

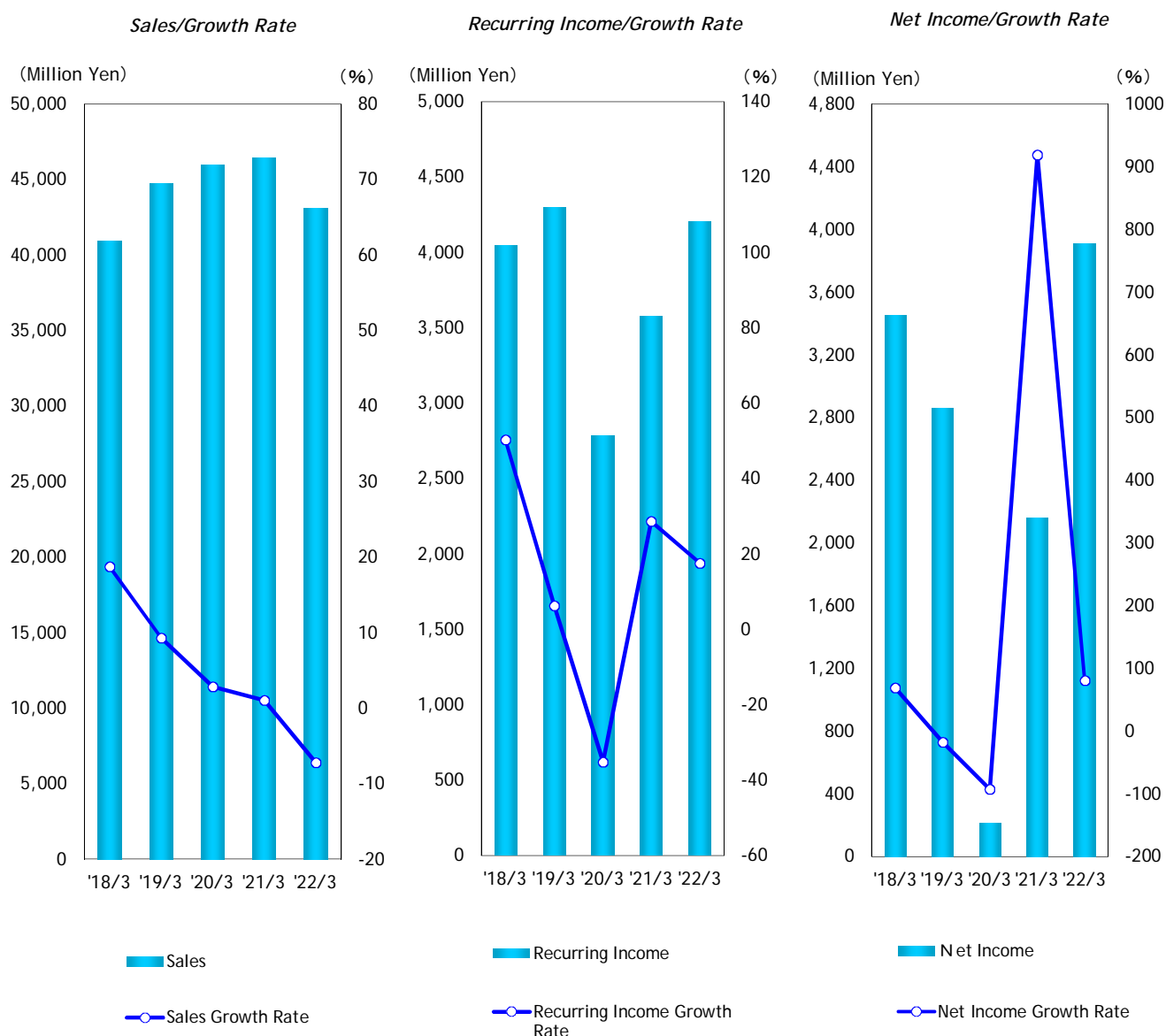
2021 Annual Report

Arisawa

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Consolidated Performance

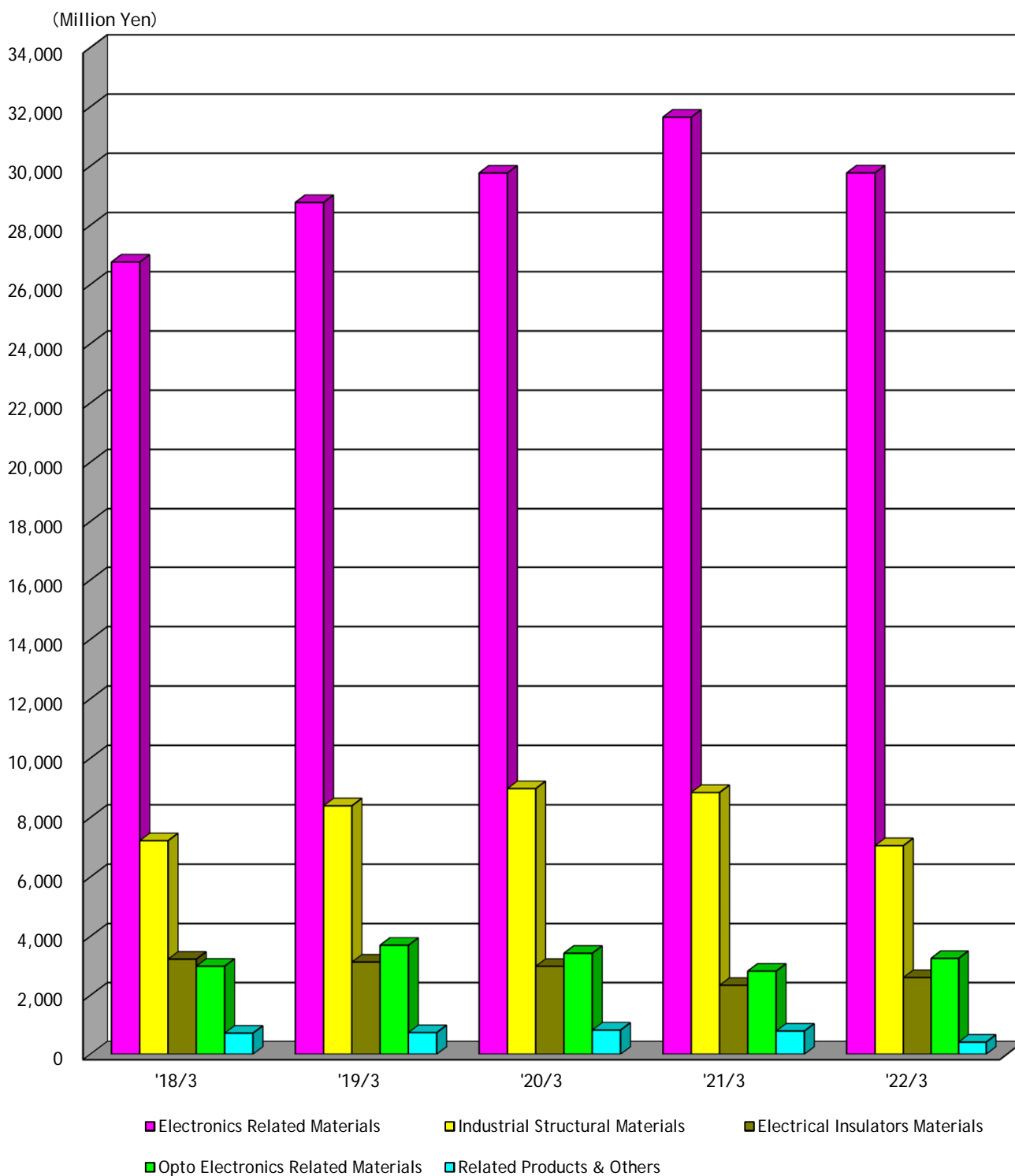


Fiscal Year Ended	'18/3	'19/3	'20/3	'21/3	'22/3
Sales(Million Yen)	40,909	44,728	45,970	46,439	43,089
Sales Growth Rate(%)	18.7	9.3	2.8	1.0	-7.2
Operating Income(Million Yen)	3,627	3,119	2,762	3,118	3,320
Operating Profit Growth Rate(%)	102.6	-14.0	-11.5	12.9	6.5
Recurring Income(Million Yen)	4,044	4,297	2,783	3,578	4,204
Recurring Income Growth Rate(%)	50.3	6.3	-35.2	28.6	17.5
Net Income(Million Yen)	3,453	2,861	212	2,160	3,911
Net Income Growth Rate(%)	69.5	-17.2	-92.6	918.9	81.0
Gross Profit(%)	20.0	18.2	16.9	17.1	20.1
SG & A Ratio(%)	11.1	11.2	10.8	10.4	12.4

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

Parent's Sales Breakdown by Segments



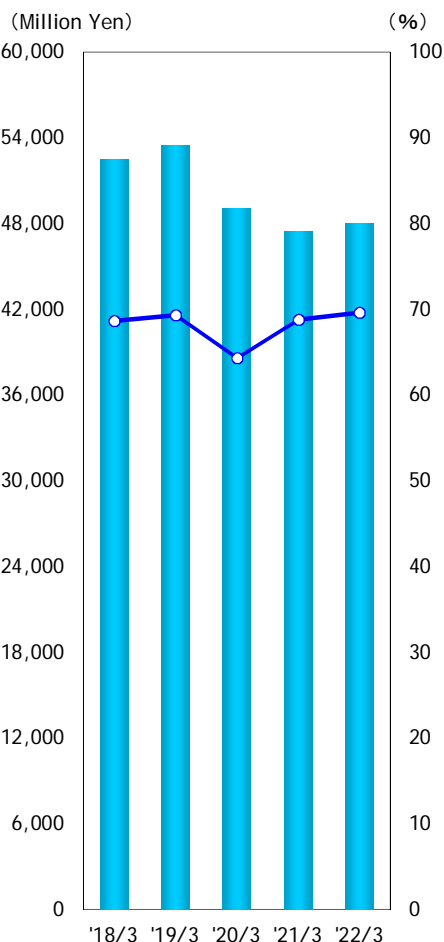
Fiscal Year Ended	'18/3	'19/3	'20/3	'21/3	'22/3
Electronics Related Materials	26,758	28,770	29,765	31,650	29,768
Industrial Structural Materials	7,221	8,395	8,975	8,843	7,054
Electrical Insulators Materials	3,228	3,128	2,984	2,340	2,604
Opto Electronics Related Materials	2,988	3,700	3,427	2,820	3,253
Related Products & Others	714	735	819	786	410
Total	40,909	44,728	45,970	46,439	43,089

Consolidated Shareholders' Equity/Return on Shareholders' Equity

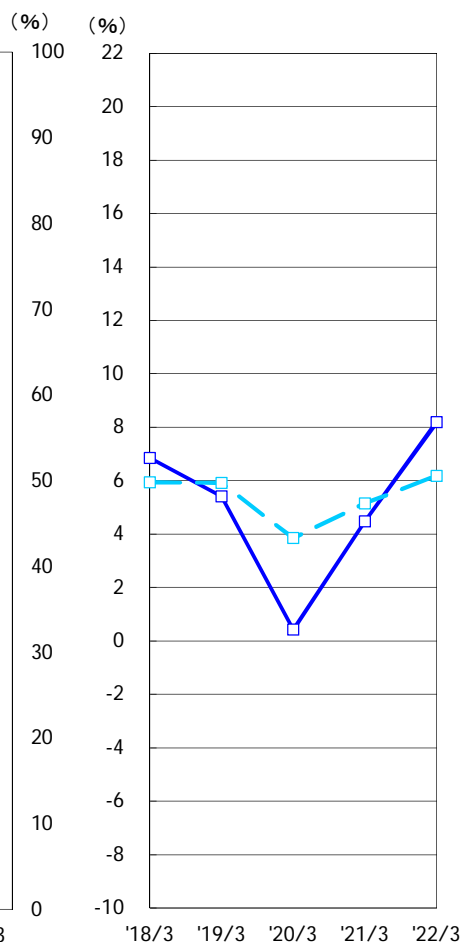
*Total Liabilities and Net Worth/
Turnover Ratio of Total Liabilities
and Net Worth*



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



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



■ Total Liabilities and Net Worth

■ Shareholders' Equity

—□— Return on Equity

—○— Turnover Ratio of Total Liabilities and Net Worth

—○— Shareholders' Equity to Total Assets

—□— Operating Profit Ratio of Total Liabilities and Net Worth

Fiscal Year Ended	'18/3	'19/3	'20/3	'21/3	'22/3
Total Liabilities and Net Worth(Million Yen)	72,382	73,096	71,709	67,257	68,689
Turnover Ratio of Total Liabilities and Net Worth	0.60	0.61	0.63	0.67	0.63
Operating Profit Ratio of Total Liabilities and Net Worth(%)	5.9	5.9	3.8	5.1	6.2
Shareholders' Equity(Million Yen)	52,493	53,462	49,018	47,444	47,965
Shareholders' Equity to Total Assets(%)	68.6	69.3	64.3	68.8	69.6
Return on Equity(%)	6.8	5.4	0.4	4.5	8.2

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

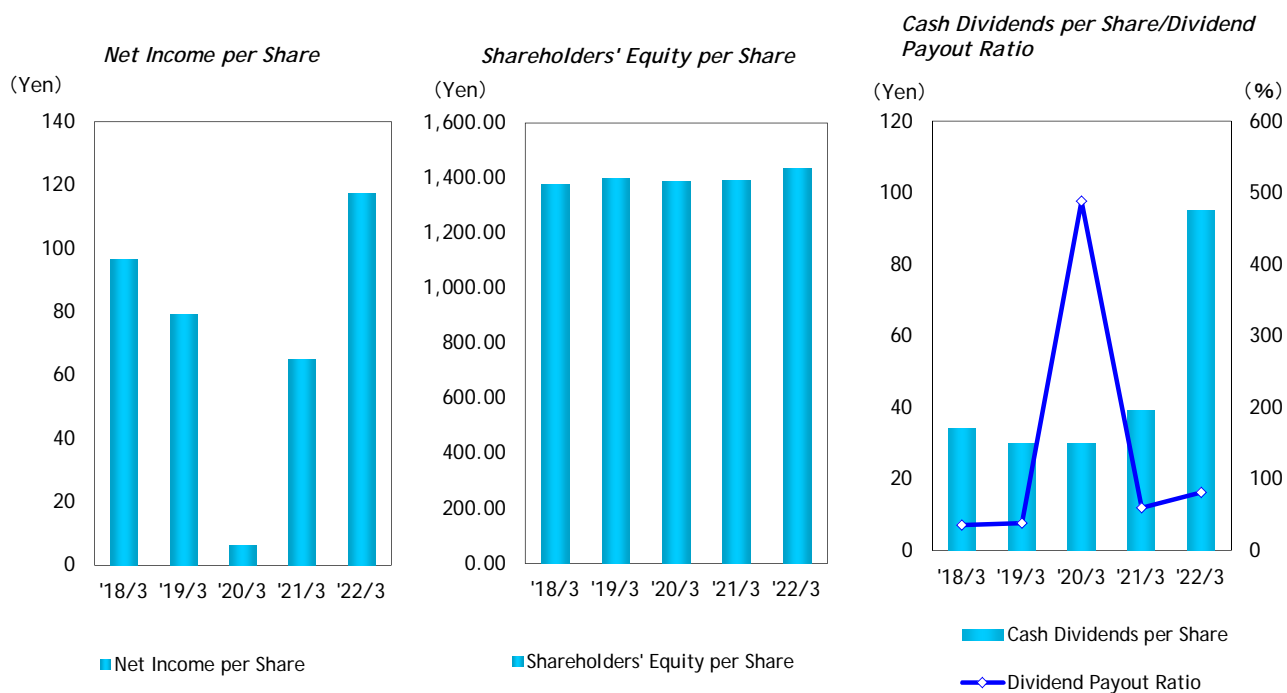
Operating Profit Ratio of Total Liabilities and Net Worth = Ordinary Income/Total Liabilities and Net Worth (Mid-term Average)X100

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

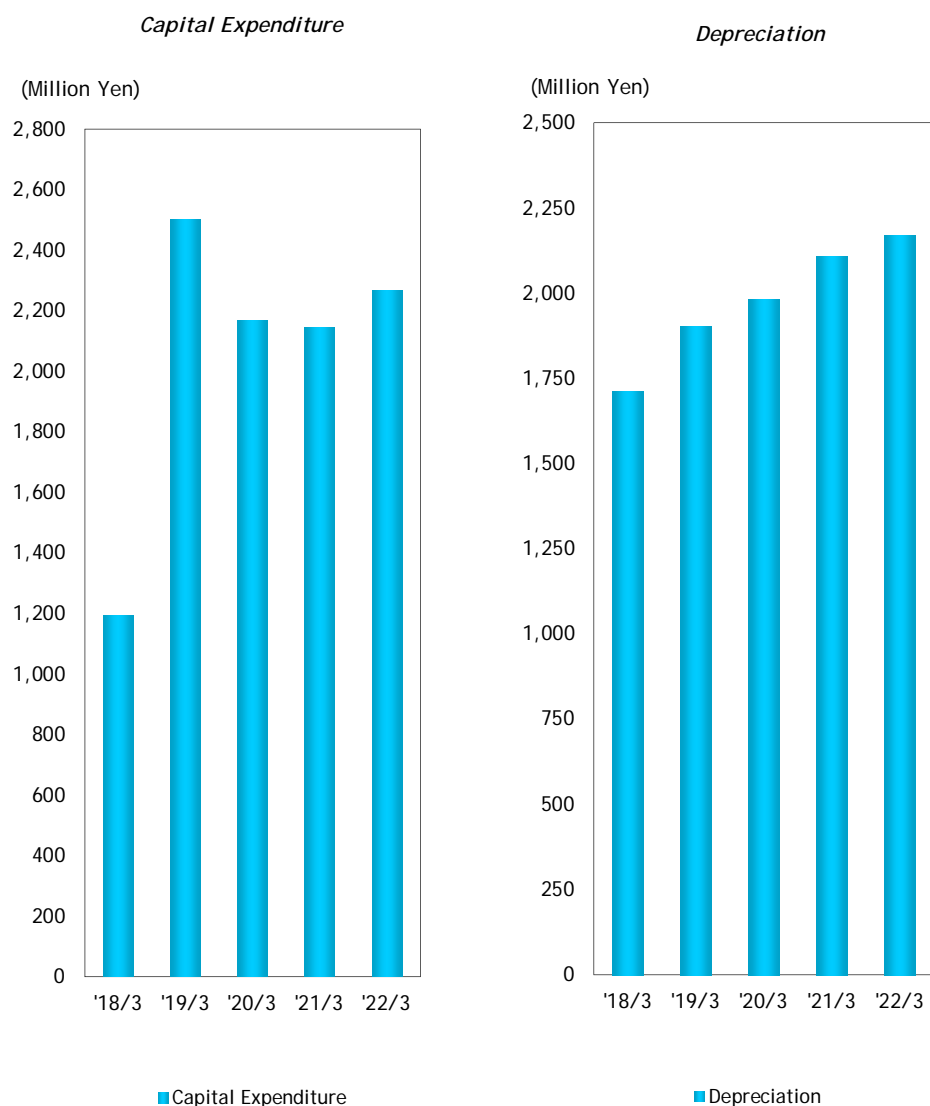
The listed amounts are rearranged to reflect amended financial classifications pursuant to the amendment of a part of the Regulation concerning Terminology, Forms and Method of Preparation of Financial Statements, etc

Consolidated Per Share Data



Fiscal Year Ended	'18/3	'19/3	'20/3	'21/3	'22/3
Net Income per Share(Yen)	96.35	79.15	6.14	64.94	117.40
Shareholders' Equity per Share(Yen)	1,378.16	1,397.78	1,387.76	1,388.50	1,434.46
Cash Dividends per Share(Yen)	34	30	30	39	95
Dividend Payout Ratio(%)	35.3	37.9	488.6	60.1	80.9

Consolidated Capital Expenditure



Fiscal Year Ended	'18/3	'19/3	'20/3	'21/3	'22/3
Capital Expenditure(Million Yen)	1,194	2,501	2,169	2,145	2,269
Depreciation(Million Yen)	1,712	1,902	1,983	2,108	2,171
Inventory Turnover Period(Days)	65.9	73.8	69.9	68.3	83.6
Interest Coverage	25.8	34.2	76.5	3.7	43.6

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

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		'18/3	'19/3	'20/3	'21/3	'22/3	
Assets	Current Assets	35,782	35,578	42,723	42,355	45,876	
	Cash and Time Deposits	9,124	8,194	14,714	13,216	17,342	
	Notes and Accounts Receivable, Trade	15,947	16,127	17,697	16,766	16,074	
	Securities	1,180	1,401	1,558	1,242	1,040	
	Inventories	8,765	9,333	8,279	9,098	10,638	
	Other Current Assets	1,328	1,191	1,060	2,195	798	
	Allowance for Doubtful Receivables	-562	-668	-585	-162	-16	
	Fixed Assets	36,600	37,518	28,986	24,902	22,813	
	(Tangible Fixed Assets)	11,636	11,998	12,925	13,218	13,775	
	Buildings and Structures	5,777	5,582	5,873	6,145	6,062	
	Machinery, Equipment and Automotive Equipment	3,496	3,915	3,962	3,873	3,438	
	Tools, Furnitures, Fixtures	0	0	0	0	0	
	Land	1,836	1,950	1,878	1,889	1,889	
	Construction in Progress	96	122	291	294	1,180	
	Other Fixed Assets	431	429	921	1,017	1,206	
	(Intangible Fixed Assets)	451	395	225	245	279	
	(Investments and Other Assets)	24,513	25,125	15,836	11,439	8,759	
	Investments in Securities	23,366	23,143	14,207	10,666	7,876	
	Long-Term Loans	219	218	214	67	52	
	Deferred Tax Assets	492	536	861	208	359	
	Other Investments	613	1,372	692	513	522	
	Allowance for Doubtful Receivables	-177	-144	-138	-15	-50	
		Total Assets	72,382	73,096	71,709	67,257	68,689
Liabilities	Current Liabilities	15,983	16,173	18,426	14,118	15,191	
	Notes and Accounts Payable, Trade	6,794	6,105	6,916	6,657	5,638	
	Short-Term Loan Payables	4,242	5,394	4,866	3,606	3,562	
	Accrued Income Taxes	931	301	3,428	278	1,088	
	Deferred Tax Liabilities	0	0	0	0	0	
	Reserve for Bonuses	598	510	571	536	508	
	Other Current Liabilities	3,418	3,863	2,645	3,041	4,395	
	Long-Term Liabilities	3,906	3,461	4,265	5,695	5,533	
	Long-Term Debt	1,642	1,265	2,568	3,762	3,845	
	Deferred Tax Liabilities	1,012	1,074	237	594	251	
	Severance and Retirement Benefits	604	627	739	607	583	
	Other Long-Term Liabilities	648	495	721	732	854	
		Total Liabilities	19,889	19,634	22,691	19,813	20,724
Shareholders' Equity	Common Stock	7,458	7,542	7,594	7,624	7,644	
	Additional Paid-in Capital	6,570	6,654	6,706	4,403	3,017	
	Earned Surplus	33,493	35,130	34,257	33,374	34,937	
	Treasury Stock	-4	-5	-3,205	-1,159	-300	
	Net Unrealized holding gains on Securities available for Sales	1,214	745	449	1,569	1,229	
	Cumulative Translation Adjustments	1,082	708	479	486	1,318	
	Cost from Issue of New Bonds	128	144	166	194	149	
	Minority Interest	2,729	2,692	2,715	966	30	
	Others	-177	-148	-143	-13	-59	
		Total Shareholders' Equity	52,493	53,462	49,018	47,444	47,965
		Total Liabilities, Minority Interest and Shareholders' Equity	72,382	73,096	71,709	67,257	68,689

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

(Million Yen)

Fiscal Year Ended	'18/3	'19/3	'20/3	'21/3	'22/3
Net Sales	40,909	44,728	45,970	46,439	43,089
Cost of Sales	32,730	36,607	38,224	38,501	34,422
Gross Profit	8,179	8,121	7,746	7,938	8,667
Selling, General and Administrative Expenses	4,552	5,002	4,984	4,820	5,347
Operating Income	3,627	3,119	2,762	3,118	3,320
Non-Operating Income	1,203	1,509	745	925	1,158
Interest and Dividend Income	311	336	327	272	187
Other Non-Operating Income	892	1,173	418	653	971
Non-Operating Expenses	786	331	724	465	274
Interest Expenses	76	82	97	111	121
Other Non-Operating Expenses	710	249	627	354	153
Ordinary Income	4,044	4,297	2,783	3,578	4,204
Extraordinary Income	852	113	1,311	351	863
Extraordinary Losses	151	194	972	413	102
Income Before Income Taxes	4,745	4,216	3,122	3,516	4,965
Corporation Tax . Inhabitant Tax and Business Taxes	1,199	863	3,699	457	1,157
Provision for Income Taxes—Deferred	-205	204	-1,020	461	-196
Minority Stockholder Income	298	288	231	438	93
Net Income	3,453	2,861	212	2,160	3,911

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	'18/3	'19/3	'20/3	'21/3	'22/3
Cash Flows from Operating Activities					
Income before Income Taxes	4,745	4,216	3,122	3,517	4,966
Depreciation	1,715	1,902	1,983	2,108	2,171
Equity in Earnings of Unconsolidated Subsidiaries and Affiliates	-464	-558	52	46	-15
Loss on Sale of Investments in Securities	-703	-65	-1,291	-10	-777
Gain on Sale of Properties	-3	-34	0	0	-8
Loss on Disposal of Tangible Fixed Assets	7	20	7	6	18
Loss on Write-Down of Investments in Securities	64	45	294	2	-212
Exchange Loss(Gain)	-82	-21	11	-229	-398
Increase in Reserve for Bonuses	132	-88	60	-35	-28
Increase in Allowance for Doubtful Receivables	353	110	104	36	16
Interest and Dividend Income	-403	-437	-431	-360	-261
Interest Expenses	76	82	97	111	121
(Increase) Decrease in Receivables	-2,663	-518	-1,562	985	1,597
(Increase) Decrease in Inventories	-2,152	-682	1,034	-800	-1,487
(Decrease) Increase in Purchase Liabilities	1,376	-589	800	-284	-1,268
(Decrease) Increase in Accrued Consumption Taxes	-36	36	202	-164	109
(Increase) Decrease in Other Assets	66	136	-333	-160	80
Increase in Other Liabilities	278	45	-115	353	201
Other	66	239	882	64	-43
Subtotal	2,372	3,839	4,916	5,186	4,782
Interest and Dividend Received	563	604	619	411	295
Interest Paid	-84	-85	-63	-163	-135
Income Taxes Paid	-669	-1,465	-634	-4,823	960
TOTAL	2,182	2,893	4,838	611	5,902
Cash Flows from Investing Activities					
Payments for Received Time Deposits	-	-100	-200	-1,771	-
Proceeds from Purchase Time Deposits	227	3	210	200	1,674
Payments for Purchase of Investments in Securities	-1,701	-2,758	-2,772	-1,908	-1,907
Proceeds from Sales of Property, Plant and Equipment	6	38	0	1	11
Payments for Purchase of Investments in Securities	-1,419	-1,930	-1,032	-672	-103
Proceeds from Sales of Investments in Securities	2,987	1,477	1,656	5,611	3,339
Payments for Loans	-172	-55	-22	-29	-91
Proceeds from Recovery of Loans	157	34	20	41	87
Other	-556	-13	8,720	94	-141
TOTAL	-471	-3,304	6,580	1,567	2,869
Cash Flows from Financing Activities					
Decrease in Short-Term Loans	911	1,295	-549	-1,282	-325
Borrowings of Long-Term Debt	690	918	1,909	1,682	1,269
Repayments of Long-Term Borrowings	-914	-1,341	-1,223	-478	-799
Proceeds from Issue of Bonds	226	137	87	50	34
Payments for Purchase of Treasury Stock and Proceeds from Sale	-1	0	-3,200	0	-83
Cash Dividends	-712	-1,221	-1,085	-995	-1,463
Other	-259	-364	-371	-4,680	-2,676
TOTAL	-59	-576	-4,432	-5,703	-4,043
Translation difference of Cash and Cash Equivalents	262	-124	21	288	677
Changes in Cash and Cash Equivalents	1,914	-1,111	7,007	-3,238	5,405
Cash and Cash Equivalents at Beginning of Year	7,026	8,930	7,719	14,726	11,488
Changes in Cash and Cash Equivalents by changing the scope of consolidation	-110	-	-	-	-
Cash and Cash Equivalents at End of Year	8,830	7,719	14,726	11,488	16,893

Note: Amounts Less than one million yen are omitted