◆ Brief Summary of FY2025 Financial Results ◆

[Speakers]
Makoto Hattori, Representative Director, President, CEO and COO, LINTEC Corporation
Yoichi Shibano, Director, Managing Executive Officer, LINTEC Corporation
Eiichiro Takeuchi, Executive Officer, General Manager, Public Relations Office, LINTEC Corporation

The earnings forecasts presented in this material were prepared based on economic conditions, market trends, plans, and factors that could reasonably be anticipated as of the date on which this material was created. The Company provides no guarantees regarding the accuracy of the information on whether the forecast figures or policies will be achieved. Actual business results may vary due to various future factors.

◆ Consolidated Financial Results for FY2025

Regarding net sales, sales of semiconductor and electronic component-related products grew significantly, supported by strong demand. Sales volumes of adhesive products for seals and labels recovered in the United States, resulting in an increase from the previous year of 39.657 billion yen, or 14.4%, to 315.978 billion yen. As for operating income, although fuel and raw materials prices and logistics costs continued to rise, profits were boosted by increases in sales volumes for semiconductor and electronic component-related products and other products. Profits were also boosted by higher utilization of production equipment capacity. The resulting operating income grew from the previous year by 13.933 billion yen, or 131.1%, to 24.562 billion yen. Ordinary income grew from the previous year by 14.552 billion yen, or 126.1%, to 26.09 billion yen. Profit attributable to owners of parent increased from the previous year by 9.232 billion yen, or 176.1%, to 14.476 billion yen. In Fine & Specialty Paper Products Operations, incoming orders, particularly for mainstay papers for envelopes, are sluggish, and in addition, prices of raw materials such as pulp and chemicals as well as logistics costs continue to rise, so the business environment remains extremely challenging. In light of this, we recorded an impairment loss of 7.728 billion yen on property, plant and equipment, including production equipment related to Fine & Specialty Paper Products Operations at the Mishima Plant and the Kumagaya Plant, booking it as an extraordinary loss.

Now I'll explain the financial results of LINTEC Corporation and its consolidated subsidiaries. Regarding non-consolidated net sales, they increased from the previous year by 20.587 billion yen, or 13.6%, to 172.224 billion yen. The net sales of consolidated subsidiaries increased from the previous year by 31.626 billion yen, or 18.7%, to 200.647 billion yen. Our overseas sales ratio was 63.9% in the fiscal year under review. Non-consolidated operating income grew from the previous year by 4.776 billion yen, or 69.6%, to 11.634 billion yen. Operating income for consolidated subsidiaries grew from the previous year by 9.457 billion yen, or 289.6%, to 12.723 billion yen.

I will now explain the factors that increased or decreased operating income. On a non-consolidated basis, the factors that boosted income were 6.8 billion yen due to higher sales volumes, 3.0 billion yen due to sale price revisions, and 1.1 billion yen due to sales mix. Factors that reduced income included 1.4 billion yen due to higher fuel and raw materials prices and logistics costs, 2.7 billion yen due to higher fixed costs, and 2.0 billion yen due to other factors, such as selling expenses and loss on valuation of inventory. At consolidated subsidiary MACtac Americas, amortization of goodwill increased from the previous year by 0.4 billion yen, from 4.1 billion yen to 4.5 billion yen, due in part to currency effects. Sales volumes also rose significantly, resulting in an operating loss of 1.3 billion yen, an improvement of 1.9 billion yen from the loss of 3.2 billion yen recorded the previous year. Madico and VDI also saw significant improvements in profitability. Advanced Materials Operations subsidiaries posted significant increases in income due to higher sales volumes of semiconductor-related adhesive tape and related devices. The total impact of the yen's depreciation was an increase of 2.2 billion yen.

Now I'll discuss our fiscal-year results by segment. Regarding Printing and Industrial Materials Products, net sales in Printing & Variable Information Products Operations increased from the previous year by 13.489 billion yen, or 10.1%, to 146.665 billion yen. Net sales in Industrial & Material Operations increased from the previous year by 2.186 billion yen, or 6.1%, to 37.981 billion yen. Total net sales in this segment grew from the previous year by 15.676 billion yen, or 9.3%, to 184.647 billion yen. Operating income grew from an operating loss the previous year by 6.577 billion yen to 5.462 billion yen, due in part to a significant increase in sales volume in the US.

A summary of net sales follows for the business units in this segment. First, Printing & Variable Information Products Operations. In adhesive products for seals and labels, in Japan, demand, especially demand related to food products, declined due to the impact of rising prices. In addition, sales of products for eye-catching labels and beverage campaigns were sluggish overall. In overseas markets, sales volume at MACtac Americas grew significantly, by 11.6%, due to the acquisition of a sales subsidiary in Canada. Sales remained solid in China and ASEAN. The overseas sales ratio accounted for by Printing & Variable Information Products Operations was 71.6%. Including currency effects, net sales for MACtac Americas

increased from the previous year by 14% to 88.1 billion yen. For Industrial & Material Operations, sales in Japan of adhesive products for automobile use and window films proved sluggish due to a decline in automobile production. Overseas, sales of security window film at Madico (US) and sputtering film at VDI (US) were strong. Sales of adhesive products for automobile use increased in India. The overseas sales ratio for Industrial & Material Operations was 52.6%.

Next, Electronic and Optical Products. Net sales in Advanced Materials Operations grew from the previous year by 25.03 billion yen, or 41.7%, to 85.08 billion yen. Net sales in Optical Products Operations declined from the previous year by 2.611 billion yen, or 18.8%, to 11.303 billion yen. Total net sales in this segment rose from the previous year by 22.419 billion yen, or 30.3%, to 96.312 billion yen. Operating income grew from the previous year by 6.844 billion yen, or 58.7%, to 18.505 billion yen, thanks to higher sales of semiconductor-related adhesive tape and devices.

Now I'll provide a summary of net sales for the business units in this segment. In Advanced Materials Operations, sales of semiconductor-related adhesive tapes were strong due to growth in demand related to generative AI. Semiconductor-related equipment, for purposes such as HBM manufacturing, also saw significant sales growth. We also saw significantly higher sales for multi-layer ceramic capacitor-related tapes, driven by growth in demand related to smartphones and data centers. The overseas sales ratio of Advanced Materials Operations was 74.5%. In Optical Products Operations, although sales of adhesive tape for OLED smartphones were solid, sales declined significantly due to the effect of the liquidation of subsidiaries in South Korea and Taiwan.

Now I'll discuss Paper and Converted Products. Net sales in Fine & Specialty Paper Products Operations declined from the previous year by 0.452 billion yen, or 3.0%, to 14.876 billion yen. Net sales in Converted Products Operations grew from the previous year by 2.013 billion yen, or 11.1%, to 20.142 billion yen. Total net sales in this segment increased from the previous year by 1.561 billion yen, or 4.7%, to 35.019 billion yen. Despite poor results in Fine & Specialty Paper Products Operations, operating income grew from the previous year by 0.514 billion yen to 0.535 billion yen, due in part to growth in sales volume in Converted Products Operations.

Now I'll provide a summary of net sales for the business units in this segment. Net sales in Fine & Specialty Paper Products Operations were sluggish, even though sales of clean papers and oil- and water-resistant papers held firm. This was due to lower demand for color papers for envelopes, a mainstay product, and for colored construction papers and construction material papers. In Converted Products Operations, sales of release papers for electronic materials and release films for optical-related products were strong due to growth in demand for smartphones and similar applications. Casting papers for

synthetic leather and casting papers for carbon fiber composite materials for leisure use also saw significant sales growth. The overseas sales ratio accounted for by Converted Products Operations was 38.4%.

◆ Forecasts of Consolidated Financial Results for FY2026

Here are our consolidated earnings forecasts for FY2026. Net sales are expected to increase from the previous year by 1.0 billion yen, or 0.3%, to 317.0 billion yen. Operating income is expected to decline from the previous year by 0.6 billion yen, or 2.3%, to 24.0 billion yen. Ordinary income is expected to decline from the previous year by 2.1 billion yen, or 8.0%, to 24.0 billion yen. Profit attributable to owners of parent is expected to grow from the previous year by 3.5 billion yen, or 24.3%, to 18.0 billion yen.

Now I'll explain the earnings forecasts for LINTEC Corporation and its consolidated subsidiaries. Non-consolidated net sales are expected to increase from the previous year by 3.8 billion yen, or 2.2%, to 176.0 billion yen. Net sales of consolidated subsidiaries are expected to decline from the previous year by 1.2 billion yen, or 0.6%, to 199.4 billion yen. Non-consolidated operating income is expected to increase from the previous year by 1.7 billion yen, or 14.7%, to 13.3 billion yen. Operating income for consolidated subsidiaries is expected to decline from the previous year by 2.1 billion yen, or 16.4%, to 10.7 billion yen.

I'll present the factors expected to lead to higher or lower operating income. On a non-consolidated basis, factors we expect to increase income include 1.9 billion yen due to growth in sales volumes, 1.5 billion yen due to sale price revisions, and 1.5 billion yen due to factors such as cost reductions. Factors that we expect to reduce income include 0.9 billion yen due to an increase in prices of fuel and raw materials and 2.3 billion yen due to an increase in fixed costs such as personnel expenses and depreciation. As for consolidated subsidiaries, we're projecting a decrease in operating income from the previous year of 2.1 billion yen. After accounting for higher fixed costs at overseas subsidiaries and the tax regime for transfer pricing in Advanced Materials Operations, we plan to alter profit allocation between LINTEC Corporation and sales subsidiaries.

Now I'll discuss our consolidated earnings forecasts for this fiscal year by segment. Regarding Printing and Industrial Materials Products, net sales in Printing & Variable Information Products Operations are expected to increase from the previous year by 0.5 billion yen, or 0.4%, to 147.2 billion yen. Net sales in Industrial & Material Operations are expected to grow from the previous year by 1.3 billion yen, or 3.5%, to 39.3 billion yen. Total net sales in this segment are expected to grow from the previous year by 1.8

billion yen, or 1.0%, to 186.5 billion yen. Operating income is expected to decline from the previous year by 0.6 billion yen, or 10.3%, to 4.9 billion yen despite the anticipated effects of price revisions and higher sales volume, due to increases in fuel and raw materials prices as well as fixed costs.

Now I'll discus the sales forecasts for the business units in this segment. Regarding Printing & Variable Information Products Operations, we expect rising prices in Japan, particularly for food and other essentials, to have a significant impact on consumer sentiment. But we also expect to expand sales of our distinctive eco-friendly products, including ones for eye-catching labels for cosmetics and toiletries, and to see a recovery in demand for campaign labels. Overseas, we expect to see growth in sales volumes in the US and ASEAN. As for Industrial & Material Operations, in Japan, we aim to expand sales of window films, such as highly transparent window film for automobiles, which we launched last year and improves thermal insulation when applied to windshields, and building window film made from 100% recycled PET resin. Overseas, we expect to see growth in sales volumes of security window film at Madico (US), sputtering film at VDI (US), and adhesive products for automobile use in India and ASEAN.

Now I'll discuss the forecasts for Electronic and Optical Products. Net sales in Advanced Materials Operations are expected to grow from the previous year by 1.3 billion yen, or 1.5%, to 86.3 billion yen. Net sales in Optical Products Operations are expected to decline from the previous year by 3.0 billion yen, or 26.6%, to 8.3 billion yen. Total net sales in this segment are expected to decline from the previous year by 1.7 billion yen, or 1.8%, to 94.6 billion yen. Operating income will benefit from higher revenue in Advanced Materials Operations and the liquidation of subsidiaries in South Korea and Taiwan in Optical Products Operations but is expected to decline from the previous year by 0.7 billion yen, or 3.8%, to 17.8 billion yen, due to increases in fixed costs such as depreciation and research and development expenses.

Now I'll present the sales forecasts for the business units in this segment. In Advanced Materials Operations, we expect semiconductor-related adhesive tapes to benefit from continuing demand growth related to generative AI. We believe sales of semiconductor-related devices will decrease from the previous year, in part because orders received for devices for HBM manufacturing have already peaked. We anticipate higher demand for multi-layer ceramic capacitor-related tapes, particularly for applications involving smartphones, AI servers, and EVs. Optical Products Operations will see a significant drop in sales due to the liquidation during the previous year of its subsidiaries in South Korea and Taiwan, but sales of adhesive products for OLED displays and OCA for automobiles are expected to expand.

Now I'll discuss the forecasts for Paper and Converted Products. Net sales in Fine & Specialty Paper Products Operations are expected to grow from the previous year by 0.5 billion yen, or 3.5%, to 15.4 billion yen. Net sales in Converted Products Operations are expected to grow from the previous year by

0.4 billion yen, or 1.8%, to 20.5 billion yen. Total net sales in this segment are expected to grow from the previous year by 0.9 billion yen, or 2.5%, to 35.9 billion yen. Operating income is expected to grow from the previous year by 0.7 billion yen, or 143.0%, to 1.3 billion yen, due in part to lower depreciation attributable to the impairment loss recorded the previous year.

Now I'll explain the sales forecasts for the business units in this segment. In Fine & Specialty Paper Products Operations, while the sales volumes for papers for envelopes are expected to decline, due in part to higher postal fees, we expect to generate sales growth by developing and expanding sales of non-fluorinated oil-resistant papers and high-performance papers. In Converted Products Operations, we expect to increase sales volume by taking advantage of the newly introduced wide-width high-performance coating equipment slated to be completed in August this year to actively promote the sale of casting papers, particularly for synthetic leather, across the globe.

Now I'll discuss capital expenditures, depreciation, amortization of goodwill, and research and development expenses. Capital expenditures in FY2025 increased from 20.5 billion yen in the previous year by 0.1 billion yen to 20.6 billion yen. Key expenditures included the expansion of multi-layer ceramic capacitor-related tapes coating equipment at the Mishima Plant and the Kumagaya Plant to meet future increases in demand, the expansion of semiconductor-related adhesive tapes coating equipment at the Agatsuma Plant, the construction of new coating equipment at the Komatsushima Plant to expand sales of casting papers for synthetic leather and carbon fiber composite materials, the construction of a mass production system for pellicles for EUV lithography machines, the expansion and renovation of the Ina Technology Center to increase supply capacity for semiconductor-related equipment, and the introduction of environmentally-friendly equipment at each plant to save energy and reduce carbon dioxide emissions. In FY2026, we're planning to make capital expenditures of 17.0 billion yen, including ongoing projects from the previous year, namely the construction of new coating equipment at the Komatsushima Plant, the establishment of a mass production system for EUV lithography machines, and the expansion and renovation of the Ina Technology Center. This will also include investments in environmentally-friendly equipment at each plant. Depreciation in FY2025 expanded from 11.8 billion yen in the previous year by 1.0 billion yen to 12.8 billion yen. In FY2026, depreciation is expected to be 12.9 billion yen. Amortization of goodwill in FY2025 increased from 4.1 billion yen in the previous year by 0.4 billion yen to 4.5 billion yen, due in part to currency effects; in FY2026, it is expected to be 4.3 billion yen. Research and development expenses in FY2025 increased from 9.0 billion yen in the previous year by 1.1 billion yen to 10.1 billion yen. In FY2026, it is expected to be 11.1 billion yen.

Now I’ll discuss our dividend forecasts. In line with our basic policy on profit allocation, we paid an annual dividend of 100 yen for FY2025. This resulted in a consolidated dividend payout ratio of 47.2% and dividend on equity (DOE) of 3.3%. In FY2026, we plan to increase the annual dividend per share by 10 yen to 110 yen, on the assumption that consolidated profit will be 18.0 billion yen and earnings per share will be 267.28 yen. As a result, the consolidated dividend payout ratio is expected to be 41.2%.

Going forward, the impact of the US government's tariff policies on the global economy, increases in fuel and raw materials prices and transportation costs, and the rise in fixed costs such as personnel expenses and depreciation due to the introduction of new production equipment all appear likely to depress profits. Nevertheless, our employees will work as a team and redouble their efforts to push through the current challenging business environment and achieve our targets.

Main questions and answers

Q. Can you tell us about the growth strategy for Fine & Specialty Paper Products Operations, which posted an impairment loss, and what you plan to do improve Optical Products Operations, which is struggling profit-wise?

A. Regarding the growth strategy for Fine & Specialty Paper Products Operations, in addition to reducing fixed costs by recording this impairment loss, we plan to take further steps to rebuild and optimize production capabilities. We will also consider price revisions. In terms of individual themes and measures, besides strengthening the development and sale of oil-resistant papers, we will work vigorously to expand sales of existing products, complete the switch to non-fluorinated types, and roll out thick products, such as paper food containers. For high-performance papers that are alternatives to plastics, we're developing transparent papers and biodegradable heat sealing papers. We're doing everything we can to boost the top line for Fine & Specialty Paper Products Operations. Note that Fine & Specialty Paper Products Operations isn't just a single business, but an upstream supplier for our adhesive products. As a provider of the base paper for release papers, raw materials, and other product elements, it's a vital source for adhesive products. As for Optical Products Operations, due to the liquidation of its subsidiaries in South Korea and Taiwan last year, it's operating solely as a non-consolidated business from this fiscal year. We're already increasing sales of adhesive products for OLED displays, OCA-related products for automobiles, and light diffusion films. We're also working to expand sales of high gas barrier films for perovskite solar cells. We plan to continue working aggressively to sell products like these based on hopes that this will drive growth.

Q. In Advanced Materials Operations, you're forecasting a 1.5% increase in sales from the previous year. What do you see as the market environment for products like smartphones and PCs?

A. I think there are two sides to the market. The smartphone market, a driver in the past, is still proving slow to rebound. On the other hand, the market for AI-related PCs and data centers, a driver the previous year, remains on its upward growth trajectory. Due to this positive-negative difference, we expect a lower sales growth rate than in the previous year. In addition, regarding the semiconductor-related business of Advanced Materials Operations as a whole, we had difficulty keeping up with orders for HBM-related devices in the previous year. Incoming orders have peaked, which provides a breather. Even so, we're continuing to receive orders, though the quantities are smaller.

Q. Can you tell us about sales of HBM-related devices in the year to March 2025 and the sales forecast for the year to March 2026?

A. Sales of HBM-related devices were 9.0 billion yen in FY2025. We expect this to drop by 5.0 billion yen to four billion yen in FY2026.

Q. In the Printing and Industrial Materials Products segment, profitability appears to have improved slightly in the previous year. This fiscal year, you're expecting higher revenue but lower profit. What's the background to this forecast and the outlook for the business?

A. Regarding Printing & Variable Information Products Operations, we're projecting higher sales in both Japan and overseas. However, on a domestic non-consolidated basis, we expect higher raw materials costs and fixed costs to cut into profits. Overseas, we believe sales volume at MACtac Americas will continue to grow. But in yen terms, we expect sales to remain unchanged from the previous year due to the differences in exchange rates. As for Industrial & Material Operations, we believe sales will continue to rise at overseas subsidiaries Madico and VDI, although we've discounted that increase to reflect push-down currency effects.

Q. Regarding pellicles for EUV lithography machines, during your explanation, you mentioned that you had constructed a mass production system in the previous year and would be targeting the establishment of a mass production system this fiscal year. Can you tell us what the current situation is with production, securing customers, and so on? When do you expect mass-produced products to begin shipping? Are these sales included in this fiscal year's forecasts?

A. Right now, we're working to establish the mass production system. Work is proceeding on schedule. We've also submitted samples to customers, who are in the process of evaluating them. So this is also going as planned. I use the word "establish" simply to refer to pushing past the final stages. If any changes in progress emerge, we will announce them in a press release. The sales forecast for this fiscal year does not include sales of pellicles for EUV lithography machines. Given the situation with customers, we expect actual sales to be recorded from next fiscal year. This is also as originally planned.

Q. The earnings reports of MACtac Americas' competitors show higher sales volumes. Price-cutting appears to have abated somewhat. But regarding raw materials, it seems possible that paper prices could rise, driven by improvements in economic sentiment due to lower than anticipated tariffs on trade between the US and China. What do you see for the label industry in North America going forward?

A. Since our competitors have started raising prices, MACtac Americas will also implement a price revision this month.

Q. Please tell us about the price revisions at MACtac Americas. Is this due to the increase in raw materials prices driven by tariffs or simply a price increase for the purpose of raising base prices?

A. Both. One factor is the tariff impact. I've heard that prices are rising to cover the higher cost of certain raw materials, for which tariffs have increased. Besides that, the increase is due to normal increases in raw materials prices.