

# Consolidated Financial Results for the Six Months Ended September 30, 2024

[Japanese Standards] (Consolidated)

Member, Financial Accounting Standards Foundation

November 7, 2024

Name of listed company: LINTEC Corporation

Stock exchange listing: Tokyo Stock Exchange, Prime Market

Code number: 7966

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

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Scheduled filing date for semiannual report: November 11, 2024

Scheduled date for dividend payments: November 29, 2024

Supplemental material on quarterly results: Yes

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

(Amounts less than one million yen are omitted)

## 1. CONSOLIDATED BUSINESS RESULTS FOR FY2025 Q2 (Interim)

(from April 1, 2024 to September 30, 2024)

### (1) Consolidated Operating Results (cumulative)

(% indicate year-on-year change for the interim period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2025 interim period	158,476	20.3	13,687	329.1	14,266	231.8	10,814	449.9
FY2024 interim period	131,735	(8.8)	3,190	(67.4)	4,299	(64.5)	1,966	(77.6)

(Note) Comprehensive income: FY2025 interim period: 21,654 million yen, up 110.6%  
FY2024 interim period: 10,280 million yen, down 55.3%

	Interim net income per share	Interim diluted net income per share
	Yen	Yen
FY2025 interim period	158.07	158.00
FY2024 interim period	28.76	28.74

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of Yen	Millions of Yen	%
FY2025 interim period	346,953	251,703	72.3
As of March 31, 2024	333,642	232,984	69.6

(Reference) Shareholders' equity: FY2025 interim period: 250,899 million yen As of March 31, 2024: 232,224 million yen

## 2. DIVIDENDS

	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2024	—	44.00	—	44.00	88.00
FY ending March 31, 2025	—	50.00			
FY ending March 31, 2025 (forecast)			—	50.00	100.00

(Note) Revision of the latest dividend forecast announced: Yes

## 3. FORECASTS OF CONSOLIDATED BUSINESS RESULTS FOR THE FISCAL YEAR ENDING MARCH 31, 2025

(from April 1, 2024 to March 31, 2025)

(% represents changes over the previous fiscal 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
Full year	310,000	12.2	24,000	125.8	24,300	110.6	17,000	224.2	248.44

(Note) Revision of the latest consolidated results forecast announced: Yes

\*Notes

- (1) Significant changes in scope of consolidation during the interim period: None  
Newly consolidated subsidiaries: - Subsidiaries excluded: -
- (2) Applicability of specific accounting procedures for preparing interim consolidated financial statements: None
- (3) 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
- (4) 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 (interim)

(a)	FY2025 interim period	76,688,740	FY Ended March 31, 2024	76,688,740
(b)	FY2025 interim period	8,261,009	FY Ended March 31, 2024	8,285,231
(c)	FY2025 interim period	68,417,958	FY2024 interim period	68,387,541

\*The Q2 (interim) financial summary is not subject to review by a certified public accountant or audit firm.

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

- The Company has revised the full year consolidated business results forecast that was published on May 8, 2024. For details, please see “(3) Explanation Regarding Information on Future Forecast, Including Forecast of Consolidated Business Results” on page 4 of the Attachment.
- 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 materials will be posted on our website (<https://www.lintec-global.com>) in a timely manner.

**【Attachment】**

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## 1. Qualitative Information on Interim Financial Results

### (1) Explanation Regarding Results of Operations

The Group's business performance was strong overall for the interim consolidated accounting period, with sales showing significant recovery driven by robust demand for semiconductor and electronic component-related products. In the United States, sales volumes of adhesive products for seals and labels increased. In terms of profitability, despite the effects of high cost of raw materials and fuels, growth in product sales volumes, including sales of semiconductor and electronic component-related products, dramatically improved operational rates at production facilities.

Due to these factors, sales reached 158,476 million yen (up 20.3% year-on-year), operating profit was 13,687 million yen (up 329.1% year-on-year), ordinary profit was 14,266 million yen (up 231.8% year-on-year), and profit attributable to owners of parent was 10,814 million yen (up 449.9% year-on-year).

The outline by segment was as follows:

#### [Printing and Industrial Materials Products]

	Previous interim consolidated period	Current interim consolidated period	year on year	
			Increase (decrease)	Changes
Net sales	Millions of yen 81,439	Millions of yen 92,434	Millions of yen 10,994	% 13.5
Printing & Variable Information Products Operations	64,076	73,541	9,464	14.8
Industrial & Material Operations	17,363	18,893	1,530	8.8
Operating income (loss)	(776)	3,558	4,335	—

Sales in this segment reached 92,434 million yen (up 13.5% year-on-year) due to increased sales volumes and the effects of the weak yen. Operating profit reached 3,558 million yen (not comparable year on year), due mainly to a significant increase in sales volumes in the United States.

Sales by operation of this segment were as follows:

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

Sales of adhesive products for seals and labels showed stable growth in Japan for logistics and e-commerce applications. However, demand declined overall due to rising prices, particularly in the food-related sector; sales for eye-catching labels and beverage campaign labels were generally sluggish. Outside Japan, the United States saw a significant increase in sales volumes due to the effects of acquisitions. Demand was also strong in China and in the ASEAN region. Sales in this operation reached 73,541 million yen (up 14.8% year-on-year).

#### (Industrial & Material Operations)

In Japan, sales of window films for automotive proved sluggish due to a decline in automobile production. Overseas, sales of window films for building grew in the United States, while sales of automobile-use adhesive products increased in India. As a result, sales in this operation were 18,893 million yen (up 8.8% year on year).

#### [Electronic and Optical Products]

	Previous interim consolidated period	Current interim consolidated period	year on year	
			Increase (decrease)	Changes
Net sales	Millions of yen 33,696	Millions of yen 48,146	Millions of yen 14,450	% 42.9
Advanced Materials Operations	26,722	41,655	14,933	55.9
Optical Products Operations	6,974	6,491	(483)	(6.9)
Operating income	4,304	9,485	5,180	120.3

Sales in this segment reached 48,146 million yen (up 42.9% year-on-year). Despite sluggish sales of optical display-related adhesive products, sales of semiconductor and electronic component-related products recovered significantly. The increase in sales volumes for semiconductor and electronic component-related products resulted in an operating profit of 9,485 million yen (up 120.3% year-on-year).

Sales by operation of this segment were as follows:

(Advanced Materials Operations)

Semiconductor-related adhesive tapes performed well due to increased demand for products used in smartphones and similar applications. Semiconductor-related equipment for HBM manufacturing also saw significant growth, as did multilayer ceramic capacitor-related tapes, driven by growing demand for smartphones and data centers. Sales in this operation totaled 41,655 million yen (up 55.9% year-on-year).

(Optical Products Operations)

Sales of optical display-related adhesive products declined due to declining orders for large-screen TVs and smartphones. As a result, sales in this operation were 6,491 million yen (down 6.9% year on year).

[Paper and Converted Products]

	Previous interim consolidated period	Current interim consolidated period	year on year	
			Increase (decrease)	Changes
	Millions of yen	Millions of yen	Millions of yen	%
Net sales	16,598	17,894	1,295	7.8
Fine & Specialty Paper Products Operations	7,894	7,584	(310)	(3.9)
Converted Products Operations	8,704	10,310	1,606	18.5
Operating income (loss)	(372)	615	987	—

Sales in this segment reached 17,894 million yen (up 7.8% year-on-year). Although demand declined for colored papers for envelope in the Fine & Specialty Paper Products Operations, sales volumes in the Converted Products Operations increased significantly, contributing to an operating profit of 615 million yen (not comparable year-on-year).

Sales by operation of this segment were as follows:

(Fine & Specialty Paper Products Operations)

While sales of oil- and water-resistant papers remained on par with the previous year, demand fell for colored papers for envelope, colored construction papers, construction material papers, and other core products. Sales in this operation totaled 7,584 million yen (down 3.9% year-on-year).

(Converted Products Operations)

Sales of release papers for electronic materials and release films for optical-related products were strong due to increased demand for smartphone and similar applications. Casting papers for synthetic leather and casting papers for carbon fiber composite materials also saw significant growth. Sales in this operation totaled 10,310 million yen (up 18.5% year-on-year).

(2) Explanation Regarding Financial Position

(Assets)

Total assets at the end of the current interim consolidated accounting period were 346,953 million yen, an increase of 13,310 million yen compared to the end of the previous fiscal year. Main factors of the change were as follows:

- Decrease in "Cash and deposits"	-2,480 million yen
- Increase in "Notes and accounts receivable - trade and contract assets"	4,459 million yen
- Increase in "Inventories"	6,144 million yen
- Decrease in "Current assets-other"	- 1,665 million yen
- Increase in "Property, plant and equipment"	6,990 million yen

(Liabilities)

Total liabilities at the end of the current interim consolidated accounting period were 95,249 million yen, a decline of 5,408 million yen compared to the end of the previous fiscal year. Main factors of the change were as follows:

- Decrease in “Notes and accounts payable”	-3,253 million yen
- Decrease in “Short-term borrowing”	-1,100 million yen
- Increase in “Income taxes payable”	1,571 million yen
- Decrease in “Other current liabilities”	-1,730 million yen
- Decrease in “Long-term borrowing”	-1,235 million yen

(Net Assets)

Total net assets at the end of the current interim consolidated accounting period were 251,703 million yen, an increase of 18,719 million yen compared to the end of the previous fiscal year.

- Increase in “Retained earnings”	7,804 million yen
- Increase in “Foreign currency translation adjustments”	10,972 million yen

(3) Explanation Regarding Information on Future Forecast, Including Forecast of Consolidated Business Results

For the fiscal year ending March 2025, despite the continuing high cost of raw materials and fuels, demand for semiconductor and electronic component-related products is expected to significantly exceed initial forecasts. Orders for other products are also expected to recover.

Given this situation, we have revised the forecasts for the consolidated business results for the fiscal year ending March 31, 2025 that were announced on May 8, 2024 as follows:

Full-year consolidated business results forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Previous forecast (A)	290,000	18,000	18,000	13,000
New forecast (B)	310,000	24,000	24,300	17,000
Change (B-A)	20,000	6,000	6,300	4,000
Change (%)	6.9	33.3	35.0	30.8
(Reference) Results for the previous fiscal year (Fiscal year ended March 31, 2024)	276,321	10,628	11,537	5,243

\* The above forecasts are principally based on foreseeable economic situations, market trends and plans as of the date of announcement. Actual results may differ from those forecasts due to a variety of reasons.

## 2. Interim Consolidated Financial Statement and Key Notes

### (1) Interim Consolidated Balance Sheet

(Millions of yen)

	Previous consolidated fiscal year As of March 31, 2024	Current interim consolidated accounting period As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	55,490	53,009
Notes and accounts receivable - trade and contract assets	64,764	69,224
Inventories	59,548	65,692
Other	8,354	6,689
Allowance for doubtful accounts	(181)	(181)
Total current assets	187,977	194,435
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	48,178	49,571
Machinery, equipment and vehicles (net)	39,995	41,645
Land	13,238	13,538
Construction in progress	5,008	7,829
Other (net)	7,704	8,530
Property, plant and equipment	114,125	121,116
Intangible assets		
Goodwill	15,064	14,584
Other	3,234	3,335
Intangible assets	18,299	17,920
Investments and other assets		
Other	13,328	13,570
Allowance for doubtful accounts	(89)	(89)
Total investments and other assets	13,239	13,481
Total non-current assets	145,664	152,517
Total assets	333,642	346,953

(Millions of yen)

	Previous consolidated fiscal year As of March 31, 2024	Current interim consolidated accounting period As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	45,705	42,451
Short-term loans payable	1,400	300
Current portion of long-term loans payable	1,974	1,753
Accrued income taxes	1,975	3,547
Provision for bonuses	2,395	2,415
Provision for directors' bonuses	52	28
Provision for losses on disposal of affiliates	1,147	267
Provision for product warranties	254	98
Other	21,012	19,282
Total current liabilities	75,918	70,144
Non-current liabilities		
Long-term loans payable	5,888	4,653
Provision for environmental measures	111	111
Net defined benefit liability	13,667	14,048
Other	5,072	6,291
Total non-current liabilities	24,739	25,104
Total liabilities	100,657	95,249
<b>Net Assets</b>		
Shareholders' equity		
Common stock	23,355	23,355
Capital surplus	26,700	26,725
Retained earnings	170,796	178,600
Treasury stock	(17,568)	(17,517)
Total shareholders' equity	203,283	211,164
Accumulated other comprehensive income		
Net unrealized holding gain on securities	607	485
Foreign currency translation adjustments	25,694	36,667
Remeasurements of defined benefit plans	2,639	2,580
Total accumulated other comprehensive income	28,941	39,734
Share subscription rights	56	54
Non-controlling interests	703	749
Total net assets	232,984	251,703
<b>Total liabilities and net assets</b>	<b>333,642</b>	<b>346,953</b>

(2) Interim Consolidated Income Statement and Interim Consolidated Statement of Comprehensive Income  
Interim Consolidated Income Statement

(Millions of yen)

	Previous interim consolidated accounting period (Six months ended September 30, 2023)	Current interim consolidated accounting period (Six months ended September 30, 2024)
Net sales	131,735	158,476
Cost of sales	103,914	117,306
Gross profit	27,821	41,169
Selling, general and administrative expenses	24,631	27,482
Operating income	3,190	13,687
Non-operating income		
Interest income	208	358
Dividend income	159	271
Gain on sales of non-current assets	8	71
Foreign exchange gains	1,011	—
Insurance income	16	62
Other income	170	153
Total non-operating income	1,575	918
Non-operating expenses		
Interest expenses	185	217
Loss on sales of non-current assets	0	—
Loss on retirement of non-current assets	190	50
Foreign exchange losses	—	16
Compensation expenses	3	6
Other expenses	86	48
Total non-operating expenses	465	338
Ordinary income	4,299	14,266
Extraordinary gain		
Gain on sale of investment securities	—	224
Gain on sales of noncurrent assets	29	59
Total extraordinary gain	29	284
Interim net profit before tax adjustment	4,328	14,550
Income taxes	2,283	4,095
Deferred income taxes	67	(362)
Total income taxes	2,350	3,733
Interim net profit	1,978	10,817
Interim net profit attributable to non-controlling shareholders	11	2
Profit attributable to owners of parent	1,966	10,814

## Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Previous interim consolidated accounting period (Six months ended September 30, 2023)	Current interim consolidated accounting period (Six months ended September 30, 2024)
Interim net profit	1,978	10,817
Other comprehensive income		
Net unrealized holding gain on securities	100	(121)
Foreign currency translation adjustments	8,174	11,016
Remeasurements of defined benefit plans	27	(58)
Total other comprehensive income	8,302	10,836
Interim comprehensive income	10,280	21,654
(Comprehensive income attributable to)		
Interim comprehensive income attributable to parent company shareholders	10,237	21,607
Interim comprehensive income attributable to non-controlling shareholders	42	46

### (3) Notes on Interim Consolidated Financial Statements

(Notes on Going Concern)

Not applicable.

(Notes on Significant Changes in the Amount of Total Shareholders' Equity)

Not applicable.

(Segment Information, etc.)

#### I. Previous interim consolidated accounting period (from April 1, 2023 to September 30, 2023)

##### 1. Information on sales and income or loss by reportable segment

(Millions of yen)

	Reportable Segments				Adjustment (Note 1)	Amounts in interim consolidated income statement (Note 2)
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total		
Net sales						
Net sales to outside customers	81,439	33,696	16,598	131,735	—	131,735
Intersegment sales and transfers	42	7	7,222	7,272	(7,272)	—
Total	81,482	33,704	23,821	139,007	(7,272)	131,735
Segment income (loss)	(776)	4,304	(372)	3,155	34	3,190

Notes:

1. The adjustment for segment income or loss is the figure for transactions eliminated for sales between segments.
2. Segment income or loss has been adjusted to reflect operating profit in the interim consolidated income statement.

#### II. Current interim consolidated accounting period (from April 1, 2024 to September 30, 2024)

##### 1. Information on sales and income or loss by reportable segment

(Millions of yen)

	Reportable Segments				Adjustment (Note 1)	Amounts in interim consolidated income statement (Note 2)
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total		
Net sales						
Net sales to outside customers	92,434	48,146	17,894	158,476	—	158,476
Intersegment sales and transfers	36	6	7,200	7,243	(7,243)	—
Total	92,471	48,153	25,095	165,719	(7,243)	158,476
Segment income	3,558	9,485	615	13,659	27	13,687

Notes:

1. The adjustment for segment income is the figure for transactions eliminated for sales between segments.
2. Segment income has been adjusted to reflect operating profit in the interim consolidated income statement.

(Significant events after closing of the year, etc.)

(Cancellation of treasury stock)

A resolution was passed at today's board of directors meeting to cancel treasury stock based on the provisions of Article 178 of the Companies Act.

- |                                     |  |
|-------------------------------------|--|
| 1. Reason for cancellation          | To enhance shareholder returns and improve capital efficiency  |
| 2. Type of shares to be cancelled   | Ordinary shares of the company   |
| 3. Number of shares to be cancelled | 4,200,000 shares<br>(This represents 5.4% of the total number of issued shares before cancellation.) |
| 4. Scheduled cancellation date      | November 29, 2024  |

(For reference)

Total number of issued shares after cancellation: 72,488,740 shares

Number of treasury shares after cancellation: 4,061,009 shares

Note: The number of treasury shares after cancellation is based on the number of treasury shares as of September 30, 2024.