

Securities Code 5208

Feb 9th, 2023

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

Arisawa Mfg. Co., Ltd.

FY2022 Overview in Q3

Contents

- **FY2022 Q3 Review by consolidated basis**
- FY2022 Forecast by consolidated basis
- Appendix

■ FY2022 Q3 Consolidated Performance

(unit: Million Yen)	FY2021 Q3 result	FY2022 Q3 result	vs. Prev. year
Sales	32,663	33,543	2.7%
Operating Profit	2,803	2,137	-23.8%
Operating Margin	8.6%	6.4%	-2.2%
Ordinary Profit	3,155	2,705	-14.3%
Net Profit	2,971	2,661	-10.4%
Earnings per share (Yen)	89.18	80.52	-9.7%
Exchange rate (Yen / \$)			
average for the period	108.58	128.30	
at the end of the period	115.02	132.70	

■ Highlights of FY2022 Q3 Consolidated Performance

- Consolidated sales increased by 2.7% YoY (year-over-year) due to increases in that of industrial structural and display materials, despite a decrease in electronic materials.

Operating profit decreased by 23.8% YoY due to the impact of soaring energy costs and raw material prices, etc. Segment profits of industrial structural and display materials increased, although those of electronic and electrical insulating materials decreased.

- Net sales of electronic materials decreased by 5.6% YoY due to decreases in the sales of FPC materials of Thinflex, ICGC, and PWBPP.

- Net sales of industrial structural materials increased by 26.8% YoY due to an increase in the sales of FRP pressure vessel for water purification.

- Net sales of display materials increased by 36.3% YoY due to increases in the sales of 3D display-related materials and polarization components of ColorLink Japan.

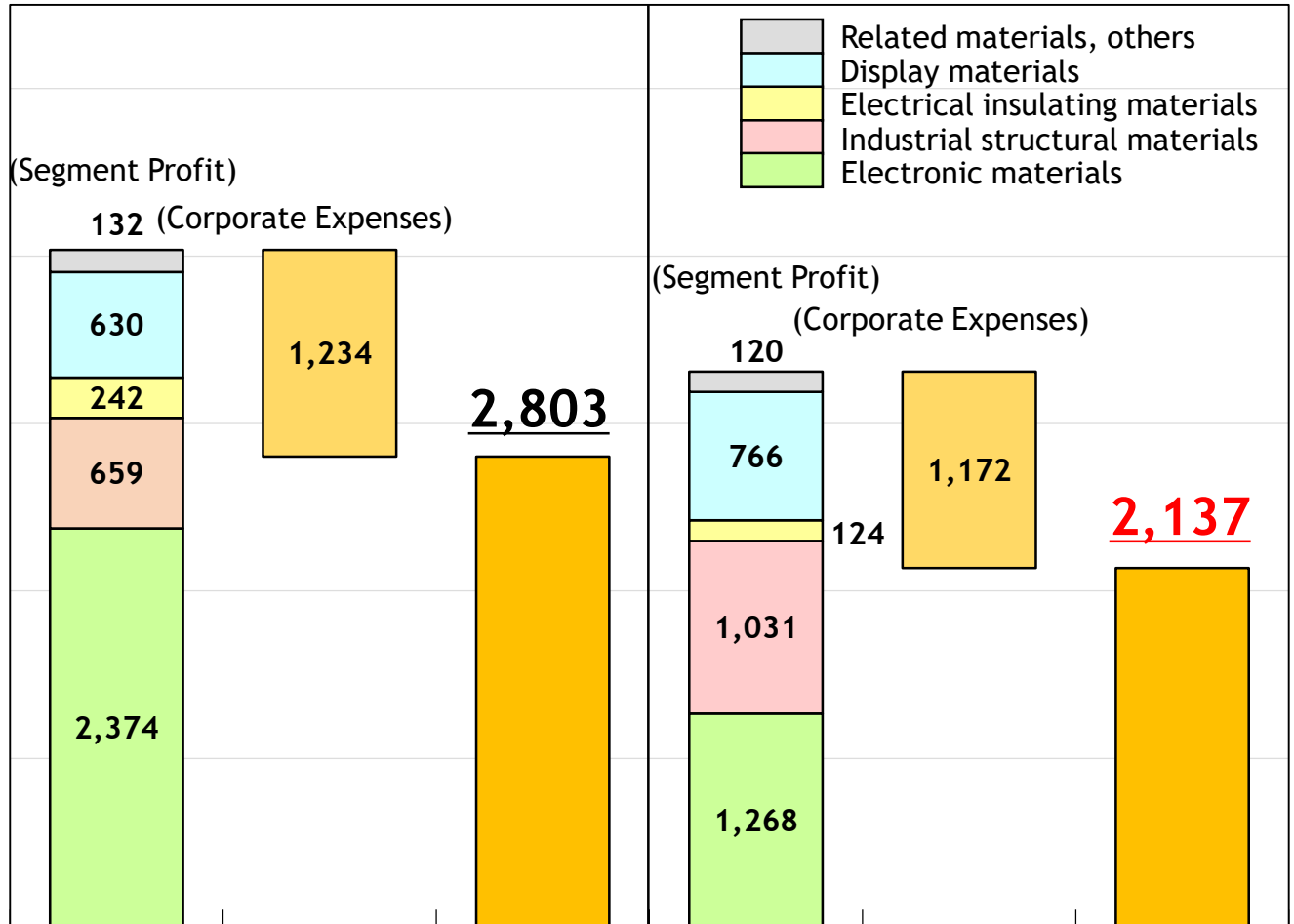
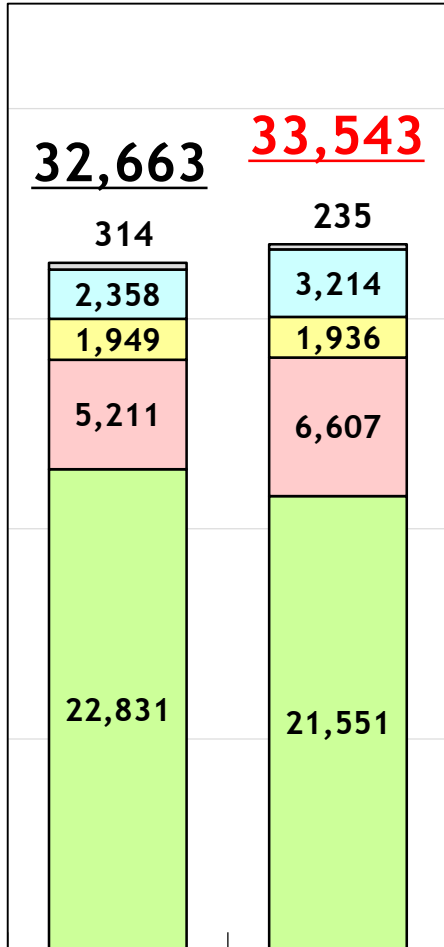
- Ordinary profit decreased by 14.3% YoY due to the recording of foreign exchange gains, which was less than the rate of decline in the operating profit.

- Net profit decreased by 10.4% YoY due to recording of gains on the sale of securities, which was less than the rate of decline in the ordinary profit.

FY2022 Q3 Segment Comparison (vs. FY2021 Q3)

Sales (Million Yen)

Operating Profit (Million Yen)

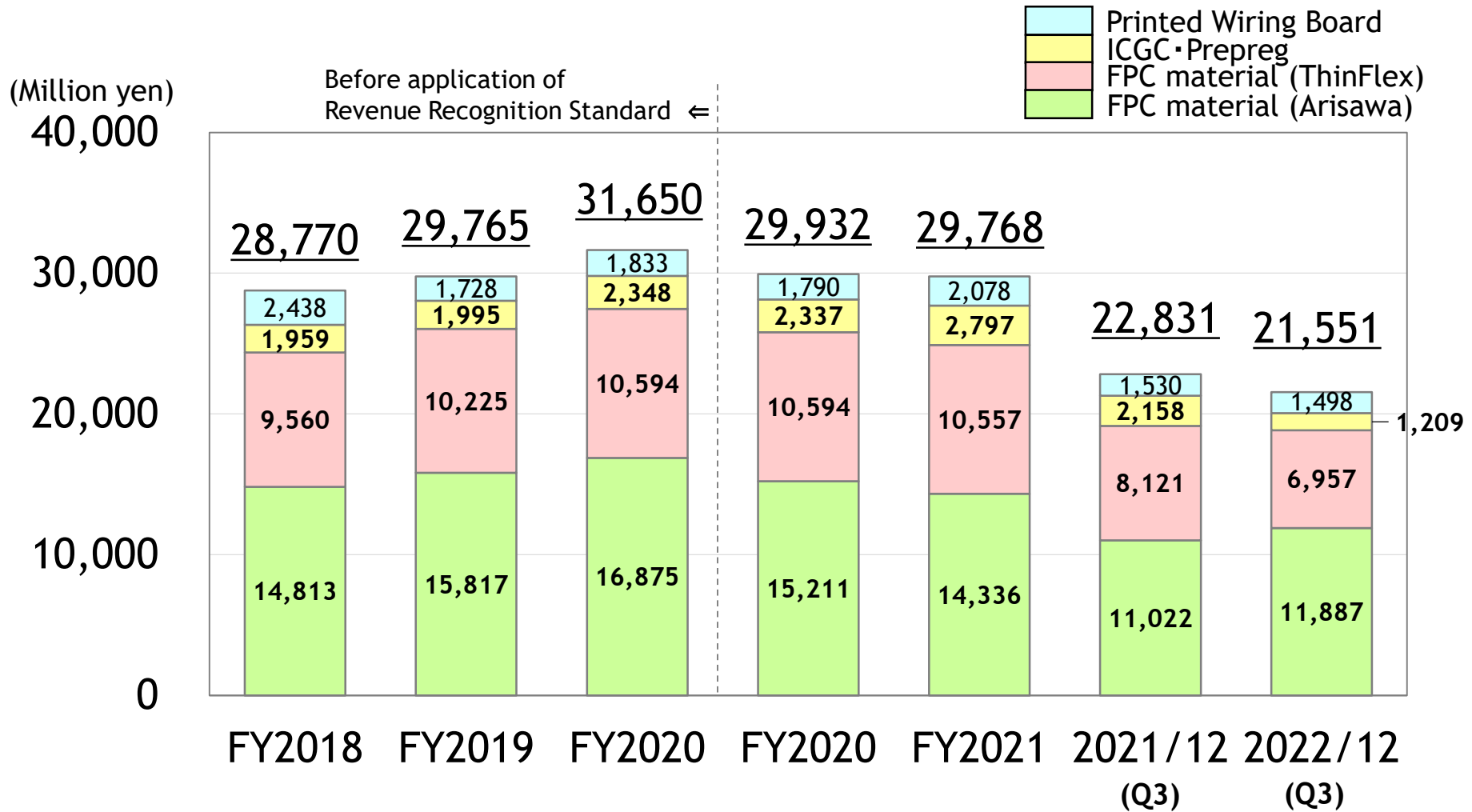


FY2021 **FY2022**

FY2021

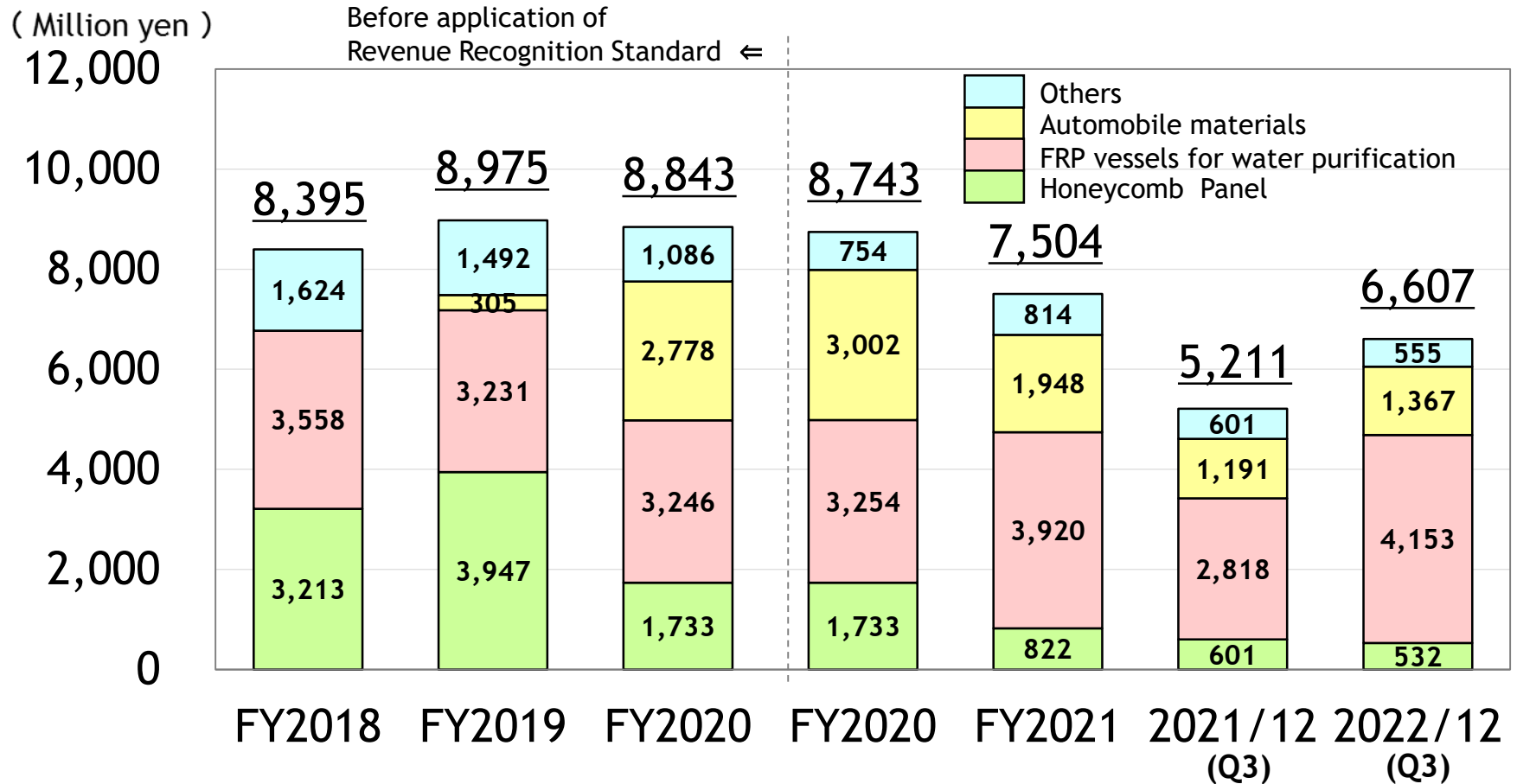
FY2022

Electronic Materials Sales History



- Sales of ThinFlex decreased by 14.3% YoY.
- Sales of ICGC and Prepreg decreased by 44.0% YoY.

Industrial Structural Materials Sales History



- Sales of FRP vessels for water purification increased by 47.4% YoY.
- Sales of automobile materials increased by 14.8% YoY.

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FY2022 Sales and Profit Forecast

FCT = Forecast as of Feb 9.

(unit : Million Yen)	FY2021 Full-year results	FY2022 Full-year FCT	vs. Prev. year
Sales	43,089	45,000	4.4%
Operating Profit	3,320	2,600	-21.7%
Operating Margin	7.7%	5.8%	-1.9%
Ordinary Profit	4,204	3,500	-16.8%
Net Profit	3,911	3,200	-18.2%
Earnings per share (Yen)	117.40	96.90*	--
Dividend (Yen)	95.00	90.00	--
Exchange rate (Yen / \$)			
average for the period	109.90	131.62	
at the end of the period	122.39	130.00	

* Calculated by the number of shares as of Dec 31.

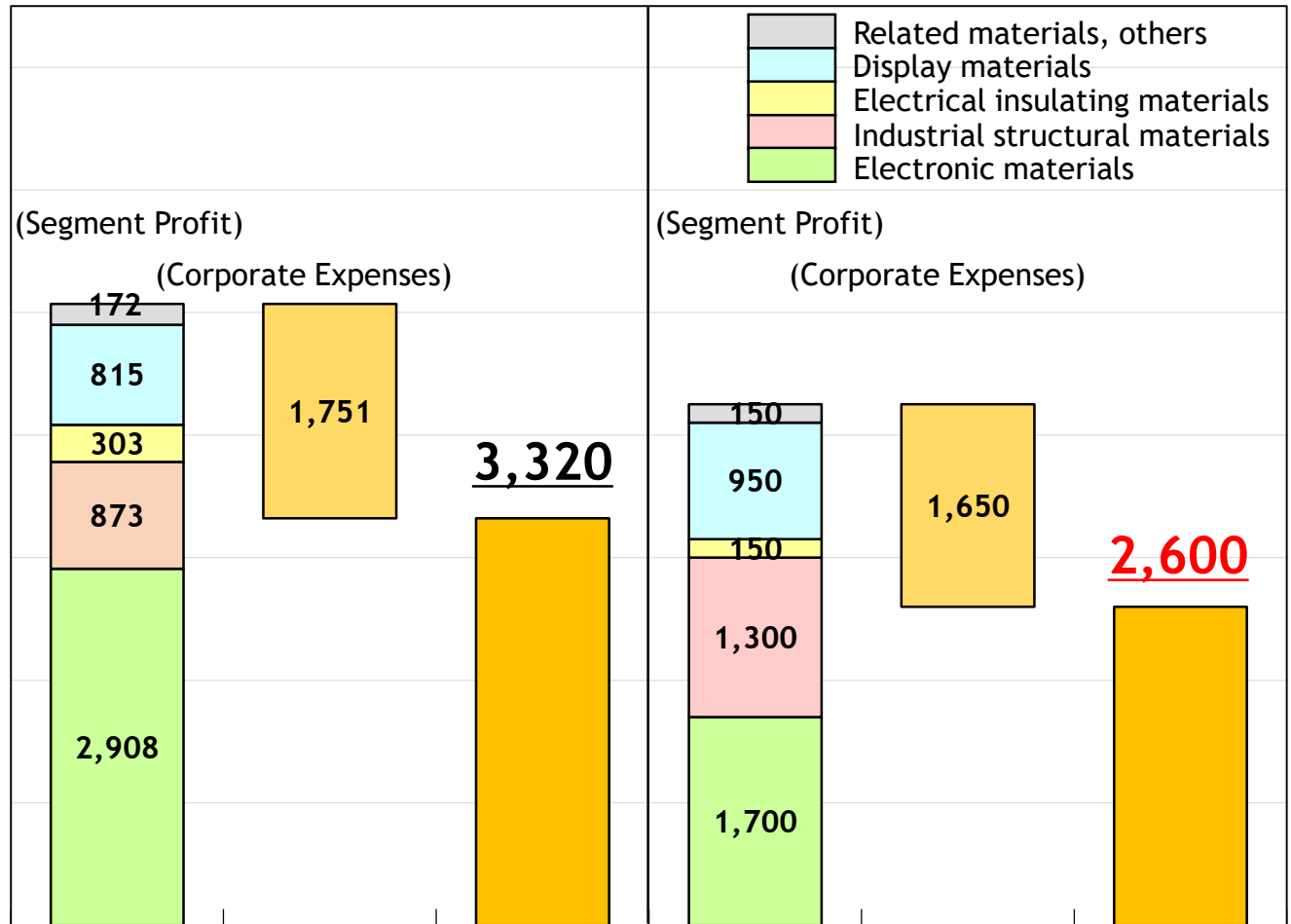
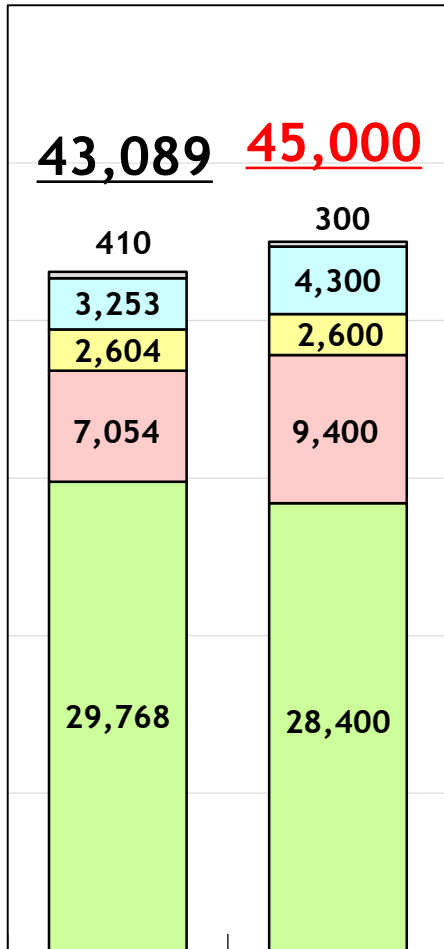
■ Highlights of FY2022 Consolidated Performance

- Operating profit is expected to decrease by 21.7% YoY due to a decrease in the profit of electronic materials caused by a decrease in the sales, and furthermore, soaring raw material prices and energy costs.
- Net sales of electronic materials are expected to decrease due to the sluggish economic activity in China.
- Net sales of industrial structural materials are expected to increase due to an increase in FRP pressure vessels for water purification.
- Net sales of display materials are expected to increase due to growth of 3D-related materials and polarization components.

FY2022 Segment Comparison (vs. FY2021)

Sales (Million Yen)

Operating Profit (Million Yen)



FY2021 **FY2022**
(Forecast)

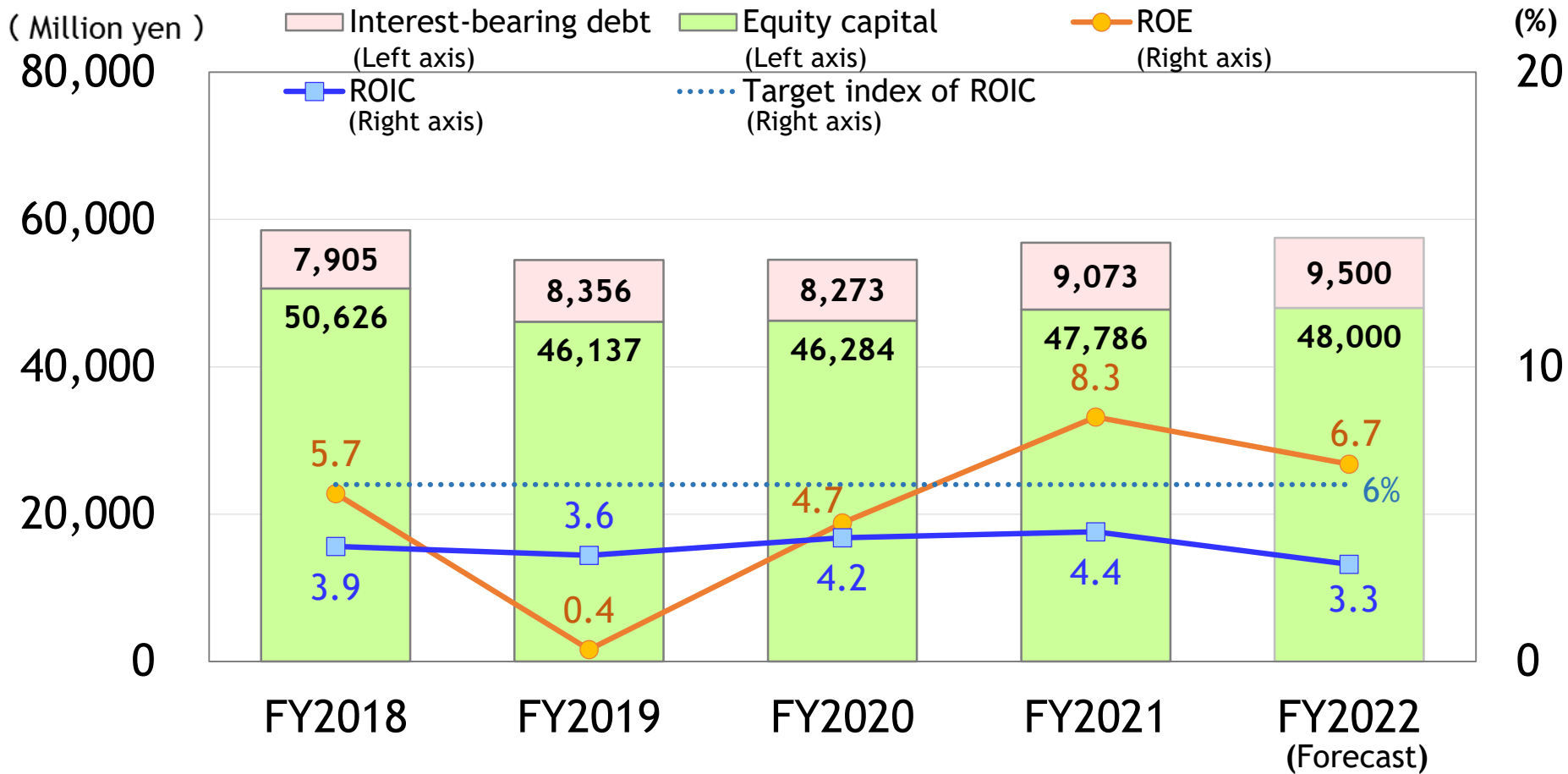
FY2021

FY2022
(Forecast)

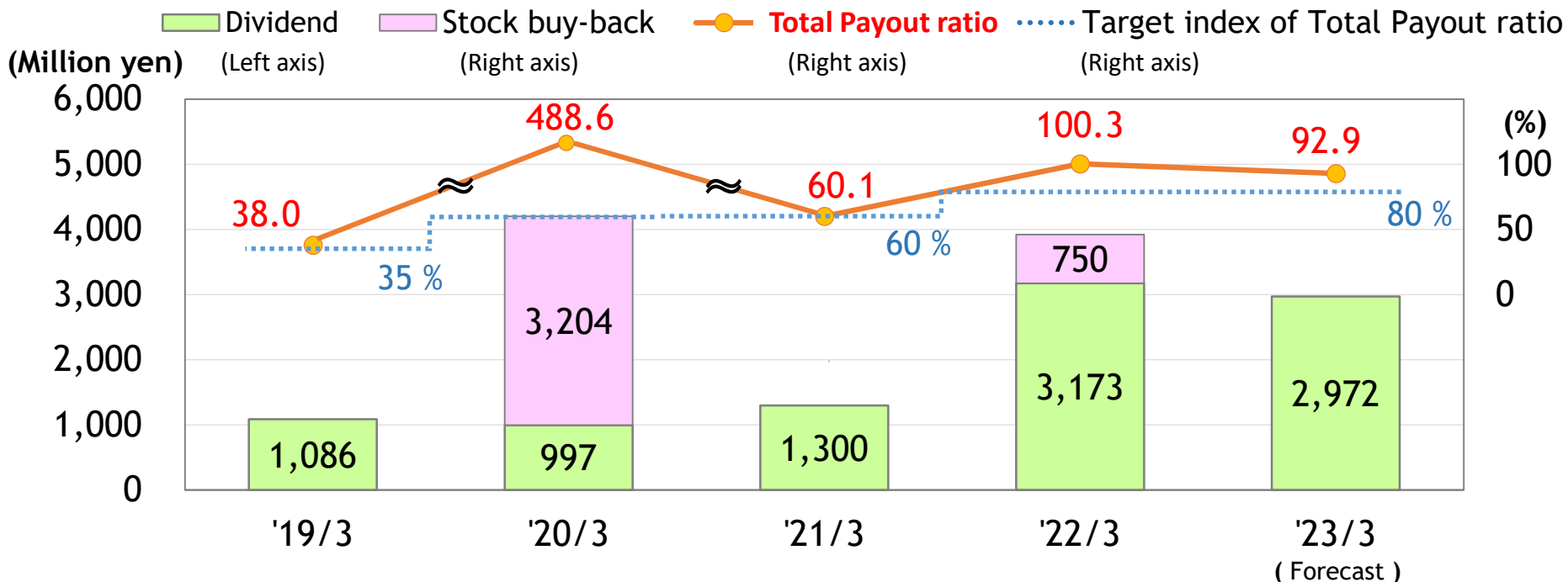
ROE・ROIC history

ROE= Net profit / Equity capital

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



Dividend and Total Payout Ratio history



	'19/3	'20/3	'21/3	'22/3	'23/3
Share prices (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 each FY

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■ FY2022 Q3 Consolidated Performance (vs. FCT)

FCT = Forecast as of Nov 4.

(unit: Million Yen)	FY2021 Q3 result	FY2022 Q3 FCT (Nov 4)	FY2022 Q3 result	vs. Prev. year	vs. FCT
Sales	32,663	34,100	33,543	2.7%	-1.6%
Operating Profit	2,803	2,250	2,137	-23.8%	-5.0%
Operating Margin	8.6%	6.6%	6.4%	-2.2%	-0.2%
Ordinary Profit	3,155	3,050	2,705	-14.3%	-11.3%
Net Profit	2,971	2,950	2,661	-10.4%	-9.8%
Earnings per share (Yen)	89.18	89.54*	80.52	-9.7%	-10.1%
Dividend (Yen)	5.00	0.00	0.00	--	--
Exchange rate (Yen / \$) average for the period	108.58	128.30	128.30		
at the end of the period	115.02	150.00	132.70		

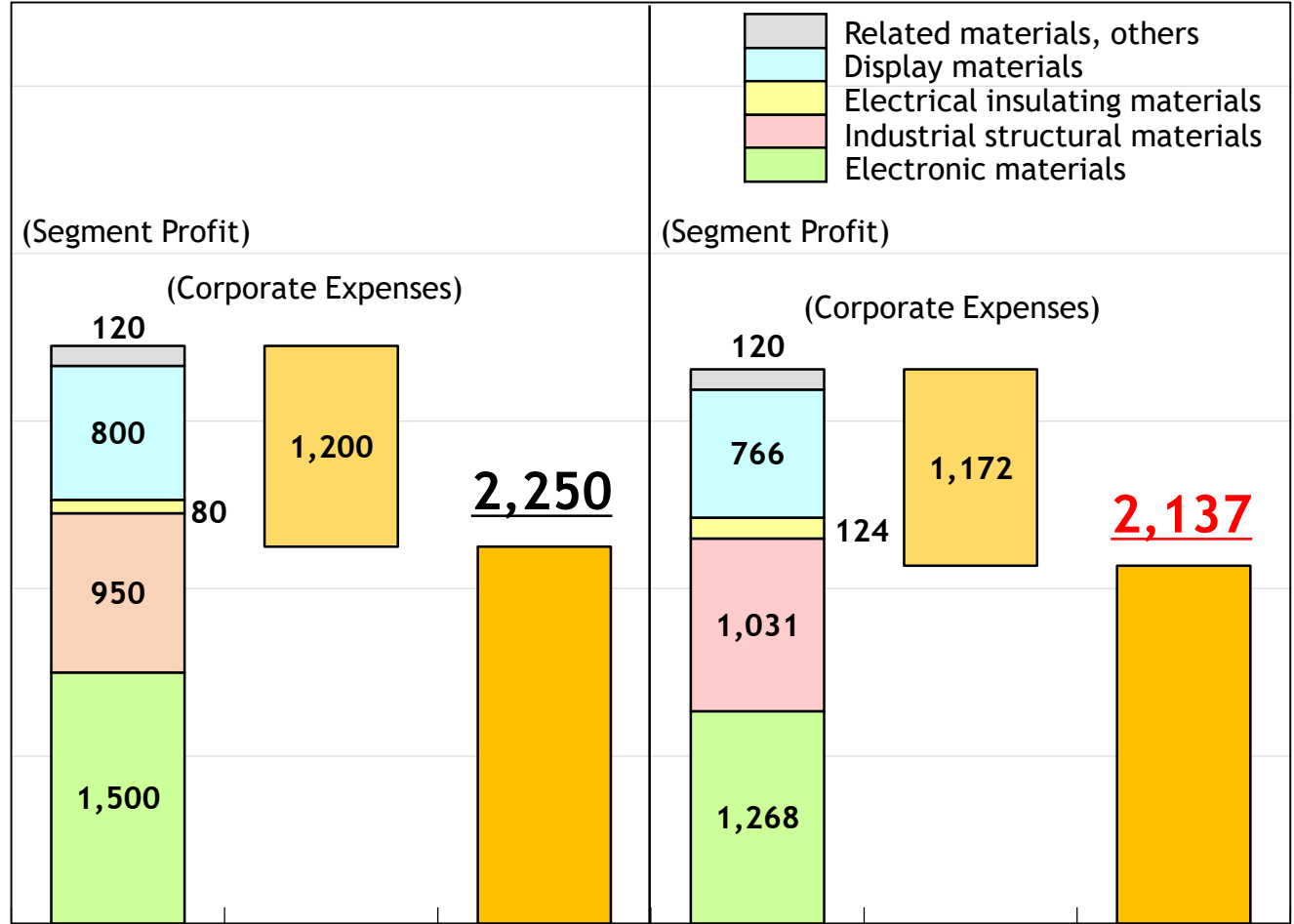
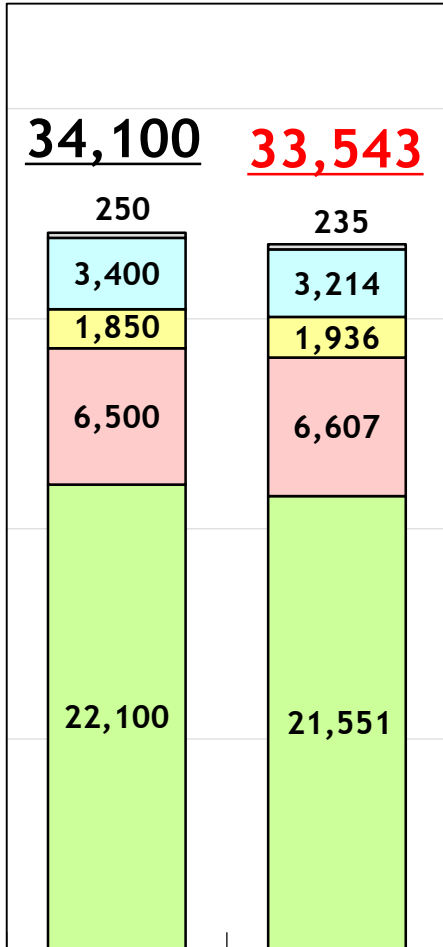
*Calculated by the number of shares as of Sep 30.

FY2022 Q3 Segment Comparison (vs. FCT)

FCT = Forecast as of Nov 4.

Sales (Million Yen)

Operating Profit (Million Yen)



FCT

Result

FCT

Result

FY2022 Full-year Consolidated Performance (vs. FCT)

FCT = Forecast as of Nov 4.

(unit: Million Yen)	FY2021 FY result	FY2022 FY FCT (Nov 4)	FY2022 FY FCT (Feb 9)	vs. Prev. year	vs. FCT
Sales	43,089	45,000	45,000	4.4%	0.0%
Operating Profit	3,320	2,600	2,600	-21.7%	0.0%
Operating Margin	7.7%	5.8%	5.8%	-1.9%	0.0%
Ordinary Profit	4,204	3,500	3,500	-16.8%	0.0%
Net Profit	3,911	3,200	3,200	-18.2%	0.0%
Earnings per share (Yen)	117.40	96.98*	96.90**	--	--
Dividend (Yen)	95.00	90.00	90.00	--	--
Exchange rate (Yen / \$) average for the period	109.90	133.50	131.62		
at the end of the period	122.39	150.00	130.00		

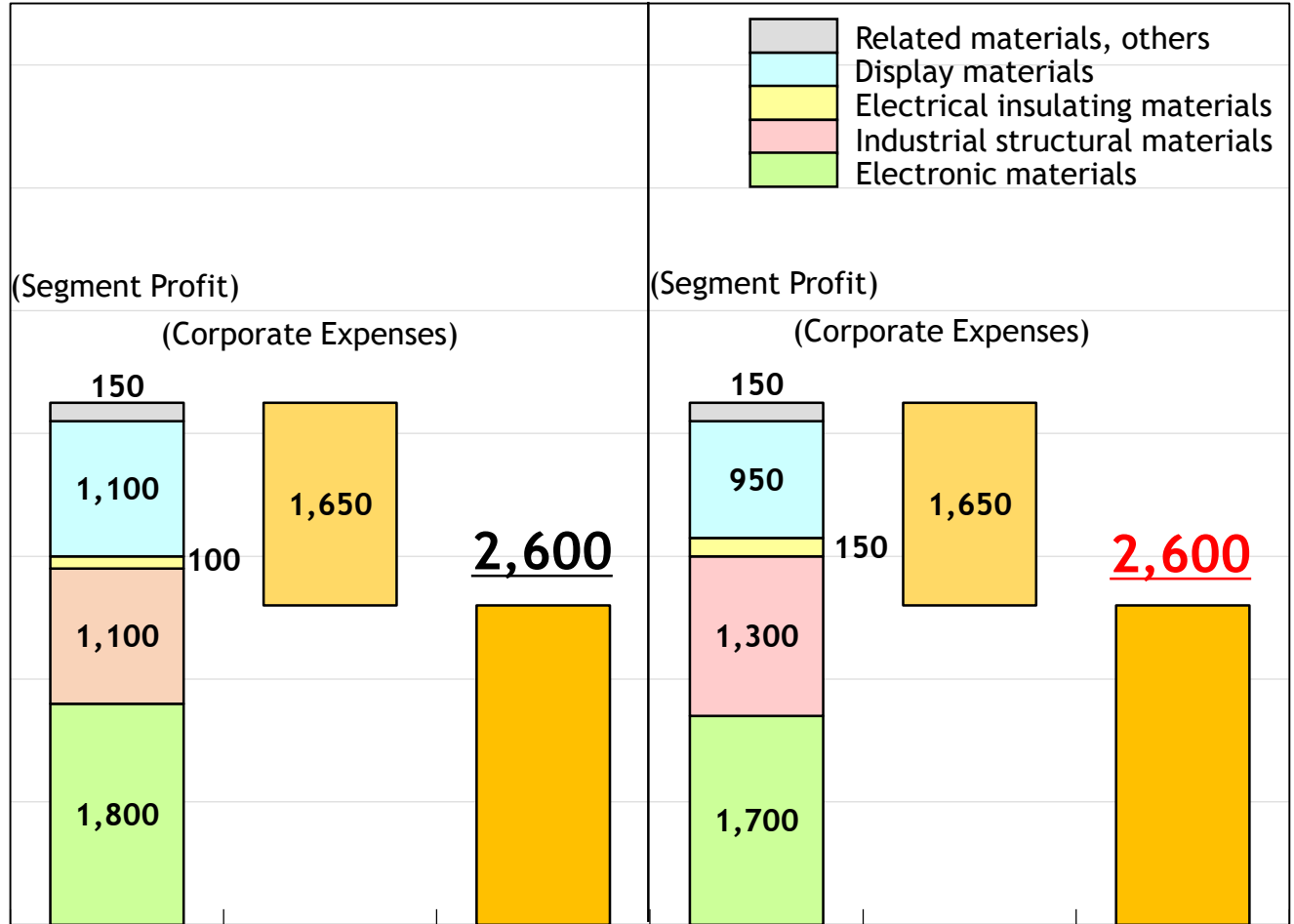
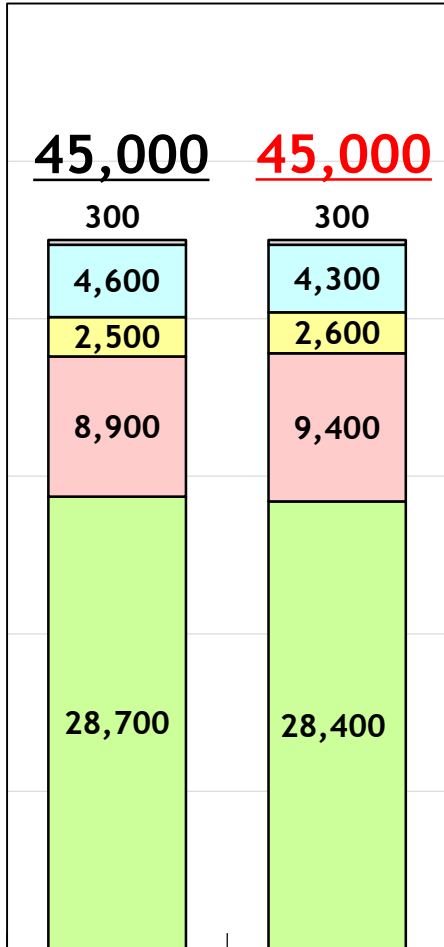
*Calculated by the number of shares as of Sep 30. **Calculated by the number of shares as of Dec 31.

FY2022 Segment Comparison (vs. FCT)

FCT = Forecast as of Nov 4.

Sales (Million Yen)

Operating Profit (Million Yen)



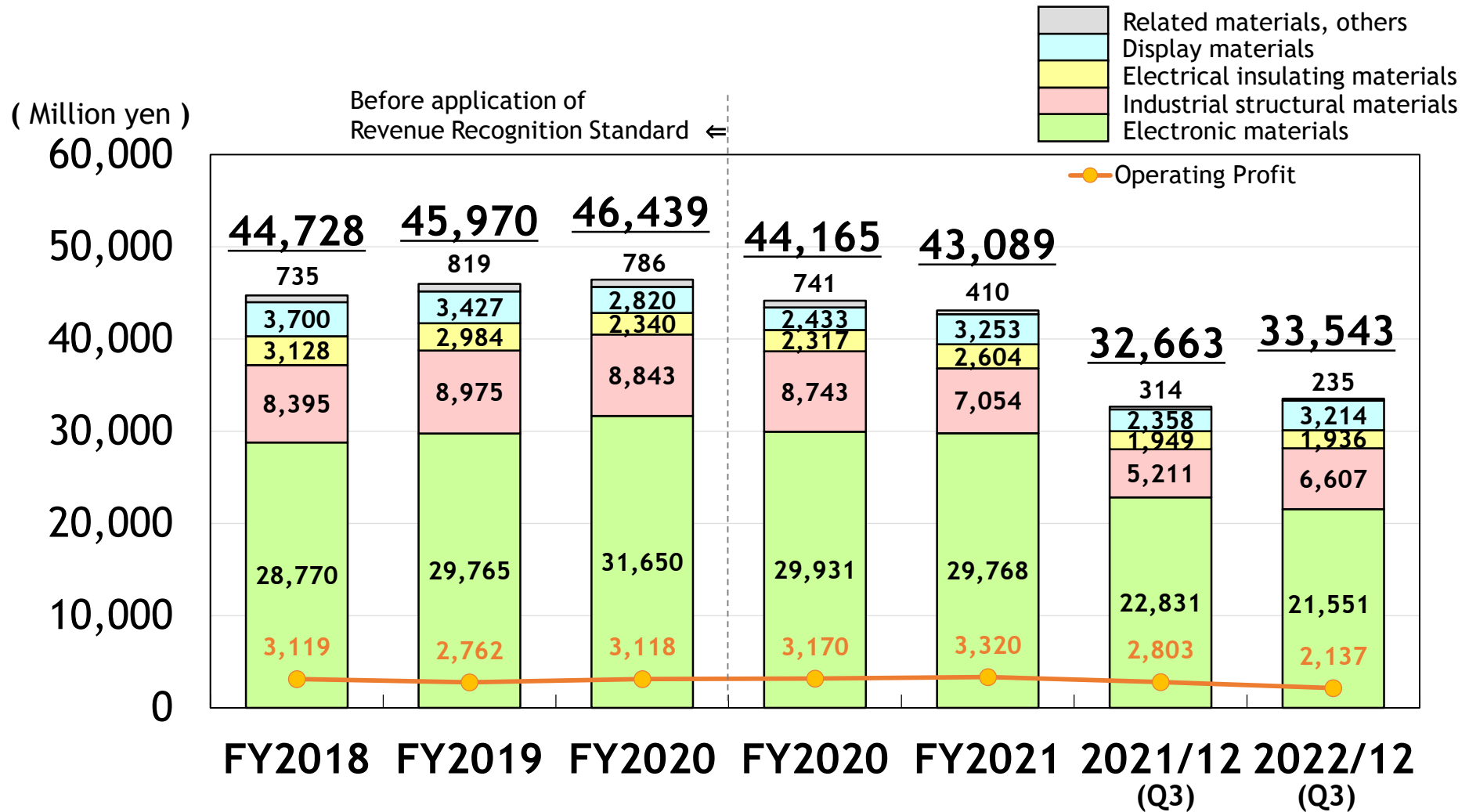
FCT
(Nov 4)

FCT
(Feb 9)

FCT
(Nov 4)

FCT
(Feb 9)

Segment Comparison history (Sales and Operating Profit)



FY2022 Q3 Consolidated Comparison

(unit: Million Yen)

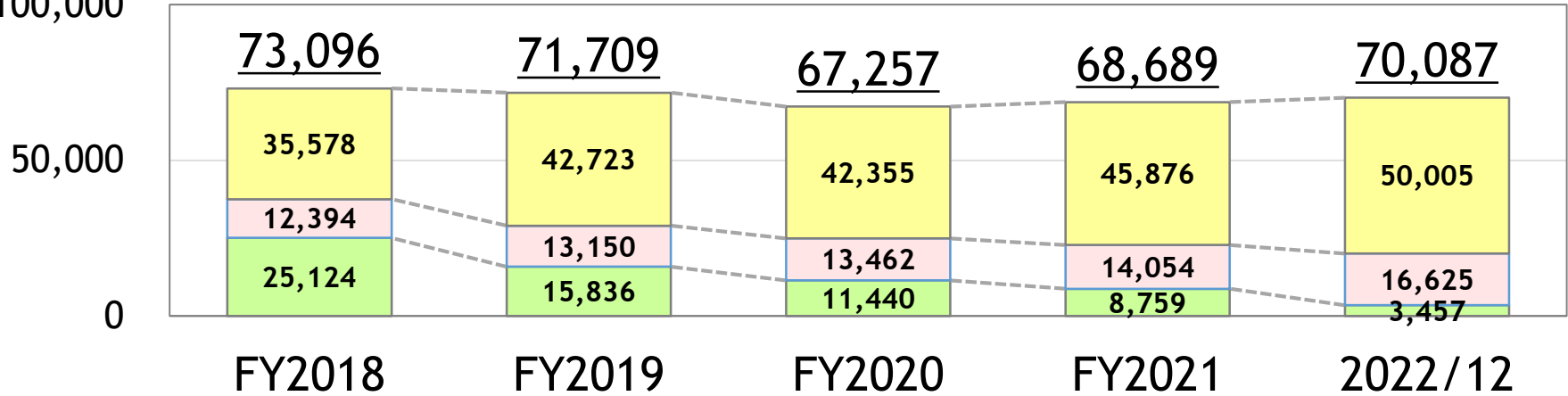
	Sales					Operating Profit				
	FY2021 Q3 Results	FY2022 Q3 FCT (Nov 4)	FY2022 Q3 Results	+/- vs. Prev. vs. FCT year		FY2021 Q3 Results	FY2022 Q3 FCT (Nov 4)	FY2022 Q3 Results	+/- vs. Prev. vs. FCT year	
Parent										
Arisawa Mfg.	20,276	20,600	20,289	13	(311)	1,117	1,250	1,182	65	(68)
Consolidated										
ThinFlex	8,132	8,000	7,941	(191)	(59)	617	(70)	(65)	(682)	5
Satosan	1,531	1,550	1,498	(33)	(52)	35	30	26	(9)	(4)
Arisawa Fiber Glass	1,913	1,300	1,343	(570)	43	183	(110)	(72)	(255)	38
Protec	2,732	4,100	4,004	1272	(96)	498	820	800	302	(20)
Arisawa Sogyo	1,302	1,200	1,195	(107)	(5)	86	60	45	(41)	(15)
Arisawa Jushi Kogyo	192	200	184	(8)	(16)	20	5	9	(11)	4
ColorLink Japan	1,319	1,950	1,803	484	(147)	163	285	239	76	(46)
(Adjustment)	(4,734)	(4,800)	(4,714)			84	(20)	(27)		
Total	32,663	34,100	33,543	880	(557)	2,803	2,250	2,137	(666)	(113)

Consolidated balance sheets(Summary)history

Assets

(Million yen)
100,000

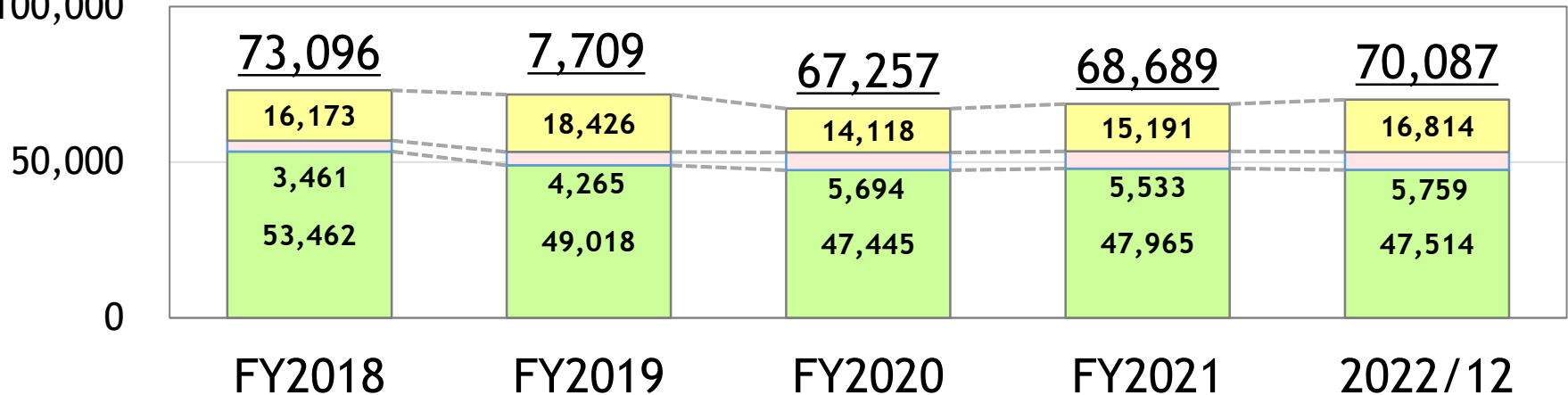
Investment and other assets Fixed assets Current assets



Liabilities and net assets

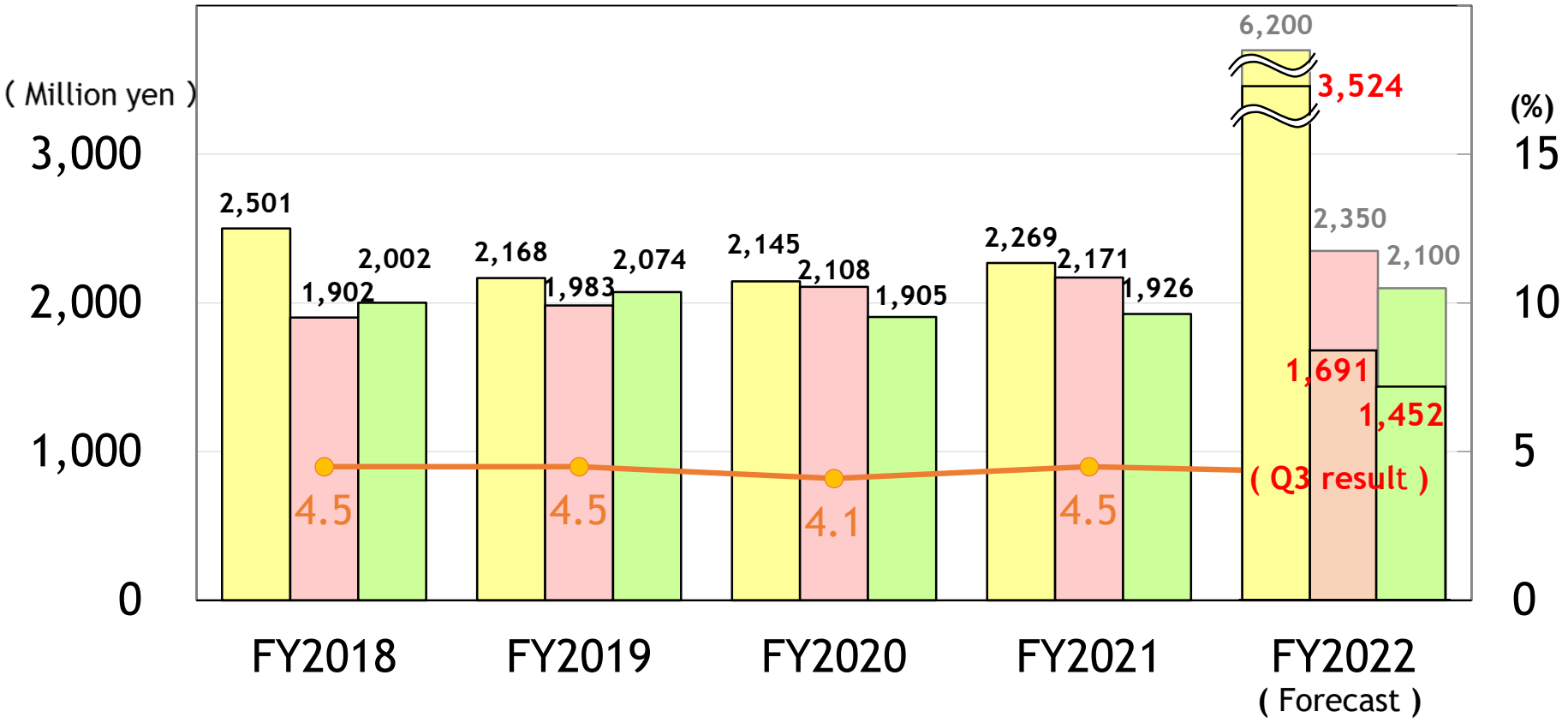
(Million yen)
100,000

Net assets Fixed liabilities Current liabilities



Capital expenditure, Depreciation and R&D Expenses history

■ Capital expenditure (Left axis) ■ Depreciation (Left axis) ■ R & D Expenses (Left axis) ● R & D / Total sales ratio (Right axis)



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