

Summary of Consolidated Financial Results for the Interim Period Ended September 2006

Member, Financial Accounting Standards Foundation
November 15, 2006

Name of listed company: Lintec Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 7966

Location of headquarters: Tokyo

URL: <http://www.lintec.co.jp>

Representative: Akihiko Ouchi, President and COO

For inquiries: Teruyuki Nogami, General Manager, Accounting and Finance Department, Administration Division, Tel: +81-3-5248-7713

Date of Board of Directors Meeting for the Settlement of Accounts: November 15, 2006

Name of parent company: Nippon Paper Group, Inc. (Code number: 3893)

% of voting rights held by parent company: 29.6%

Application of U.S. Accounting Standards: No

1. CONSOLIDATED RESULTS FOR THE INTERIM PERIOD ENDED SEPTEMBER 2006 (April 1, 2006 to September 30, 2006)

(1) Consolidated Operating Results

	Net sales		Operating income		Ordinary income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Six months ended September 2006	97,170	12.9	7,759	24.1	7,475	18.9
Six months ended September 2005	86,042	(1.0)	6,252	(7.5)	6,287	(4.7)
FY ended March 2006	180,334	—	13,618	—	13,561	—

	Net income		Net income per share	Net income per share (diluted)
	Millions of Yen	%	Yen	Yen
Six months ended September 2006	5,198	28.8	68.77	68.76
Six months ended September 2005	4,034	(5.4)	53.37	—
FY ended March 2006	9,010	—	118.34	—

(Notes) 1. Equity in net income of equity-method affiliates: Six months ended September 2006: None Six months ended September 2005: None
FY ended March 2006: None

2. Average number of outstanding shares during the period (consolidated):

Six months ended September 2006: 75,592,430 shares

Six months ended September 2005: 75,595,748 shares

FY ended March 2006: 75,594,832 shares

3. Changes in accounting method: None

4. Percentages for net sales, operating income, ordinary income, and net income are rates of change compared with the previous interim period.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
Six months ended September 2006	197,716	108,192	54.4	1,421.74
Six months ended September 2005	171,030	97,383	56.9	1,288.23
FY ended March 2006	181,157	103,691	57.2	1,370.85

(Note) Number of outstanding shares at period-end (consolidated): Six months ended September 2006: 75,591,950 shares
Six months ended September 2005: 75,594,615 shares
FY ended March 2006: 75,592,879 shares

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Six months ended September 2006	6,678	(5,411)	(1,069)	14,105
Six months ended September 2005	5,282	(7,270)	(465)	9,720
FY ended March 2006	17,004	(13,198)	(2,788)	13,765

(4) Scope of Consolidation and Application of the Equity Method

Consolidated subsidiaries: 19 companies Non-consolidated subsidiaries for which the equity method is applied: None

Affiliates for which the equity method is applied: None

(5) Changes in Scope of Consolidation and Application of the Equity Method

—Newly included in consolidation: None

—Excluded from consolidation: None

—Equity method newly applied: None

—Equity method no longer applied: None

2. FORECAST OF CONSOLIDATED RESULTS FOR THE FISCAL YEAR ENDING MARCH 2007

(April 1, 2006 to March 31, 2007)

	Net sales	Ordinary income	Net income
	Millions of Yen	Millions of Yen	Millions of Yen
FY ended March 2007	198,000	14,600	10,100

(Note) Projected net income per share for the fiscal year ending March 2007: 133.60 yen

* Amounts rounded down to the nearest million yen. Projections are based on assumptions regarding economic conditions, market trends, and plans as of the date of these materials. Actual results may differ from projections due to a variety of reasons.

Consolidated Balance Sheets

(Unit: millions of yen)

	September 30, 2006		September 30, 2005		March 31, 2006	
	Amount	% of total	Amount	% of total	Amount	% of total
Assets						
Current assets	117,971	59.7	99,302	58.1	104,432	57.6
Cash and cash equivalents	15,074		11,269		13,814	
Trade notes and accounts receivable	72,096		60,524		63,174	
Marketable securities	672		762		708	
Inventories	26,437		23,481		24,031	
Deferred tax assets	1,446		1,349		1,371	
Other	2,352		2,080		1,479	
Allowance for doubtful accounts	(109)		(165)		(147)	
Non-current assets	79,744	40.3	71,727	41.9	76,725	42.4
Property, plant and equipment	67,253	34.0	58,727	34.3	63,176	34.9
Buildings and structures	21,973		18,597		18,839	
Machinery, equipment and vehicles	29,987		26,856		26,883	
Land	8,043		7,825		7,915	
Construction in progress	5,261		3,831		7,675	
Other	1,987		1,616		1,862	
Intangible assets	390	0.2	200	0.1	385	0.2
Goodwill on consolidation	—		—		162	
Other goodwill	146		—		—	
Other intangible assets	243		200		222	
Investments and other assets	12,100	6.1	12,800	7.5	13,163	7.3
Deferred tax assets	6,340		6,929		6,226	
Other	5,923		6,053		7,092	
Allowance for doubtful accounts	(164)		(183)		(155)	
Total assets	197,716	100.0	171,030	100.0	181,157	100.0

(Unit: millions of yen)

	September 30, 2006		September 30, 2005		March 31, 2006	
	Amount	% of total	Amount	% of total	Amount	% of total
Liabilities						
Current liabilities	71,420	36.1	53,082	31.1	57,748	31.9
Trade notes and accounts payable	56,288		40,929		45,497	
Short-term borrowings	913		2,856		1,291	
Accrued income taxes	2,034		1,761		2,513	
Other	12,184		7,534		8,445	
Long-term liabilities	18,102	9.2	19,844	11.6	19,047	10.5
Long-term debt	304		422		347	
Accrued retirement allowances	17,475		19,124		18,260	
Accrued retirement benefits for officers	21		296		345	
Consolidation adjustment account	—		0		—	
Other	301		—		94	
Total liabilities	89,523	45.3	72,926	42.7	76,795	42.4
Minority interests	—		720	0.4	670	0.4
Shareholders' equity						
Common stock	—		23,201	13.6	23,201	12.8
Capital surplus	—		26,818	15.7	26,818	14.8
Retained earnings	—		48,323	28.3	52,723	29.1
Net unrealized holding gain on securities	—		894	0.5	1,606	0.9
Foreign currency translation adjustment	—		(832)	(0.5)	369	0.2
Treasury stock	—		(1,022)	(0.7)	(1,027)	(0.6)
Total shareholders' equity	—		97,383	56.9	103,691	57.2
Total liabilities, minority interests, and shareholders' equity	—		171,030	100.0	181,157	100.0
Net assets						
Shareholders' equity	106,166	53.7	—		—	
Common stock	23,201		—		—	
Capital surplus	26,818		—		—	
Retained earnings	57,176		—		—	
Treasury stock	(1,030)		—		—	
Valuation and translation adjustments	1,305	0.7	—		—	
Net unrealized gains on other securities	883		—		—	
Foreign currency translation adjustments	422		—		—	
Stock acquisition rights	29	0.0	—		—	
Minority interests	690	0.3	—		—	
Total net assets	108,192	54.7	—		—	
Total liabilities and net assets	197,716	100.0	—		—	

Consolidated Statements of Income

(Unit: millions of yen)

	6 months ended Sep. 30, 2006		6 months ended Sep. 30, 2005		FY ended March 31, 2006	
	Amount	% of total	Amount	% of total	Amount	% of total
Net sales	97,170	100.0	86,042	100.0	180,334	100.0
Cost of sales	76,698	78.9	67,828	78.8	141,727	78.6
Gross profit	20,471	21.1	18,214	21.2	38,607	21.4
Selling, general and administrative expenses	12,712	13.1	11,962	13.9	24,988	13.8
Operating income	7,759	8.0	6,252	7.3	13,618	7.6
Non-operating income	405	0.4	374	0.4	721	0.3
Interest income	51		56		114	
Dividend income	91		40		48	
Foreign exchange gain	130		157		300	
Other	131		119		257	
Non-operating expenses	689	0.7	339	0.4	778	0.4
Interest expenses	39		37		80	
Other	650		301		698	
Ordinary income	7,475	7.7	6,287	7.3	13,561	7.5
Extraordinary income	67	0.1	48	0.1	48	0.0
Subsidies	67		—		—	
Gain on sale of fixed assets	—		48		48	
Extraordinary loss	—		351	0.4	396	0.2
Special retirement allowance	—		167		167	
Work compensation	—		143		143	
Loss on liquidation of related company	—		—		49	
Provision for loss on liquidation of related company	—		40		—	
Loss on revaluation/redemption of membership rights	—		—		35	
Income before income taxes	7,542	7.8	5,985	7.0	13,213	7.3
Income taxes	1,959	2.0	1,688	2.0	3,709	2.1
Deferred income taxes	358	0.4	327	0.4	632	0.3
Minority interests	27	0.0	(64)	(0.1)	(139)	(0.1)
Net income	5,198	5.3	4,034	4.7	9,010	5.0

(3) Consolidated Statements of Changes in Net Assets

For the six months ended September 2006 (April 1, 2006, to September 30, 2006) (Unit: millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	23,201	26,818	52,723	(1,027)	101,715
Changes in first half					
Dividends from surplus			(680)		(680)
Bonuses to directors			(65)		(65)
Net income for first half			5,198		5,198
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock		0		0	0
Changes in items other than shareholders' equity in first half (net)					
Total changes in first half	—	0	4,452	(2)	4,450
Balance at September 30, 2006	23,201	26,818	57,176	1,030	106,166

	Valuation and translation adjustments			Stock acquisition rights	Minority interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustment	Total valuation and translation adjustments			
Balance at March 31, 2006	1,606	369	1,975	—	670	104,362
Changes in first quarter						
Dividends from surplus						(680)
Bonuses to directors						(65)
Net income for quarter						5,198
Purchase of treasury stock						(3)
Disposal of treasury stock						0
Changes in items other than shareholders' equity in first half (net)	(722)	53	(669)	29	20	(620)
Total changes in first half	(722)	53	(669)	29	20	3,830
Balance at September 30, 2006	883	422	1,305	29	690	108,192

Consolidated Statements of Retained Surplus

(Unit: millions of yen)

	6 months ended Sep. 2005		FY ended Mar. 2006	
Capital surplus				
Capital surplus at beginning of year		26,818		26,818
Increase in capital surplus				
Gain on disposition of treasury stock	—	—	0	0
Capital surplus at end of year		26,818		26,818
Retained earnings				
Retained earnings at beginning of year		44,960		44,960
Increase in retained earnings				
Net income	4,034		9,010	
Adjustment due to increase of consolidated subsidiaries	—		—	
Increase in accordance with U.S. pension accounting standards	—	4,034	4	9,015
Decrease in retained earnings				
Cash dividends	604		1,133	
Bonuses to directors	65		65	
Decrease due to increase in consolidated subsidiaries	1		1	
Employee welfare fund	—	670	51	1,251
Retained earnings at end of year		48,323		52,723

Consolidated Statement of Cash Flows

(Unit: millions of yen)

	6 months ended Sep. 30, 2006	6 months ended Sep. 30, 2005	FY ended March 31, 2006
I. Cash flows from operating activities:			
Income before income taxes	7,542	5,985	13,213
Depreciation and amortization	3,571	3,260	6,822
Amortization of consolidated adjustment accounts	—	0	0
Amortization of goodwill	16	—	—
Change in accrued pension and severance costs	(784)	(1,341)	(2,208)
Change in allowance for doubtful accounts	(30)	46	(22)
Interest and dividend income	(143)	(97)	(162)
Interest expense	39	37	80
Gain on sales of property, plant and equipment	(22)	(63)	(89)
Loss on disposal of property, plant and equipment	445	158	425
Change in trade notes and accounts receivable	(8,736)	(2,028)	(4,546)
Change in inventories	(2,428)	(892)	(995)
Change in trade notes and accounts payable	10,808	1,832	5,909
Loss on revaluation of membership rights	0	1	—
Loss on revaluation/redemption of membership rights	—	—	35
Provision for loss on liquidation of related company	—	40	—
Loss on liquidation of a subsidiary	—	—	49
Other	(1,174)	(815)	760
Subtotal	9,104	6,122	19,271
Interest and dividend income	145	81	160
Interest expense	(41)	(38)	(76)
Income taxes	(2,529)	(883)	(2,350)
Cash flows from operating activities	6,678	5,282	17,004
II. Cash flows from investing activities:			
Deposits to time deposits	(1,624)	(2,204)	(705)
Proceeds from sales of marketable securities	35	53	407
Purchases of property, plant and equipment	(4,459)	(5,419)	(12,715)
Proceeds from sales of property, plant and equipment	44	130	189
Purchases of investment securities	(69)	(1)	(60)
Proceeds from sales of investment securities	—	—	0
Payments for purchase of shares or additional investment in unconsolidated subsidiaries or affiliates	—	(5)	(5)
Payments for loans	(4)	—	(0)
Proceeds from collection of loans receivable	12	16	17
Other	653	160	(325)
Cash flows from investing activities	(5,411)	(7,270)	(13,198)
III. Cash flows from financing activities:			
Change in short-term borrowings	(394)	(3,731)	(5,553)
Repayment of long-term debt	—	(32)	—
Reversal of redemption fund of convertible bonds	—	3,907	3,907
Cash dividends paid	(670)	(604)	(1,133)
Payment for acquisition of treasury stock	(3)	(4)	(8)
Other	(0)	0	(0)
Cash flows from financing activities	(1,069)	(465)	(2,788)
IV. Effect of exchange rate changes on cash and cash equivalents	142	514	1,088
V. Increase (decrease) in cash and cash equivalents	340	(1,939)	2,106
VI. Cash and cash equivalents at beginning of year	13,765	9,190	9,190
VII. Increase in cash and cash equivalents resulting from initial consolidation of subsidiaries	—	2,469	2,469
VIII. Cash and cash equivalents at end of year	14,105	9,720	13,765

Business Segment Information

Six months ended September 30, 2006

(Unit: millions of yen)

	Pressure Sensitive Adhesive Related	Paper Related	Total	Eliminations & Corporate	Consolidated
I. Net sales					
(1) Net sales to outside customers	73,051	24,119	97,170	—	97,170
(2) Intersegment sales and transfers	3	5,132	5,136	(5,136)	—
Total	73,054	29,251	102,306	(5,136)	97,170
Operating expenses	67,346	27,196	94,543	(5,132)	89,410
Operating income	5,707	2,055	7,763	(3)	7,759

Six months ended September 30, 2005

(Unit: millions of yen)

	Pressure Sensitive Adhesive Related	Paper Related	Total	Eliminations & Corporate	Consolidated
I. Net sales					
(1) Net sales to outside customers	63,240	22,802	86,042	—	86,042
(2) Intersegment sales and transfers	105	3,884	3,989	(3,989)	—
Total	63,345	26,687	90,032	(3,989)	86,042
Operating expenses	58,829	24,950	83,780	(3,989)	79,790
Operating income	4,515	1,736	6,251	0	6,252

Fiscal year ended March 31, 2006

(Unit: millions of yen)

	Pressure Sensitive Adhesive Related	Paper Related	Total	Eliminations & Corporate	Consolidated
I. Net sales					
(1) Net sales to outside customers	133,053	47,280	180,334	—	180,334
(2) Intersegment sales and transfers	128	8,949	9,077	(9,077)	—
Total	133,182	56,229	189,411	(9,077)	180,334
Operating expenses	123,684	52,110	175,794	(9,078)	166,715
Operating income	9,498	4,119	13,617	1	13,618

Notes:

- (1) Operations are classified into pressure-sensitive adhesive related and paper related segments in accordance with product types and characteristics and selling methods.
- (2) Principal products for each segment are as follows:
 1. Pressure-sensitive adhesive related: pressure-sensitive papers, pressure-sensitive films, semiconductor-related products and equipment, optical-related products
 2. Paper-related: release papers, release films, speciality papers for envelopes

Geographical Segment Information

Six months ended September 30, 2006

(Unit: millions of yen)

	Japan	Asia	Others	Total	Eliminations & Corporate	Consolidated
Net sales and operating income (loss)						
(1) Net sales to outside customers	84,349	8,295	4,525	97,170	—	97,170
(2) Intersegment sales and transfers	3,706	2,530	519	6,757	(6,757)	—
Total	88,056	10,826	5,045	103,927	(6,757)	97,170
Operating expenses	831,113	8,700	4,340	96,155	(6,744)	89,410
Operating income	4,942	2,125	704	7,772	(12)	7,759

Six months ended September 30, 2005

(Unit: millions of yen)

	Japan	Asia	Others	Total	Eliminations & Corporate	Consolidated
Net sales and operating income (loss)						
(1) Net sales to outside customers	76,960	5,485	3,597	86,042	—	86,042
(2) Intersegment sales and transfers	4,401	2,321	611	7,334	(7,334)	—
Total	81,362	7,806	4,208	93,377	(7,334)	86,042
Operating expenses	76,620	6,762	3,753	87,136	(7,345)	79,790
Operating income	4,741	1,044	454	6,241	11	6,252

Fiscal year ended March 31, 2006

(Unit: millions of yen)

	Japan	Asia	Others	Total	Eliminations & Corporate	Consolidated
Net sales and operating income (loss)						
(1) Net sales to outside customers	158,753	14,250	7,330	180,334	—	180,334
(2) Intersegment sales and transfers	9,726	5,057	1,175	15,959	(15,959)	—
Total	168,480	19,307	8,505	196,293	(15,959)	180,334
Operating expenses	158,522	16,479	7,773	182,775	(16,060)	166,715
Operating income	9,957	2,828	732	13,518	100	13,618

Notes:

- (1) Country and regional segments are based on geographic proximity.
- (2) The main countries and regions included in each segment are as follows:
 1. Asia: Korea, China, Taiwan, Singapore, Indonesia, Malaysia
 2. Others: United States, Netherlands

Overseas Sales

Six months ended September 30, 2006

(Unit: millions of yen)

	Asia	Others	Total
I. Overseas sales	15,404	5,391	20,796
II. Consolidated net sales			97,170
III. Overseas sales/consolidated net sales (%)	15.9	5.5	21.4

Six months ended September 30, 2005

(Unit: millions of yen)

	Asia	Others	Total
I. Overseas sales	11,542	4,177	15,720
II. Consolidated net sales			86,042
III. Overseas sales/consolidated net sales (%)	13.4	4.9	18.3

Fiscal year ended March 31, 2006

(Unit: millions of yen)

	Asia	Others	Total
I. Overseas sales	27,174	8,305	35,480
II. Consolidated net sales			180,334
III. Overseas sales/consolidated net sales (%)	15.1	4.6	19.7

Notes:

- (1) Country and regional segments are based on geographic proximity.
- (2) The main countries and regions included in each segment are as follows:
 1. Asia: Korea, China, Taiwan, Singapore, Indonesia, others
 2. Others: North America, Europe, Oceania, others
- (3) Overseas sales represent the sales of Lintec Corporation and its consolidated subsidiaries in countries and regions outside Japan.