

Securities Code 5208
<http://www.arisawa.co.jp>

Nov 4th, 2022

Arisawa Mfg. Co., Ltd.

**FY2022 Overview
in First Half**

Contents

- **FY2022 1H Review by consolidated basis**
- FY2022 Forecast by consolidated basis
- Appendix

■ FY2022 1H Consolidated Performance

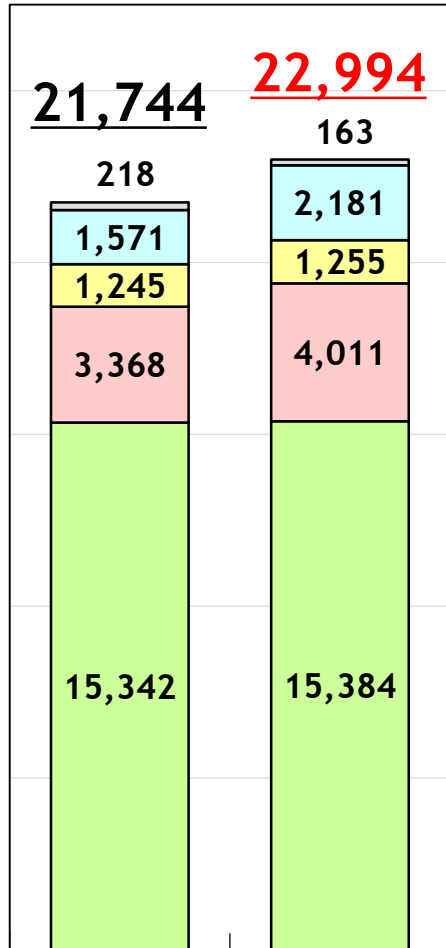
(unit: Million Yen)	FY2021 1H result	FY2022 1H result	vs. Prev. year
Sales	21,744	22,994	5.7%
Operating Income	2,048	1,861	-9.1%
Operating Margin	9.4%	8.1%	-1.3%
Ordinary Income	2,287	2,408	5.3%
Net Income	1,745	2,563	46.8%
Earnings per share (Yen)	52.38	77.37	47.7%
Dividend (Yen)	0	0	--
Exchange rate (Yen / \$)			
average for the period	107.82	123.14	
at end of period	111.92	144.81	

■ Highlights of FY2022 1H Consolidated Performance

- Sales increased by 5.7% YoY (year-over-year) due to an increase in Industrial structural materials and Display materials and steady increase in Electronic materials.
- Operating Income decreased by 9.1% YoY due to escalating costs of energy and raw materials.
- Electronic materials increased the sales by 0.3% YoY. Because, although ICGC and PWBPP decreased, FPC material increased.
- Industrial structural materials increased the sales by 19.1% YoY. Because although in-car materials decreased, FRP pressure vessels for water treatment increased.
- Display materials increased the sales by 38.8% YoY due to an increase in the sales of 3D products and polarization utilization component by ColorLink Japan.
- Ordinary Income increased by 5.3% YoY due to a foreign exchange profit.
- Net Income increased by 46.8% YoY due to gain on sale of securities.

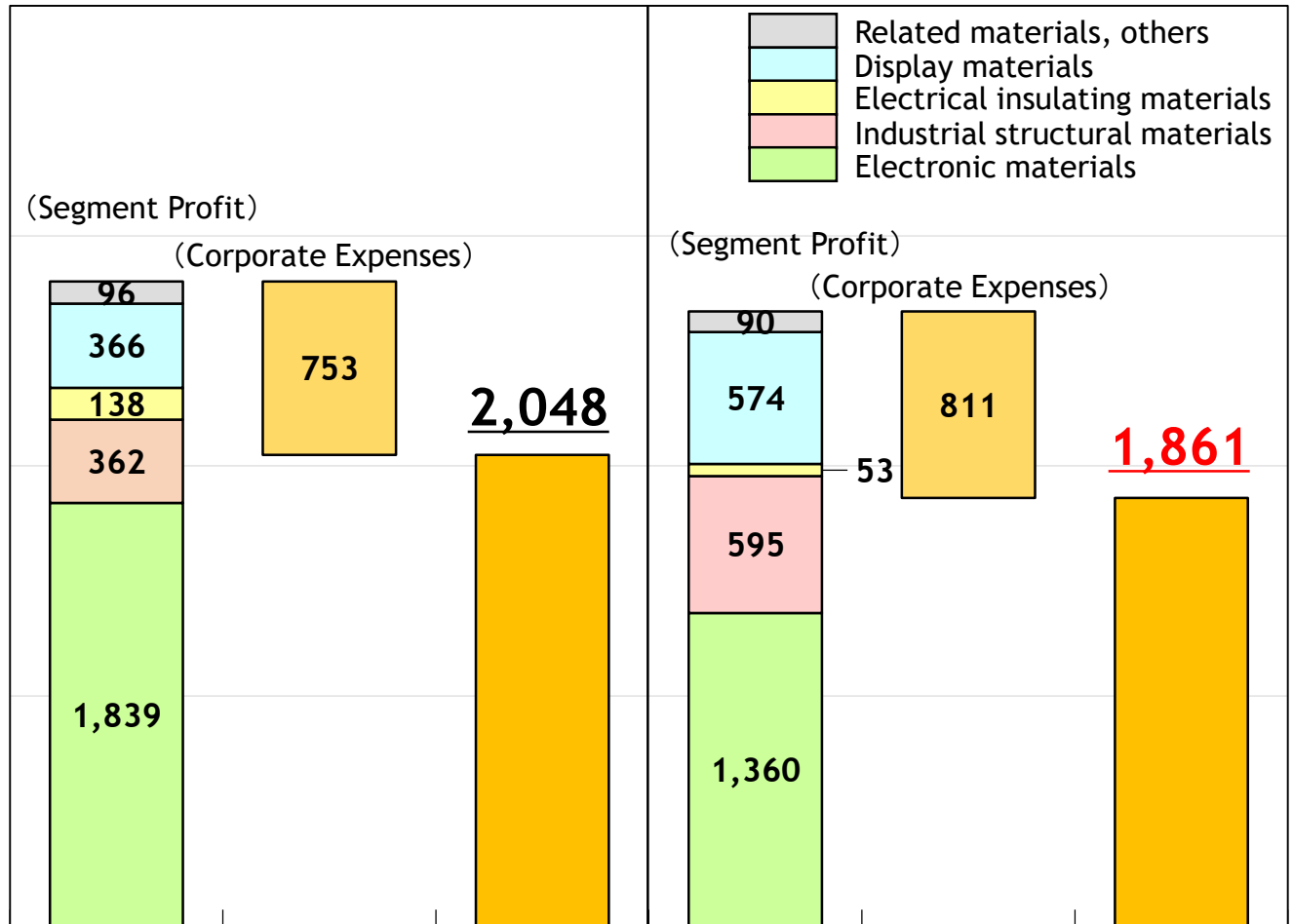
FY2022 1H Segment Comparison (vs. FY2021 1H)

Sales (Million Yen)



FY2021 **FY2022**

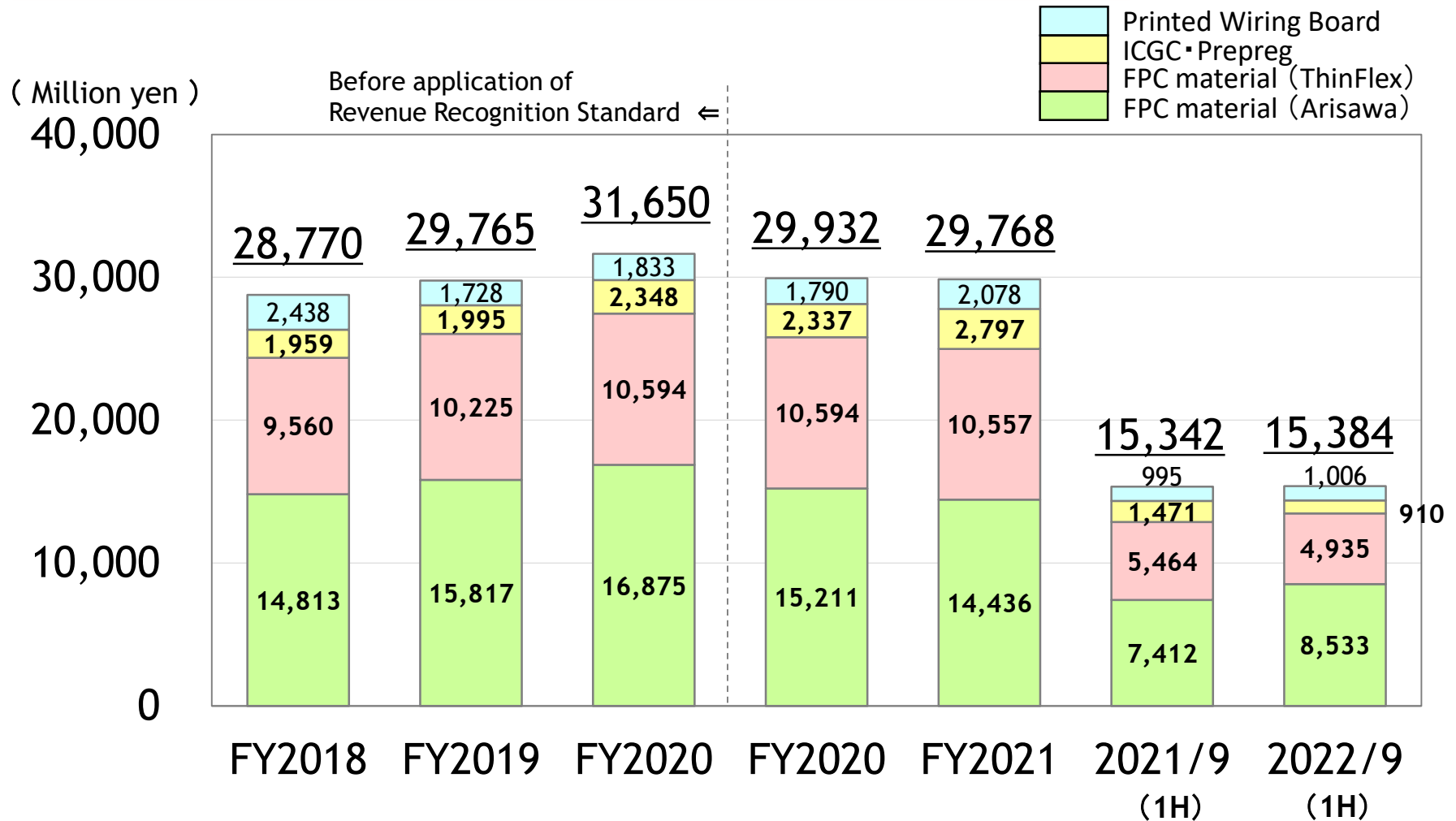
Operating Income (Million Yen)



FY2021

FY2022

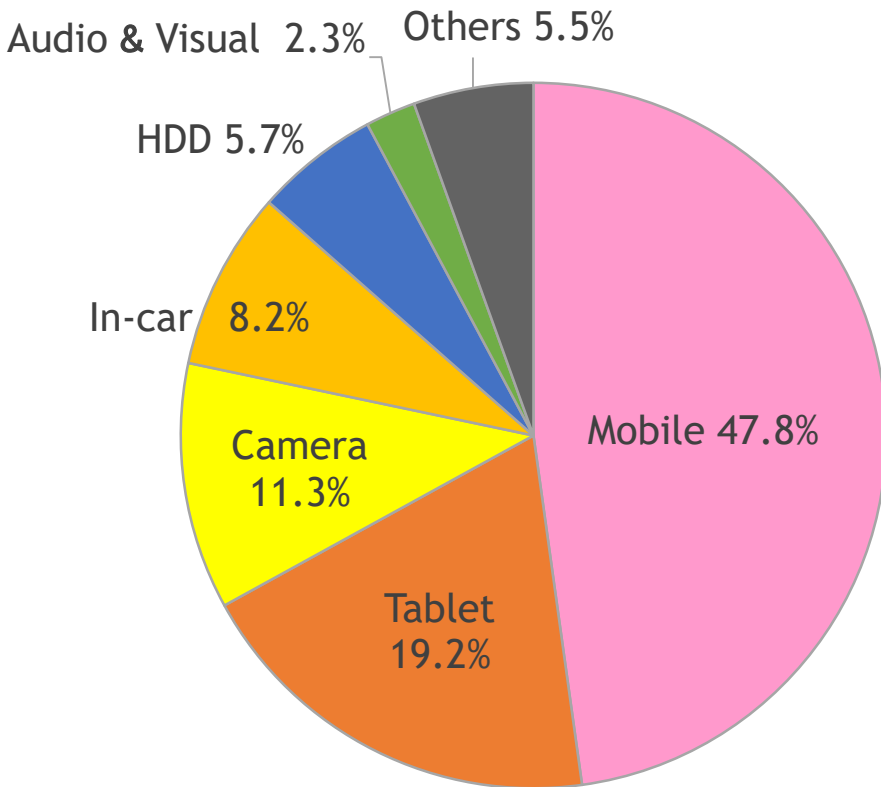
Electronic materials Sales history



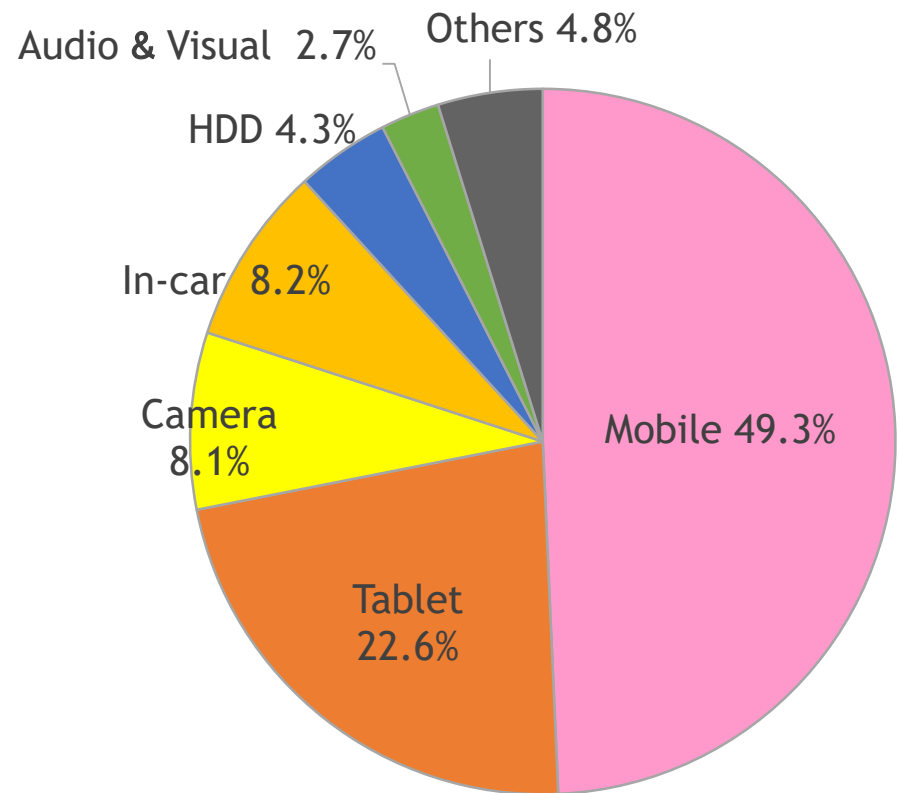
- FPC material (Arisawa) increased by 15.1% YoY.
- FPC material (ThinFlex) decreased by 9.7% YoY.
- ICGC· Prepreg decreased by 38.1% YoY.

Our FPC's major applications

FY2021 1H



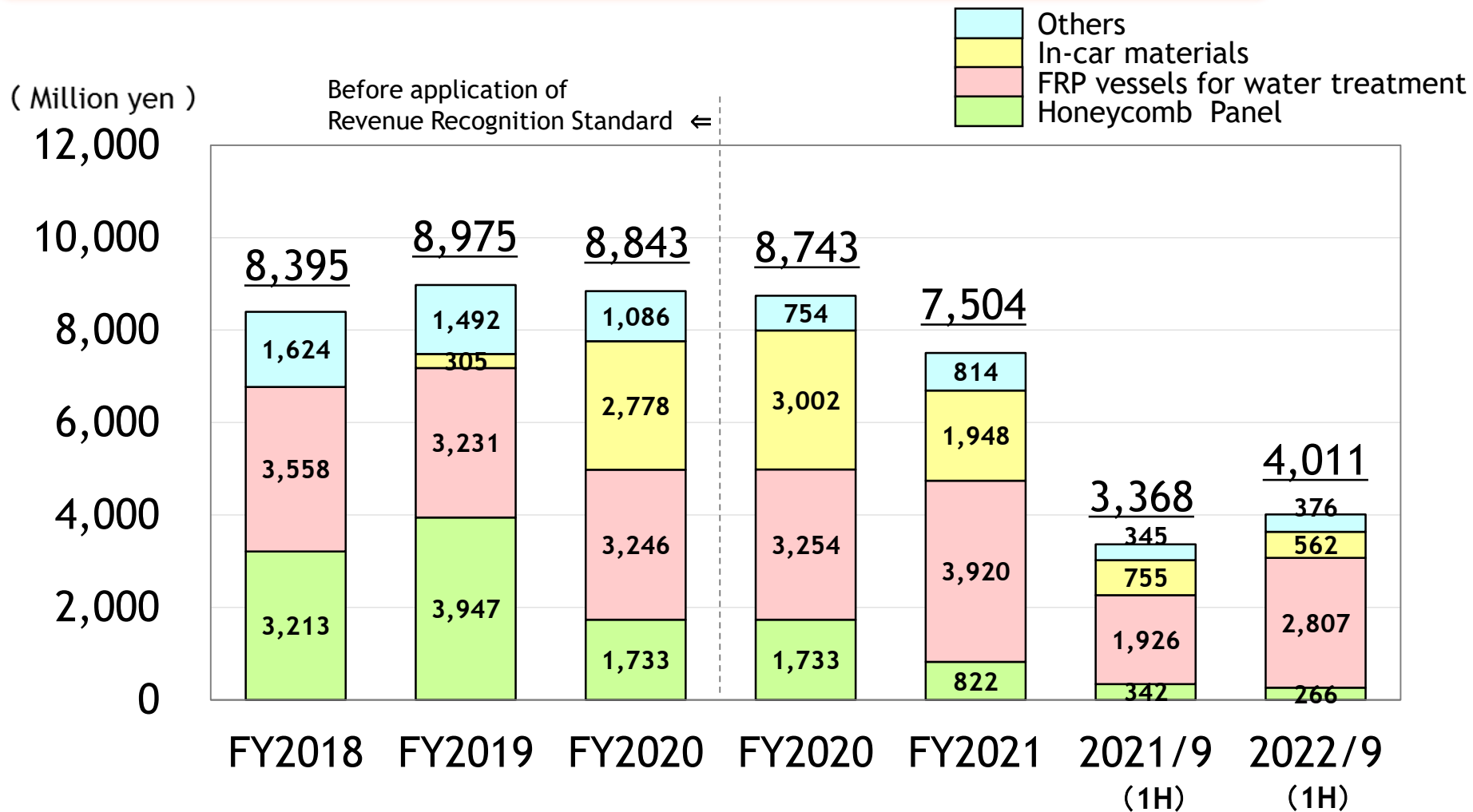
FY2022 1H



in volume terms

Source : Arisawa Mfg. estimates

Industrial structural materials Sales history



- FRP pressure vessels for water treatment increased by 45.7% YoY.

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■ FY2022 Sales and Profit Forecast (vs. FY2021)

FCT = Forecast as of 4 Nov

(unit: Million Yen)	FY2021 Full year result	FY2022 Full year FCT	vs. Prev. year
Sales	43,089	45,000	4.4%
Operating Income	3,320	2,600	-21.7%
Operating Margin	7.7%	5.8%	-1.9%
Ordinary Income	4,204	3,500	-16.8%
Net Income	3,911	3,200	-18.2%
Earnings per share (Yen)	117.40	96.98*	--
Dividend (Yen)	95.00	90.00	--
Exchange rate (Yen / \$)			
average for the period	109.90	133.50	
at end of period	122.39	150.00	

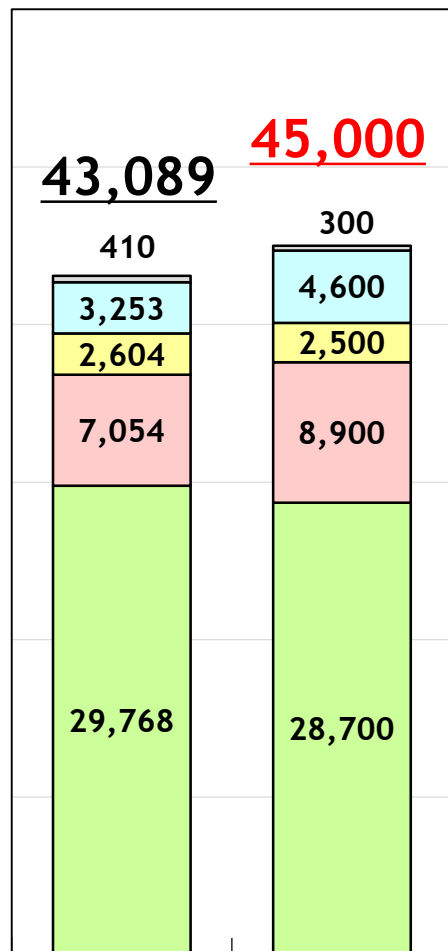
* Calculated by the number of shares as of 30 Sep

■ Highlights of FY2022 Consolidated Performance

- Sales is expected to increase by 4.4% YoY. Because although Electronic materials is expected to slow down, Industrial structural materials and Display materials is expected to increase.
- Operating Income is expected to decrease by 21.7% YoY due to decreased profit in Electronic materials by decreased sales, and rising energy cost and raw material prices.
- Electronic materials is expected to decrease the sales by 3.6% YoY due to weak economic activity in China.
- Industrial structural materials is expected increase the sales by 26.2% YoY due to an increase in FRP pressure vessels for water treatment.
- Display materials is expected to increase the sales by 41.4% YoY due to an increase in the sales of 3D products and polarization utilization component.
- Ordinary Income is expected to decrease by 16.8% YoY. Because although a foreign exchange profit is expected as the Yen continues to depreciate, this will not compensate for the decline in Operating Income.

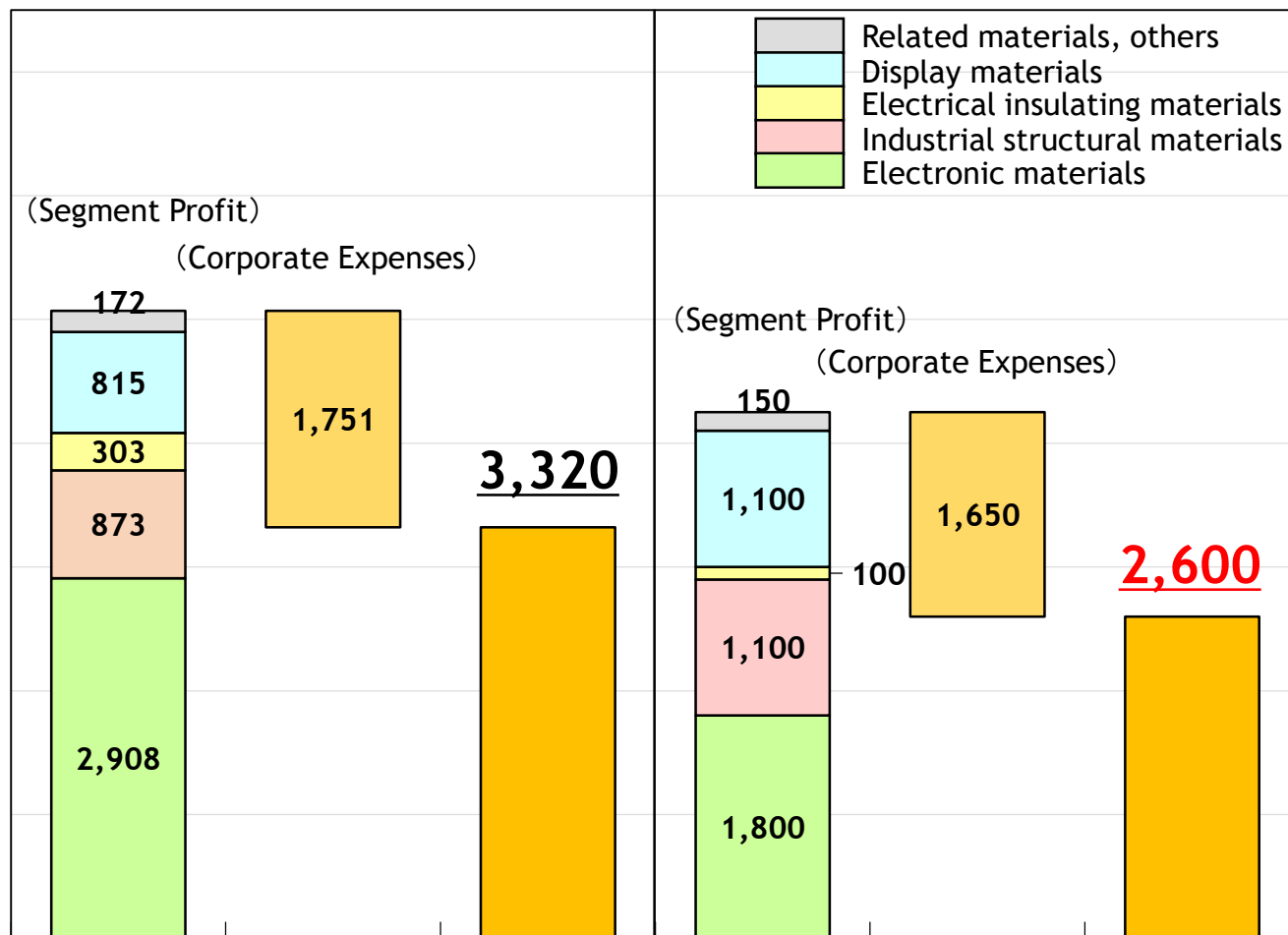
FY2022 Segment Comparison (vs. FY2021)

Sales (Million Yen)



FY2021 **FY2022**
(Forecast)

Operating Income (Million Yen)



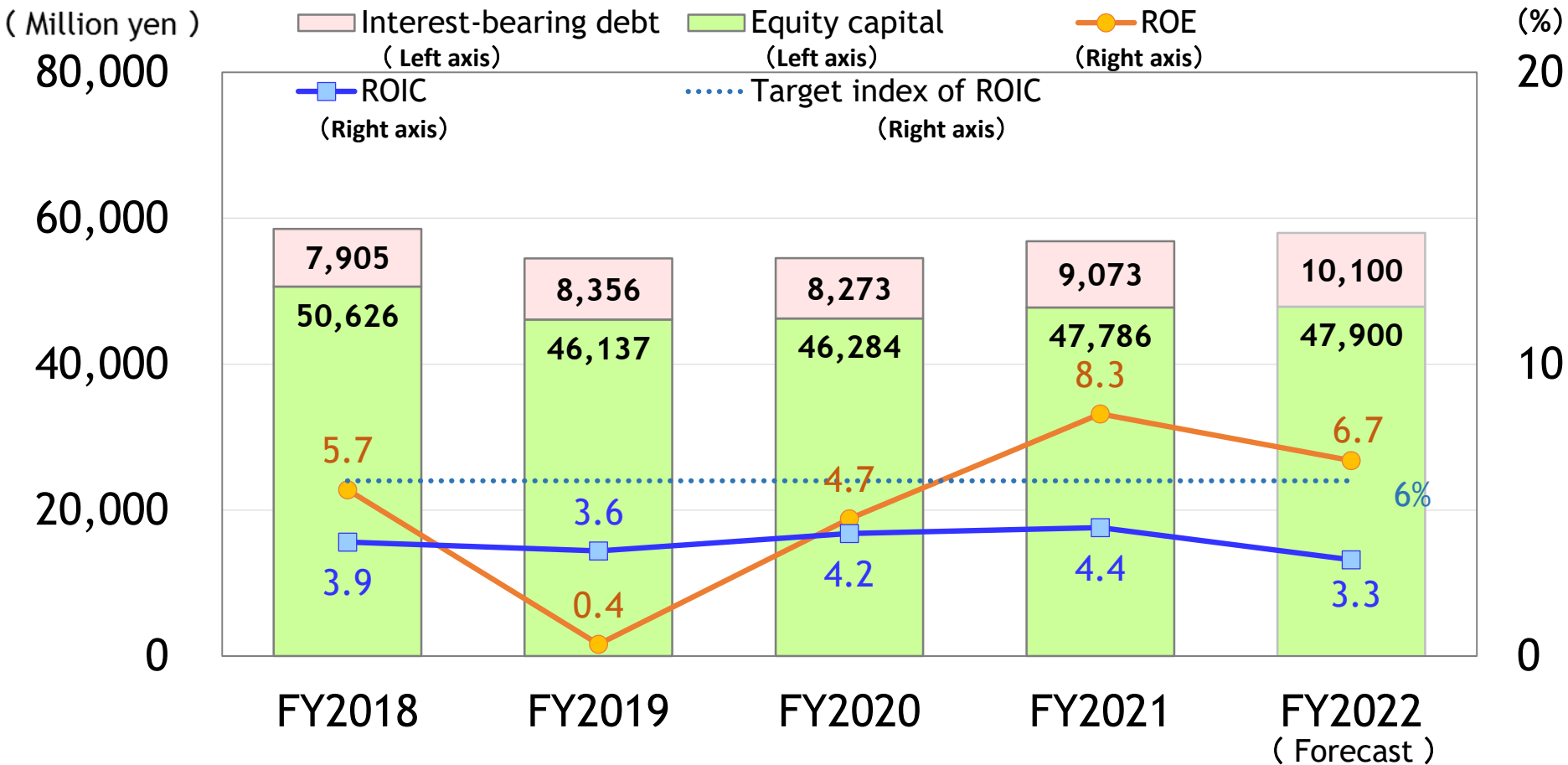
FY2021

FY2022
(Forecast)

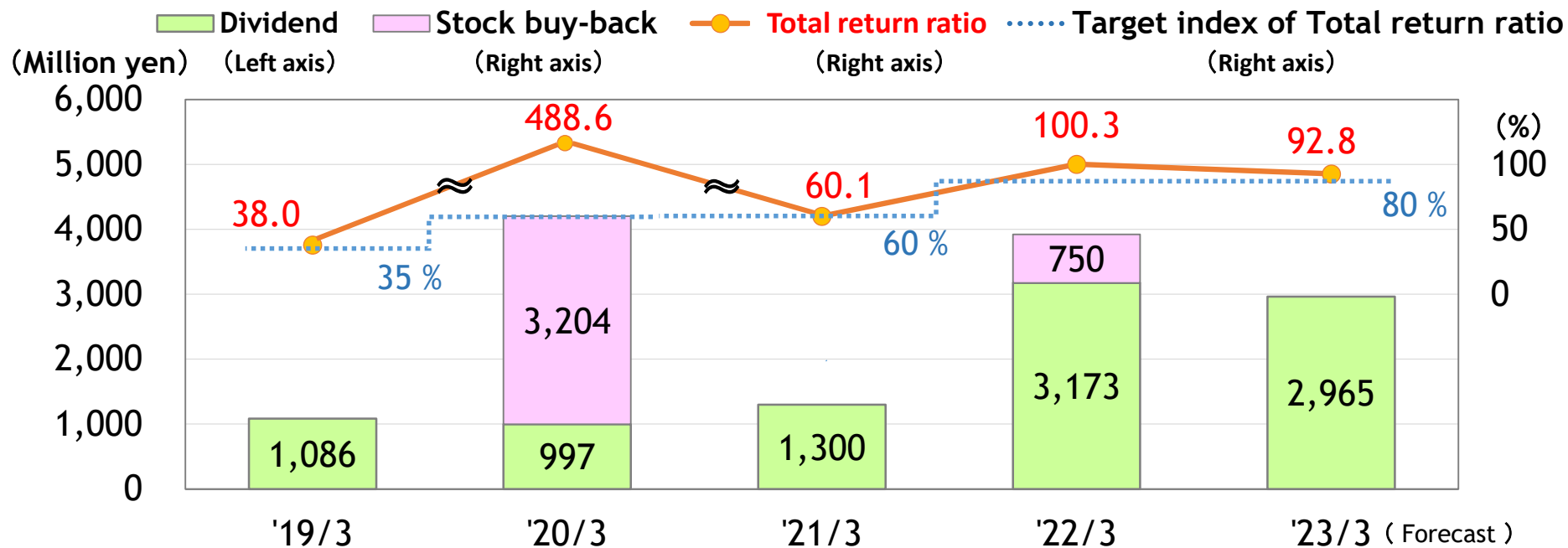
ROE・ROIC history

ROE= Net Income / Equity capital

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



Dividend and Total return ratio history



	'19/3	'20/3	'21/3	'22/3	'23/3
Share price (Yen/Share)*	793	802	1,000	957	--
Dividend (Yen/Share)	30	30	39	95	90
Dividend yield (%)	3.8	3.7	3.9	9.9	--

* Closing price at the end of period

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■ FY2022 1H Consolidated Performance (vs. FCT)

FCT = Forecast

(unit: Million Yen)	FY2021 1H result	FY2022 1H FCT (8/4)	FY2022 1H result	vs. Prev. year	vs. FCT
Sales	21,744	23,400	22,994	5.7%	-1.7%
Operating Income	2,048	1,800	1,861	-9.1%	3.4%
Operating Margin	9.4%	7.7%	8.1%	-1.3%	0.4%
Ordinary Income	2,287	2,300	2,408	5.3%	5.8%
Net Income	1,745	2,100	2,563	46.8%	31.1%
Earnings per share (Yen)	52.38	63.28*	77.37	47.7%	22.7%
Dividend (Yen)	0	0	0	--	--
Exchange rate (Yen / \$) average for the period at end of period	107.82 111.92	123.00 134.00	123.14 144.81		

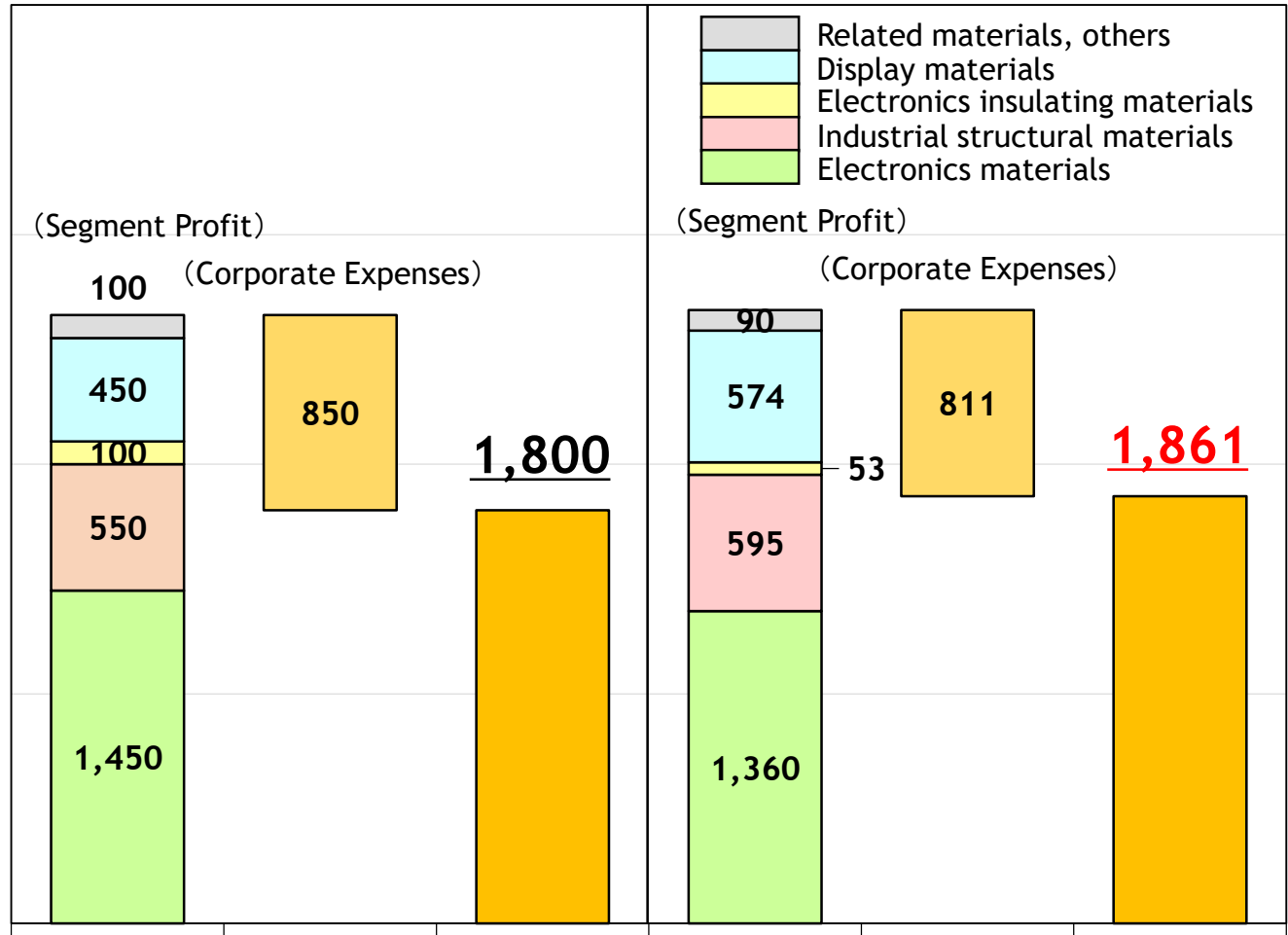
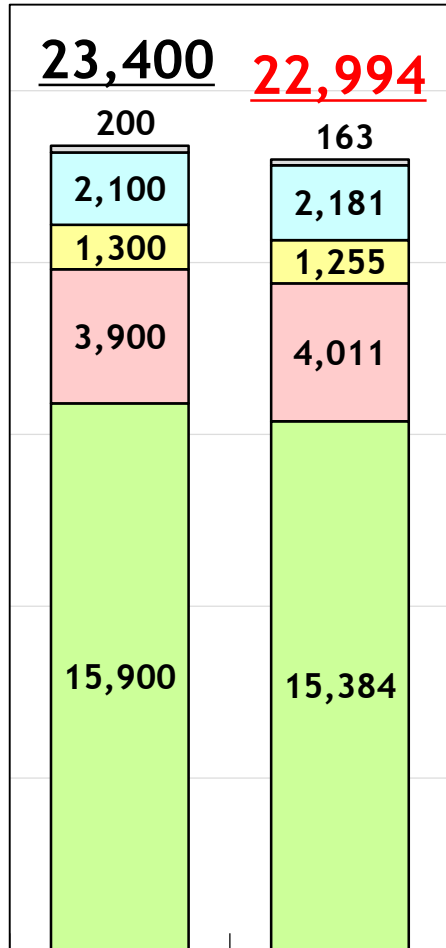
* Calculated by the number of shares as of 30 Jun 16/24

FY2022 1H Segment Comparison (vs. FCT)

FCT = Forecast as of 4 Aug

Sales (Million Yen)

Operating Income (Million Yen)



FCT

Result

FCT

Result

FY2022 Full year Consolidated Performance (vs. FCT)

FCT = Forecast

(unit: Million Yen)	FY2021 FY result	FY2022 FY FCT (8/4)	FY2022 FY FCT (11/4)	vs. Prev. year	vs. FCT
Sales	43,089	48,400	45,000	4.4%	-7.0%
Operating Income	3,320	3,400	2,600	-21.7%	-23.5%
Operating Margin	7.7%	7.0%	5.8%	-1.9%	-1.2%
Ordinary Income	4,204	4,000	3,500	-16.8%	-12.5%
Net Income	3,911	3,400	3,200	-18.2%	-5.9%
Earnings per share (Yen)	117.40	102.45*	96.98**	--	--
Dividend (Yen)	95.00	90.00	90.00	--	--
Exchange rate (Yen / \$) average for the period at end of period	109.90 122.39	129.00 130.00	133.50 150.00		

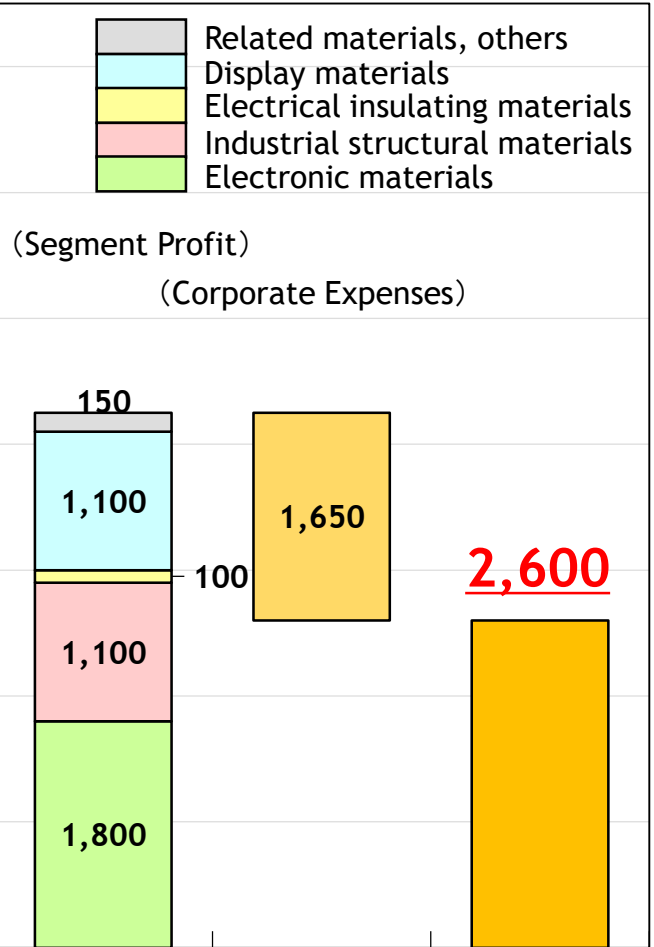
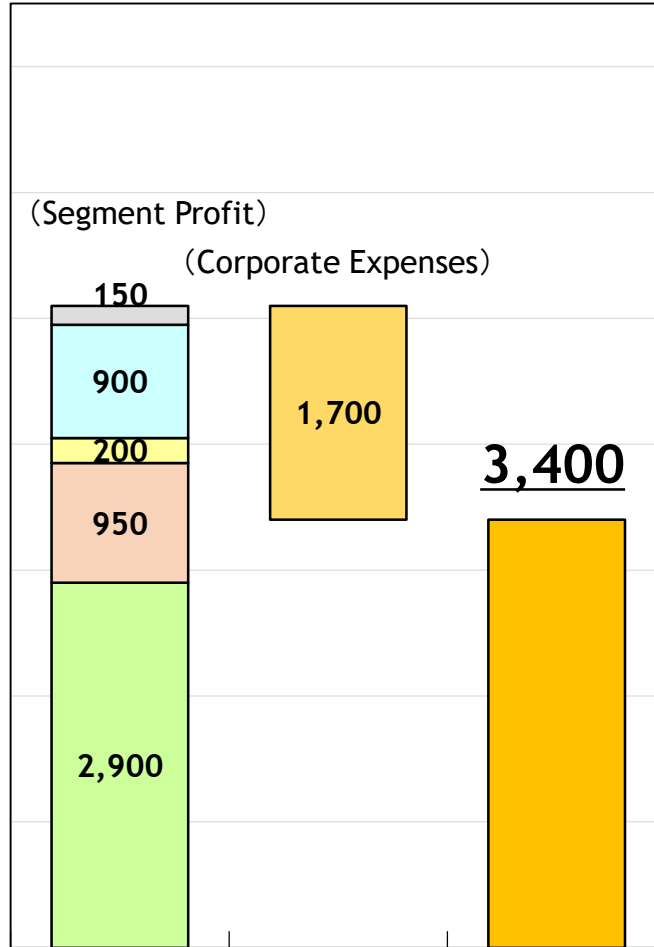
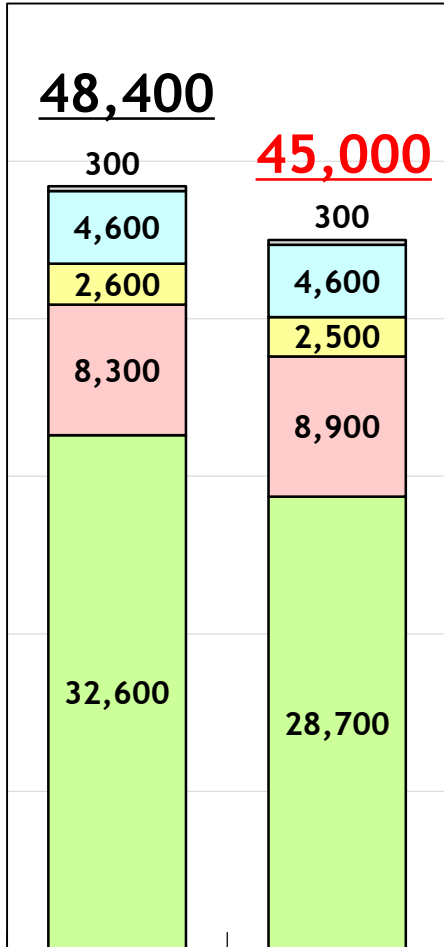
* Calculated by the number of shares as of 30 Jun
 ** Calculated by the number of shares as of 30 Sep

FY2022 Segment Comparison (vs. FCT)

Sales (Million Yen)

Operating Income (Million Yen)

FCT = Forecast



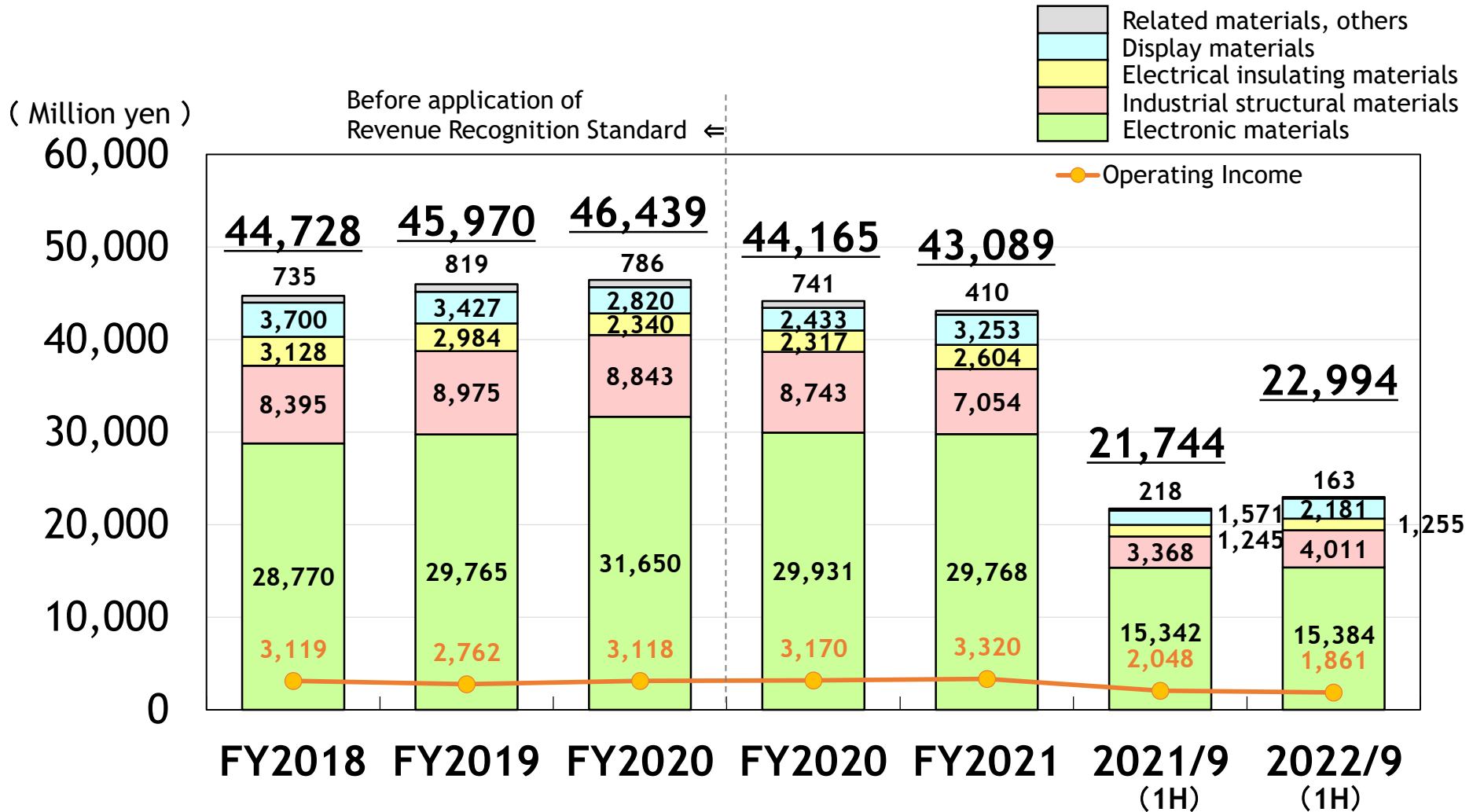
FCT
(4 Aug)

FCT
(4 Nov)

FCT
(4 Aug)

FCT
(4 Nov)

■ Segment Comparison history (Sales, Income)



FY2022 1H Consolidated Comparison

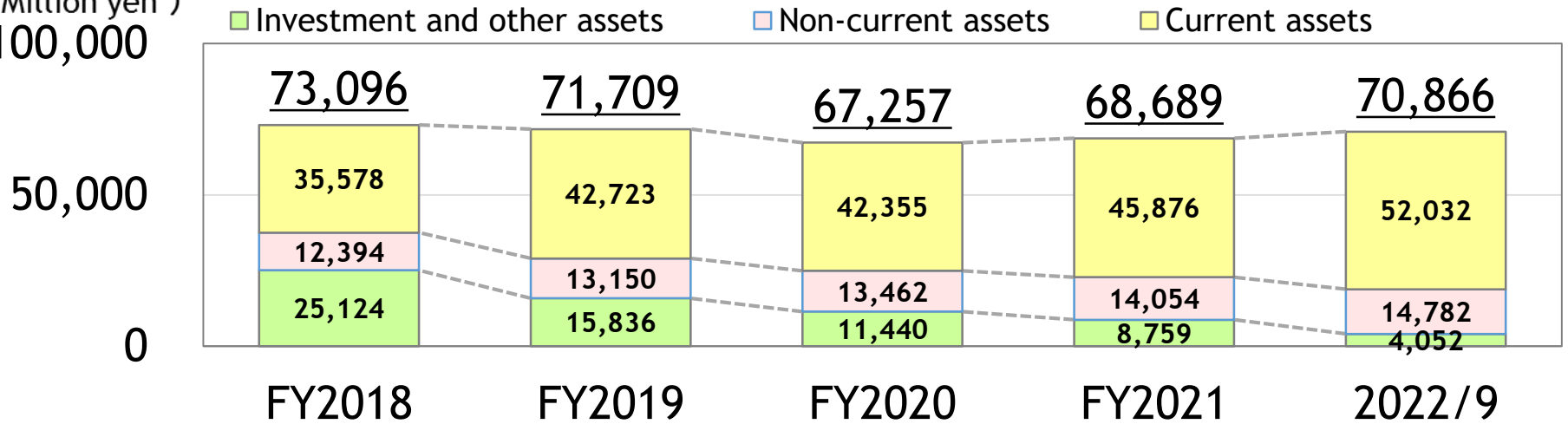
(unit: Million Yen)

	Sales					Operating Income				
	FY2021 1H Result	FY2022 1H FCT (8/4)	FY2022 1H Result	+/- vs. Prev. year vs. FCT		FY2021 1H Result	FY2022 1H FCT (8/4)	FY2022 1H Result	+/- vs. Prev. year vs. FCT	
Parent										
Arisawa Mfg.	13,444	14,100	14,011	567	(89)	768	950	927	159	(23)
Consolidated										
ThinFlex	5,474	5,600	5,594	120	(6)	531	140	147	(384)	7
Satosan	996	1,050	1,007	11	(43)	17	30	7	(10)	(23)
Arisawa Fiber Glass	1,273	950	971	(302)	21	135	(60)	(20)	(155)	40
Protec	1,915	2,700	2,702	787	2	351	550	565	214	15
Arisawa Sogyo	858	800	796	(62)	(4)	64	30	44	(20)	14
Arisawa Jushi Kogyo	118	100	120	2	20	5	10	1	(4)	(9)
ColorLink Japan	930	1,200	1,177	247	(23)	137	150	208	71	58
(Adjustment)	(3,264)	(3,100)	(3,384)			40		(18)		
Total	21,744	23,400	22,994	1,250	(406)	2,048	1,800	1,861	(187)	61

Consolidated balance sheets (Summary) history

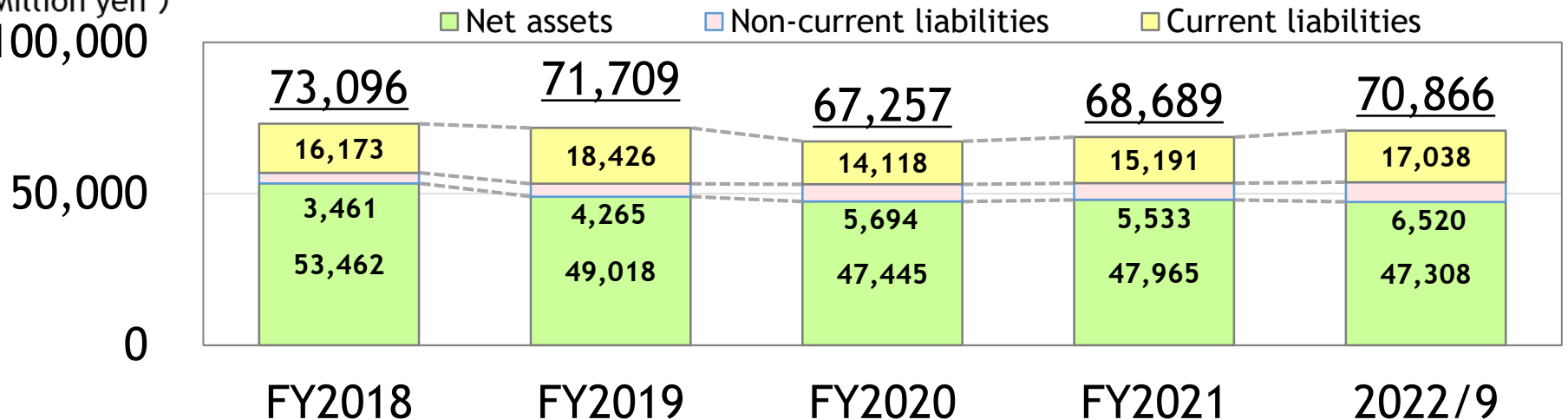
Assets

(Million yen)
100,000

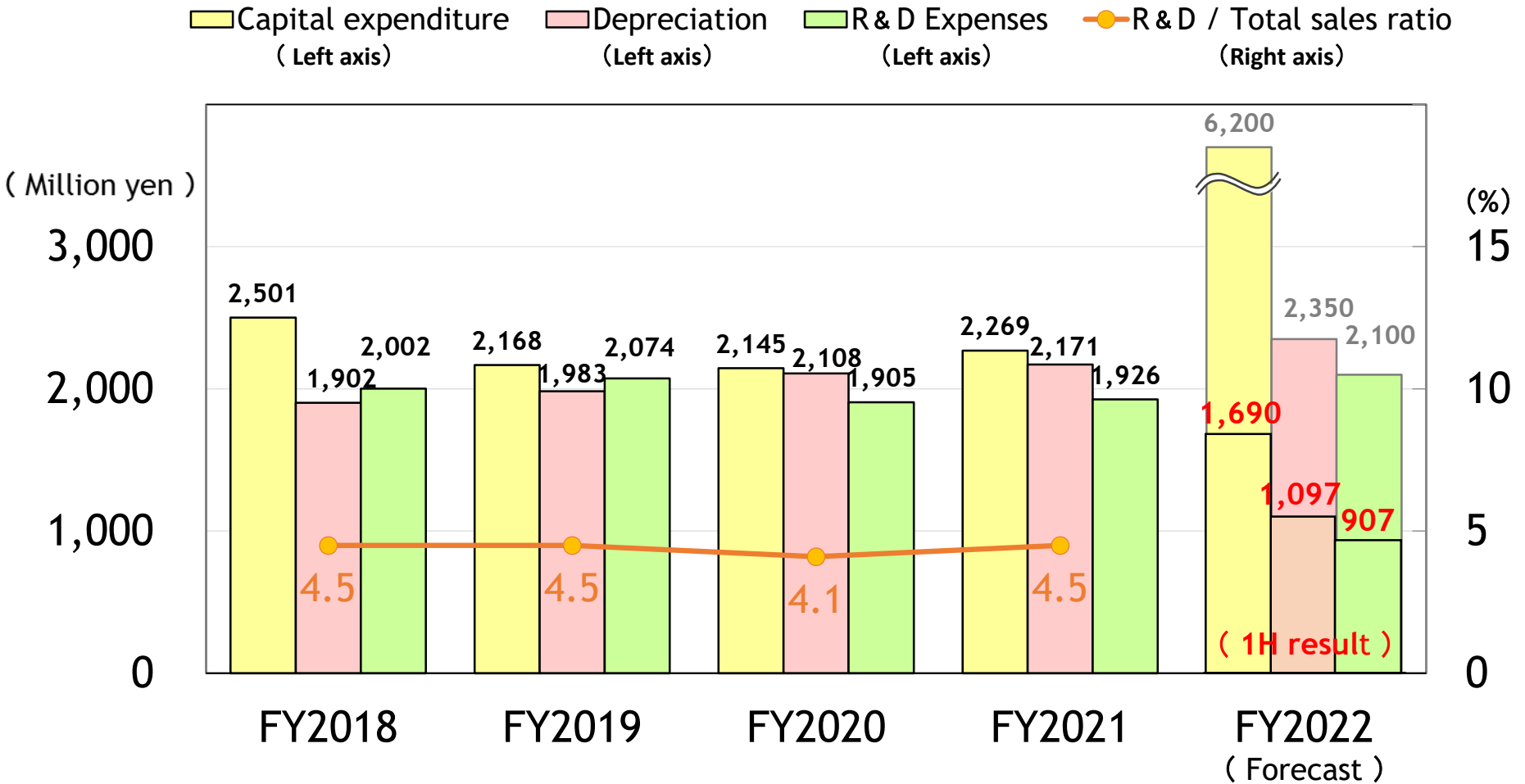


Liabilities and net assets

(Million yen)
100,000



Capital expenditure, Depreciation and R & D Expenses history



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