

Our Business

The LINTEC Group's operations are divided into seven categories, which have been arranged into three operational segments: Printing and Industrial Materials Products, Electronic and Optical Products, and Paper and Converted Products. The following is an overview of these segments in the fiscal year ended March 31, 2011.

Printing and Industrial Materials Products

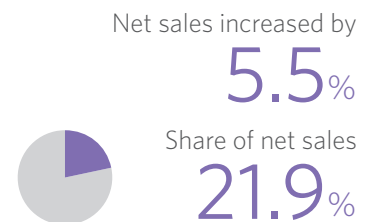
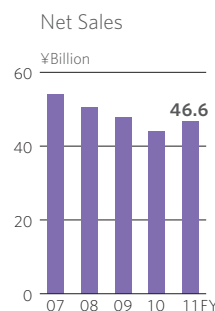
Printing and variable information products operations

We conduct production and sales of LINTEC group's mainstay adhesive papers and films for seals and labels. Its adhesive films perform particularly well, boasting a share of over 50% of the domestic market and a growing share in such overseas markets as China and Southeast Asia.

Net sales in the fiscal year under review were up 5.5% year on year, to ¥46.6 billion, due to consistent domestic sales of products for use in automobiles, home electronics, and food products, and the favorable performance of these products in China and Southeast Asia.

Main Products

Adhesive papers and films for seals and labels /
Label printing machines



Net sales
¥ **91.9** bn

Operating income
¥ **8.0** bn

Industrial and material operations

LINTEC deals in a wide variety of products including sheet materials for photovoltaic (PV) modules, which have been showing rapid sales growth in recent years, specialty adhesive products for use in information devices and automobiles, label system-related equipment, printing materials for outdoor signs and interior finishing, and even adhesive films for glass.

Net sales in the fiscal year under review increased 19.2%, to ¥44.0 billion. This was due to the impressive sales growth of PV backsheets as well as the admirable performance of adhesive products for use in motorcycles and other automobiles in Southeast Asia and North America.

Main Products

PV backsheets / Automobile-use adhesive products / Industrial-use adhesive tapes / Barcode printers / Labeling machines / Films for outdoor signs and advertising / Interior finishing mounting sheets / Window films

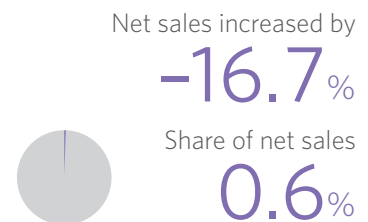
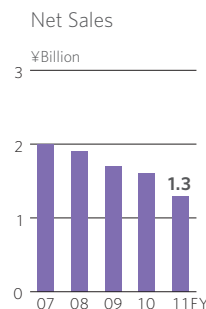
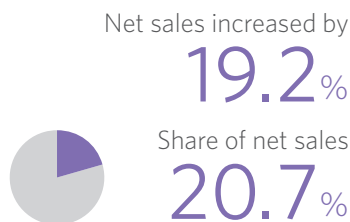
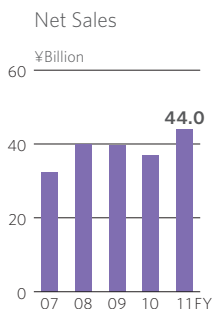
Healthcare products operations

The principal activities we conduct include the development of an oral film formulation, which swells to a jelly when moistened by a small amount of saliva and that can be easily swallowed without water, and transdermal therapeutic patches, which enable medicine to be absorbed through the skin into the body when a patch that contains medicine in the adhesive is applied to the skin. In these ways, we are conducting R&D activities in cooperation with pharmaceutical companies while also conducting R&D activities utilizing the unique technologies we possess as an adhesive materials manufacturer.

Net sales in the fiscal year under review declined 16.7%, to ¥1.3 billion, due to the slumping sales of existing products.

Main Products

Oral film formulation / Transdermal therapeutic patches / Adhesive products for medical treatment / Antibacterial and anti-mold materials



Electronic and Optical Products

Net sales

¥81.2 bn

Operating income

¥6.7 bn

Advanced materials operations

We provide such products as specialized adhesive tapes and related equipment essential in semiconductor manufacturing and mounting processes, as well as coated films for multilayer ceramic capacitor (MLCC) production and various materials for touch panel.

Net sales in the fiscal year under review rose a substantial 43.9%, to ¥34.6 billion, largely due to the impressive performance of semiconductor-related tapes and equipment stemming from the prosperity of the semiconductor industry, and favorable sales of coated films for MLCC production following the robust demand for smartphones.

Main Products

Semiconductor-related tapes and equipment / Coated films for MLCC production / Touch panel related products / Films for plasma display panels / RFID-related products

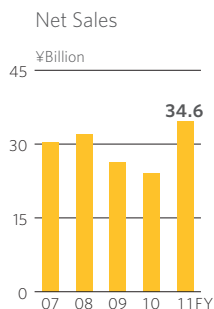
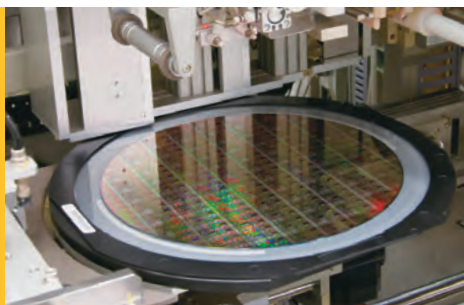
Optical products operations

We conduct processing, such as the adhesive processing for the bonding of polarizing films and retardation films used to make LCDs; and surface improvement processing for polarizing films such as antiglare hard coat processing, which reduces reflectivity and protects films from scratches; and the manufacturing of protection films for polarizing films.

Net sales in the fiscal year under review grew 2.7%, to ¥46.5 billion, due to the solid performance of products for LCD TVs and robust demand for smartphones and other devices.

Main Products

Polarizing films and retardation films for LCDs (adhesive processing) / Polarizing films for LCDs (surface improvement processing) / Protection films for polarizing films

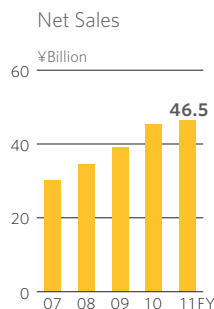


Net sales increased by

43.9%

Share of net sales

16.3%



Net sales increased by

2.7%

Share of net sales

21.8%



Paper and Converted Products

Net sales
¥39.7 bn

Operating income
¥6.1 bn

Fine and specialty paper products operations

We produce and sell color papers for envelopes and colored construction papers, in which LINTEC holds the leading share in domestic markets; industrial-use special function papers, such as lint-free papers for use in clean-room environments; high-grade printing papers with special textures; and high-grade papers for paper products used for business cards and postcards.

Net sales in the fiscal year under review were up 2.1%, to ¥17.5 billion, primarily due to the recovery of demand for industrial-use special function papers, which helped offset the lower sales of mainstay color papers for envelopes, resulting from poor market conditions.

Main Products

Color papers for envelopes / Colored construction papers / Special function papers / High-grade printing papers / High-grade papers for paper products

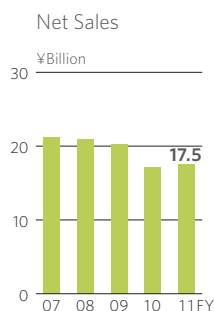
Converted products operations

We provide release papers and films for a variety of adhesive products. Additionally, we produce casting papers that are indispensable in the production of synthetic leather. We also manufacture casting papers for carbon fiber composite materials. Going forward, we have high expectations for carbon fiber due to its increased usage, such as in the bodies of aircraft.

Net sales in the fiscal year under review increased 9.8%, to ¥22.2 billion, as a result of consistent sales for mainstay release papers and release films for optical-related products, and the favorable sales of casting papers for synthetic leather and carbon fiber composite materials.

Main Products

Release papers and films for adhesive products / Casting papers for synthetic leather / Casting papers for carbon fiber composite materials

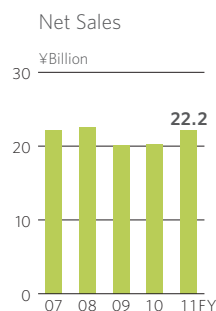


Net sales increased by

2.1%

Share of net sales

8.2%



Net sales increased by

9.8%

Share of net sales

10.5%

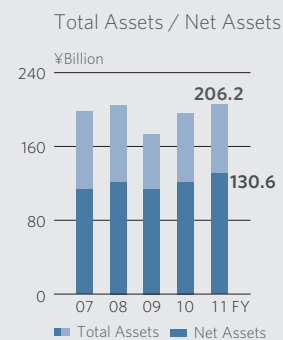
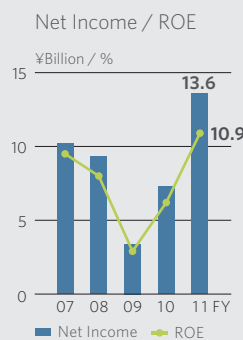
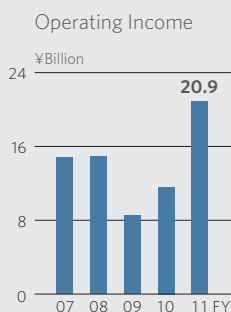
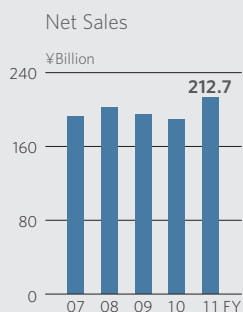


Financial Highlights

LINTEC Corporation and its consolidated subsidiaries
Years ended March 31

	2011	Millions of yen except per share data		Thousands of U S dollars except per share data*	% change 2011 / 2010
		2010	2009	2011	
Net sales	¥ 212,733	¥ 189,348	¥ 194,901	\$2,558,427	12.4
Operating income	20,889	11,576	8,498	251,226	80.4
Income before income taxes	19,565	11,399	5,215	235,305	71.6
Net income	13,622	7,284	3,391	163,835	87.0
Return on equity	10.9%	6.2%	2.9%	10.9%	
Per share data (yen and dollars)					
Net income	¥ 180.21	¥ 96.36	¥ 44.86	\$ 2.17	87.0
Net assets	1,715.78	1,596.37	1,497.58	20.63	7.5
Cash dividends	40.00	24.00	20.00	0.48	66.7
Depreciation and amortization	¥ 10,178	¥ 10,537	¥ 11,286	\$ 122,410	(3.4)
Capital expenditures	10,058	7,935	8,766	120,965	26.8
Net cash provided by operating activities	23,307	22,259	12,979	280,312	4.7
Net cash used in investing activities	(9,926)	(9,253)	(9,752)	(119,382)	7.3
Net cash used in financing activities	(2,820)	(3,454)	(2,300)	(33,915)	(18.4)
Cash and cash equivalents	35,188	25,387	15,370	423,188	38.6
Total assets	206,188	195,656	172,854	2,479,714	5.4
Net assets	130,576	121,502	113,930	1,570,371	7.5

* The U S dollar amounts are translated, for convenience only, at the rate of ¥83.15 to U S \$1, the exchange rate prevailing on March 31, 2011



FORWARD LOOKING STATEMENTS: All statements contained in this annual report, such as projected operating results, that are not historical facts are forward looking statements based on the Company's estimates and plans. For various reasons, it is possible that the Company's future results, performance, or achievements will differ from the contents of these forward looking statements.