

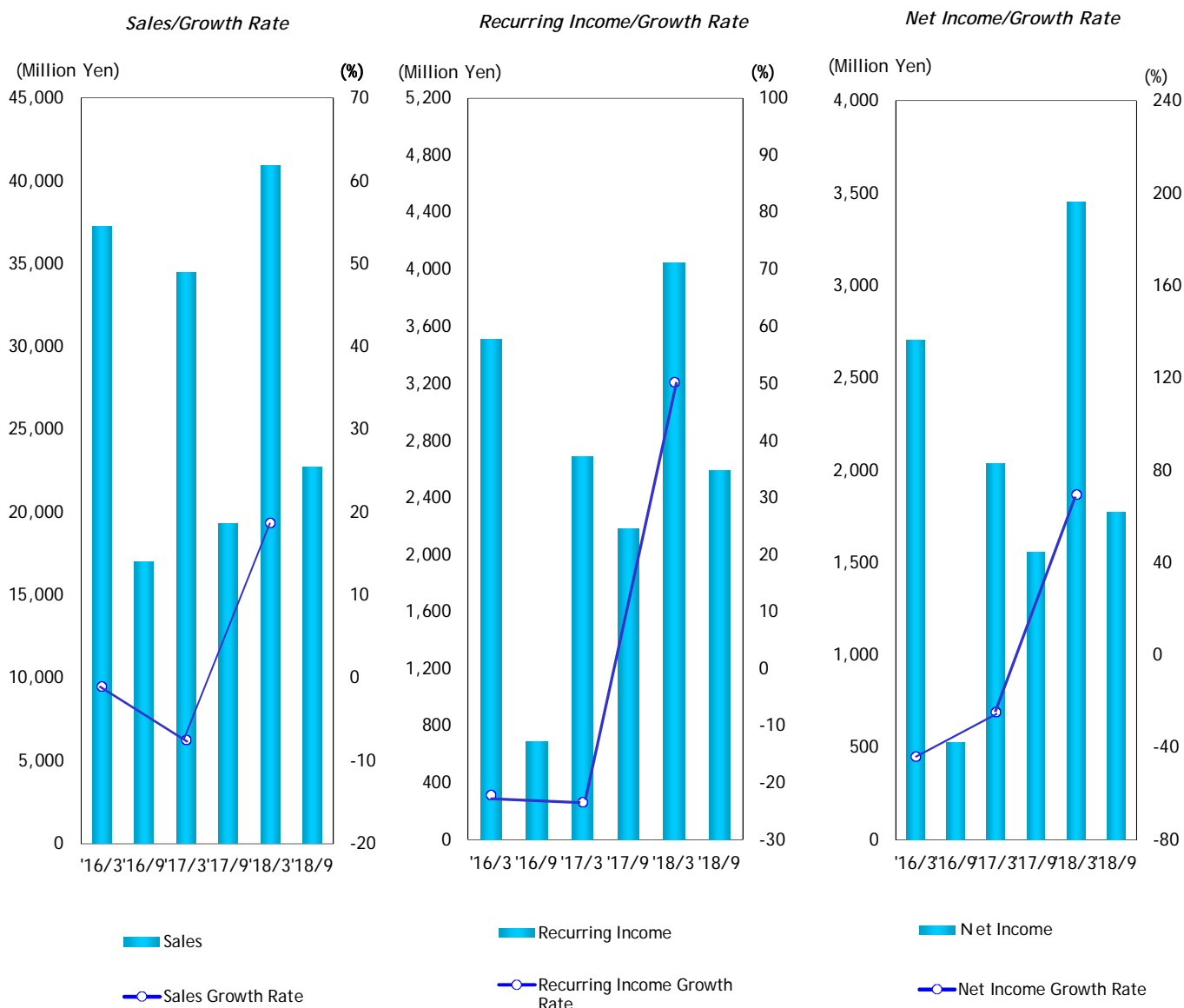
2018 Interim Report

Arisawa

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Consolidated Performance

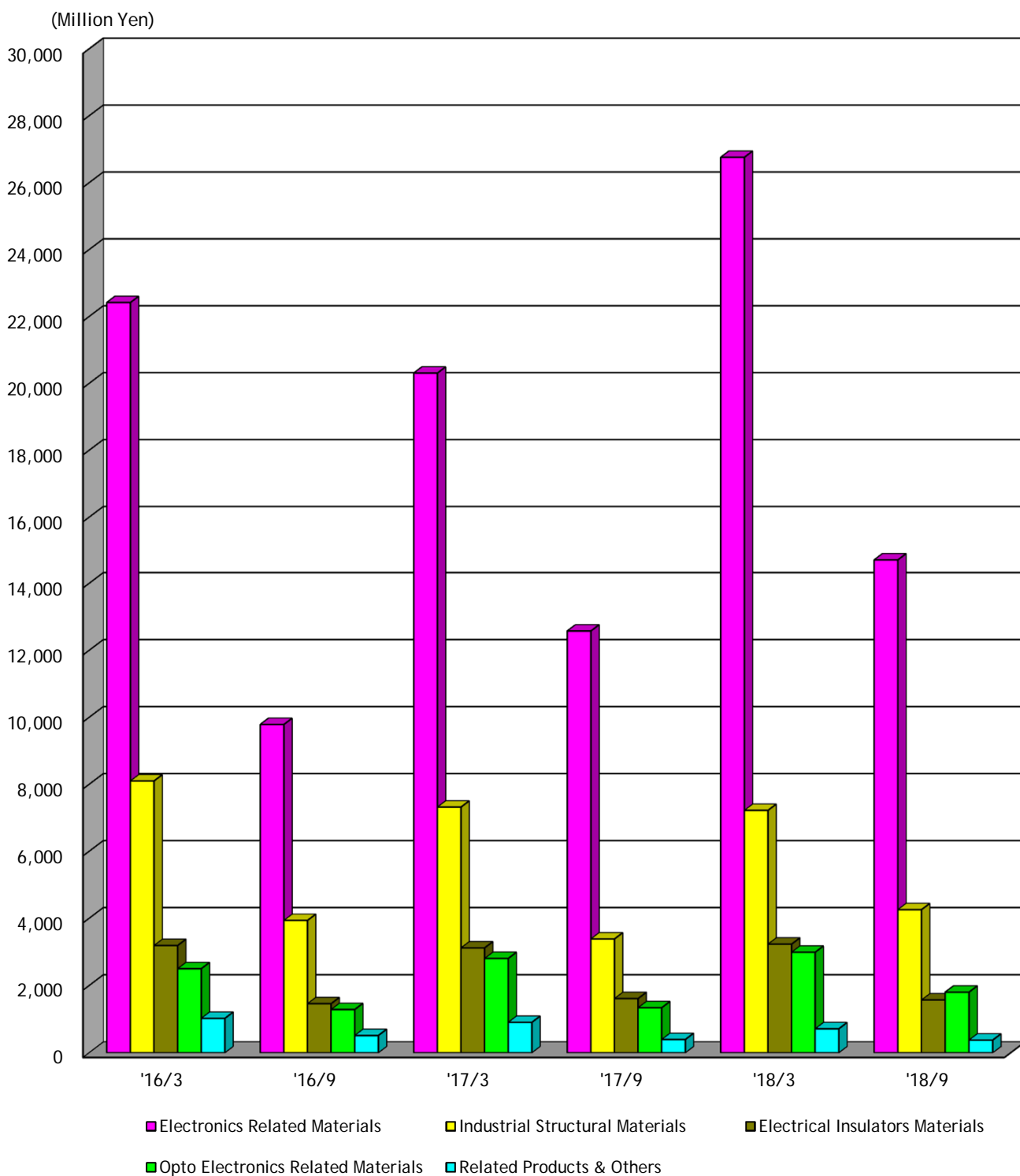


Fiscal Year Ended	'16/3	'16/9	'17/3	'17/9	'18/3	'18/9
Sales(Million Yen)	37,228	16,984	34,451	19,307	40,909	22,707
Sales Growth Rate(%)	-1.0		-7.5		18.7	
Operating Income(Million Yen)	2,957	539	1,790	1,586	3,627	1,732
Operating Profit Growth Rate(%)	0.7		-39.5		102.6	
Recurring Income(Million Yen)	3,510	689	2,690	2,179	4,044	2,589
Recurring Income Growth Rate(%)	-22.1		-23.4		50.3	
Net Income(Million Yen)	2,702	527	2,037	1,557	3,452	1,772
Net Income Growth Rate(%)	-43.9		-24.6		69.5	
Gross Profit(%)	19.0	15.4	17.1	19.4	20.0	18.5
SG & A Ratio(%)	11.1	12.2	11.9	11.2	11.1	10.9

Note: Amounts less than one million yen are omitted

The listed amounts are rearranged to reflect amended financial classifications pursuant to the amendment of a part of the Regulation concerning Terminology, Forms and Method of Preparation of Financial Statements, etc

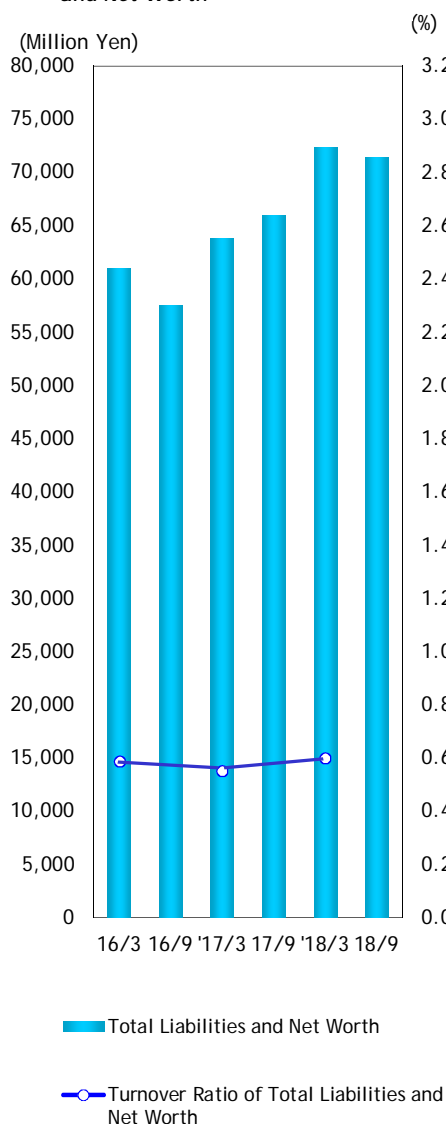
Consolidated Sales Breakdown by Segments



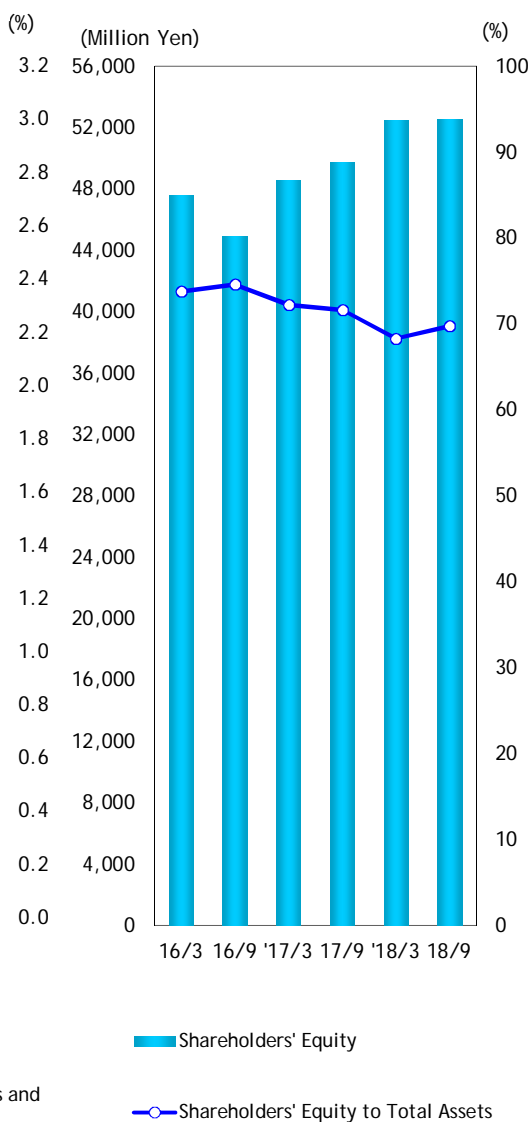
Fiscal Year Ended	'16/3	'16/9	'17/3	'17/9	'18/3	'18/9
Electronics Related Materials	22,417	9,786	20,307	12,576	26,758	14,699
Industrial Structural Materials	8,100	3,936	7,319	3,383	7,221	4,257
Electrical Insulators Materials	3,188	1,460	3,117	1,612	3,228	1,570
Opto Electronics Related Materials	2,499	1,287	2,803	1,340	2,988	1,802
Related Products & Others	1,024	515	905	396	714	379
Total	37,228	16,984	34,451	19,307	40,909	22,707

Consolidated Shareholders' Equity/Return on Shareholders' Equity

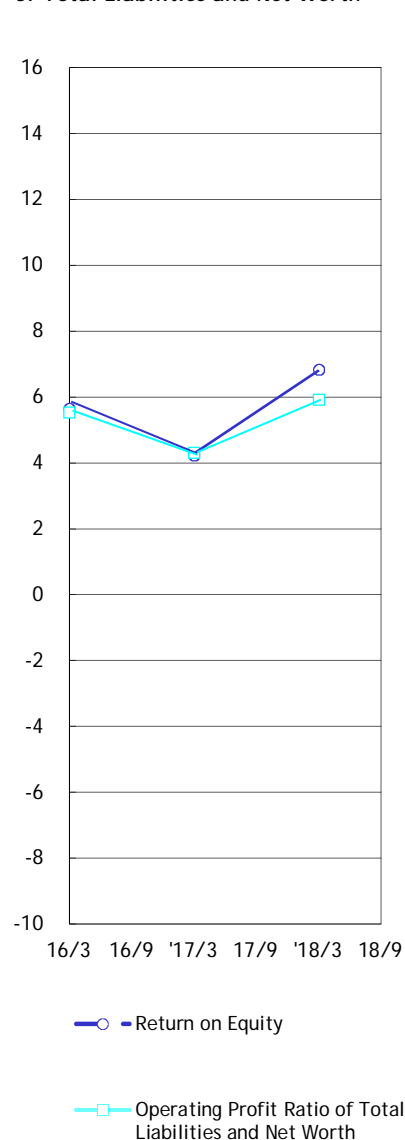
*Total Liabilities and Net Worth/
Turnover Ratio of Total Liabilities
and Net Worth*



*Shareholders' Equity/
Shareholders' Equity to Total Assets*



*Return on Equity/Operating Profit Ratio
of Total Liabilities and Net Worth*



Fiscal Year Ended	16/3	16/9	'17/3	17/9	'18/3	18/9
Total Liabilities and Net Worth(Million Yen)	60,983	57,502	63,808	66,021	72,290	71,431
Turnover Ratio of Total Liabilities and Net Worth	0.59		0.55		0.60	
Operating Profit Ratio of Total Liabilities and Net Worth(%)	5.5		4.3		5.9	
Shareholders' Equity(Million Yen)	47,602	44,890	48,551	49,742	52,492	52,518
Shareholders' Equity to Total Assets(%)	73.8	74.6	72.2	71.6	68.3	69.8
Return on Equity(%)	5.6		4.2		6.8	

Note: Turnover Ratio of Total Liabilities and Net Worth = Net Sales/Total Liabilities and Net Worth(Mid-term Average)

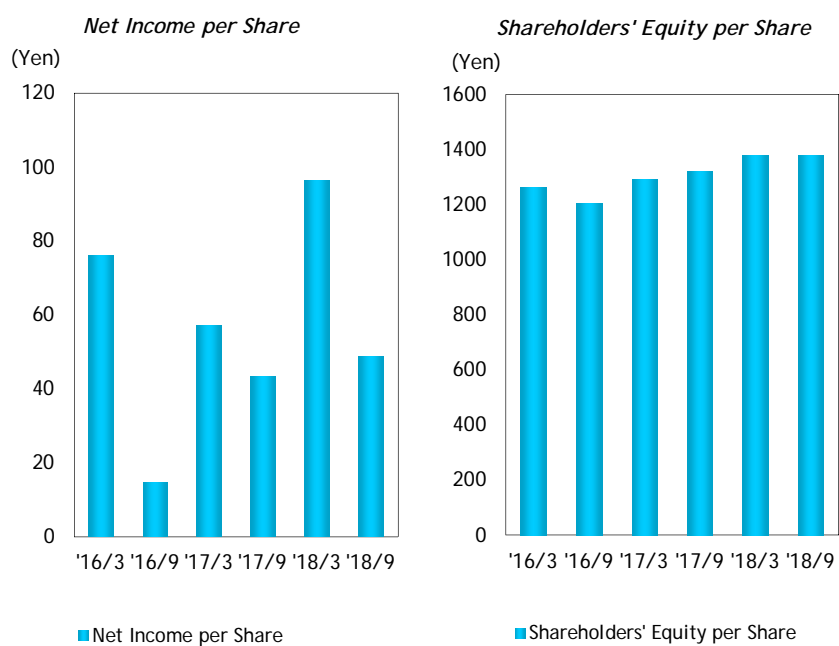
Operating Profit Ratio of Total Liabilities and Net Worth = Ordinary Income/Total Liabilities and Net Worth (Mid-term Average)X100

Shareholders' Equity to Total Assets=Shareholders' Equity(Term End)/Total Liabilities and Net Worth(Term End)X100

Return on Equity = Net Income/Shareholders' Equity(Mid-term Average)X100

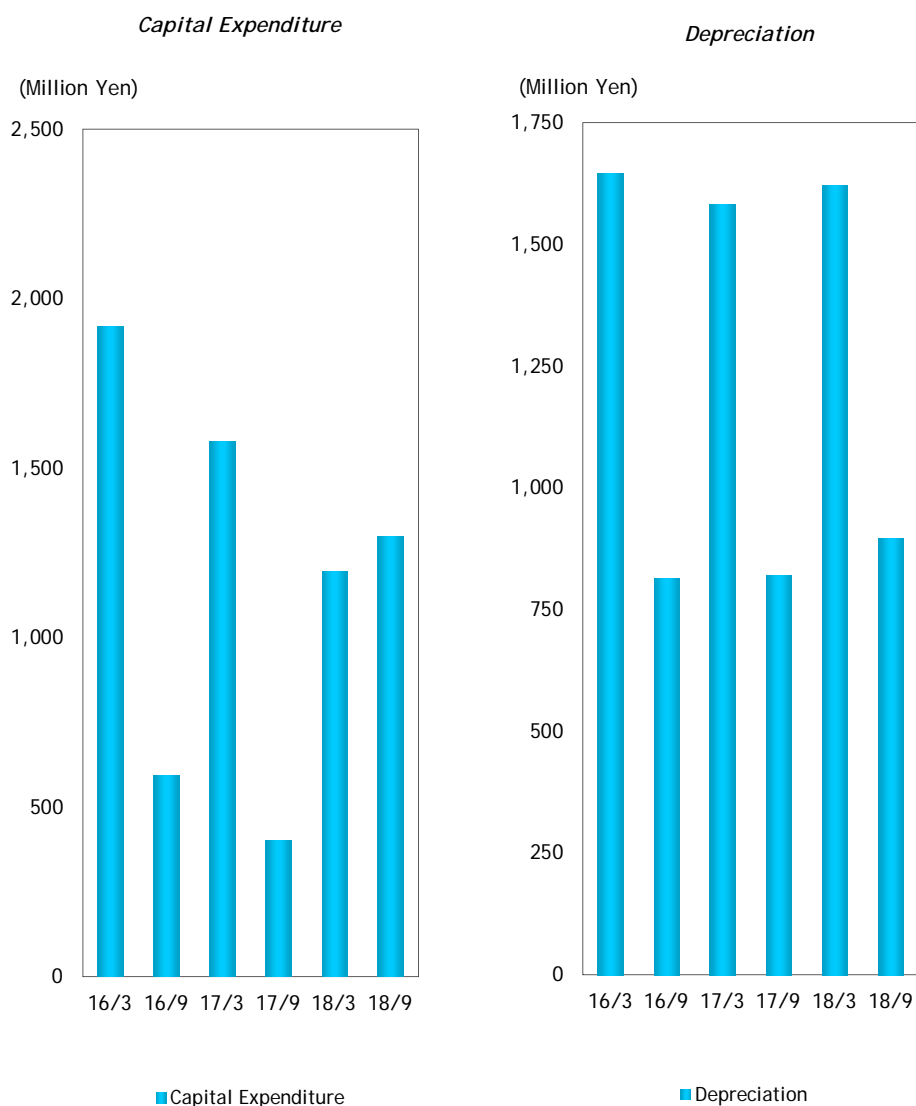
The listed amounts are rearranged to reflect amended financial classifications pursuant to the amendment of a part of the Regulation concerning Terminology, Forms and Method of Preparation of Financial Statements, etc

Consolidated Per Share Data



Fiscal Year Ended	'16/3	'16/9	'17/3	'17/9	'18/3	'18/9
Net Income per Share(Yen)	76.02	14.79	57.20	43.24	96.31	48.71
Shareholders' Equity per Share(Yen)	1263.29	1204.26	1290.93	1318.59	1378.12	1378.79

Consolidated Capital Expenditure



Fiscal Year Ended	16/3	16/9	17/3	17/9	18/3	18/9
Capital Expenditure(Million Yen)	1,917	593	1,580	403	1,194	1,298
Depreciation(Million Yen)	1,646	815	1,583	820	1,621	896
Inventory Turnover Period(Days)	68.9		68.6		65.9	
Interest Coverage	46.6	80.7	70.5	2.7	28.5	25.8

Note: Inventory Turnover Period(Days)=(Average Inventory/Net Sales)X365

Interest Coverage=Cash flow from operation activities/Interest paid

The listed amounts are rearranged to reflect amended financial classifications pursuant to the amendment of a part of the Regulation concerning Terminology ,Forms and Method of Preparation of Financial Statements ,etc

Consolidated Balance Sheet

(Million Yen)

Fiscal Year Ended		'16/3	'16/9	'17/3	'17/9	'18/3	'18/9
Assets	Current Assets	25,883	23,823	28,288	30,754	35,782	34,230
	Cash and deposits	5,696	5,588	7,668	5,586	9,124	6,846
	Notes and accounts receivable	11,607	10,839	12,619	15,103	15,947	16,586
	Securities	525	503	798	1,293	1,180	1,427
	Inventories	6,952	5,950	5,999	7,460	8,765	8,751
	Others	1,341	1,088	1,331	1,441	1,328	1,275
	Allowance for doubtful accounts	-238	-145	-127	-129	-562	-655
	Fixed Assets	35,100	33,679	35,520	35,267	36,508	37,201
	(Tangible fixed assets)	11,281	10,677	11,065	10,688	11,636	11,915
	Buildings and structures	5,711	5,078	5,817	5,626	5,777	5,604
	Machinery, equipment and delivery equipment	3,287	3,872	3,349	3,152	3,496	3,596
	Others	2,283	1,727	1,899	1,910	2,363	2,715
	(Intangible Fixed Assets)	68	65	65	62	419	394
	(Investments and other assets)	23,751	22,937	24,390	24,517	24,453	24,892
	Investment Securities	23,136	22,074	23,864	23,928	23,366	23,935
	Others	809	1,052	708	780	1,264	1,143
	Allowance for doubtful debts	-194	-189	-182	-191	-177	-186
	Total Assets	60,983	57,502	63,808	66,021	72,290	71,431
Liabilities	Current Liabilities	10,862	9,843	11,679	12,609	15,983	15,102
	Notes and accounts payable	5,245	4,667	5,168	6,561	6,794	6,435
	Short-term borrowings	2,553	2,140	2,909	2,515	4,242	3,915
	Accrued income tax and others	98	226	363	523	931	687
	Reserve for Bonuses	463	459	447	610	598	595
	Others	2,503	2,351	2,792	2,400	3,418	3,470
	Fixed Liabilities	2,519	2,769	3,578	3,670	3,815	3,811
	Long-term borrowings	1,042	1,396	1,836	1,739	1,642	1,644
	Others	1,477	1,373	1,742	1,931	2,173	2,167
		Total Liabilities	13,381	12,612	15,257	16,279	19,798
Stockholders' Equity	Capital	7,294	7,296	7,317	7,382	7,458	7,529
	Capital reserve	6,406	6,408	6,429	6,494	6,570	6,641
	Earned surplus	29,522	29,231	30,740	31,580	33,492	34,041
	Cumulative conversion adjustment	1,205	169	808	723	1,082	660
	Treasury Stock	-3	-3	-4	-4	-4	-5
	Cost from Issue of New Bonds	117	132	143	135	128	120
	Others	3,061	1,657	3,118	3,432	3,766	3,532
		Total Stockholder's Equity	47,602	44,890	48,551	49,742	52,492
	Total Liabilities, Minority Interest and Stockholder's Equity	60,983	57,502	63,808	66,021	72,290	71,431

Note: The listed amounts are rearranged to reflect amended financial classifications pursuant to the amendment of a part of the Regulation concerning Terminology, Forms and Method of Preparation of Financial Statements, etc

Note: Amounts Less than one million yen are omitted

Consolidated Income Statement

(百万円/Million Yen)

Fiscal Year Ended	'16/3	'16/9	'17/3	'17/9	'18/3	'18/9
Sales	37,228	16,984	34,451	19,307	40,909	22,707
Sales cost	30,147	14,369	28,557	15,555	32,730	18,497
Gross profit on sales	7,081	2,615	5,894	3,752	8,179	4,210
Selling and general administration expenses	4,124	2,076	4,104	2,166	4,552	2,478
Operating Profit	2,957	539	1,790	1,586	3,627	1,732
Non-operating revenue	1,198	645	1,254	699	1,203	1,081
Interest and Dividend Income	365	154	335	179	311	163
Others	833	491	919	520	892	918
Non-operating expenses	645	495	354	106	786	224
Interest paid	98	25	48	33	76	41
Others	547	470	306	73	710	183
Ordinary Profit	3,510	689	2,690	2,179	4,044	2,589
Extraordinary profit	882	150	153	104	852	79
Extraordinary Losses	465	4	36	71	151	8
Pretax interim (current) net profit	3,927	835	2,807	2,212	4,745	2,660
Corporate income tax, local residence tax, and enterprise tax	997	274	592	551	995	742
Profit attributable to minority interest (deduction)	228	34	178	104	298	146
Interim (current) net profit	2,702	527	2,037	1,557	3,452	1,772

Note: The listed amounts are rearranged to reflect amended financial classifications pursuant to the amendment of a part of the Regulation concerning Terminology, Forms and Method of Preparation of Financial Statements, etc.

Note: Amounts Less than one million yen are omitted

Consolidated Cash Flows Statement

(Million Yen)

Fiscal Year Ended	'16/9	'17/3	'17/9	'18/3	'18/9
Cash flow from operation activities	1,865	3,420	102	2,182	1,085
Pretax interim (current) net profit	835	2,807	2,213	4,745	2,661
Depreciation	815	1,678	820	1,712	896
Investment profit on equity method	-184	-400	-250	-464	-360
Profit on sale of investment securities	-9	-9	-90	-703	-65
Loss on retirement of tangible fixed assets	0	9	4	7	2
Loss on appreciation of investment securities	-	1	-	64	-
(Profit) or loss on conversion	297	28	-1	-82	-137
Increase in reserve for bonuses	-3	-15	162	132	-4
(Increase) or decrease in provisions for doubtful accounts	-43	-70	11	353	101
Interest and dividends received	-206	-429	-229	-403	-214
Interest paid	25	48	33	76	41
(Increase) or decrease in sales receivables	233	-1,038	-2,386	-2,663	-946
(Increase) or decrease in inventories	792	886	-1,429	-2,152	-86
(Increase) or decrease in purchase liabilities	-376	-33	1,356	1,376	-263
(Increase) or decrease in accrued consumption tax, etc.	-146	-86	5	-36	141
(Increase) or decrease in other assets	-476	-287	-228	66	-109
(Increase) or decrease in other liabilities	142	56	159	278	-30
Interest and dividends received	316	605	293	563	293
Interest paid	-23	-32	-38	-84	-42
Corporate income tax, etc. paid	-50	-261	-367	-726	-848
Other	-74	-38	64	123	54
Cash flow from investment activities	-716	-1,672	-369	-471	-1,454
Payments for Received Time Deposits	-295	-289	-	-	-
Revenue from refund of time deposits	403	422	230	227	-
Expenditure on acquisition of tangible fixed assets	-693	-1,292	-949	-1,701	-1,075
Revenue from sale of tangible fixed assets	-	-	6	6	2
Expenditure on acquisition of investment securities	-1,220	-1,667	-255	-1,419	-1,316
Revenue from sale of investment securities	1,253	1,378	593	2,987	890
Expenditure on lending	-154	-211	-106	-172	-20
Revenue from collection of loans	-	8	80	157	34
Other	-10	-21	32	-556	31
Cash flow from financing activities	-519	419	-1,250	-59	-1,695
Revenue from Short-term borrowings	-227	-	-444	-	-212
Expenditure on repayment of short-term borrowings	-	305	-	911	-
Revenue from long-term borrowings	1,434	2,350	483	690	442
Expenditure on repayment of long-term borrowings	-778	-1,311	-548	-914	-542
Proceeds from stocks issued	2	35	103	226	116
Net expenditure on acquisition and proceeds from sale of treasury stock	0	0	0	-1	0
Dividends paid	-816	-817	-711	-712	-1,220
Other	-134	-143	-133	-259	-279
Conversion difference of cash and cash equivalents	-373	-54	22	262	-39
Increase (decrease) in cash and cash equivalents	257	2,113	-1,494	1,914	-2,104
Cash and cash equivalents at the beginning of year	4,901	4,901	7,026	7,026	8,832
Cash and cash equivalents at the beginning of year of newly consolidated subsidiaries	-	-	-	-	-
Cash of Removeing Consolidated Subsidiaries and Cash Equivalents at Mid-Term of Year	-	13	-	-	-
Changes in Cash and Cash Equivalents by changing the scope of consolidation	-	-	-110	-110	-
Cash and cash equivalents at the end of interim period(year)	5,158	7,027	5,422	8,830	6,728

Note: Amounts Less than one million yen are omitted