LINTEC Corporation

Consolidated Financial Statements

Years ended March 31, 2026 and 2025

Financial information

Consolidated Balance Sheet

LINTEC Corporation and its consolidated subsidiaries
March 31, 2026 and 2025

	Millions of yen		Thousands of U.S. dollars (Note 1)
ASSETS	**2026**	2025	**2026**
Current assets:			
Cash and deposits (Notes 14, 16)	**¥ 60,271**	¥ 55,511	**$ 376,982**
Notes receivable - trade (Notes 16, 24)	**15,824**	16,446	**98,979**
Accounts receivable - trade (Notes 16, 24)	**53,661**	48,255	**335,633**
Inventories (Note 3)	**58,675**	64,054	**366,998**
Other (Notes 16, 18)	**7,962**	8,666	**49,802**
Allowance for doubtful accounts	**(313)**	(166)	**(1,961)**
Total current assets	**196,082**	192,767	**1,226,435**
Non-current assets:			
Property, plant and equipment (Note 15):			
Buildings and structures	**109,115**	105,670	**682,482**
Machinery, equipment and vehicles	**165,204**	160,568	**1,033,300**
Land	**14,880**	13,573	**93,073**
Construction in progress	**4,974**	6,645	**31,113**
Other	**21,401**	21,369	**133,857**
	315,575	307,827	**1,973,827**
Accumulated depreciation	**(198,075)**	(190,896)	**(1,238,900)**
Total property, plant and equipment	**117,500**	116,931	**734,926**
Intangible assets:			
Goodwill	**7,093**	11,771	**44,368**
Other (Note 15)	**2,940**	3,165	**18,388**
Total intangible assets	**10,033**	14,936	**62,757**
Investments and other assets:			
Investment securities (Notes 16, 17)	**1,735**	2,109	**10,855**
Deferred tax assets (Note 21)	**6,703**	8,438	**41,929**
Retirement benefit asset (Note 19)	**8,717**	3,017	**54,524**
Other	**2,069**	2,359	**12,943**
Allowance for doubtful accounts	**(116)**	(88)	**(727)**
Total investments and other assets	**19,109**	15,835	**119,524**
Total non-current assets	**146,643**	147,703	**917,208**
Total assets	**¥ 342,725**	¥ 340,471	**$ 2,143,644**

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

LIABILITIES AND NET ASSETS	Millions of yen 2026	Millions of yen 2025	Thousands of U.S. dollars (Note 1) 2026
Current liabilities:			
Notes and accounts payable - trade (Note 16)	**¥ 37,266**	¥ 40,350	**$ 233,089**
Short-term borrowings (Notes 16, 28)	**700**	1,300	**4,378**
Current portion of long-term borrowings (Notes 16, 18, 28)	**2,222**	1,837	**13,901**
Income taxes payable (Note 21)	**3,803**	4,998	**23,791**
Provision for bonuses	**2,793**	2,716	**17,473**
Provision for bonuses for directors	**92**	76	**575**
Other (Notes 4, 16, 18, 24, 28)	**19,090**	18,710	**119,405**
Total current liabilities	**65,968**	69,989	**412,615**
Non-current liabilities:			
Long-term borrowings (Notes 16, 18, 28)	**1,902**	3,794	**11,901**
Lease liabilities (Note 28)	**2,694**	3,414	**16,851**
Provision for environmental measures	**111**	111	**694**
Retirement benefit liability (Note 19)	**12,569**	14,672	**78,618**
Other (Notes 22, 28)	**1,238**	2,361	**7,748**
Total non-current liabilities	**18,516**	24,355	**115,815**
Total liabilities	**84,485**	94,345	**528,430**
Commitments and contingent liabilities (Note 2)			
Net assets:			
Shareholders' equity (Note 27):			
Share capital:			
Authorized: 300,000,000 shares in 2026 and 2025			
Issued: 72,488,740 shares in 2026 and 72,488,740 shares in 2025	**23,355**	23,355	**146,084**
Capital surplus	**26,644**	26,627	**166,654**
Retained earnings	**180,375**	169,969	**1,128,192**
Less: treasury shares:			
7,007,308 shares in 2026 and 5,143,049 shares in 2025	**(16,817)**	(11,703)	**(105,187)**
Total shareholders' equity	**213,558**	208,250	**1,335,743**
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	**466**	591	**2,919**
Foreign currency translation adjustment	**35,922**	34,616	**224,684**
Remeasurements of defined benefit plans (Note 19)	**7,491**	1,855	**46,854**
Total accumulated other comprehensive income	**43,880**	37,063	**274,458**
Share acquisition rights (Note 20)	**42**	54	**264**
Non-controlling interests	**759**	758	**4,747**
Total net assets	**258,240**	246,126	**1,615,213**
Total liabilities and net assets	**¥342,725**	¥340,471	**$2,143,644**

Consolidated Statement of Income

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2026 and 2025

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2026	2025	**2026**
Net sales (Note 24)	**¥319,385**	¥315,978	**$1,997,655**
Cost of sales	**237,922**	236,134	**1,488,129**
Gross profit	**81,463**	79,844	**509,526**
Selling, general and administrative expenses (Notes 6, 7)	**56,306**	55,282	**352,180**
Operating income	**25,156**	24,562	**157,346**
Non-operating income:			
Interest income	**622**	728	**3,893**
Dividend income	**132**	288	**829**
Rental income	**8**	8	**50**
Gain on sale of non-current assets	**4**	130	**29**
Insurance claim income	**29**	60	**182**
Foreign exchange gains	**428**	617	**2,678**
Subsidy income	**156**	18	**980**
Other	**200**	390	**1,254**
Total non-operating income	**1,582**	2,243	**9,899**
Non-operating expenses:			
Interest expenses	**325**	305	**2,036**
Loss on sale of non-current assets	**0**	0	**2**
Loss on retirement of non-current assets	**469**	287	**2,936**
Compensation expenses	**1**	10	**8**
Loss on cancellation of leases	**109**	—	**687**
Other	**165**	111	**1,037**
Total non-operating expenses	**1,072**	716	**6,709**
Ordinary income	**25,666**	26,090	**160,536**
Extraordinary income:			
Gain on sale of investment securities	**482**	261	**3,015**
Gain on sale of non-current assets (Note 8)	**—**	74	**—**
Gain on liquidation of subsidiaries and associates (Note 9)	**—**	55	**—**
Total extraordinary income	**482**	392	**3,015**
Extraordinary losses:			
Impairment losses (Note 10)	**879**	7,728	**5,499**
Loss on liquidation of subsidiaries and associates (Note 11)	**600**	—	**3,756**
Business restructuring expenses (Note 12)	**196**	—	**1,225**
Total extraordinary losses	**1,675**	7,728	**10,482**
Profit before income taxes	**24,472**	18,753	**153,069**
Income taxes (Note 21):			
Current	**7,893**	7,663	**49,372**
Deferred	**(800)**	(3,403)	**(5,004)**
Total income taxes	**7,093**	4,260	**44,368**
Profit	**17,379**	14,493	**108,701**
Profit attributable to non-controlling interests	**4**	17	**30**
Profit attributable to owners of parent (Note 27)	**¥ 17,374**	¥ 14,476	**$ 108,670**

Consolidated Statement of Comprehensive Income

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2026 and 2025

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2026	2025	**2026**
Profit	**¥17,379**	¥14,493	**$108,701**
Other comprehensive income (Note 13)			
Valuation difference on available-for-sale securities	**(124)**	(15)	**(777)**
Foreign currency translation adjustment	**1,302**	8,958	**8,147**
Remeasurements of defined benefit plans (Note 19)	**5,634**	(782)	**35,240**
Total other comprehensive income	**6,812**	8,160	**42,610**
Comprehensive income	**¥24,191**	¥22,653	**$151,311**
(Comprehensive income attributable to:)			
Owners of parent	**24,191**	22,598	**151,308**
Non-controlling interests	**0**	55	**2**

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

Consolidated Statement of Changes in Net Assets

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2026 and 2025

	Thousands												Millions of yen
		Shareholders' equity						Accumulated other comprehensive income					
	Number of shares of common stock	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2024	76,688	¥23,355	¥26,636	¥170,796	¥(17,568)	¥203,219	¥607	¥25,694	¥2,639	¥28,941	¥ 56	¥703	¥232,920
Changes during period:													
Dividends of surplus				(6,431)		(6,431)							(6,431)
Profit attributable to owners of parent				14,476		14,476							14,476
Purchase of treasury shares					(3,094)	(3,094)							(3,094)
Disposal of treasury shares			26		52	79							79
Cancellation of treasury shares	(4,200)		(8,906)		8,906	—							—
Transfer from retained earnings to capital surplus			8,871	(8,871)		—							—
Sale of shares of consolidated subsidiaries						—							—
Net changes in items other than shareholders' equity						—	(15)	8,921	(783)	8,122	(1)	55	8,175
Total changes during period	(4,200)	—	(8)	(826)	5,864	5,030	(15)	8,921	(783)	8,122	(1)	55	13,206
Balance at March 31, 2025	72,488	¥23,355	¥26,627	¥169,969	¥(11,703)	¥208,250	¥591	¥34,616	¥1,855	¥37,063	¥ 54	¥758	¥246,126
Changes during period:													
Dividends of surplus				(6,968)		(6,968)							(6,968)
Profit attributable to owners of parent				17,374		17,374							17,374
Purchase of treasury shares					(5,240)	(5,240)							(5,240)
Disposal of treasury shares			16		127	144							144
Cancellation of treasury shares						—							—
Transfer from retained earnings to capital surplus						—							—
Sale of shares of consolidated subsidiaries			(0)			(0)							(0)
Net changes in items other than shareholders' equity						—	(124)	1,306	5,635	6,817	(12)	0	6,805
Total changes during period		—	16	10,405	(5,113)	5,308	(124)	1,306	5,635	6,817	(12)	0	12,113
Balance at March 31, 2026	72,488	¥23,355	¥26,644	¥180,375	¥(16,817)	¥213,558	¥466	¥35,922	¥7,491	¥43,880	¥ 42	¥759	¥258,240

	Thousands												Thousands of U.S. dollars (Note 1)
		Shareholders' equity						Accumulated other comprehensive income					
	Number of shares of common stock	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Non-controlling interests	Total net assets
Balance at April 1, 2025	72,488	$146,084	$166,549	$1,063,109	$(73,203)	$1,302,539	$3,697	$216,515	$11,607	$231,819	$340	$4,744	$1,539,445
Changes during period:													
Dividends of surplus				(43,587)		(43,587)							(43,587)
Profit attributable to owners of parent				108,670		108,670							108,670
Purchase of treasury shares					(32,780)	(32,780)							(32,780)
Disposal of treasury shares			105		795	901							901
Cancellation of treasury shares						—							—
Transfer from retained earnings to capital surplus						—							—
Sale of shares of consolidated subsidiaries			(0)			(0)							(0)
Net changes in items other than shareholders' equity						—	(777)	8,169	35,246	42,638	(76)	2	42,565
Total changes during period			105	65,082	(31,984)	33,203	(777)	8,169	35,246	42,638	(76)	2	75,768
Balance at March 31, 2026	72,488	$146,084	$166,654	$1,128,192	$(105,187)	$1,335,743	$2,919	$224,684	$46,854	$274,458	$264	$4,747	$1,615,213

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

Consolidated Statement of Cash Flows

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31, 2026 and 2025

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2026	2025	**2026**
Cash flows from operating activities:			
Profit before income taxes	**¥24,472**	¥18,753	**$153,069**
Depreciation and amortization	**12,719**	12,820	**79,558**
Amortization of goodwill	**4,462**	4,543	**27,913**
Increase (decrease) in retirement benefit liability	**666**	1,032	**4,170**
Increase (decrease) in allowance for doubtful accounts	**174**	(33)	**1,092**
Interest and dividend income	**(755)**	(1,017)	**(4,722)**
Interest expenses	**325**	305	**2,036**
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	**—**	(1,162)	**—**
Increase (decrease) in provision for product warranties	**—**	(254)	**—**
Loss (gain) on sale of non-current assets	**(4)**	(205)	**(27)**
Loss on retirement of non-current assets	**257**	102	**1,610**
Decrease (increase) in trade receivables	**(4,061)**	1,954	**(25,402)**
Decrease (increase) in inventories	**5,127**	(1,952)	**32,070**
Increase (decrease) in trade payable	**(2,835)**	(5,895)	**(17,735)**
Loss (gain) on sale of investment securities	**(482)**	(261)	**(3,015)**
Subsidy income	**(156)**	(18)	**(980)**
Loss (gain) on liquidation of subsidiaries and associates	**—**	(55)	**—**
Loss on liquidation of subsidiaries and associates	**600**	—	**3,756**
Impairment losses	**879**	7,728	**5,499**
Other, net	**631**	1,325	**3,948**
Subtotal	**42,023**	37,710	**262,842**
Interest and dividends received	**759**	977	**4,750**
Interest paid	**(349)**	(333)	**(2,183)**
Subsidies received	**156**	18	**980**
Income taxes refund (paid)	**(9,140)**	(4,656)	**(57,168)**
Cash flows from operating activities	**33,450**	33,715	**209,221**
Cash flows from investing activities:			
Payments into time deposits	**(8,411)**	(6,300)	**(52,609)**
Proceeds from withdrawal of time deposits	**8,318**	4,682	**52,027**
Purchase of property, plant and equipment	**(14,689)**	(23,761)	**(91,877)**
Proceeds from sale of property, plant and equipment	**12**	436	**75**
Purchase of intangible assets	**(542)**	(385)	**(3,395)**
Purchase of investment securities	**(5)**	(5)	**(35)**
Proceeds from sale of investment securities	**682**	616	**4,267**
Loan advances	**(30)**	(21)	**(191)**
Proceeds from collection of loans receivable	**24**	11	**154**
Other, net	**52**	61	**328**
Cash flows from investing activities	**(14,589)**	(24,666)	**(91,255)**
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	**(600)**	(100)	**(3,752)**
Repayments of long-term borrowings	**(1,872)**	(1,772)	**(11,708)**
Dividends paid	**(6,969)**	(6,428)	**(43,591)**
Purchase of treasury shares	**(5,240)**	(3,094)	**(32,780)**
Repayments of lease liabilities	**(912)**	(937)	**(5,709)**
Other, net	**0**	0	**0**
Cash flows from financing activities	**(15,595)**	(12,332)	**(97,542)**
Effect of exchange rate change on cash and cash equivalents	**1,283**	1,591	**8,027**
Net increase (decrease) in cash and cash equivalents	**4,548**	(1,692)	**28,450**
Cash and cash equivalents at beginning of period	**50,703**	52,396	**317,135**
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	**—**	—	**—**
Cash and cash equivalents at end of period (Note 14)	**¥55,252**	¥50,703	**$345,586**

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

Notes to Consolidated Financial Statements

LINTEC Corporation and its consolidated subsidiaries
March 31, 2026

1. Summary of Significant Accounting Policies

(a) Basis of presenting financial statements

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

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

For the convenience of the readers, the accompanying consolidated financial statements have been presented in U.S. dollars by translating all Japanese yen amounts at the rate of ¥159.88=U.S.$1, the prevailing exchange rate as of March 31, 2026. This translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at this or any other rate of exchange.

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

Certain reclassifications of previously reported amounts have been made to conform to the consolidated financial statements for the year ended March 31, 2026 presentation.

(b) Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its 40 significant subsidiaries as of March 31, 2026, but exclude subsidiaries whose total assets, net sales, profit and retained earnings are not material in relation to the comparable amounts in these statements. All significant intercompany accounts and transactions have been eliminated in consolidation.

Goodwill is amortized over periods of the estimated useful lives (mainly 10 years) on a straight-line basis.

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

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

(c) Foreign currency translation

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

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

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

(d) Investment securities

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

(e) Derivatives

Derivatives are stated at fair value.

(f) Inventories

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

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

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

Depreciation is computed by the straight-line method over the estimated useful lives of the respective assets.

The significant estimated useful lives are summarized as follows:

Buildings and structures	3 — 50 years
Machinery, equipment and vehicles	3 — 17 years

(h) Intangible assets (Excluding leased assets)

Amortization is computed by the straight-line method over the estimated useful lives of the respective assets.

Capitalized costs of software for internal use are amortized using the straight-line method over estimated useful lives (5 years).

(i) Leased assets

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

Leased assets arising from finance lease transactions which do not transfer ownership to the lessees are depreciated to a residual value of zero by the straight-line method over the estimated useful lives determined based on the contract terms.

Right-of-use assets are depreciated to a residual value of zero by the straight-line method over the estimated useful lives determined based on the contract terms.

Accounting Standards Codification Topic 842 "Leases" (hereinafter ASC 842) was adopted at the Company's consolidated subsidiaries in the United States. Regarding overseas consolidated subsidiaries other than those that adopt ASC 842, those financial statements are prepared in accordance with International Financial Reporting Standards (hereinafter IFRS), IFRS 16 "Leases" (hereinafter IFRS 16) was applied accordingly. In accordance with ASC 842 or IFRS 16, as lessees, in principle, a right-of-use asset and a lease liability were recognized on the consolidated balance sheet.

(j) Allowance for doubtful accounts

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

(k) Provision for bonuses

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

(l) Provision for bonuses for directors

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

(m) Accounting method for retirement benefits

(1) Method of attributing expected retirement benefits to periods
In calculating retirement benefit obligations, the benefit formula basis is used to attribute expected retirement benefits to periods through the end of the fiscal year.

(2) Method of amortizing actuarial gain and loss and prior service cost
Actuarial gain and loss are amortized in the year following the year in which the gain or loss is recognized by the straight-line method principally over 15 years. Prior service cost is being amortized by the straight-line method principally over 15 years.

(n) Revenue recognition

The Company and its consolidated subsidiaries (the "Group") are engaged in sale and manufacture of products such as Printing and Industrial Materials Products, Electronic and Optical Products, and Paper and Converted Products.

Although revenue is primarily recognized when control of the finished products is transferred to customers, revenue in domestic sales is recognized upon shipment if the duration from the time of shipment to the time when control of the finished products is transferred to customers is normal period.

In charged supplying transactions in which the Company purchases raw materials, etc. from customers, conducts processing and sells the finished products to customers, only an amount equivalent to processing costs, excluding purchase prices of raw materials, etc., is recognized as a net amount of revenue.

In charged supplying transactions with repurchase obligations, revenue related to a transfer of supplied items is not recognized.

In export sales, the Company recognizes revenue when risk is transferred to customers according to trade conditions specified by Incoterms, etc.

Regarding consideration paid to customers, including sales cooperation rebate, it is deducted from net sales.

Consideration for these performance obligations is received approximately within one year after the performance obligations are satisfied and does not include significant financial components.

(o) Provision for environmental measures

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

(p) Accounting for consumption taxes

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

(q) Cash and cash equivalents

Cash and cash equivalents are composed of cash and time deposits having maturities within three months from acquisition, all of which are low-risk, short-term financial instruments readily convertible into cash.

(r) Research and development costs

Research and development costs are charged to income when incurred.

(s) Income taxes

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

(t) Shareholders' equity

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

(u) Significant Accounting Estimates

Fiscal year ended March 31, 2026

(Impairment losses on non-current assets)

(1) Amount recorded in the consolidated financial statements for the fiscal year ended March 31, 2026

	Millions of yen	Thousands of U.S. dollars
	2026	2026
Asset group pertaining to the Fine & Specialty Paper Products Operations	¥3,363	$21,039
Impairment losses	716	4,481

(2) Information related to significant accounting estimates pertaining to distinguishable items

① Method of calculation

For the asset group pertaining to the Fine & Specialty Paper Products Operations within Paper and Converted Products segment, the Company determined there were indications of impairment due to the decline in profitability and performed an impairment assessment for the asset group of ¥4,080 million (U.S.$25,521 thousand).

As a result, the Company concluded that since the total of undiscounted future cash flows expected to be generated from the asset group was less than the total carrying amount of the asset group, the carrying amount for the asset group reduced to the recoverable amount. Consequently, an impairment loss of ¥716 million (U.S.$4,481 thousand) was recognized as Impairment losses in Extraordinary losses.

The recoverable amount was measured as the higher of the net realizable value or the value in use.

② Key assumptions

The assumptions used to estimate the undiscounted future cash flows are based on the Company's business plan, with calculations based mainly on sales volume and sales prices, as well as pulp prices. In addition, the method of calculating the net realizable value is based on the appraisal values of the real estate.

③ Impact on the consolidated financial statements for the year ending March 31, 2027

There is a possibility that an impairment loss may be recognized in the consolidated financial statements for the following fiscal year, if the undiscounted future cash flows expected to be generated from the asset group decline significantly due to the changes in the future business circumstances.

(Valuation of goodwill)

(1) Amount recorded in the consolidated financial statements for the fiscal year ended March 31, 2026

	Millions of yen	Thousands of U.S. dollars
	2026	2026
Goodwill	¥7,093	$44,368

(2) Information related to significant accounting estimates pertaining to distinguishable items

① Method of calculation

The goodwill recorded in the consolidated financial statements was mainly composed of the one of MACtac Americas, LLC, which mainly manufactures and sells Printing and Variable Information Products, whose carrying amount was ¥6,937 million (U.S.$43,391 thousand). MACtac Americas, LLC has adopted an accounting alternative for the subsequent measurement of goodwill which is allowed for private companies under US GAAP. Under these rules, in evaluating goodwill, MACtac Americas, LLC assesses whether there is any triggering event that goodwill may be impaired. This assessment was made mainly based on the assessment of macroeconomic conditions, industry and market considerations, cost factors such as raw materials and freight costs, and overall financial performance. The Company determined that there were indications of impairment due to the deterioration in financial performance, and performed an impairment test for MACtac Americas, LLC unit. The fair value was calculated by using a combination of multiples method and discounted cash flow method, based on future cash flows estimated from the business plan.

Consequently, it was determined that the recognition of an impairment loss of goodwill was not necessary as the fair value of the reporting unit exceeded its carrying amount.

② Key assumptions

The assumptions used in the business plan for an impairment assessment are based on the sales growth rates and gross profit margins.

③ Impact on the consolidated financial statements for the year ending March 31, 2027

There is a possibility that an impairment loss may be recognized in the consolidated financial statements for the following fiscal year, if events that were not anticipated at the time of estimating the business plan occur, or if achieving the business plan may become difficult due to the uncertain future economic conditions.

Fiscal year ended March 31, 2025

(Impairment losses on non-current assets)

(1) Amount recorded in the consolidated financial statements for the fiscal year ended March 31, 2025

	Millions of yen
	2025
Asset group pertaining to the Fine & Specialty Paper Products Operations	¥3,391
Impairment losses	7,728

(2) Information related to significant accounting estimates pertaining to distinguishable items

① Method of calculation

For the asset group pertaining to the Fine & Specialty Paper Products Operations within Paper and Converted Products segment, the Company determined there were indications of impairment due to the decline in profitability and performed an impairment assessment for the asset group of ¥11,119 million.

As a result, the Company concluded that since the total of undiscounted future cash flows expected to be generated from the asset group was less than the total carrying amount of the asset group, the carrying amount for the asset group reduced to the recoverable amount. Consequently, an impairment loss of ¥7,728 million was recognized as Impairment losses in Extraordinary losses. The recoverable amount was measured as the higher of the net realizable value or the value in use.

② Key assumptions

The assumptions used to estimate the undiscounted future cash flows are based on the Company's business plan, with calculations based mainly on sales volume and sales prices, as well as pulp prices. In addition, the method of calculating the net realizable value is based on the appraisal values of the real estate.

③ Impact on the consolidated financial statements for the year ending March 31, 2026

There is a possibility that an impairment loss may be recognized in the consolidated financial statements for the following fiscal year, if the undiscounted future cash flows expected to be generated from the asset group decline significantly due to the changes in the future business circumstances.

(Valuation of goodwill)

There is no disclosure applicable for the year ended March 31, 2025

(v) Accounting standards issued but not yet applied

- Accounting Standard for Leases (ASBJ Statement No. 34, issued on September 13, 2024)
- Implementation Guidance on Accounting Standard for Leases (ASBJ Guidance No. 33, issued on September 13, 2024)

In addition, amendments to related Accounting Standards, Implementation Guidance, Practical Solutions, and Transferred Guidance

(1) Overview

The standards set forth treatment whereby lessees record assets and liabilities for all leases, etc. consistent with international accounting standards.

(2) Application schedule

These accounting standards and guidance will be adopted from the beginning of the fiscal year ending March 31, 2028.

(3) Effect of application

The effect of applying these accounting standards and guidance on the consolidated financial statements is currently under assessment.

2. Commitments and Contingent Liabilities

The Group had unused lines of credit for short-term financing aggregating ¥29,328 million (U.S.$183,438 thousand) and ¥28,861 million at March 31, 2026 and 2025, respectively.

3. Inventories

Merchandise and finished goods, work in process, and raw materials and supplies as of March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Merchandise and finished goods	**¥18,742**	¥20,988	**$117,228**
Work in process	**23,771**	25,434	**148,683**
Raw materials and supplies	**16,161**	17,631	**101,086**
Total	**¥58,675**	¥64,054	**$366,998**

4. Contract Liabilities

The amount of contract liabilities included in "Other" in current liabilities as of March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Contract liabilities	**¥2,111**	¥2,646	**$13,207**

5. Revenue from Contracts with Customers

Revenue from contracts with customers and revenue other than revenue from contracts with customers are not separately described in net sales. The amount of revenue from contracts with customers is described below in "1. Information on disaggregation of revenue from contracts with customers" in Note 24 "Revenue Recognition".

6. Selling, General and Administrative Expenses

Major items included in selling, general and administrative expenses for the years ended March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Transportation and warehousing expenses	**¥ 5,763**	¥ 5,773	**$ 36,047**
Provision for allowance for doubtful accounts	**176**	(23)	**1,102**
Salaries and allowances	**14,336**	14,019	**89,667**
Retirement benefit expenses	**394**	299	**2,470**
Provision for bonuses	**919**	928	**5,754**
Provision for bonuses for directors	**92**	76	**575**
Depreciation and amortization	**2,478**	2,433	**15,499**
Research and development expenses	**11,293**	10,065	**70,635**
Other	**20,852**	21,710	**130,427**
Total	**¥56,306**	¥55,282	**$352,180**

7. Research and Development Expenses

Research and development expenses, all of which were included in selling, general and administrative expenses, for the years ended March 31, 2026 and 2025 were ¥11,293 million (U.S.$70,635 thousand) and ¥10,065 million, respectively.

8. Gain on Sale of Non-current Assets

There is no disclosure applicable for the year ended March 31, 2026.

Gain on sale of non-current assets was mainly related to sales of land for the year ended March 31, 2025.

9. Gain on Liquidation of Subsidiaries and Associates

There is no disclosure applicable for the year ended March 31, 2026.

Gain on liquidation of subsidiaries and associates was in association with the completion of liquidation of LINTEC SPECIALITY FILMS(KOREA),INC. for the year ended March 31, 2025.

10. Impairment Losses

The Company recognized impairment loss on the following classes of assets for the year ended March 31, 2026:

			Millions of yen	Thousands of U.S.dollars
			2026	
Major use	Location	Category		Impairment Losses
Paper and Converted related products manufacturing equipment	Shikokuchuo city, Ehime Kumagaya city, Saitama	Buildings and structures	¥ 43	$ 273
		Machinery, equipment and vehicles	659	4,124
		Construction in progress	2	18
		Other (Property, plant and equipment)	10	65
		Subtotal	716	4,481
Electronic and Optical related products manufacturing equipment	Penang State, MALAYSIA	Machinery, equipment and vehicles	143	897
		Other (Property, plant and equipment)	18	116
		Other (Intangible assets)	0	3
		Subtotal	162	1,017
Total			¥879	$5,499

(1) Method of grouping assets
The Company categorizes assets considering mainly a business segment group, while grouping assets to be disposed of and idle assets, etc. individually. The overseas subsidiaries categorize assets mainly on a company-by-company basis, while grouping assets to be disposed of and idle assets, etc. individually.
(2) Circumstances leading to the recognition of impairment loss
• The impairment loss for the Paper and Converted related products manufacturing equipment at the Company has been recognized because the assets pertaining to the Fine & Specialty Paper Products Operations have decreased in profitability.
• The impairment loss for the Electronic and Optical related products manufacturing equipment at LINTEC INDUSTRIES(MALAYSIA) SDN. BHD. has been recognized because the decision to dissolve the facility was made.
(3) Method of calculating recoverable amounts
• The recoverable amounts of the assets above for the Company were measured at the net realizable value and based on the appraisal values of the real estate.
• The recoverable amounts of the assets above for LINTEC INDUSTRIES(MALAYSIA) SDN. BHD. were measured at the net realizable value and based on estimated net sales value.

The Company recognized impairment loss on the following classes of assets for the year ended March 31, 2025:

			Millions of yen
			2025
Major use	Location	Category	Impairment Losses
Paper and Converted related products manufacturing equipment	Shikokuchuo city, Ehime Kumagaya city, Saitama	Buildings and structures	¥ 587
		Machinery, equipment and vehicles	7,037
		Construction in progress	3
		Other (Property, plant and equipment)	94
		Other (Investment and other assets)	6
Total			¥7,728

(1) Method of grouping assets
The Company categorizes assets considering mainly a business segment group, while grouping assets to be disposed of and idle assets, etc. individually. The overseas subsidiaries categorize assets mainly on a company-by-company basis, while grouping assets to be disposed of and idle assets, etc. individually.
(2) Circumstances leading to the recognition of impairment loss
• The impairment loss for the Paper and Converted related products manufacturing equipment at the Company has been recognized because the assets pertaining to the Fine & Specialty Paper Products Operations have decreased in profitability.
(3) Method of calculating recoverable amounts
• The recoverable amounts of the assets above for the Company were measured at the net realizable value and based on the appraisal values of the real estate.

11. Loss on Liquidation of Subsidiaries and Associates

The Company recognized losses to be incurred in association with the dissolution of LINTEC INDUSTRIES(MALAYSIA) SDN. BHD. for the year ended March 31, 2026. The losses were mainly related to special retirement expenses.

There is no disclosure applicable for the year ended March 31, 2025.

12. Business Restructuring Expenses

The Company recognized losses to be incurred in association with the management rationalization of MACTAC AMERICAS, LLC for the year ended March 31, 2026. The losses were mainly related to special retirement expenses.

There is no disclosure applicable for the year ended March 31, 2025.

13. Comprehensive Income

Reclassification adjustment, income taxes and tax effect of other comprehensive income for the years ended March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Valuation difference on available-for-sale securities:			
Amount incurred during the fiscal year	**¥ 303**	¥ 247	**$ 1,896**
Reclassification adjustment	**(482)**	(261)	**(3,015)**
Prior to income taxes and deducting tax effect	**(178)**	(14)	**(1,118)**
Income taxes and tax effect	**54**	(1)	**340**
Valuation difference on available-for-sale securities	**(124)**	(15)	**(777)**
Foreign currency translation adjustment:			
Amount incurred during the fiscal year	**1,346**	8,992	**8,424**
Reclassification adjustment	**—**	(29)	**—**
Prior to income taxes and deducting tax effect	**1,346**	8,963	**8,424**
Income taxes and tax effect	**(44)**	(4)	**(277)**
Foreign currency translation adjustment	**1,302**	8,958	**8,147**
Remeasurements of defined benefit plans:			
Amount incurred during the fiscal year	**8,204**	(927)	**51,314**
Reclassification adjustment	**24**	(170)	**155**
Prior to income taxes and deducting tax effect	**8,229**	(1,097)	**51,469**
Income taxes and tax effect	**(2,594)**	315	**(16,229)**
Remeasurements of defined benefit plans	**5,634**	(782)	**35,240**
Total other comprehensive income	**¥ 6,812**	¥ 8,160	**$ 42,610**

14. Cash and Cash Equivalents

1. Reconciliation between cash and cash equivalents in the consolidated statement of cash flows and cash and deposits in the consolidated balance sheet as of March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Cash and deposits	**¥60,271**	¥55,511	**$376,982**
Time deposits with maturity of more than 3 months	**(5,019)**	(4,807)	**(31,396)**
Cash and cash equivalents	**¥55,252**	¥50,703	**$345,586**

2. Assets and liabilities related to lease transactions newly recognized for the years ended March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Leased assets	**¥142**	¥ 305	**$ 892**
Right-of-use assets	**470**	1,689	**2,945**
Lease obligations	**613**	1,980	**3,836**

15. Leases

(Lessee's accounting)

For finance lease transactions that transfer ownership, leased assets recognized as property, plant and equipment are manufacturing equipment such as machinery and equipment. These leased assets are depreciated as the same way as the owned property, plant and equipment.

For finance lease transactions that do not transfer ownership, leased assets recognized as property, plant and equipment are mainly vehicles and office equipment such as personal computers, and those recognized as intangible assets are mainly software. These leased assets are depreciated to a residual value of zero by the straight-line method over the estimated useful lives determined based on the contract terms.

For Right-of-use assets transactions, leased assets recognized as property, plant and equipment are mainly leased offices and warehouses. These Right-of-use assets are depreciated to a residual value of zero by the straight-line method over the estimated useful lives determined based on the contract terms.

(As Lessee)

The minimum lease payments under noncancellable operating leases as of March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Due within 1 year	**¥ 669**	¥104	**$ 4,185**
Due after 1 year	**2,323**	495	**14,531**
Total	**¥2,992**	¥599	**$18,717**

(As Lessor)

The minimum lease receivables under noncancellable operating leases as of March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Due within 1 year	**¥2**	¥2	**$13**
Due after 1 year	**4**	6	**27**
Total	**¥6**	¥8	**$40**

16. Financial Instruments

1. Status of financial instruments

(1) Policy regarding financial instruments

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

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

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

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

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

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

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

The long-term borrowings are raised for corporate acquisitions.

The Group is exposed to liquidity risk from its business-related obligations and borrowings but the Group prepares and implements financing plans to manage the liquidity risk.

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

In addition, the contract amounts of derivative transactions described below in Note 18, "Derivatives", do not represent the market risk associated with derivative transactions.

2. Fair value and other matters related to financial instruments

Carrying value on the consolidated balance sheet as of March 31, 2026 and 2025 along with their fair value and the variance were shown in the following table.

	Millions of yen			Thousands of U.S. dollars		
						2026
	Carrying value	Fair value	Variance	Carrying value	Fair value	Variance
(1) Investment securities						
Other securities	**¥ 1,365**	**¥ 1,365**	**¥ —**	**$ 8,538**	**$ 8,538**	**$ —**
(2) Long-term borrowings	**(4,125)**	**(4,184)**	**58**	**(25,802)**	**(26,170)**	**368**
(3) Derivatives	**393**	**393**	**—**	**2,462**	**2,462**	**—**

Notes: i. "Cash and deposits", "Notes receivable - trade", "Accounts receivable - trade", "Notes and accounts payable - trade", "Short-term borrowings", and "Income taxes payable" are cash and also those market values are close to the book value because it is settled in a short period of time. Therefore, each description has been omitted.
ii. Figures shown in parentheses are liability items.
iii. The current portion of long-term borrowings is included in long-term borrowings.
iv. The value of assets and liabilities arising from derivatives is shown by net value.

	Millions of yen		
			2025
	Carrying value	Fair value	Variance
(1) Investment securities			
Other securities	¥ 1,738	¥ 1,738	¥ —
(2) Long-term borrowings	(5,632)	(5,724)	92
(3) Derivatives	208	208	—

Notes: i. "Cash and deposits", "Notes receivable - trade", "Accounts receivable - trade", "Notes and accounts payable - trade", "Short-term borrowings", and "Income taxes payable" are cash and also those market values are close to the book value because it is settled in a short period of time. Therefore, each description has been omitted.
ii. Figures shown in parentheses are liability items.
iii. The current portion of long-term borrowings is included in long-term borrowings.
iv. The value of assets and liabilities arising from derivatives is shown by net value.

Note 1: The stocks and others without a quoted market price are not included in the above table "(1) Investment securities". The relevant financial instruments on the consolidated balance sheet are as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
	Carrying value	Carrying value	Carrying value
Unlisted stocks	**¥370**	¥370	**$2,316**

Note 2: Planned redemption amounts after the balance sheet date for held-to-maturity securities and receivables were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
	Within 1 year	Within 1 year	Within 1 year
Cash and deposits	**¥ 60,253**	¥ 55,487	**$376,869**
Notes receivable - trade	**15,824**	16,446	**98,979**
Accounts receivable - trade	**53,661**	48,255	**335,633**
Total	**¥129,739**	¥120,189	**$811,483**

Note 3: Planned redemption amounts after the balance sheet date for borrowings were as follows:

	Millions of yen					
						2026
	within 1 year	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 years
Short-term borrowings	**¥ 700**	**¥ —**	**¥—**	**¥—**	**¥—**	**¥—**
Current portion of long-term borrowings	**2,222**	**—**	**—**	**—**	**—**	**—**
Long-term borrowings	**—**	**1,902**	**—**	**—**	**—**	**—**
Total	**¥2,922**	**¥1,902**	**¥—**	**¥—**	**¥—**	**¥—**

	Thousands of U.S. dollars					
						2026
	within 1 year	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 years
Short-term borrowings	**$ 4,378**	**$ —**	**$—**	**$—**	**$—**	**$—**
Current portion of long-term borrowings	**13,901**	**—**	**—**	**—**	**—**	**—**
Long-term borrowings	**—**	**11,901**	**—**	**—**	**—**	**—**
Total	**$18,279**	**$11,901**	**$—**	**$—**	**$—**	**$—**

	Millions of yen					
						2025
	within 1 year	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 years
Short-term borrowings	¥1,300	¥ —	¥ —	¥—	¥—	¥—
Current portion of long-term borrowings	1,837	—	—	—	—	—
Long-term borrowings	—	2,046	1,747	—	—	—
Total	¥3,137	¥2,046	¥1,747	¥—	¥—	¥—

3. Components of financial instruments by fair value hierarchy

The Company classified the fair value of financial instruments into three levels, depending on the observability of inputs and its materiality related to the fair value measurement.

Level 1: Fair value determined based on the observable inputs, such as quoted prices in active markets for identical assets or liabilities

Level 2: Fair value determined based on observable inputs other than level 1 input

Level 3: Fair value determined based on unobservable inputs

If multiple inputs with a significant impact are used for the fair value measurement of a financial instrument, the financial instrument is classified into the lowest priority level of fair value measurement in which each input belongs.

(1) Financial instruments measured at fair value on the consolidated balance sheet

	Millions of yen				Thousands of U.S. dollars			
	2026							
	Fair value							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment securities								
Other securities								
Stocks	**¥1,365**	**¥ —**	**¥—**	**¥1,365**	**$8,538**	**$ —**	**$—**	**$ 8,538**
Derivatives								
Currency-related	**—**	**394**	**—**	**394**	**—**	**2,465**	**—**	**2,465**
Total assets	**¥1,365**	**¥394**	**¥—**	**¥1,759**	**$8,538**	**$2,465**	**$—**	**$11,004**
Derivatives								
Currency-related	**¥ —**	**¥ 0**	**¥—**	**¥ 0**	**$ —**	**$ 3**	**$—**	**$ 3**
Total liabilities	**¥ —**	**¥ 0**	**¥—**	**¥ 0**	**$ —**	**$ 3**	**$—**	**$ 3**

	Millions of yen			
	2025			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Stocks	¥1,738	¥ —	¥—	¥1,738
Derivatives				
Currency-related	—	244	—	244
Total assets	¥1,738	¥244	¥—	¥1,983
Derivatives				
Currency-related	¥ —	¥ 36	¥—	¥ 36
Total liabilities	¥ —	¥ 36	¥—	¥ 36

(2)Financial instruments other than those which are not measured at fair value on the consolidated balance sheet

	Millions of yen				Thousands of U.S. dollars			
	2026							
	Fair value							
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Long-term borrowings	**¥—**	**¥4,184**	**¥—**	**¥4,184**	**$—**	**$26,170**	**$—**	**$26,170**
Total liabilities	**¥—**	**¥4,184**	**¥—**	**¥4,184**	**$—**	**$26,170**	**$—**	**$26,170**

	Millions of yen			
	2025			
	Fair value			
	Level 1	Level 2	Level 3	Total
Long-term borrowings	¥—	¥5,724	¥—	¥5,724
Total liabilities	¥—	¥5,724	¥—	¥5,724

Note: Description of the evaluation methods and inputs used to measure fair value

Investment securities

The listed stocks are valued using the quoted price. Since the listed stocks are traded in active markets, their fair value is classified into Level 1.

Derivatives

The fair value of forward exchange contracts is classified into Level 2 as they are computed using observable inputs such as exchange rate, etc.

Long-term borrowings

With regard to the fair value of long-term borrowings, they are computed by discounting the amount of principal and interest value using the assumed interest rate applied to a new similar borrowings; thus, they are classified into Level 2.

17. Marketable and Investment Securities

1. The carrying value and acquisition cost of other securities as of March 31, 2026 and 2025 were as follows:

		Millions of yen			Thousands of U.S. dollars		
		2026					
	Description	Carrying value	Acquisition cost	Unrealized gain (loss)	Carrying value	Acquisition cost	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost	Stocks	**¥1,135**	**¥444**	**¥691**	**$7,103**	**$2,779**	**$4,323**
	Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Other	**—**	**—**	**—**	**—**	**—**	**—**
Subtotal		**¥1,135**	**¥444**	**¥691**	**$7,103**	**$2,779**	**$4,323**
Securities whose acquisition cost exceeds their carrying value	Stocks	**¥ 229**	**¥239**	**¥ (9)**	**$1,435**	**$1,495**	**$ (60)**
	Bonds	**—**	**—**	**—**	**—**	**—**	**—**
	Other	**—**	**—**	**—**	**—**	**—**	**—**
Subtotal		**¥ 229**	**¥239**	**¥ (9)**	**$1,435**	**$1,495**	**$ (60)**
Total		**¥1,365**	**¥683**	**¥681**	**$8,538**	**$4,275**	**$4,263**

Note: "Acquisition cost" in the above tables are the book value after impairment loss.

		Millions of yen		
		2025		
	Description	Carrying value	Acquisition cost	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost	Stocks	¥1,433	¥557	¥875
	Bonds	—	—	—
	Other	—	—	—
Subtotal		¥1,433	¥557	¥875
Securities whose acquisition cost exceeds their carrying value	Stocks	¥ 305	¥320	¥ (15)
	Bonds	—	—	—
	Other	—	—	—
Subtotal		¥ 305	¥320	¥ (15)
Total		¥1,738	¥878	¥860

Note: "Acquisition cost" in the above tables are the book value after impairment loss.

2. Other securities sold during the years ended March 31, 2026 and 2025 were as follows:

	Millions of yen			Thousands of U.S. dollars		
	2026					
Description	Sales amount	Aggregate gains	Aggregate losses	Sales amount	Aggregate gains	Aggregate losses
Stocks	**¥682**	**¥482**	**¥—**	**$4,267**	**$3,015**	**$—**
Bonds	**—**	**—**	**—**	**—**	**—**	**—**
Other	**—**	**—**	**—**	**—**	**—**	**—**
Total	**¥682**	**¥482**	**¥—**	**$4,267**	**$3,015**	**$—**

	Millions of yen		
	2025		
Description	Sales amount	Aggregate gains	Aggregate losses
Stocks	¥616	¥261	¥—
Bonds	—	—	—
Other	—	—	—
Total	¥616	¥261	¥—

18. Derivatives

1. Derivatives to which the Company did not apply hedge accounting as of March 31, 2026 and 2025 were as follows:
(Currency related)

Millions of yen

		2026			
		Contract amounts			
	Nature of transaction	Total	Over 1 year	Fair value	Unrealized gain (loss)
Off-market transactions	Forward exchange contracts to:				
	Sell:				
	U.S. dollars (buy Korean won)	¥ 38	¥—	¥ (0)	¥ (0)
	Buy:				
	Thai baht (sell Japanese yen)	1,790	—	394	394
Total		¥1,829	¥—	¥393	¥393

Thousands of U.S. dollars

		2026			
		Contract amounts			
	Nature of transaction	Total	Over 1 year	Fair value	Unrealized gain (loss)
Off-market transactions	Forward exchange contracts to:				
	Sell:				
	U.S. dollars (buy Korean won)	$ 240	$—	$ (2)	$ (2)
	Buy:				
	Thai baht (sell Japanese yen)	11,200	—	2,465	2,465
Total		$11,440	$—	$2,462	$2,462

Millions of yen

		2025			
		Contract amounts			
	Nature of transaction	Total	Over 1 year	Fair value	Unrealized gain (loss)
Off-market transactions	Forward exchange contracts to:				
	Sell:				
	U.S. dollars (buy Korean won)	¥ 142	¥—	¥ (10)	¥ (10)
	Buy:				
	Chinese yuan (sell Japanese yen)	1,239	—	(6)	(6)
	Thai baht (sell Japanese yen)	1,671	—	225	225
Total		¥3,053	¥—	¥208	¥208

19. Retirement Benefits

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

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

The following summarizes information related to retirement benefits for the years ended March 31, 2026 and 2025.

1. Defined benefit plans

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

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Retirement benefit obligations at beginning of year	**¥37,381**	¥36,610	**$233,809**
Service cost	**1,693**	1,700	**10,594**
Interest cost	**555**	538	**3,472**
Actuarial gains (losses)	**(7,076)**	288	**(44,259)**
Retirement benefits paid	**(1,379)**	(1,865)	**(8,626)**
Increase (decrease) from foreign currency translation	**18**	10	**117**
Other	**108**	99	**681**
Retirement benefit obligations at end of year	**¥31,303**	¥37,381	**$195,790**

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

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

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Plan assets at beginning of year	**¥25,725**	¥26,543	**$160,906**
Expected return on plan assets	**883**	898	**5,528**
Actuarial gains (losses)	**1,130**	(640)	**7,070**
Contributions from the employer	**619**	724	**3,876**
Retirement benefits paid	**(927)**	(1,784)	**(5,803)**
Increase(decrease) from foreign currency translation	**19**	(16)	**119**
Plan assets at end of year	**¥27,450**	¥25,725	**$171,696**

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

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Retirement benefit obligations of a funded pension plan	**¥ 19,058**	¥ 22,968	**$ 119,203**
Plan assets	**(27,450)**	(25,725)	**(171,696)**
	(8,392)	(2,757)	**(52,493)**
Retirement benefit obligations of an unfunded pension plan	**12,244**	14,412	**76,587**
Net amount of liabilities and assets recorded in the consolidated balance sheet	**¥ 3,852**	¥ 11,655	**$ 24,094**
Retirement benefit liability	**¥ 12,569**	¥ 14,672	**$ 78,618**
Retirement benefit asset	**(8,717)**	(3,017)	**(54,524)**
Net amount of liabilities and assets recorded in the consolidated balance sheet	**¥ 3,852**	¥ 11,655	**$ 24,094**

(4) Components of retirement benefit expenses

	Millions of yen 2026	Millions of yen 2025	Thousands of U.S. dollars 2026
Service cost	**¥1,693**	¥1,700	**$10,594**
Interest cost	**555**	538	**3,472**
Expected return on plan assets	**(883)**	(898)	**(5,528)**
Amortization of actuarial losses (gains)	**153**	(41)	**961**
Amortization of prior service cost	**(128)**	(128)	**(806)**
Other	**22**	21	**139**
Retirement benefit expenses for the defined benefit plans	**¥1,412**	¥1,191	**$ 8,833**

Notes: i. Retirement benefit expenses of consolidated subsidiaries using the simplified method are included in service cost.
ii. Employee's contributions to the corporate pension fund are not included in the retirement benefit expenses for the defined benefit plans.
iii. Other than the above retirement benefit expenses in defined benefit pension plans, LINTEC INDUSTRIES(MALAYSIA) SDN. BHD. records special retirement expenses amount to ¥378 million (U.S.$2,367 thousand) as "Loss on liquidation of subsidiaries and associates" in Extraordinary losses for the year ended March 31, 2026.

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

	Millions of yen 2026	Millions of yen 2025	Thousands of U.S. dollars 2026
Prior service cost	**¥ 128**	¥ 128	**$ 806**
Actuarial losses (gains)	**(8,357)**	968	**(52,276)**
Total	**¥(8,229)**	¥1,097	**$(51,469)**

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

	Millions of yen 2026	Millions of yen 2025	Thousands of U.S. dollars 2026
Unrecognized prior service cost	**¥ (1,971)**	¥(2,100)	**$(12,329)**
Unrecognized actuarial losses (gains)	**(8,958)**	(600)	**(56,033)**
Total	**¥(10,929)**	¥(2,700)	**$(68,362)**

(7) Items related to plan assets
① Breakdown of major items
The fair value of plan assets, by major category, as a percentage of total plan assets as of March 31, 2026 and 2025 were as follows:

	2026	2025
Bonds	**18.8%**	22.2%
Stocks	**29.7%**	27.0%
Alternatives	**41.9%**	40.4%
Cash and deposits	**6.8%**	7.5%
Other	**2.8%**	2.9%
Total	**100.0%**	100.0%

Note: Alternatives are mainly investments on hedge funds.

② Method for determining the expected long-term rate of return on plan assets
In determining the expected long-term rate of return on plan assets, estimates are considered based on the current and expected allocation of plan assets and the current and expected long-term rate of return from the various assets comprising the plan assets.

(8) Major actuarial assumptions as of March 31, 2026 and 2025 were as follows:

	2026	2025
Discount rate	**Mainly 3.3%**	Mainly 1.5%
Expected long-term rate of return on plan assets	**Mainly 3.4%**	Mainly 3.4%
Expected salary increase rate	**Mainly 2.0%**	Mainly 2.0%

2. Defined contribution plans

Some of the consolidated subsidiaries contributed ¥672 million (U.S.$4,207 thousand) and ¥606 million, for the years ended March 31, 2026 and 2025 to the defined contribution plans, respectively.

20. Stock Option Plan

There are no components of stock-based compensation expense for the years ended March 31, 2026 and 2025.

The following table summarizes contents of stock options as of March 31, 2026:

The 2006 plan

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

The 2007 plan

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

The 2008 plan

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

The 2009 plan

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

The 2010 plan

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

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

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

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

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

The 2015 plan	
Name of Company	The Company
Date of approval of the Board of Directors	August 6, 2015
Position and number of grantees	Directors, 11 and Executive Officers, 12
Class and number of stocks	Common shares 14,600 shares
Date of grant	August 21, 2015
Condition and settlement of rights	Persons who have received allotment of share acquisition rights must hold the position of director or executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 22, 2015 to August 21, 2035

The 2016 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 9, 2016
Position and number of grantees	Directors, 11 and Executive Officers, 12
Class and number of stocks	Common shares 12,200 shares
Date of grant	August 24, 2016
Condition and settlement of rights	Persons who have received allotment of share acquisition rights must hold the position of director or executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 25, 2016 to August 24, 2036

The 2017 plan

Name of Company	The Company
Date of approval of the Board of Directors	August 7, 2017
Position and number of grantees	Directors, 11 and Executive Officers, 12
Class and number of stocks	Common shares 14,400 shares
Date of grant	August 22, 2017
Condition and settlement of rights	Persons who have received allotment of share acquisition rights must hold the position of director or executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From August 23, 2017 to August 22, 2037

The 2018 plan

Name of Company	The Company
Date of approval of the Board of Directors	April,19 2018
Position and number of grantees	Executive Officers, 13
Class and number of stocks	Common shares 3,900 shares
Date of grant	May 7, 2018
Condition and settlement of rights	Persons who have received allotment of share acquisition rights must hold the position of executive officer of the Company at the time of grant.
Period of providing service for stock options	—
Exercise period	From May 8, 2018 to May 7, 2038

The following tables summarize the scale and movement of stock options for the year ended March 31, 2026:

(Non-vested stock options)

(Unit: shares)

	The 2006 plan	The 2007 plan	The 2008 plan	The 2009 plan	The 2010 plan	The 2011 plan	The 2012 plan	The 2013 plan	The 2014 plan	The 2015 plan	The 2016 plan	The 2017 plan	The 2018 plan
Stock options outstanding at April 1, 2025	—	—	—	—	—	—	—	—	—	—	—	—	—
Stock options granted	—	—	—	—	—	—	—	—	—	—	—	—	—
Forfeitures	—	—	—	—	—	—	—	—	—	—	—	—	—
Conversion to vested stock options	—	—	—	—	—	—	—	—	—	—	—	—	—
Stock options outstanding at March 31, 2026	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**

(Vested stock options)

(Unit: shares)

	The 2006 plan	The 2007 plan	The 2008 plan	The 2009 plan	The 2010 plan	The 2011 plan	The 2012 plan	The 2013 plan	The 2014 plan	The 2015 plan	The 2016 Plan	The 2017 Plan	The 2018 Plan
Stock options outstanding at April 1, 2025	1,400	1,100	1,500	2,100	1,800	1,600	2,300	2,800	2,600	2,900	2,700	4,800	1,800
Conversion from non-vested stock options	—	—	—	—	—	—	—	—	—	—	—	—	—
Stock options exercised	1,400	—	—	—	—	—	500	600	600	700	900	1,200	—
Forfeitures	—	—	—	—	—	—	—	—	—	—	—	—	—
Stock options outstanding at March 31, 2026	**—**	**1,100**	**1,500**	**2,100**	**1,800**	**1,600**	**1,800**	**2,200**	**2,000**	**2,200**	**1,800**	**3,600**	**1,800**

The following table summarizes the price information of stock options as of March 31, 2026:

	The 2006 plan	The 2007 plan	The 2008 plan	The 2009 plan	The 2010 plan	The 2011 plan	The 2012 plan	The 2013 plan	The 2014 plan	The 2015 plan	The 2016 plan	The 2017 plan	The 2018 plan
Exercise price	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**	**¥ 1**
Average market price of the stock at the time of exercise	**3,587**	**—**	**—**	**—**	**—**	**—**	**2,865**	**2,865**	**2,865**	**2,865**	**3,217**	**3,217**	**—**
Fair value at the date of grant	**2,788**	**1,947**	**1,481**	**1,726**	**1,474**	**1,303**	**1,203**	**1,595**	**1,825**	**2,283**	**1,445**	**2,261**	**2,509**

There were no stock options granted during the year ended March 31, 2026.

21. Income Taxes

1. The Group is subject to a number of taxes based on income which, in the aggregate, resulted in a statutory tax rate of approximately 30.62% for the years ended March 31, 2026 and 2025, respectively. Income taxes of the foreign consolidated subsidiaries are based generally on the tax rates applicable in their countries of incorporation. The effective tax rates reflected in the consolidated statement of income for the years ended March 31, 2026 and 2025 differ from the statutory tax rate for the following reasons:

	2026	2025
Statutory tax rate	**30.62%**	30.62%
Effect of:		
Permanently non-deductible expenses for income tax purposes such as entertainment expenses	**1.51**	0.65
Permanently non-taxable income for income tax purposes such as dividend income	**(12.97)**	(12.18)
Municipal tax	**0.24**	0.31
The difference of tax rates applied to foreign subsidiaries	**(4.31)**	(7.10)
Tax deduction in accordance with special tax measures	**(5.11)**	(4.23)
Increase (Decrease) of valuation allowance for such as net operating loss carryforwards	**4.08**	0.41
Consolidated adjustments of dividend income from consolidated subsidiaries	**14.57**	13.92
Foreign withholding tax	**2.34**	3.10
Remeasurement of deferred tax assets due to change in corporate income tax rate	**—**	(1.20)
Other, net	**(1.98)**	(1.58)
Effective tax rate	**28.99%**	22.72%

2. The significant components of deferred tax assets and liabilities as of March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Deferred tax assets:			
Provision for bonuses	**¥ 904**	¥ 852	**$ 5,657**
Accrued enterprise taxes	**215**	222	**1,348**
Operating loss carryforwards (Note 2)	**7,224**	6,058	**45,184**
Retirement benefit liability	**3,930**	4,596	**24,581**
Research and development expenses	**714**	655	**4,467**
Foreign tax credit carryforwards	**570**	543	**3,569**
Loss on valuation of inventories	**1,404**	1,038	**8,786**
Allowance for doubtful accounts	**140**	109	**879**
Unrealized gain	**501**	439	**3,134**
Excess of depreciation expense	**1,861**	1,555	**11,643**
Impairment losses	**2,275**	2,429	**14,233**
Other	**2,379**	2,481	**14,885**
Gross deferred tax assets	**22,122**	20,984	**138,371**
Valuation allowance related to operating loss carryforwards (Note 2)	**(7,128)**	(6,027)	**(44,588)**
Valuation allowance related to total deductible temporary differences	**(3,804)**	(3,901)	**(23,796)**
Valuation allowance (Note 1)	**(10,933)**	(9,929)	**(68,384)**
Total deferred tax assets	**11,189**	11,055	**69,987**
Deferred tax liabilities:			
Revaluation of fixed assets in accordance with special tax measures	**(143)**	(148)	**(894)**
Valuation difference on available-for-sale securities	**(214)**	(269)	**(1,343)**
Depreciation expense of subsidiaries	**(8)**	(39)	**(55)**
Dividend income from consolidated subsidiaries	**(650)**	(524)	**(4,069)**
Retirement benefit asset	**(2,731)**	(932)	**(17,081)**
Other	**(767)**	(753)	**(4,803)**
Total deferred tax liabilities	**(4,516)**	(2,667)	**(28,248)**
Net deferred tax assets	**¥ 6,673**	¥ 8,388	**$ 41,738**

Note1: The valuation allowance has increased by ¥1,004 million (U.S.$6,280 thousand), mainly due to an increase of ¥1,101 million (U.S.$6,886 thousand) for operating loss carryforwards in its consolidated subsidiaries.
Note2: Amounts of operating loss carryforwards and related deferred tax assets by operating loss carryforwards for the years ended March 31, 2026 and 2025 were as follows:

Millions of yen

							2026
	Within 1 year	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 years	Total
Operating loss carryforwards	**¥—**	**¥—**	**¥—**	**¥ 0**	**¥—**	**¥ 7,223**	**¥ 7,224**
Valuation allowance	**—**	**—**	**—**	**(0)**	**—**	**(7,128)**	**(7,128)**
Deferred tax assets	**¥—**	**¥—**	**¥—**	**¥—**	**¥—**	**¥ 95**	**¥ 95**

Thousands of U.S. dollars

							2026
	Within 1 year	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 Years	Total
Operating loss carryforwards	**$—**	**$—**	**$—**	**$ 3**	**$—**	**$ 45,180**	**$ 45,184**
Valuation allowance	**—**	**—**	**—**	**(3)**	**—**	**(44,584)**	**(44,588)**
Deferred tax assets	**$—**	**$—**	**$—**	**$—**	**$—**	**$ 596**	**$ 596**

Note: Figures for operating loss carryforwards were the amounts multiplied by statutory tax rate.

Millions of yen

							2025
	Within 1 year	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 years	Total
Operating loss carryforwards	¥—	¥—	¥—	¥—	¥ 3	¥ 6,055	¥ 6,058
Valuation allowance	—	—	—	—	(3)	(6,024)	(6,027)
Deferred tax assets	¥—	¥—	¥—	¥—	¥—	¥ 30	¥ 30

Note: Figures for operating loss carryforwards were the amounts multiplied by statutory tax rate.

22. Asset Retirement Obligations

No specific disclosure has been made for the years ended March 31, 2026 and 2025 because of its immateriality.

23. Rental Property

No specific disclosure for rental property has been made as of March 31, 2026 and 2025 because of its immateriality.

24. Revenue Recognition

1. Information on disaggregation of revenue from contracts with customers

The information on disaggregation of revenue is as follows:

Millions of yen

	2026			
	Reportable Segments			
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total
Japan	¥ 61,077	¥ 29,639	¥28,247	¥118,964
China	5,510	27,573	2,122	35,206
Asia	16,220	38,952	4,470	59,644
U.S.A.	84,731	1,919	227	86,879
Others	15,103	2,639	946	18,689
Revenue from contracts with customers	¥182,644	¥100,726	¥36,014	¥319,385
Other revenue	¥ —	¥ —	¥ —	¥ —
Sales to external customers	¥182,644	¥100,726	¥36,014	¥319,385

Thousands of U.S. dollars

	2026			
	Reportable Segments			
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total
Japan	$ 382,023	$185,388	$176,677	$ 744,089
China	34,465	172,466	13,277	220,208
Asia	101,455	243,638	27,964	373,057
U.S.A.	529,970	12,006	1,424	543,401
Others	94,469	16,510	5,917	116,897
Revenue from contracts with customers	$1,142,384	$630,010	$225,261	$1,997,655
Other revenue	$ —	$ —	$ —	$ —
Sales to external customers	$1,142,384	$630,010	$225,261	$1,997,655

Millions of yen

	2025			
	Reportable Segments			
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total
Japan	¥ 59,731	¥27,160	¥27,286	¥114,178
China	5,295	22,641	2,209	30,145
Asia	17,163	42,580	4,422	64,166
U.S.A.	86,721	1,673	192	88,587
Others	15,736	2,256	907	18,900
Revenue from contracts with customers	¥184,647	¥96,312	¥35,019	¥315,978
Other revenue	¥ —	¥ —	¥ —	¥ —
Sales to external customers	¥184,647	¥96,312	¥35,019	¥315,978

(Changes in presentation)
The information on disaggregation of revenue related to "China", which was included in "Asia" in the previous fiscal year, is separately presented in this fiscal year due to its increased quantitative materiality. To reflect this change in presentation, ¥22,458 million presented as "Asia" within "Printing and Industrial Materials Products" in the consolidated statement of income of the previous fiscal year has been reclassified into ¥5,295 million of "China" and ¥17,163 million of "Asia". In addition, ¥65,221 million presented as "Asia" within "Electronic and Optical Products" has been reclassified into ¥22,641 million of "China" and ¥42,580 million of "Asia", and ¥6,631 million presented as "Asia" within "Paper and Converted Products" has been reclassified into ¥2,209 million of "China" and ¥4,422 million of "Asia".

2. Basic Information for understanding the revenue from contracts with customers
Since the Group discloses the same information of basic information for understanding revenue from contracts with customers in "(n) Revenue recognition" in Note 1 "Summary of Significant Accounting Policies", it has been omitted.

3. Information about the relationship between satisfied performance obligations based on contracts with customers and the cash flows generated from the contracts, and the amounts of revenue and periods expected to be recognized from the contracts with the customers existing at the end of the current fiscal year after the following fiscal year.
(1) The balance of contract liabilities, etc.

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Receivables from contracts with customers (beginning balance)	**¥64,701**	¥64,764	**$404,690**
Receivables from contracts with customers (ending balance)	**69,485**	64,701	**434,613**
Contract liabilities (beginning balance)	**2,646**	1,841	**16,552**
Contract liabilities (ending balance)	**2,111**	2,646	**13,207**

Contract liabilities which are mainly considerations received from customers before shipment of goods, are included in "Other" in current liabilities on the consolidated balance sheet. The revenue included in the balance of contract liabilities as of beginning of the year ended March 31, 2025 out of the revenue recognized as of the year ended March 31, 2025 were ¥1,434 million.
The revenue included in the balance of contract liabilities as of beginning of the year ended March 31, 2026 out of the revenue recognized as of the year ended March 31, 2026 were ¥1,907 million (U.S.$11,931 thousand).
(2) Transaction price allocated to the remaining performance obligations
Regarding transaction price allocated to the remaining performance obligations for the years ended March 31, 2026 and 2025, the Group adopts practical expedient; thus, it has been omitted because the contract period initially expected is less than one year.

25. Segment Information
1. Overview of reportable segments
(1) Decision procedures for reportable segments
The business segments of our group are subject to periodic review because each of them provides its own financial information separately from other business units of our group and the board of directors not only makes a decision on allocation of management resources, but also evaluates their performance.
Our group consists of 6 business segments, each of which develops comprehensive strategies and conducts business activities in overseas and domestic markets.
Based on product manufacturing methods and similarity of the markets where the products are introduced, we aggregate these business segments into 3 distinguishable units, such as "Printing and Industrial Materials Products," "Electronic and Optical Products," and "Paper and Converted Products," to include in this report.
(2) Products and services handled in each segment
Products and services handled in each segment were as follows:

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

2. Method of calculating sales and income (loss), assets, and other items by reportable segments reported
The reported information regarding business segments is processed mostly following the accounting procedures listed in "Significant Accounting Policies" used as basis for preparing consolidated financial statements.
The profits of the segments reported are based on operating income.
The values for internal sales and transfers conducted between segments are given based on the market price for transactions between consolidated companies, and on the first cost for transactions within the same company.

3. Information on sales and income (loss), assets, and other items by reportable segments for the years ended March 31, 2026 and 2025 are outlined as follows:

Millions of yen

	2026					
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Adjustments	Consolidated Statement of Income
Net sales						
Net sales to external customers	¥182,644	¥100,726	¥36,014	¥319,385	¥ —	¥319,385
Intra-segment sales and transfers	62	116	14,638	14,817	(14,817)	—
Total	¥182,706	¥100,842	¥50,653	¥334,202	¥(14,817)	¥319,385
Segment income	¥ 1,979	¥ 22,120	¥ 977	¥ 25,076	¥ 80	¥ 25,156
Others						
Depreciation and amortization	¥ 5,442	¥ 5,873	¥ 1,404	¥ 12,719	¥ —	¥ 12,719
Amortization of goodwill	¥ 4,462	¥ —	¥ —	¥ 4,462	¥ —	¥ 4,462

Thousands of U.S. dollars

	2026					
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Adjustments	Consolidated Statement of Income
Net sales						
Net sales to external customers	$1,142,384	$630,010	$225,261	$1,997,655	$ —	$1,997,655
Intra-segment sales and transfers	390	728	91,559	92,679	(92,679)	—
Total	$1,142,775	$630,738	$316,821	$2,090,335	$(92,679)	$1,997,655
Segment income	$ 12,380	$138,353	$ 6,110	$ 156,845	$ 500	$ 157,346
Others						
Depreciation and amortization	$ 34,039	$ 36,736	$ 8,782	$ 79,558	$ —	$ 79,558
Amortization of goodwill	$ 27,913	$ —	$ —	$ 27,913	$ —	$ 27,913

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

Millions of yen

	2025					
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Adjustments	Consolidated Statement of Income
Net sales						
Net sales to external customers	¥184,647	¥96,312	¥35,019	¥315,978	¥ —	¥315,978
Intra-segment sales and transfers	76	17	14,551	14,645	(14,645)	—
Total	¥184,723	¥96,329	¥49,570	¥330,624	¥(14,645)	¥315,978
Segment income	¥ 5,462	¥18,505	¥ 535	¥ 24,503	¥ 59	¥ 24,562
Others						
Depreciation and amortization	¥ 5,422	¥ 5,249	¥ 2,147	¥ 12,820	¥ —	¥ 12,820
Amortization of goodwill	¥ 4,543	¥ —	¥ —	¥ 4,543	¥ —	¥ 4,543

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

Related Information

1. Information by product and service

Since the Group discloses the same information in its segment information section, it has been omitted.

2. Information by geographical segment

Millions of yen

	2026					
	Japan	China	Asia	U.S.A.	Others	Total
Sales	**¥118,964**	**¥35,206**	**¥59,644**	**¥86,879**	**¥18,689**	**¥319,385**

Thousands of U.S. dollars

	2026					
	Japan	China	Asia	U.S.A.	Others	Total
Sales	**$744,089**	**$220,208**	**$373,057**	**$543,401**	**$116,897**	**$1,997,655**

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

Millions of yen

	2025					
	Japan	China	Asia	U.S.A.	Others	Total
Sales	¥114,178	¥30,145	¥64,166	¥88,587	¥18,900	¥315,978

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

(Changes in presentation)

Sales of "China", which was included in "Asia" in the previous fiscal year, is separately presented in this fiscal year due to its increased quantitative materiality. To reflect this change in presentation, ¥94,312 million presented as "Asia" in the consolidated statement of income of the previous fiscal year has been reclassified into ¥30,145 million of "China" and ¥64,166 million of "Asia".

Millions of yen

	2026				
	Japan	Asia	U.S.A.	Others	Total
Property, plant and equipment	**¥79,285**	**¥9,258**	**¥25,300**	**¥3,656**	**¥117,500**

Thousands of U.S. dollars

	2026				
	Japan	Asia	U.S.A.	Others	Total
Property, plant and equipment	**$495,904**	**$57,906**	**$158,246**	**$22,868**	**$734,926**

Millions of yen

	2025				
	Japan	Asia	U.S.A.	Others	Total
Property, plant and equipment	¥75,385	¥10,027	¥27,882	¥3,635	¥116,931

3. Information by principal customers

Since there are no outside customers that make up more than 10% of net sales on the consolidated statement of income for the years ended March 31, 2026 and 2025, the information has been omitted.

Information on impairment losses on non-current assets by reportable segments

Millions of yen

	2026				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
Impairment losses	**¥—**	**¥—**	**¥—**	**¥—**	**¥879**

Thousands of U.S. dollars

	2026				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
Impairment losses	**$—**	**$—**	**$—**	**$—**	**$5,499**

Notes: i. Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the segment of the enterprise is done.
ii. Impairment losses on non-current assets is not allocated by the reportable segments.

Millions of yen

	2025				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
Impairment losses	¥—	¥—	¥—	¥—	¥7,728

Notes: i. Since companies, offices, and factories serve as the base for administrative classification of segment's assets, no allocation to the segment of the enterprise is done.
ii. Impairment losses on non-current assets is not allocated by the reportable segments.

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

Millions of yen

	2026				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
Unamortized amount of goodwill	**¥—**	**¥—**	**¥—**	**¥—**	**¥7,093**

Thousands of U.S. dollars

	2026				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
Unamortized amount of goodwill	**$—**	**$—**	**$—**	**$—**	**$44,368**

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

Millions of yen

	2025				
	Printing and Industrial Materials Products	Electronic and Optical Products	Paper and Converted Products	Total	Consolidation
Unamortized amount of goodwill	¥—	¥—	¥—	¥—	¥11,771

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

Information on gain on bargain purchase by reportable segments

There is no disclosure applicable for the years ended March 31,2026 and 2025.

26. Related Party Transactions

The Group has transactions with NP Trading Co., Ltd., a subsidiary of Nippon Paper Industries Co., Ltd. The transactions between the companies for the years ended March 31, 2026 and 2025 were as follows:

	Millions of yen		Thousands of U.S. dollars
For the year	2026	2025	2026
Sales of fine & specialty paper products and converted products	¥9,635	¥9,344	$60,266
Purchase of stencil, chemicals and equipment	4,005	3,894	25,051

	Millions of yen		Thousands of U.S. dollars
At year-end	2026	2025	2026
Accounts receivable - trade	¥3,904	¥3,802	$24,424
Notes and accounts payable - trade	1,656	1,769	10,360
Other liabilities	16	5	105

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

The transactions with directors of the Company for the year ended March 31, 2026 was as follows:

			Millions of yen	Thousands of U.S. dollars
			2026	2026
Name	Title	Description of transaction	Transaction amount	
Akihiko Ouchi	The Company's Representative Director of the Board, Chairman	Disposal of treasury shares accompanying contribution in kind of monetary compensation claims	¥13	$85
Makoto Hattori	The Company's Representative Director of the Board, President	Disposal of treasury shares accompanying contribution in kind of monetary compensation claims	14	89

These items are due to contribution in kind of monetary compensation claims accompanying the restricted share awards plan.

No specific disclosure has been made for the year ended March 31, 2025 because of its immateriality.

27. Amounts Per Share

The amounts per share of net assets and net income as of and for the years ended March 31, 2026 and 2025 were as follows:

	Yen		U.S. dollars
	2026	2025	2026
Net assets per share	¥3,931.48	¥3,642.60	$24.59
Net income per share	264.48	211.98	1.65
Diluted net income per share	264.38	211.89	1.65

The bases for calculation were as follows:
(1) Net income per share and diluted net income per share

	Millions of yen		Thousands of U.S. dollars
	2026	2025	2026
Net income per share:			
Profit attributable to owners of parent	¥17,374	¥14,476	$108,670
Amount not attributable to common shareholders	—	—	—
Profit attributable to owners of parent attributable to common shares	¥17,374	¥14,476	$108,670
Weighted-average number of common shares outstanding during the year (thousand shares)	65,691	68,291	65,691
Diluted net income per share:			
Adjustment of profit attributable to owners of parent related to dilutive securities	¥ —	¥ —	$ —
Adjustment of dilutive securities (thousand shares)	25	29	25
[Share acquisition rights (thousand shares)]	[25]	[29]	[25]

(2) Net assets per share

	Millions of yen 2026	2025	Thousands of U.S. dollars 2026
Total net assets	**¥258,240**	¥246,126	**$1,615,213**
Amount deducted from total net assets	**801**	813	**5,012**
[Share acquisition rights]	**[42]**	[54]	**[264]**
[Non-controlling interests]	**[759]**	[758]	**[4,747]**
Term-end net assets attributable to common shares	**¥257,439**	¥245,313	**$1,610,201**
Number of common shares outstanding used in calculation of net assets per share (thousand shares)	**65,481**	67,345	**65,481**

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

Short-term and long-term borrowings as of March 31, 2026 and 2025 consisted of the following:

	Millions of yen 2026	2025	Average interest rate (%)	Thousands of U.S. dollars 2026
Short-term borrowings	**¥ 700**	¥1,300	**1.7%**	**$ 4,378**
Current portion of long-term borrowings	**2,222**	1,837	**4.9%**	**13,901**
Long-term borrowings	**1,902**	3,794	**4.9%**	**11,901**
	¥4,825	¥6,932	**—**	**$30,180**

Note: "Average interest rate" indicates the weighted average interest rate for the closing balance of borrowings as of March 31, 2026.

Other interest-bearing debts as of March 31, 2026 and 2025 consisted of the following:

	Millions of yen 2026	2025	Average interest rate (%)	Thousands of U.S. dollars 2026
Short-term lease obligations	**¥1,827**	¥1,802	**3.6%**	**$11,427**
Long-term lease obligations	**2,694**	4,004	**3.1%**	**16,851**

Notes: i. "Average interest rate" indicates the weighted average interest rate for the closing balance of lease obligations as of March 31, 2026.
ii. In lease obligations, "Average interest rate" corresponding to finance leases (that transfers no title to lessee) are not provided because the lease obligations in the consolidated balance sheet represent the amounts before deduction of interest equivalents from total lease payments. Besides, "Average interest rate" for lease obligations presented the above indicates the weighted average interest rate for finance lease transactions which transfer ownership to the lessees and Right-of-use assets' transactions.
iii. Planned repayment amounts after the balance sheet date (March 31, 2026) for long-term borrowings and lease obligations are as follows:

	Millions of yen				Thousands of U.S. dollars 2026			
	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years
Long-term borrowings	**¥1,902**	**¥ —**	**¥ —**	**¥ —**	**$11,901**	**$ —**	**$ —**	**$ —**
Lease obligations	**1,279**	**545**	**280**	**170**	**8,002**	**3,414**	**1,756**	**1,068**

29. Subsequent Event

The following distribution of retained earnings was approved at a meeting of the Board of Directors held on May 8, 2026.

	Millions of yen 2026	Thousands of U.S. dollars 2026
Cash dividends (¥55 per share)	**¥3,601**	**$22,526**

Management's Report on Internal Control over Financial Reporting

Basic Framework of Internal Control over Financial Reporting

Makoto Hattori, Representative Director, President, CEO and COO of LINTEC Corporation, and Yoichi Shibano, Director, Managing Executive Officer and CFO of LINTEC Corporation, are responsible for designing and operating adequate internal control over financial reporting for the consolidated financial statements of LINTEC Corporation (the "Company") and its consolidated subsidiaries in accordance with the basic framework set forth in the "On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting" issued by the Business Accounting Council.

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

Scope of Assessment, Assessment Date and Assessment Procedures

We assessed the effectiveness of internal control over financial reporting for the consolidated financial statements as of March 31, 2026, in accordance with the standards for assessment of internal control over financial reporting generally accepted in Japan. For this assessment, we first evaluated the company-level controls which would have a material impact on the reliability of overall financial reporting on a consolidated basis. We then selected the process-level controls to be assessed based on the results of the company-level control assessment. For the process-level control assessment, we evaluated the effectiveness of internal control by analyzing processes in scope, identifying key controls that would have a material impact on the reliability of the financial reporting, and assessing the design and operation of such key controls.

Given the external business environmental change the Company and its consolidated subsidiaries, errors and fraud which occurred in transactions of the Company and its consolidated subsidiaries in the past, we determined the scope of assessment by selecting consolidated subsidiaries based on their materiality of financial reporting. We determined the necessary scope for assessment of internal control over financial reporting for the Company and its 18 consolidated subsidiaries from the perspective of the materiality that may affect the reliabilities of their financial reporting. The materiality that may affect the reliabilities of the financial reporting is determined taking into account the materiality of quantitative, qualitative impacts, as well as probabilities of occurrence.

For the purpose of determining the scope of process-level controls assessment, we selected two business locations as "Significant Business Locations," which contributed approximately two thirds of the Company's net sales on a consolidated basis for the fiscal year ended March 31, 2025. For the Significant Business Locations, we included business processes related to sales, accounts receivable, and inventory in the scope of assessment as the aforementioned accounts were closely associated with the Company's business objective, which is primarily manufacturing.

In addition, we included certain business processes in the scope of assessment not only from "Significant Business Locations" but also from all subsidiaries and affiliates, which were related to significant accounts involving estimates and management's judgment or include high-risk operations and/or transactions, as "business processes with a material impact on financial reporting", mainly as follows:

- Business processes related to impairment of the Company's fixed assets, since the determination of indication of impairment and calculation of future cash flows involve estimates and management's judgment
- Business processes related to valuation of the goodwill of MACtac Americas, LLC, since the determination of indication of impairment and the impairment test involve estimates and management's judgment

Assessment Result

Based on the results of our assessment with the above-mentioned scope, date and procedures, we concluded that Company's internal control over financial reporting for the accompanying consolidated financial statements as of March 31, 2026, was effective.

Report of Independent Auditors

Independent Auditor's Report

The Board of Directors
LINTEC Corporation

The Audit of the Consolidated Financial Statements
Opinion
We have audited the accompanying consolidated financial statements of LINTEC Corporation and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements.
In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of MACtac Americas, LLC's goodwill	
Description of Key Audit Matter	Auditor's Response
The Company recorded goodwill amounted to ¥7,093 million on the consolidated financial statements as at March 31, 2026. This was mainly composed of the goodwill of MACtac Americas, LLC, which mainly manufactures and sells Printing and Variable Information Products, whose carrying amount was ¥6,937 million, approximately 2.0% of the Company's consolidated total assets. MACtac Americas, LLC has adopted an accounting alternative for the subsequent measurement of goodwill which is allowed for private companies under US GAAP. Under these rules, in evaluating goodwill, MACtac Americas, LLC assesses whether there is any triggering event that goodwill may be impaired. This assessment was made mainly based on the assessment of macroeconomic conditions, industry and market considerations, cost factors such as raw materials and freight costs, and overall financial performance. As a result of its assessment as to whether there is any triggering event that goodwill may be impaired, the company determined that there were indications of impairment due to the deterioration in financial performance, and performed an impairment test for MACtac Americas, LLC unit. Consequently, it was determined that the recognition of an impairment loss of goodwill was not necessary as the fair value of the reporting unit exceeded its carrying amount. Fair value was calculated by using a combination of multiples method and discounted cash flow method, based on future cash flows estimated from the business plan (the "Business Plan"). The sales growth rates and gross profit margins used in the Business Plan involve a high degree of uncertainty, and management's judgment regarding these assumptions could have a significant effect on the estimate of fair value. In addition, selecting appropriate models and input data for estimating the discount rate used to estimate fair value requires a high degree of expertise in valuation. We, therefore, determined that our assessment of the appropriateness of the valuation of MACtac Americas, LLC's goodwill was a key audit matter, considering its significance in our audit of the consolidated financial statements for the current period.	We instructed the component auditor of MACtac Americas, LLC to perform audit on valuation of goodwill, obtained the report of audit results including the following procedures performed, and evaluated the sufficiency and appropriateness of audit evidence obtained. 1. Assessment of business plan underlying future cash flows (1) Assessing the reasonableness of management's forecasts by comparing the sales growth rates and gross profit margins in the past business plan to the actual results and inquiring about the results and the strategies that support those forecasts in the business plan. Also comparing the forecast data obtained from external sources and market data to examine whether there were any significant inconsistencies with management's estimates. (2) Independently assessed respective elements of the sales growth rates and gross profit margins for the subsequent fiscal years, which were used as the basis for the business plan, by incorporating a certain degree of uncertainty in view of the past actual results. Then they considered the effect on the MACtac Americas, LLC's judgment that the recognition of an impairment loss was not necessary. 2. Performing the following audit procedures by involving valuation specialists from the network firm to which the auditor of MACtac Americas, LLC belongs: (1) Assessment of the reasonableness of selected valuation methods, formulas, and weighting of combinations. (2) Assessment of the reasonableness of the following assumptions used in the valuation methods: - Multiple method: selection of reference companies and the multiple ranges. - Discounted cash flow method: discount rate. (3) Assessment of the accuracy of calculations by performing recalculations.

Other Information

Other information comprises the information included in the Consolidated Financial Statements that contains audited consolidated financial statements but does not include the consolidated financial statements and our audit report thereon.
We have concluded that other information did not exist. Accordingly, we have not performed any work related to other information.

Responsibilities of Management, Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.
Audit and Supervisory Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.
From the matters communicated with the Audit and Supervisory Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2026 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1(a) to the consolidated financial statements.

The Audit of the Management's Report on Internal Control over Financial Reporting Opinion

We also have audited the accompanying Management's Report on Internal Control over Financial Reporting for the consolidated financial statements as at March 31, 2026 of LINTEC Corporation and its consolidated subsidiaries (the Group) (the "Management's Report").
In our opinion, the Management's Report referred to above, which represents that internal control over financial reporting for the consolidated financial statements as at March 31, 2026 is effective, presents fairly, in all material respects, management's assessment on internal control over financial reporting for the consolidated financial statements in accordance with standards for assessment of internal control over financial reporting generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Management's Report section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Audit and Supervisory Committee for the Management's Report

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

Auditor's Responsibilities for the Audit of the Management's Report

Our objectives are to obtain reasonable assurance about whether the Management's Report is free from material misstatement and to issue an auditor's report that includes our opinion.
As part of an audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform audit procedures to obtain audit evidence about conclusions of management's assessment of internal control over financial reporting in the Management's Report. The procedures selected depend on the auditor's judgment, including the degree of impact on the reliability of financial reporting.
- Examine the overall presentation of the Management's Report, including disclosures on scope, procedures and conclusions of management's assessment of internal control over financial reporting.
- Plan and perform the internal control audit to obtain sufficient appropriate audit evidence regarding conclusions of management's assessment of internal control over financial reporting in the Management's Report. We are responsible for the direction, supervision and review of the internal control audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and any material weakness in internal control that we identify as a result of the audit and its remediation conclusions.
We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Fee-related Information

The fees for the audits of the financial statements of LINTEC Corporation and its subsidiaries and other services provided by us and other EY member firms for the year ended March 31, 2026 are 160 million yen and 46 million yen, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.
Ernst & Young ShinNihon LLC
Tokyo, Japan
June 17, 2026

杉本　義浩

Designated Engagement Partner
Certified Public Accountant

鶴田　琴子

Designated Engagement Partner
Certified Public Accountant