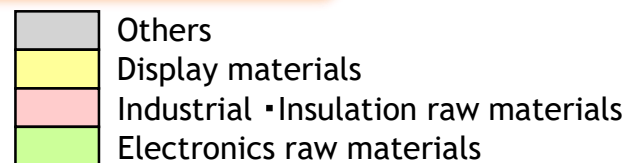


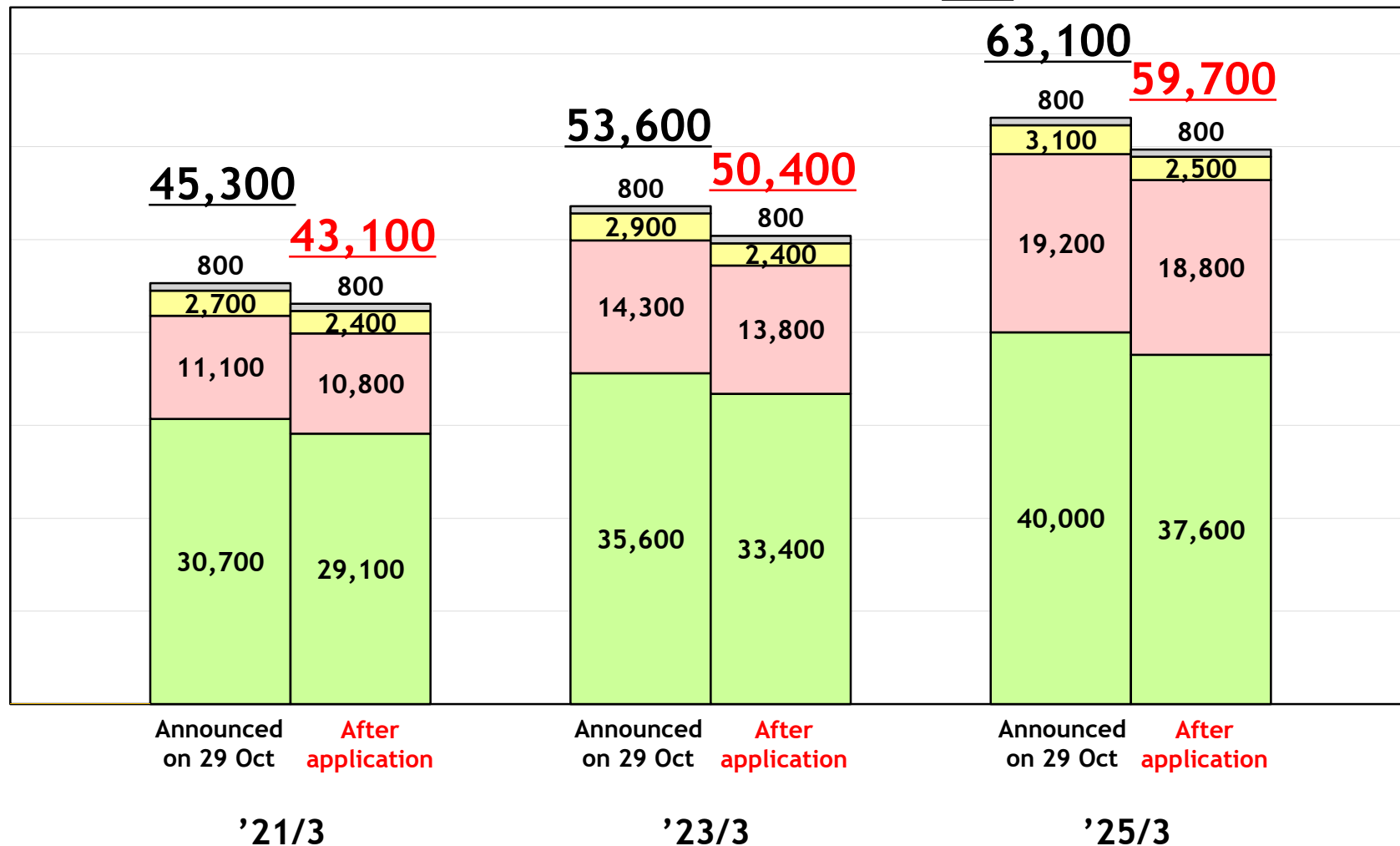
Progress report on Medium-term business plan (2021/3 - 2025/3)

Arisawa Mfg. Co., Ltd.

Change to the sales forecast announced on 29 Oct, 2020 by application of Revenue Recognition Standard



Sales (Million Yen)

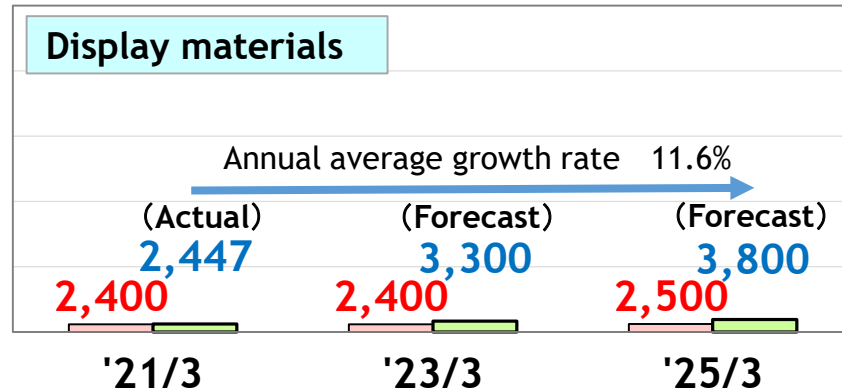
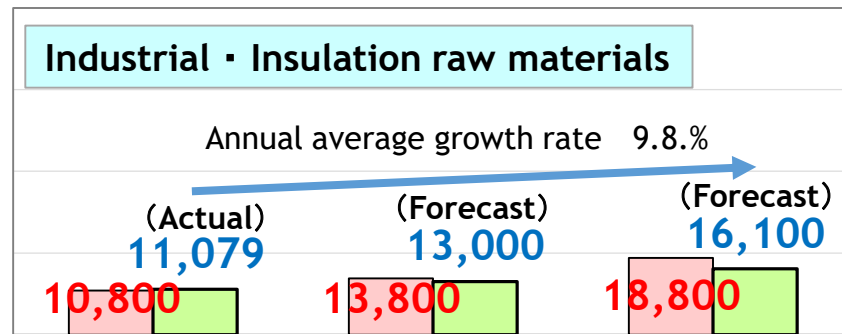
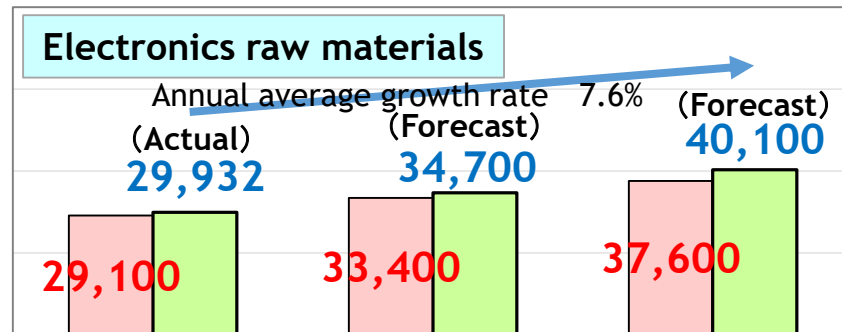
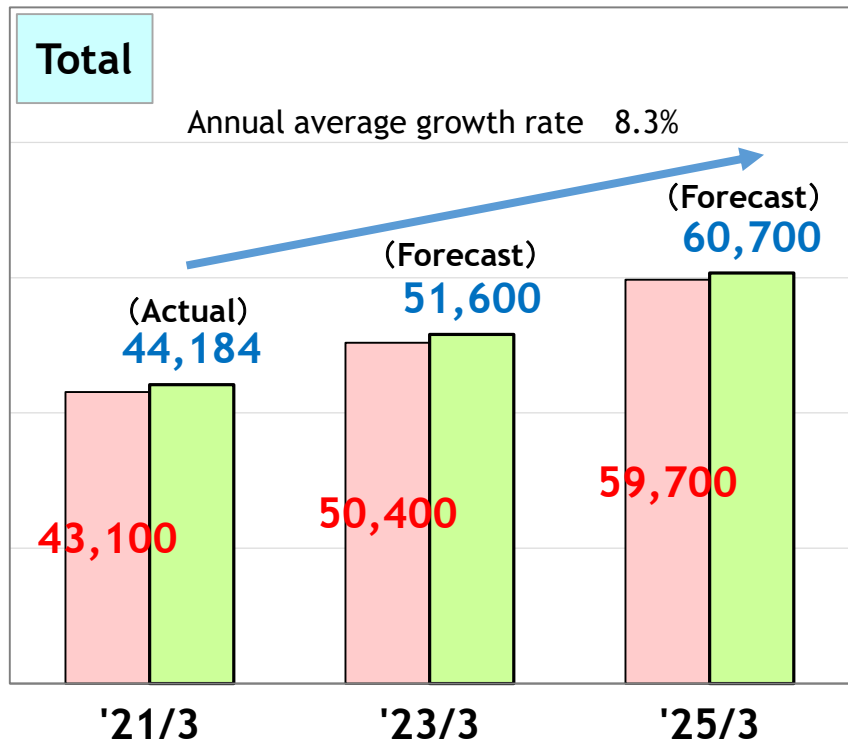


Sales '21/3 : Comparison between actual and forecast

'23/3, '25/3: Revision of Medium-term business plan

Sales (Million Yen) [After application of Revenue Recognition Standard]

■ Announced on 29 Oct
■ Actual or revised Forecast on 6 May



- Total : Expected to align with the Medium-term business plan.
- Electronics raw materials : Increase by steady demand of mobile and semiconductor.
- Industrial raw materials : Adjustment phase of aircraft demand continues.
- Display materials : Optical devices increase steadily.

Actual of '21/3 (compared with the sales forecast announced on 29 Oct, 2020 by application of Revenue Recognition Standard)

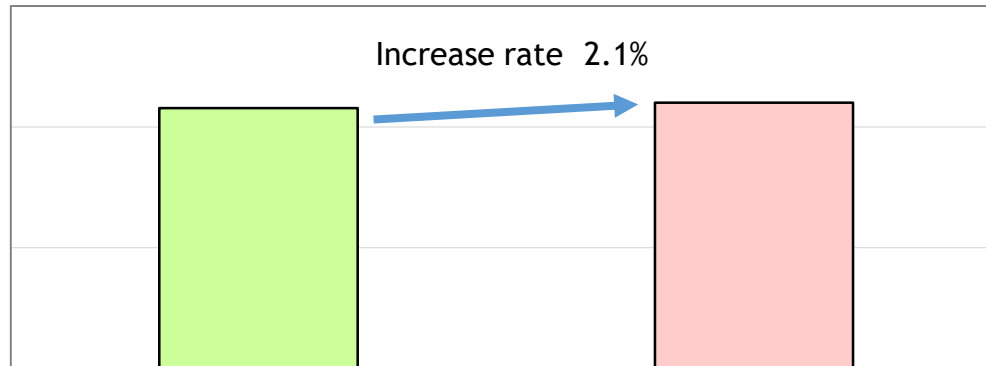
(Sales :Million yen)

60,000

40,000

20,000

0



(Million yen)	'21/3 (Forecast)	'21/3 (Actual)	(vs. Forecast)
Sales	43,100	44,184	+907
Operating Profit	2,400	3,175	+718
Operating Margin (%)	5.6	7.2	+1.5
NOPLAT	1,750	2,317	+526
Equity capital + Interest-bearing debt	54,750	54,600	-192
ROIC (%) *1	3.2	4.2	+1.0

*1 ROIC (Return on invested capital) = $\frac{\text{NOPLAT (Net Operating Profit Less Adjusted Tax)}}{\text{Equity capital + Interest-bearing debt}}$

•ROIC in the first year of Medium-term business plan exceeds the forecast.

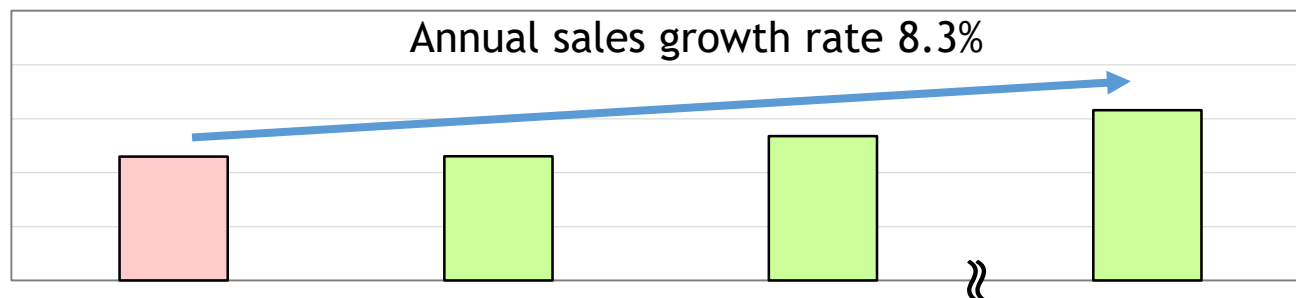
Target figures to achieve within the period of this Medium-term business plan (after revision on 6 May)

ROIC over 6.0% (2025/3)

← '21/3 WACC 5.0% *
 (* By our own calculation)

(Sales : Million yen)

100,000
 80,000
 60,000
 40,000
 20,000
 0



(Million yen)	'21/3 (Actual)	'22/3 (Forecast)	'23/3 (Forecast)	'25/3 (Forecast)
Sales	44,184	44,400	51,600	60,700
Operating Profit	3,175	2,800	3,700	5,200
Operating Margin (%)	7.2	6.3	7.2	8.6
NOPLAT	2,317	2,050	2,700	3,800
Equity capital + Interest-bearing debt	54,600	53,950	55,600	59,300
ROIC (%) * 1	4.2	3.8	4.9	6.5

*1 ROIC (Return on invested capital) = $\frac{\text{NOPLAT (Net Operating Profit Less Adjusted Tax)}}{\text{Equity capital + Interest-bearing debt}}$