

Securities Code 5208

Jan 27<sup>th</sup>, 2022

<http://www.arisawa.co.jp>

# **Arisawa Mfg. Co., Ltd.**

## **FY2021 Overview in Q3**

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# FY2021 Q3 Consolidated Performance

(unit: Million Yen)	Reference			vs. Prev. year [After application of Revenue Recognition Standard]
	FY2020 Q3 result	FY2020 Q3 result [After application of Revenue Recognition Standard]	FY2021 Q3 result	
Sales	34,606	32,895	32,663	-5.6% [-0.7%]
Operating Income	2,223	2,242	2,803	26.1% [25.0%]
Operating Margin	6.4%	6.8%	8.6%	2.2% [1.8%]
Ordinary Income	2,290	2,309	3,155	37.8% [36.7%]
Net Income	1,380	1,393	2,971	115.3% [113.3%]
Earnings per share (Yen)	41.50		89.18	114.9% [ -- ]
Dividend (Yen)	0		5.00	--
Exchange rate (Yen / \$) average for the period at end of period	107.55 103.50		108.58 115.02	

# ■ Highlights of FY2021 Q3 Consolidated Performance

- As for Sales, although Display materials and Electrical insulating materials increased steadily, the consolidated sales decreased by 5.6% year-over-year due to the application of Revenue Recognition Standard.
- Operating income increased by 26.1% year-over-year due to an increase in Display materials (ColorLink Japan and 3D), Electronic materials (PWBPP and Satosen) and Electrical insulating materials.
- Electronic materials decreased the sales by 3.9% year-over-year due to slowing down for mobile use because of the shortage of components supply and the application of Revenue Recognition Standard.
- Industrial structural materials decreased the sales by 19.2% year-over-year. Because, although FW for water treatment increased steadily, an adjustment phase continued for Honey-comb panel for aircraft and automobile materials.
- Display materials increased the sales by 15.5% year-over-year due to an increase in the sales of ColorLink Japan (polarization utilization equipment) and 3D products.
- Net Income increased by 115.3% year-over-year due to gain on sale of securities.

Reference [Comparison with After application of Revenue Recognition Standard of FY2020 ]

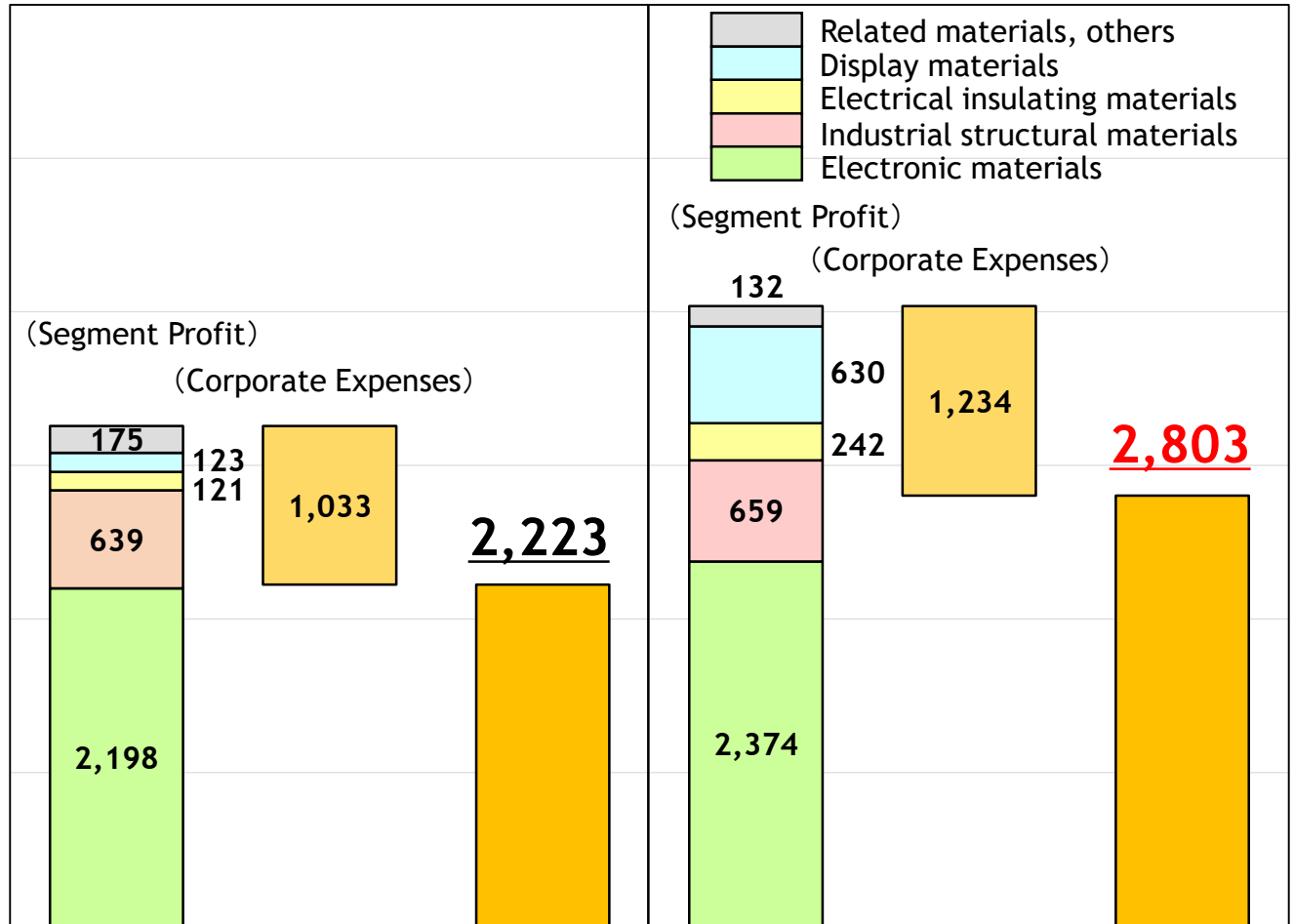
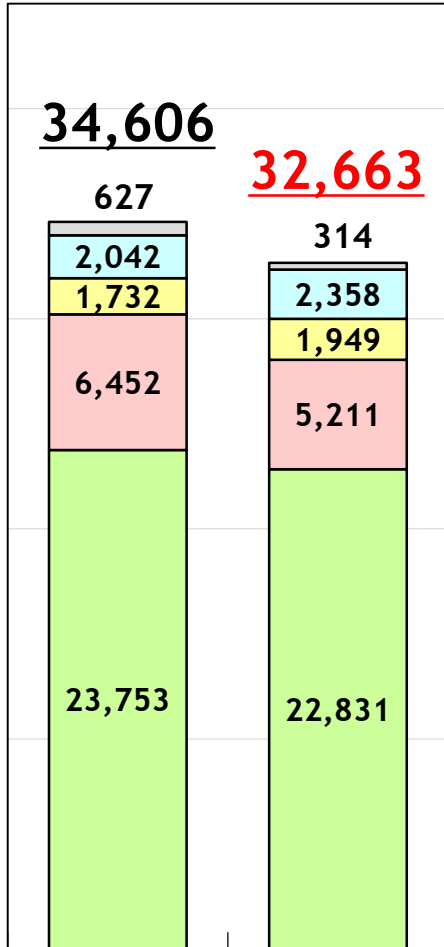
Sales : Decreased by 0.7%	Operating income: Increased by 25.0%
Electronic materials	: Increased by 1.3%
Industrial structural materials	: Decreased by 16.7%
Display materials	: Increased by 32.0%

# FY2021 Q3 Segment Comparison (vs. FY2020 Q3)

[Before application of Revenue Recognition Standard]

Sales (Million Yen)

Operating Income (Million Yen)



FY2020 FY2021

FY2020

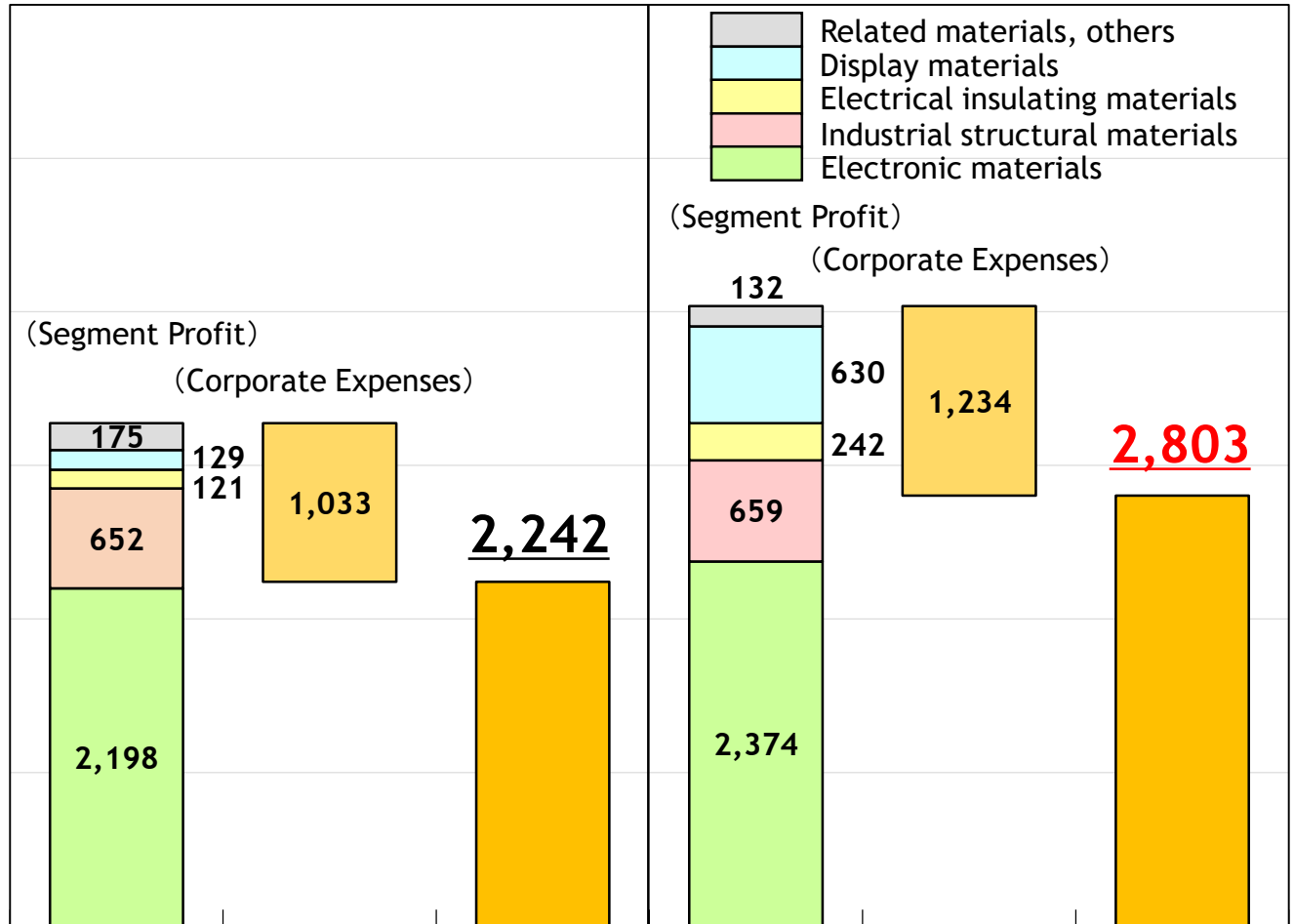
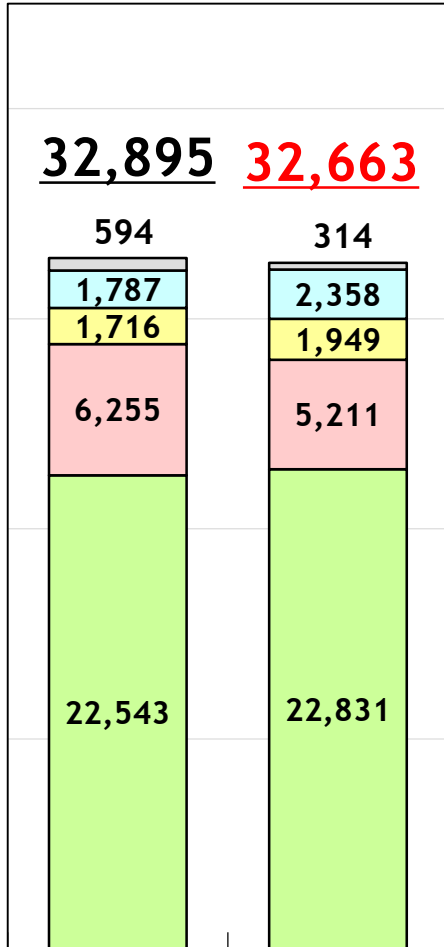
FY2021

# FY2021 Q3 Segment Comparison (vs. FY2020 Q3)

[After application of Revenue Recognition Standard]

Sales (Million Yen)

Operating Income (Million Yen)

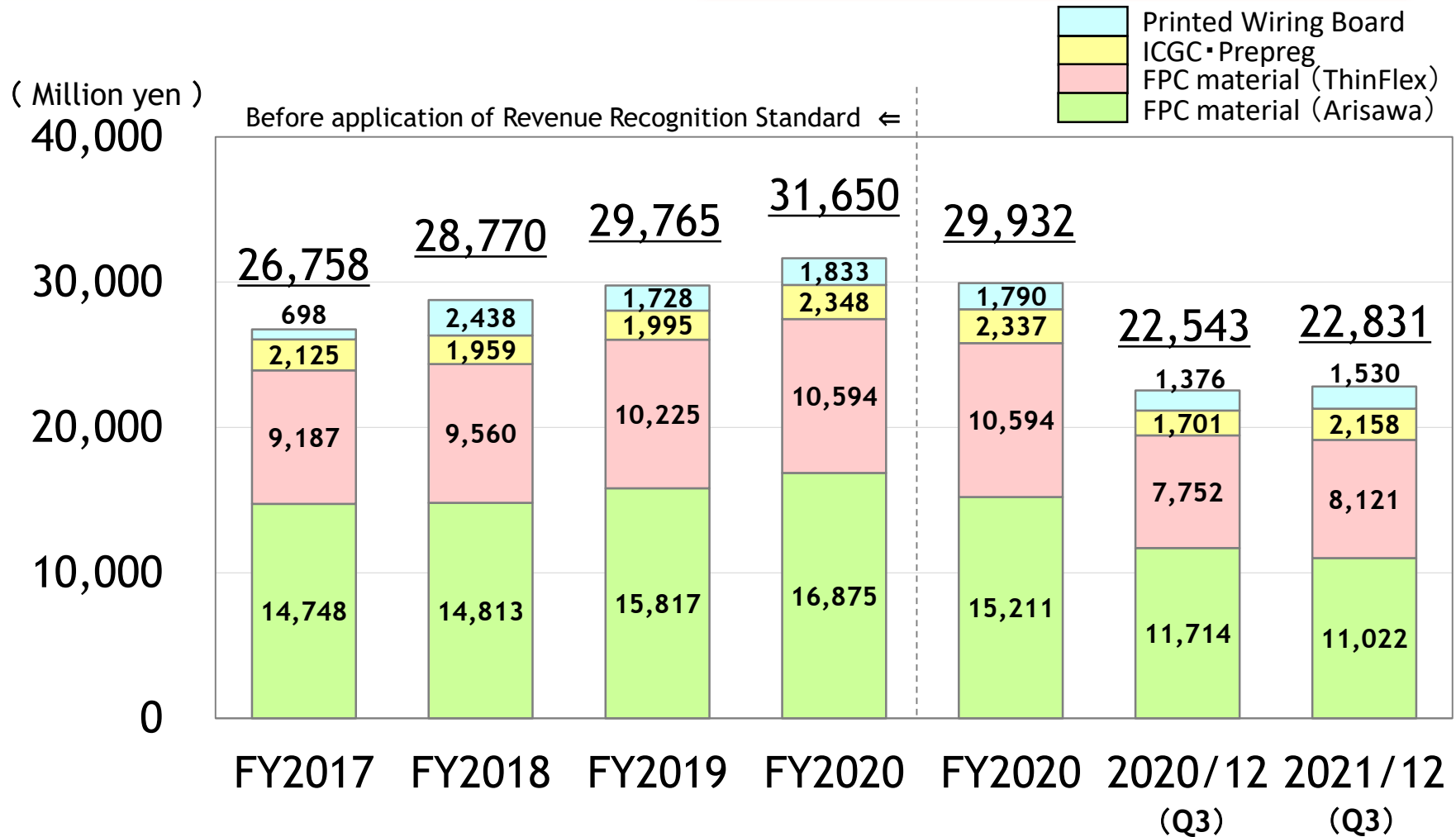


2021/3 2022/3

2021/3

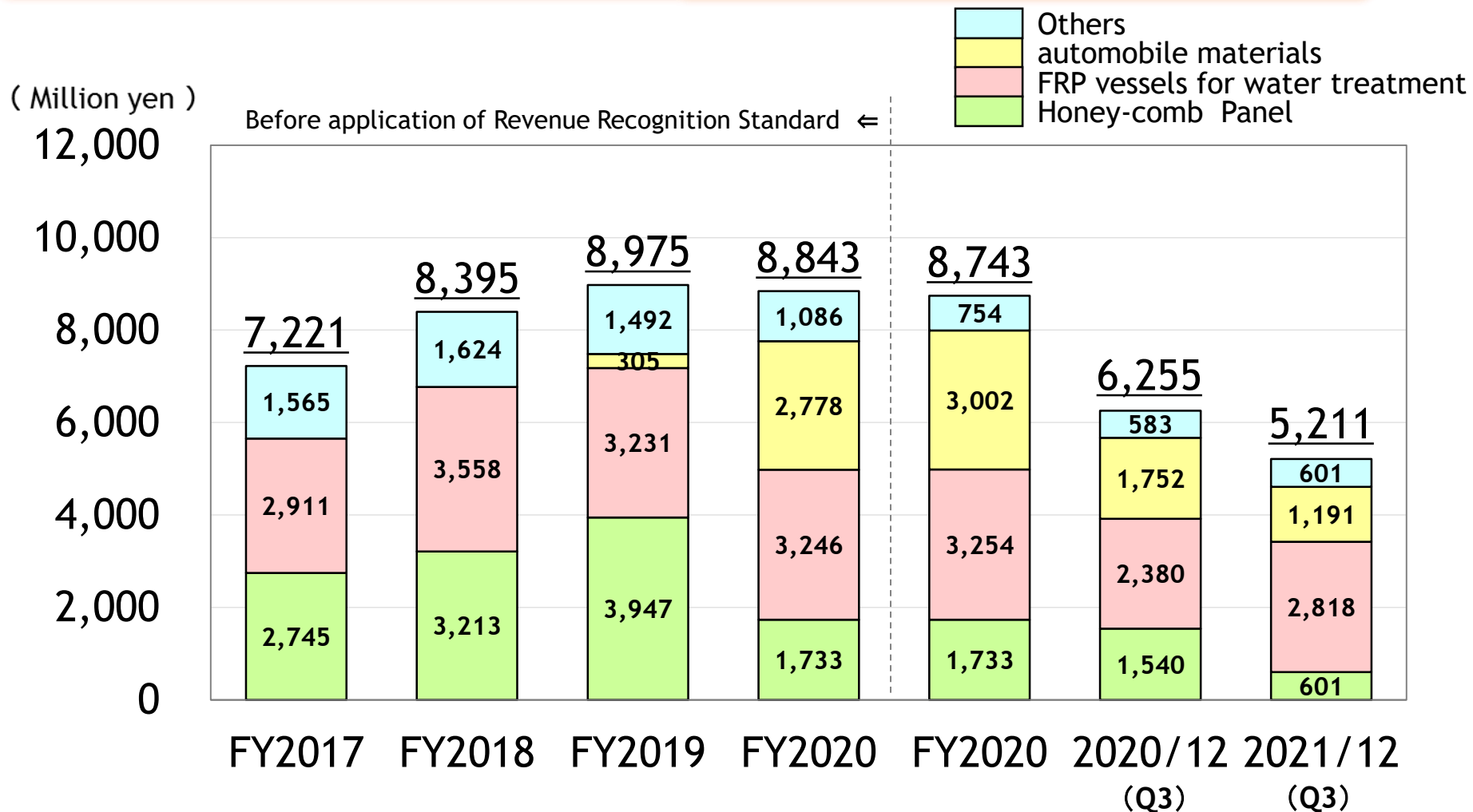
2022/3

# ■ Electronics materials Sales history



・Thinflex, ICGC/Prepreg and Printed wiring board increased.

# Industrial structural materials Sales history



•FW for water treatment increased by 18.4%, automobile materials decreased by 32.0% year-over-year.

•Adjustment phase continues for Honey-comb panel.



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# FY2021 Sales and Profit Forecast (vs. FY2020)

FCT = Forecast

(unit: Million Yen)	FY2020 Full year result	FY2020 Full year result [After application of Revenue Recognition Standard]	FY2021 Full year FCT (27 Jan)	vs. Prev. year [After application of Revenue Recognition Standard]
Sales	46,439	44,165	43,400	-6.5% [-1.7%]
Operating Income	3,118	3,170	3,300	5.8% [4.1%]
Operating Margin	6.7%	7.2%	7.6%	0.9% [0.4%]
Ordinary Income	3,578	3,629	3,700	3.4% [1.9%]
Net Income	2,160	2,196	3,400	57.3% [54.8%]
Earnings per share (Yen)	64.94		102.14*	57.3% [ -- ]
Dividend (Yen)	39.00		5.00 + 48.00	35.9% [ -- ]
Exchange rate (Yen / \$) average for the period at end of period	106.76 110.71		109.90 115.00	

\* Calculated by the number of shares as of 31 Dec 10/23

# ■ Highlights of FY2021 Consolidated Performance

(FCT is compared with Prev.year of After application of Revenue Recognition Standard.)

• Sales is expected to decrease by 1.7% year-over-year. Because, although Display materials, Electronic materials and Electrical insulating materials increase steadily, Industrial structural materials decrease.

- Electronic materials increase the sales by 1.1% year-over-year due to an increase in PWBPP and Satosen.

- Industrial structural materials decrease the sales by 20.3% year-over-year. Because, although Protec increases, an adjustment phase continues for aircraft materials and automobile materials.

- Display materials increase the sales by 31.5% year-over-year due to an increase in ColorLink Japan and 3D products.

• Operating Income is expected to increase by 4.1% year-over-year. Because, although Industrial structural materials decrease, Display materials and Electrical insulating materials increase steadily.

- Electronic materials decrease the profit by 1.0% year-over-year due to a decrease in sales for mobile use in Q3 and Q4.

- Industrial structural materials decrease the profit by 13.2% year-over-year.

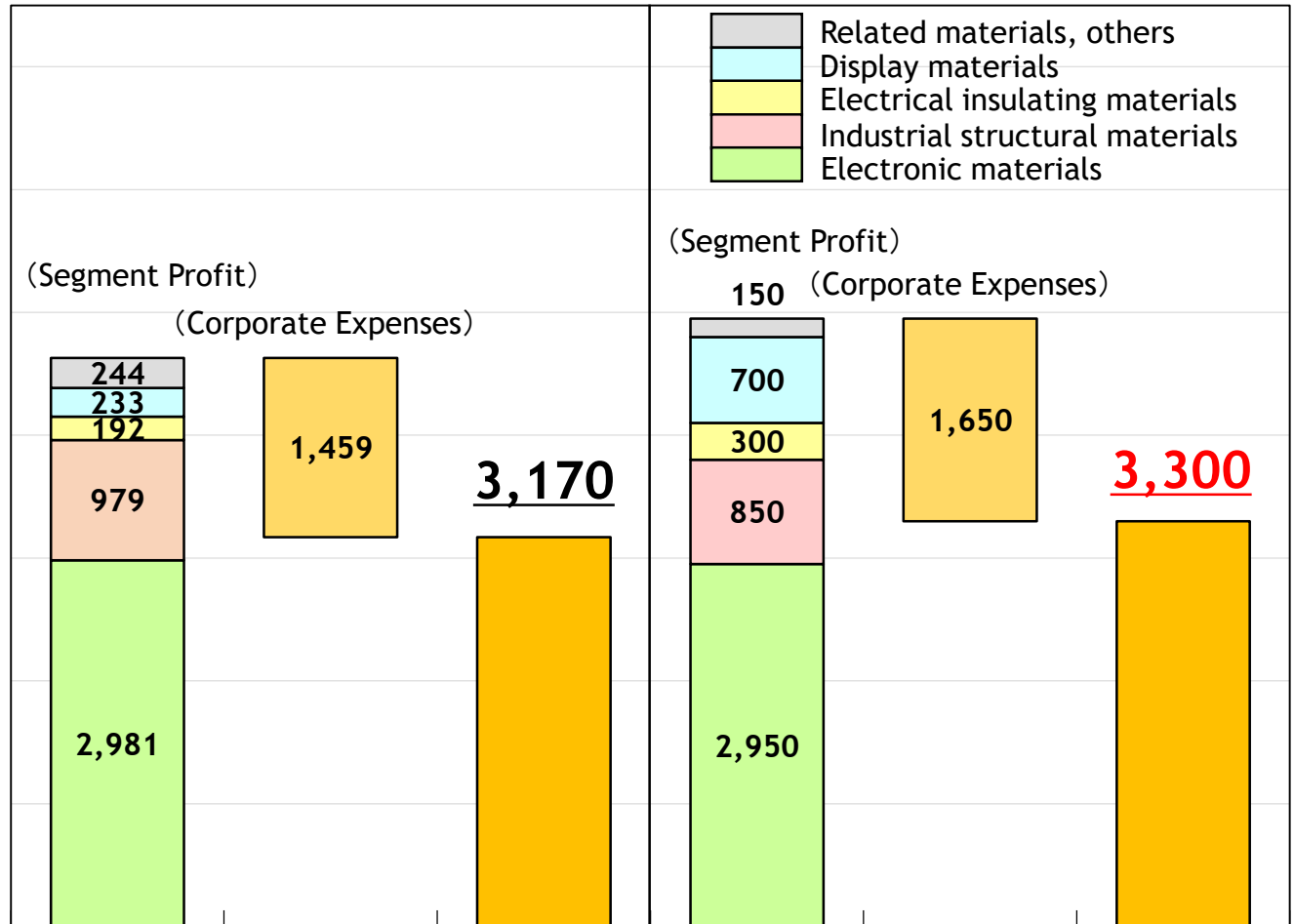
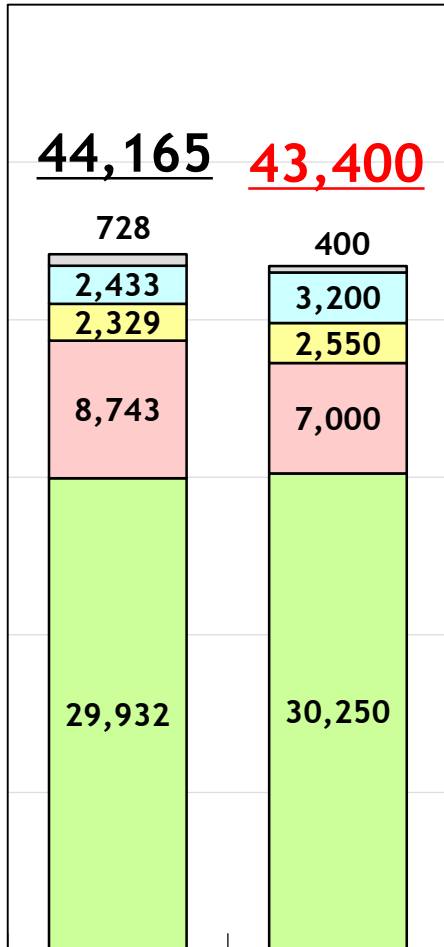
- Display materials increase the profit by 200.3% year-over-year.

# FY2021 Segment Comparison (vs. FY2020)

[After application of Revenue Recognition Standard]

Sales (Million Yen)

Operating Income (Million Yen)



- Related materials, others
- Display materials
- Electrical insulating materials
- Industrial structural materials
- Electronic materials

**FY2020** (After application of Revenue Recognition Standard)  
**FY2021** (Forecast)

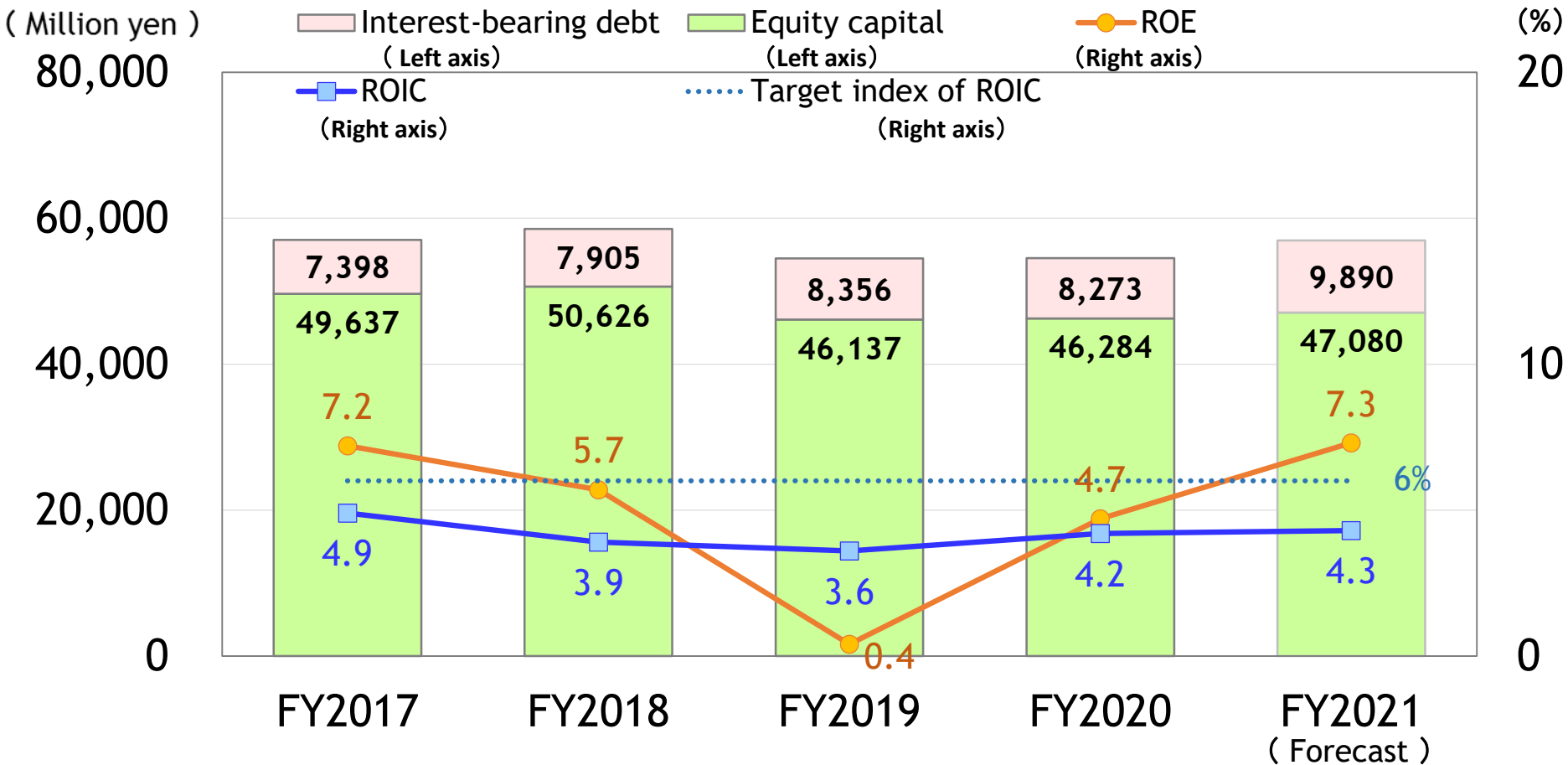
**FY2020** (After application of Revenue Recognition Standard)

**FY2021** (Forecast)

# ROE・ROIC history

ROE= Net Income / Equity capital

ROIC= NOPLAT ( Net Operating Profit Less Adjusted Tax ) /  
Equity capital + Interest-bearing debt



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# FY2021 Q3 Consolidated Performance (vs. FCT)

FCT = Forecast

(unit: Million Yen)	FY2020 Q3 result [After application of Revenue Recognition Standard]	FY2021 Q3 FCT (10/28)	FY2021 Q3 result	vs. Prev. year	vs. FCT
Sales	32,895	32,600	32,663	-0.7%	0.2%
Operating Income	2,242	2,700	2,803	25.0%	3.8%
Operating Margin	6.8%	8.3%	8.6%	1.8%	0.3%
Ordinary Income	2,309	3,000	3,155	36.7%	5.2%
Net Income	1,393	2,300	2,971	113.3%	29.2%
Earnings per share (Yen)		69.09*	89.18	--	29.1%
Dividend (Yen)	0	0	5.00	--	--
Exchange rate (Yen / \$) average for the period at end of period	107.55 103.50	108.58 110.00	108.58 115.02		

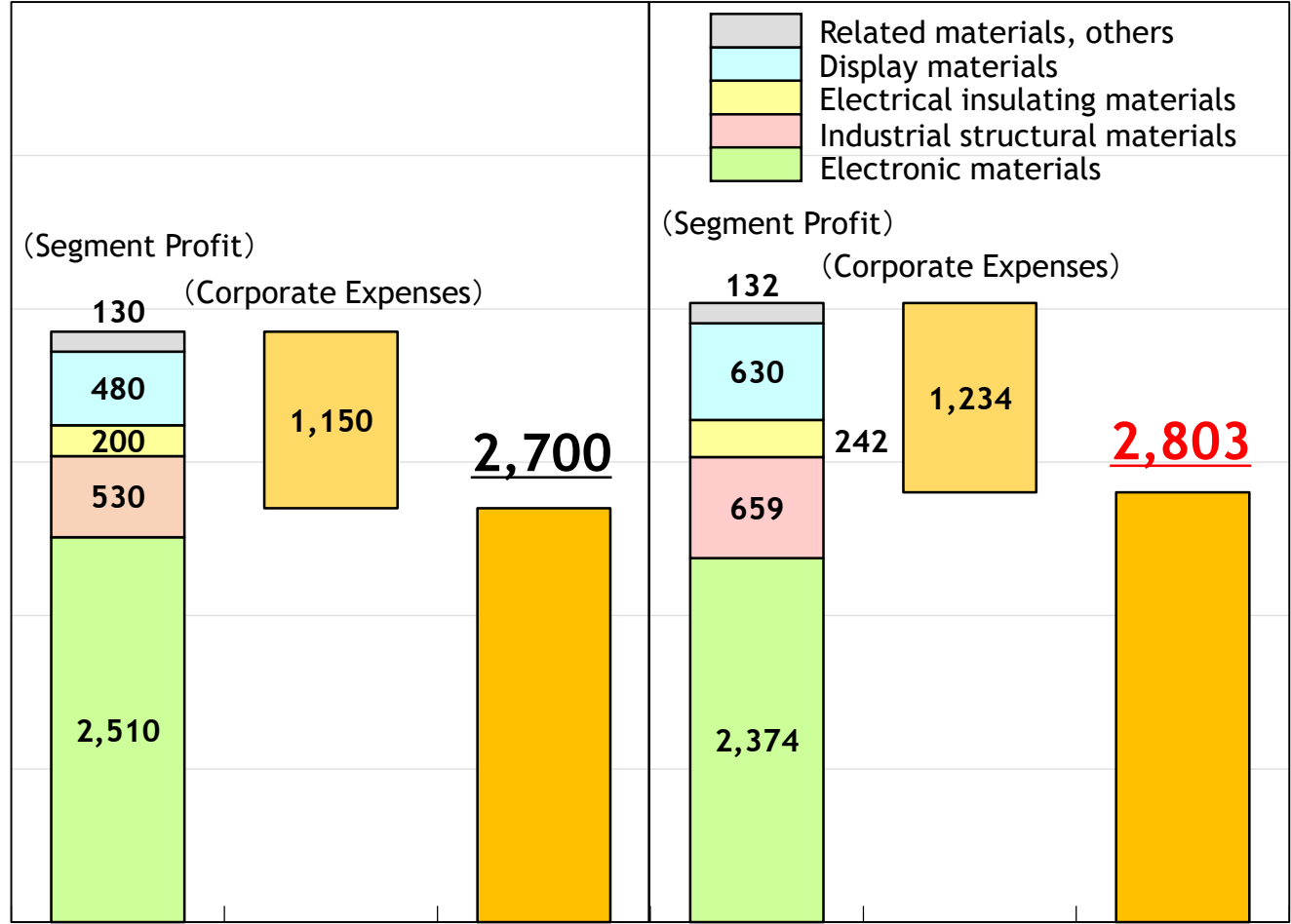
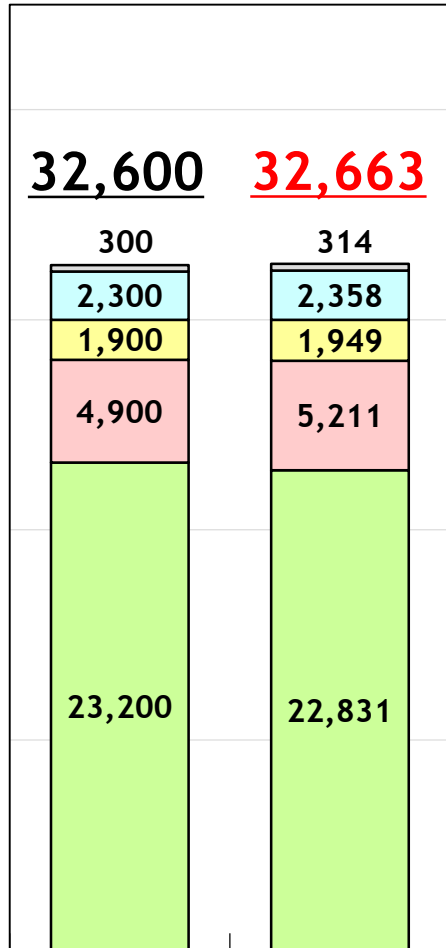
\* Calculated by the number of shares as of 30 Sep 15/23

# FY2021 Q3 Segment Comparison (vs. FCT)

FCT = Forecast as of 28 Oct

Sales (Million Yen)

Operating Income (Million Yen)



FCT

Result

FCT

Result



# FY2021 Full year Consolidated Performance (vs. FCT)

FCT = Forecast

(unit: Million Yen)	FY2020 FY result [After application of Revenue Recognition Standard]	FY2021 FY FCT (10/28)	FY2021 FY FCT (1/27)	vs. Prev. year	vs. FCT
Sales	44,165	43,400	43,400	-1.7%	0.0%
Operating Income	3,170	3,300	3,300	4.1%	0.0%
Operating Margin	7.2%	7.6%	7.6%	0.4%	0.0%
Ordinary Income	3,629	3,700	3,700	1.9%	0.0%
Net Income	2,196	2,700	3,400	54.8%	25.9%
Earnings per share (Yen)		81.11*	102.14**	--	57.3%
Dividend (Yen)		48.00	5.00 + 48.00	--	35.9%
Exchange rate (Yen / \$) average for the period	106.76	108.93	109.90		
at end of period	110.71	110.00	115.00		

\* Calculated by the number of shares as of 30 Sep \*\* Calculated by the number of shares as of 31 Dec 17/23

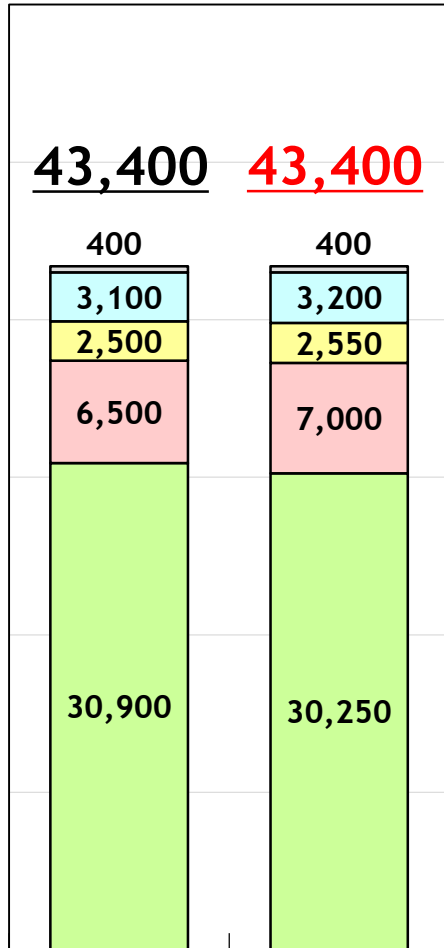
# FY2021 Segment Comparison (vs. FCT)

[After application of Revenue Recognition Standard]

Sales (Million Yen)

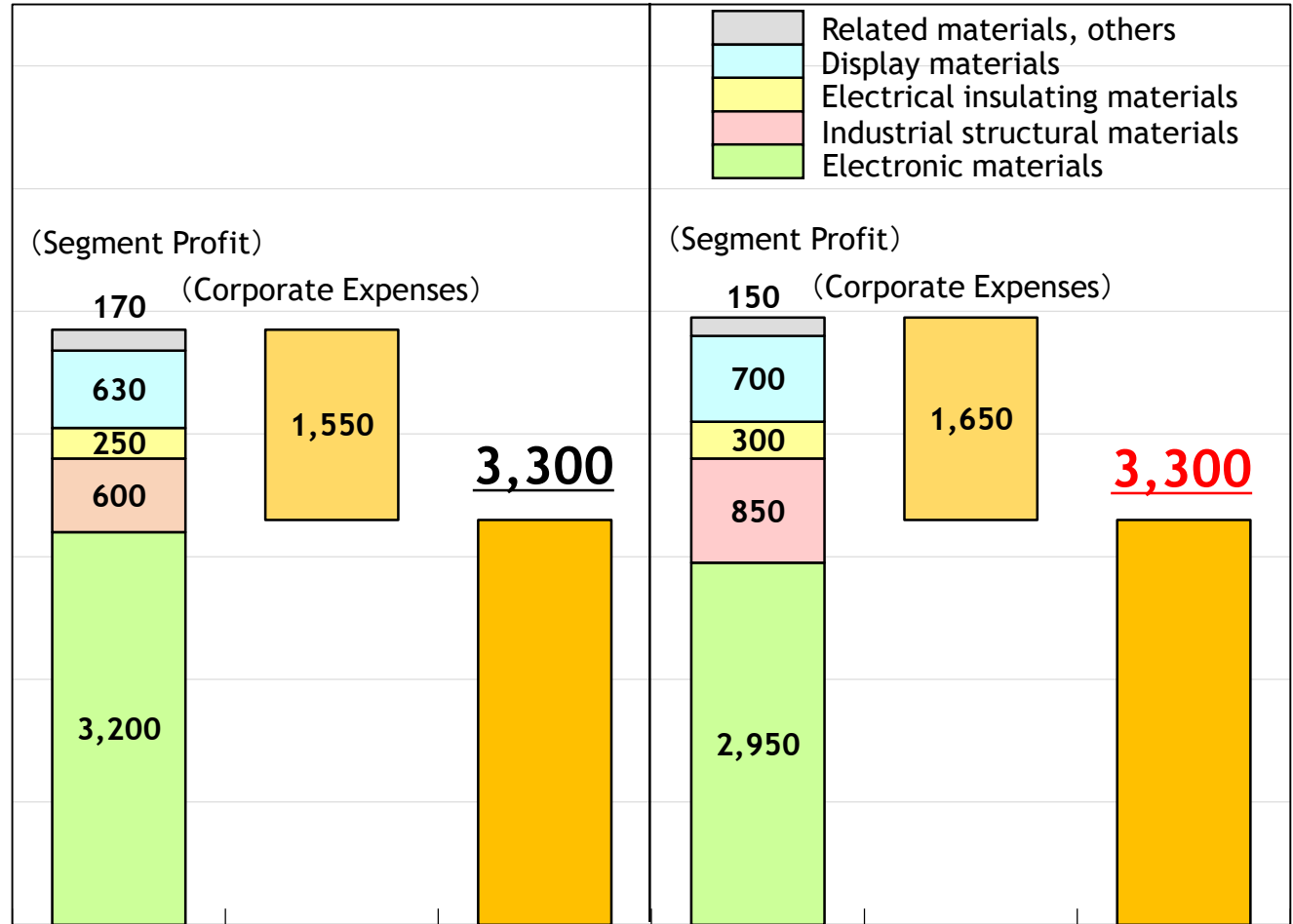
Operating Income (Million Yen)

FCT = Forecast



FCT  
(28 Oct)

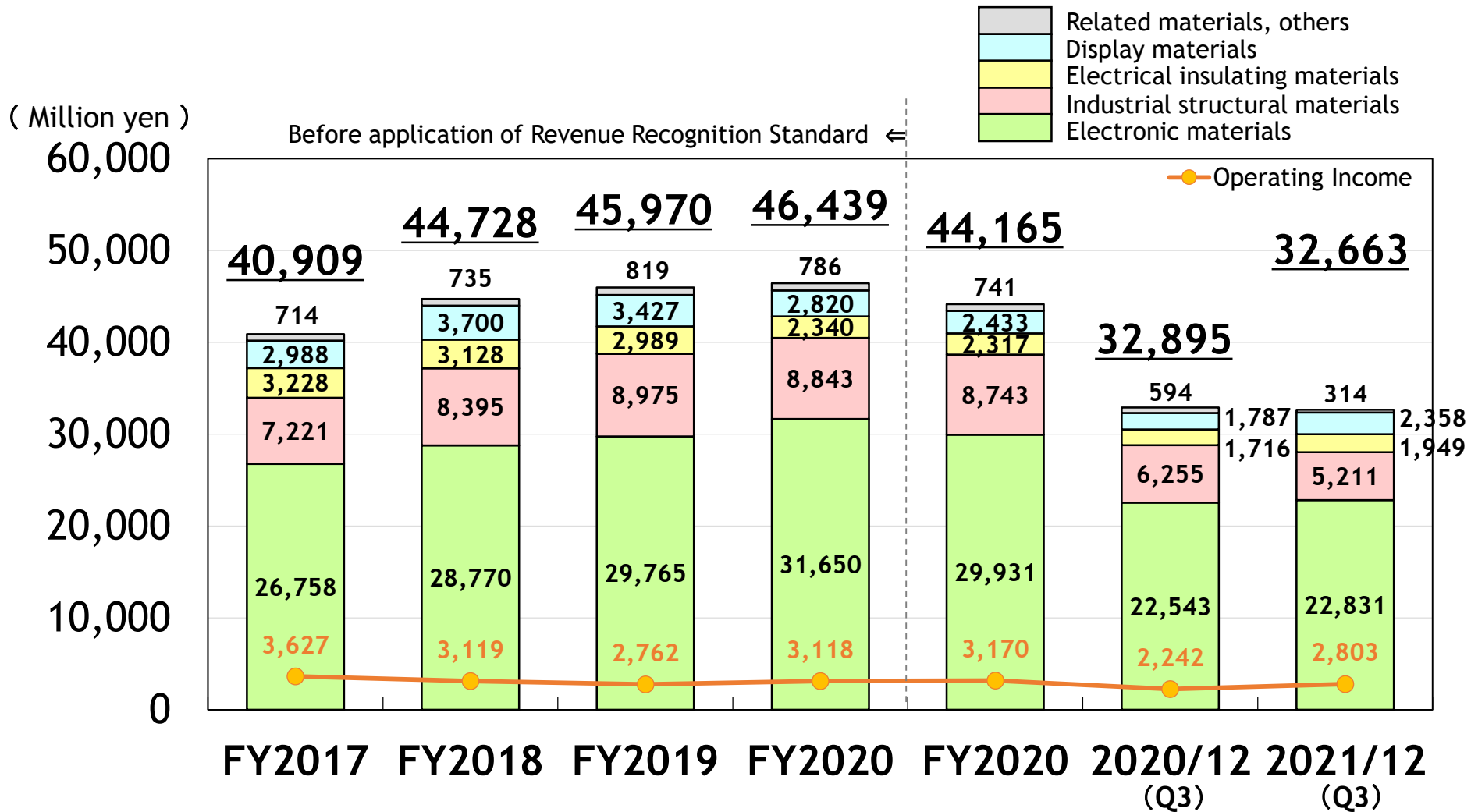
FCT  
(27 Jan)



FCT  
(28 Oct)

FCT  
(27 Jan)

# ■ Segment Comparison history (Sales, Income)



# FY2020 Q3 Consolidated Comparison

[FY2020 Q3 : Before application of Revenue Recognition Standard]

(unit: Million Yen)

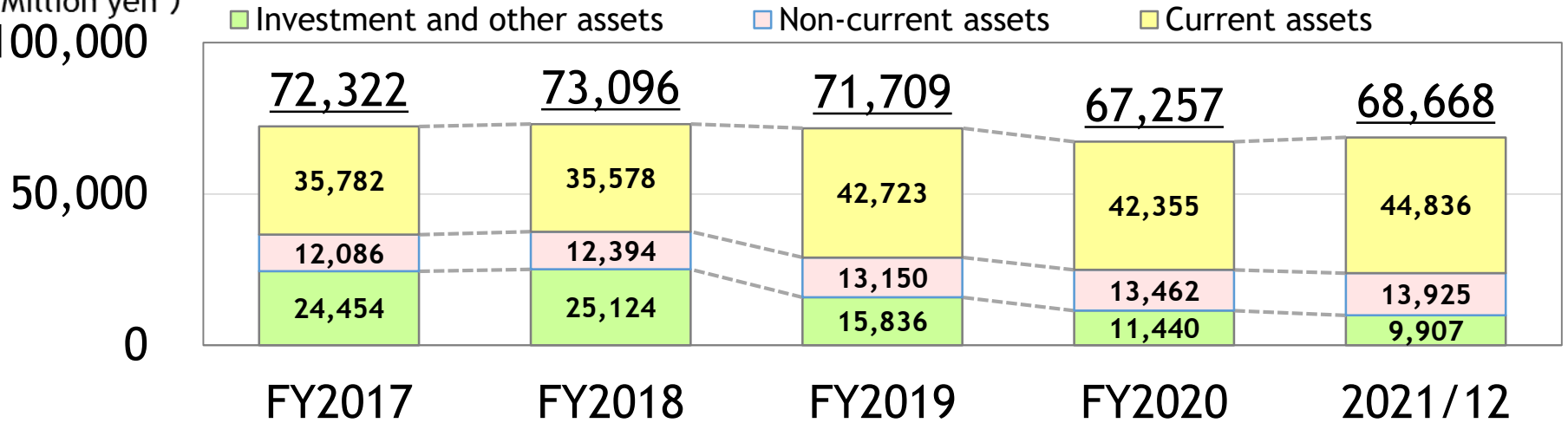
	Sales					Operating Income				
	FY2020 Q3 Result	FY2021 Q3 FCT (10/28)	FY2021 Q3 Result	+/- vs. Prev. vs. FCT year		FY2020 Q3 Result	FY2021 Q3 FCT (10/28)	FY2021 Q3 Result	+/- vs. Prev. vs. FCT year	
Parent										
Arisawa Mfg.	24,491	20,500	20,276	(4,215)	(224)	892	1,050	1,117	225	67
Consolidated										
ThinFlex	7,741	8,100	8,132	391	32	630	610	617	(13)	7
Satosan	1,420	1,500	1,531	111	31	25	30	35	10	5
Arisawa Fiber Glass	1,718	1,900	1,913	195	13	132	190	183	51	(7)
Protec	2,198	2,700	2,732	534	32	322	530	498	176	(32)
Arisawa Sogyo	1,385	1,300	1,302	(83)	2	207	80	86	(121)	6
Arisawa Jushi Kogyo	171	200	192	21	(8)	(32)	10	20	52	10
ColorLink Japan	970	1,300	1,319	349	19	(39)	150	163	202	13
(Adjustment)	(5,488)	(4,900)	(4,734)			86	50	84		
<b>Total</b>	<b>34,606</b>	<b>32,600</b>	<b>32,663</b>	(1,943)	63	<b>2,223</b>	<b>2,700</b>	<b>2,803</b>	580	103

FCT = Forecast

# Consolidated balance sheets (Summary) history

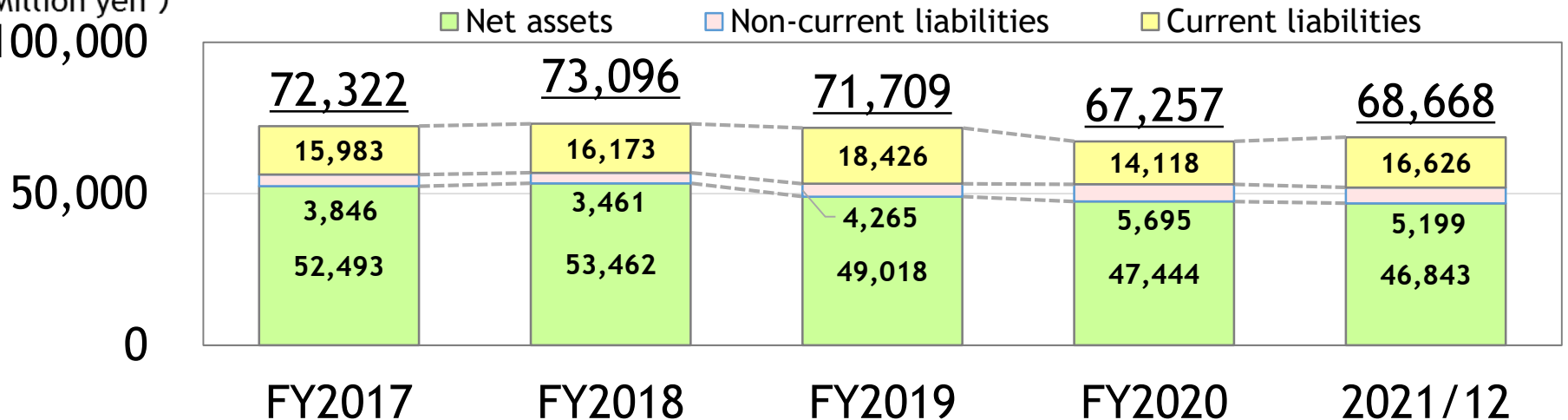
## Assets

( Million yen )  
100,000

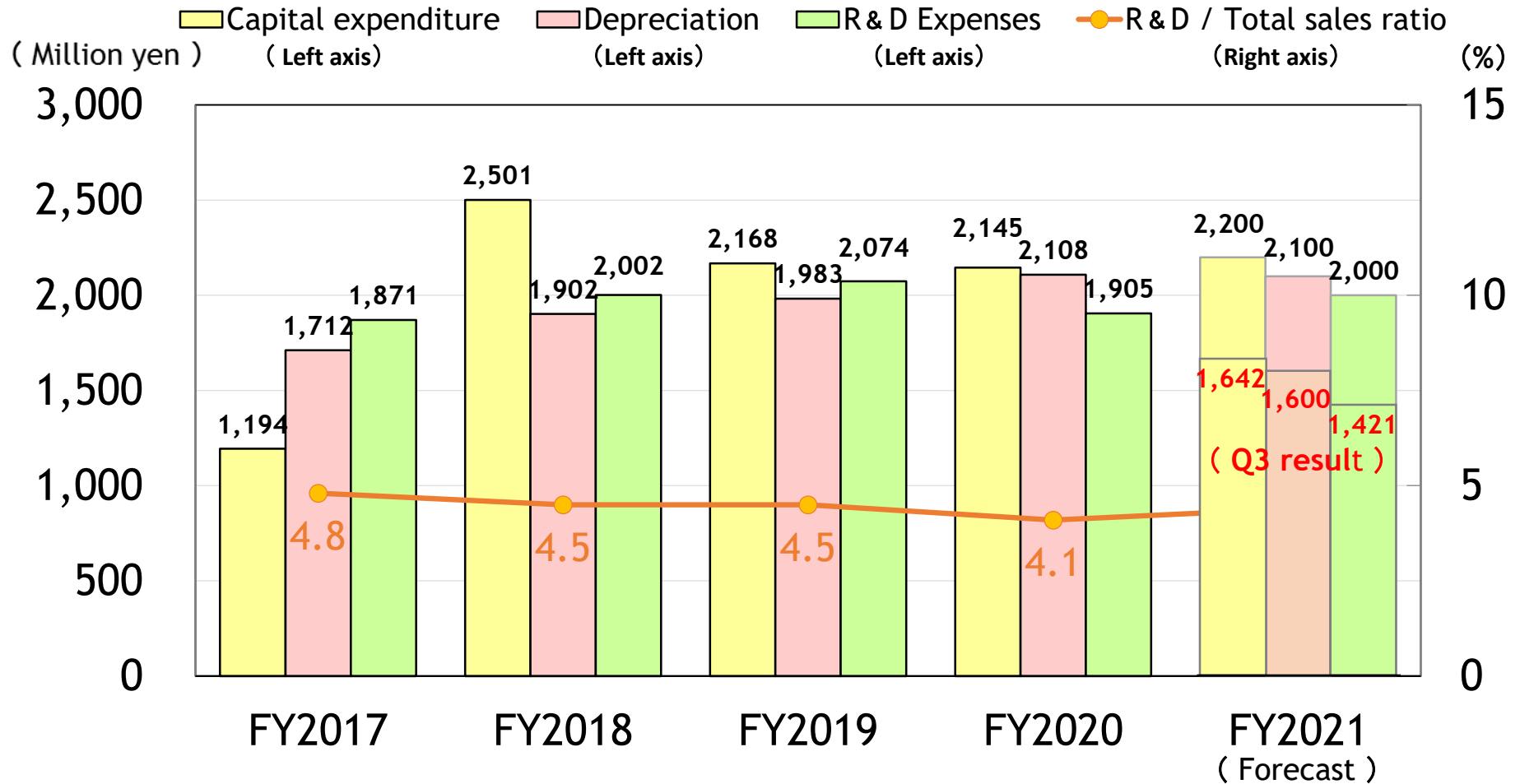


## Liabilities and net assets

( Million yen )  
100,000



# Capital expenditure, Depreciation and R & D Expenses history



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