction material paper, Release paper for adhesive products, Release film for optical-related products, Casting paper for synthetic leather, Casting paper for carbon fiber composite materials

## 2. Information on sales and income (loss), identifiable assets, and other items by reportable segment

Previous consolidated fiscal year (from April 1, 2022 to March 31, 2023)

(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	173,324	78,053	33,225	284,603	–	284,603
Intra-segments sales and transfers	68	25	14,044	14,138	(14,138)	–
Total	173,393	78,078	47,269	298,741	(14,138)	284,603
Segment income (loss)	2,958	12,463	(1,688)	13,733	62	13,796
Others						
Depreciation and amortization (Note 3)	5,177	3,936	2,030	11,145	–	11,145
Amortization of goodwill (Note 3)	3,745	–	–	3,745	–	3,745

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, 2023 to March 31, 2024)

(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	168,970	73,892	33,458	276,321	–	276,321
Intra-segments sales and transfers	88	10	14,580	14,679	(14,679)	–
Total	169,059	73,903	48,038	291,001	(14,679)	276,321
Segment income (loss)	(1,115)	11,661	21	10,566	61	10,628
Others						
Depreciation and amortization (Note 3)	5,517	4,321	1,998	11,837	–	11,837
Amortization of goodwill (Note 3)	4,065	–	–	4,065	–	4,065

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, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)
Net assets per share	Yen 3,311.24	Yen 3,394.93
Net income per share	167.85	76.66
Diluted net income per share	167.74	76.63

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

Item	Previous consolidated fiscal year (FY ended March 31, 2023)	Current consolidated fiscal year (FY ended March 31, 2024)
Net income per share		
Profit attributable to owners of parent (million yen)	11,512	5,243
Amount not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent applicable to common stock (million yen)	11,512	5,243
Average number of shares of common stock outstanding during the fiscal year (thousand shares)	68,591	68,395
Diluted net income per share		
Diluted profit attributable to owners of parent (million yen)	–	–
Increase in common stock (thousand shares)	44	31
(Share warrant) (thousand shares)	(44)	(31)
Outline of dilutive shares not included in diluted net income per share since they have no dilutive effect		–

(Note) 2. Calculation basis for net assets per share

Item	Previous consolidated fiscal year (As of March 31, 2023)	Current consolidated fiscal year (As of March 31, 2024)
Total net assets in the consolidated balance sheet (million yen)	227,150	232,984
Amount deducted from total net assets (million yen)	798	759
(Share warrant) (million yen)	(83)	(56)
(Non-controlling interests) (million yen)	(715)	(703)
Term-end net assets per common share (million yen)	226,352	232,224
Number of common stocks used in calculating net assets per share (thousand shares)	68,358	68,403

(Significant events after closing of the year)

Not applicable.