

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

Nov 4<sup>th</sup>, 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	

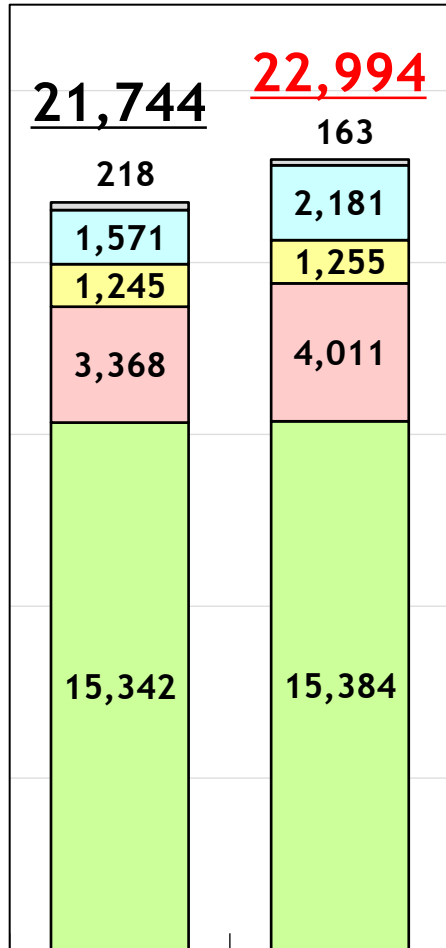
# ■ Highlights of FY2022 1H Consolidated Performance

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- 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.

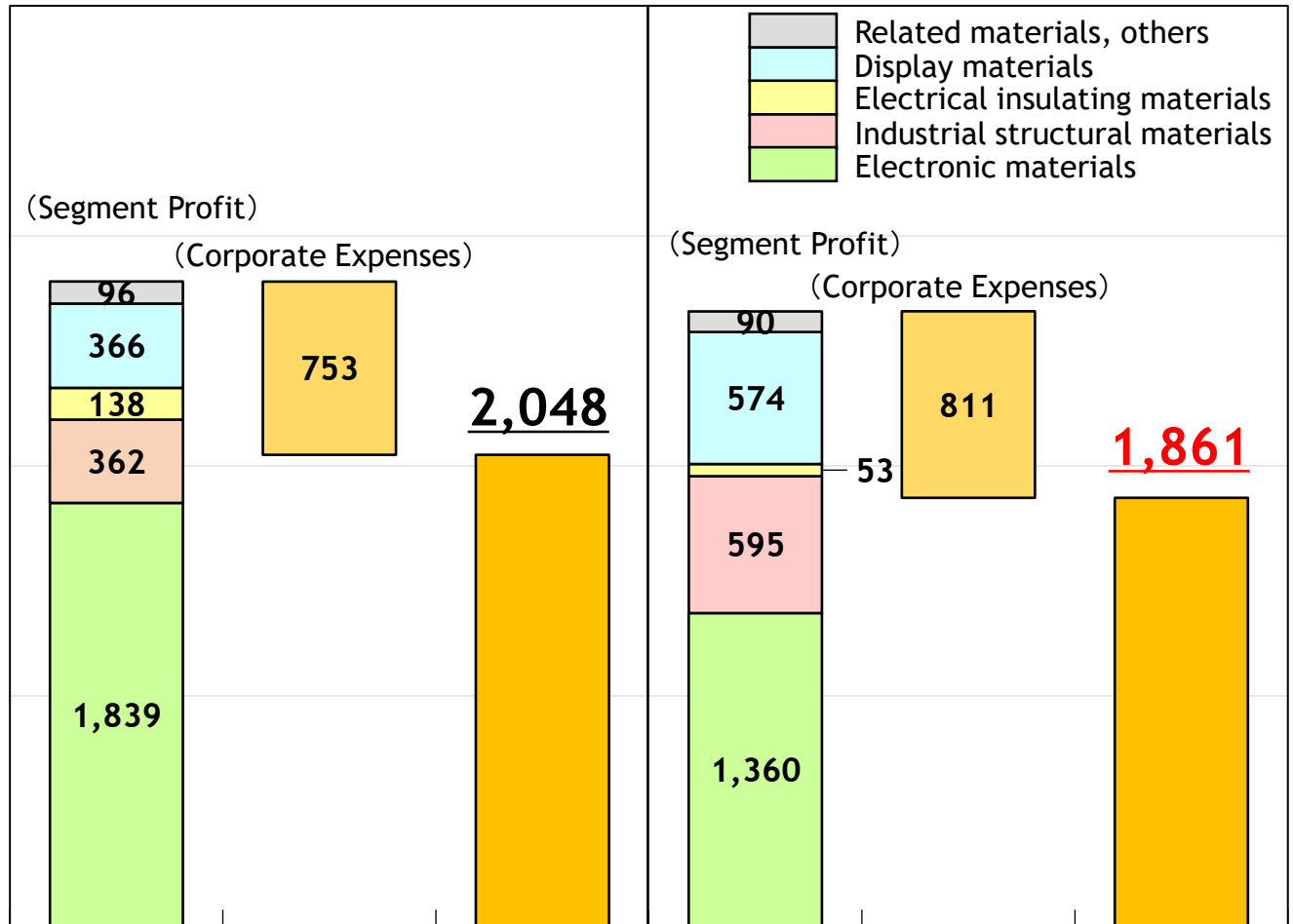
# FY2022 1H Segment Comparison (vs. FY2021 1H)

Sales (Million Yen)



FY2021 **FY2022**

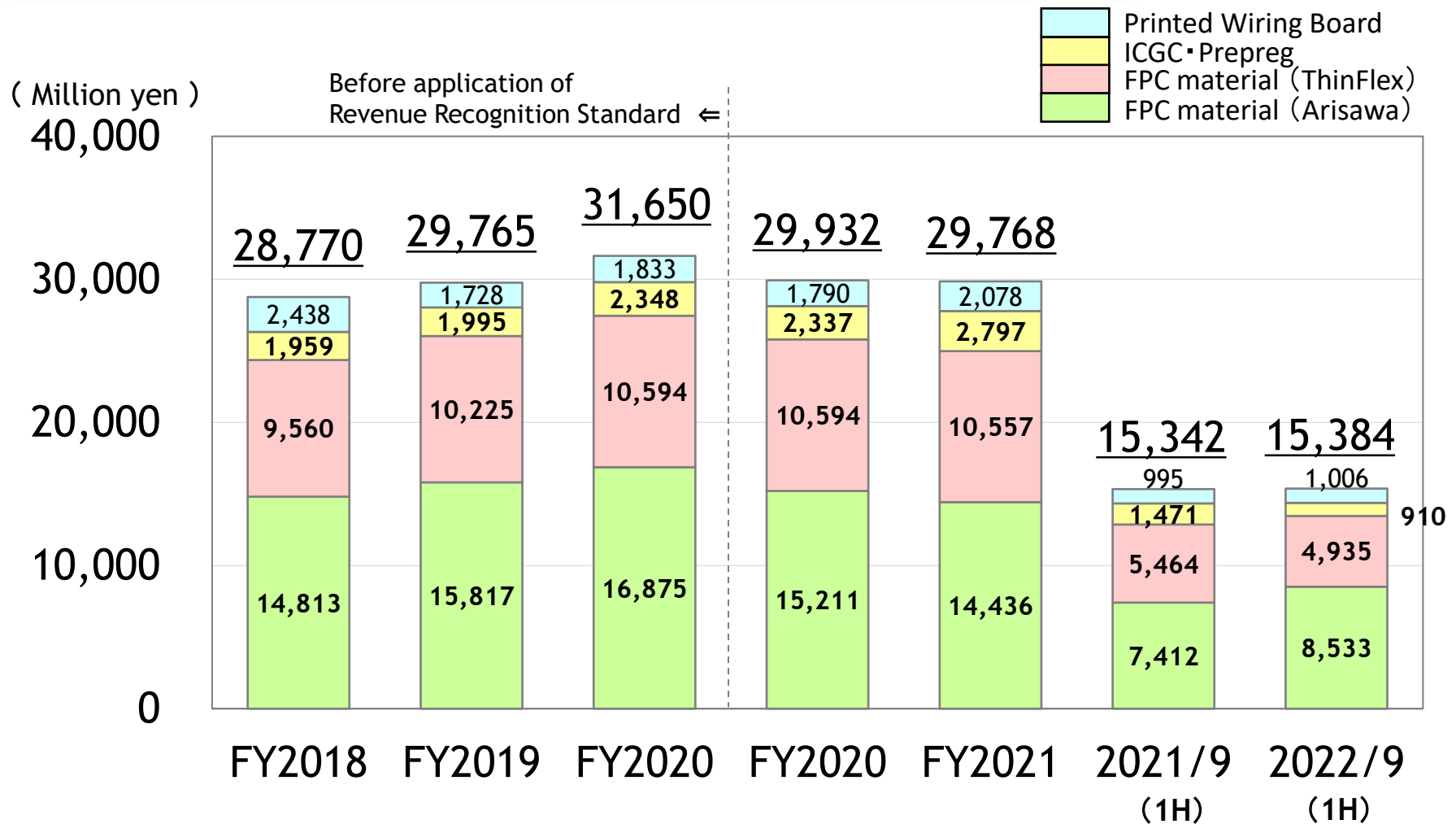
Operating Income (Million Yen)



FY2021

**FY2022**

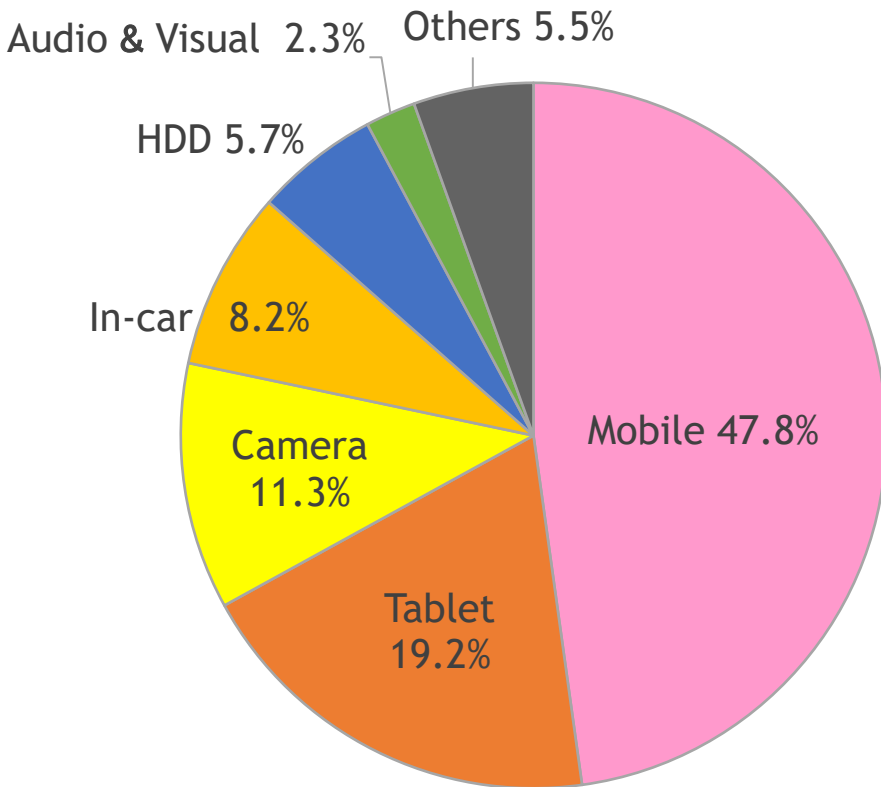
# Electronic materials Sales history



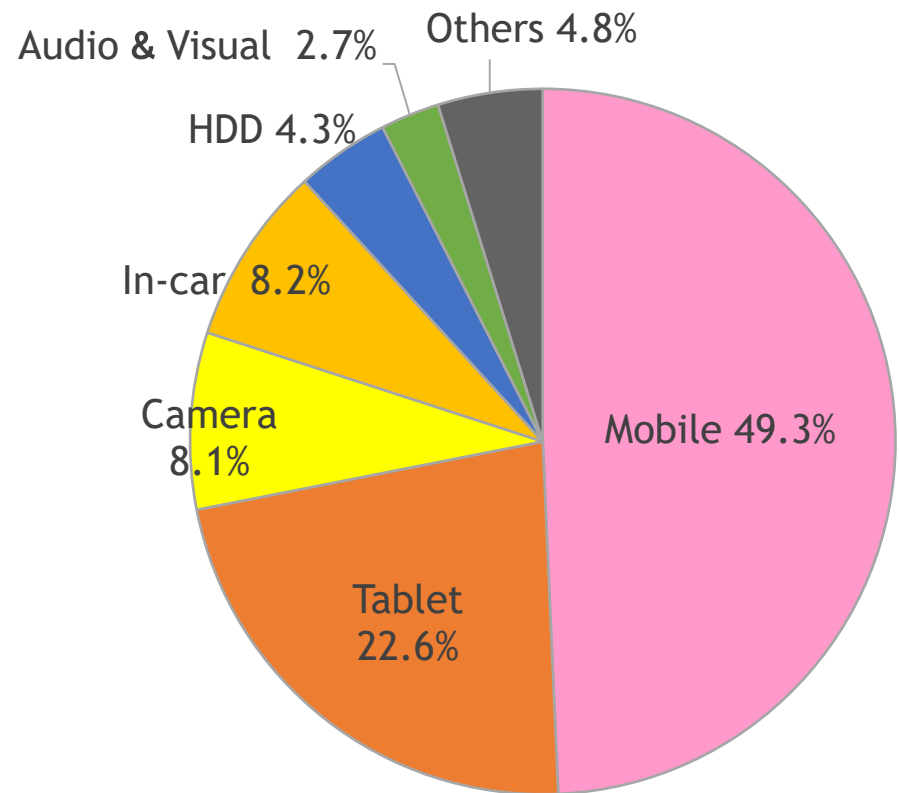
- FPC material (Arisawa) increased by 15.1% YoY.
- FPC material (ThinFlex) decreased by 9.7% YoY.
- ICGC· Prepreg decreased by 38.1% YoY.

# Our FPC's major applications

FY2021 1H



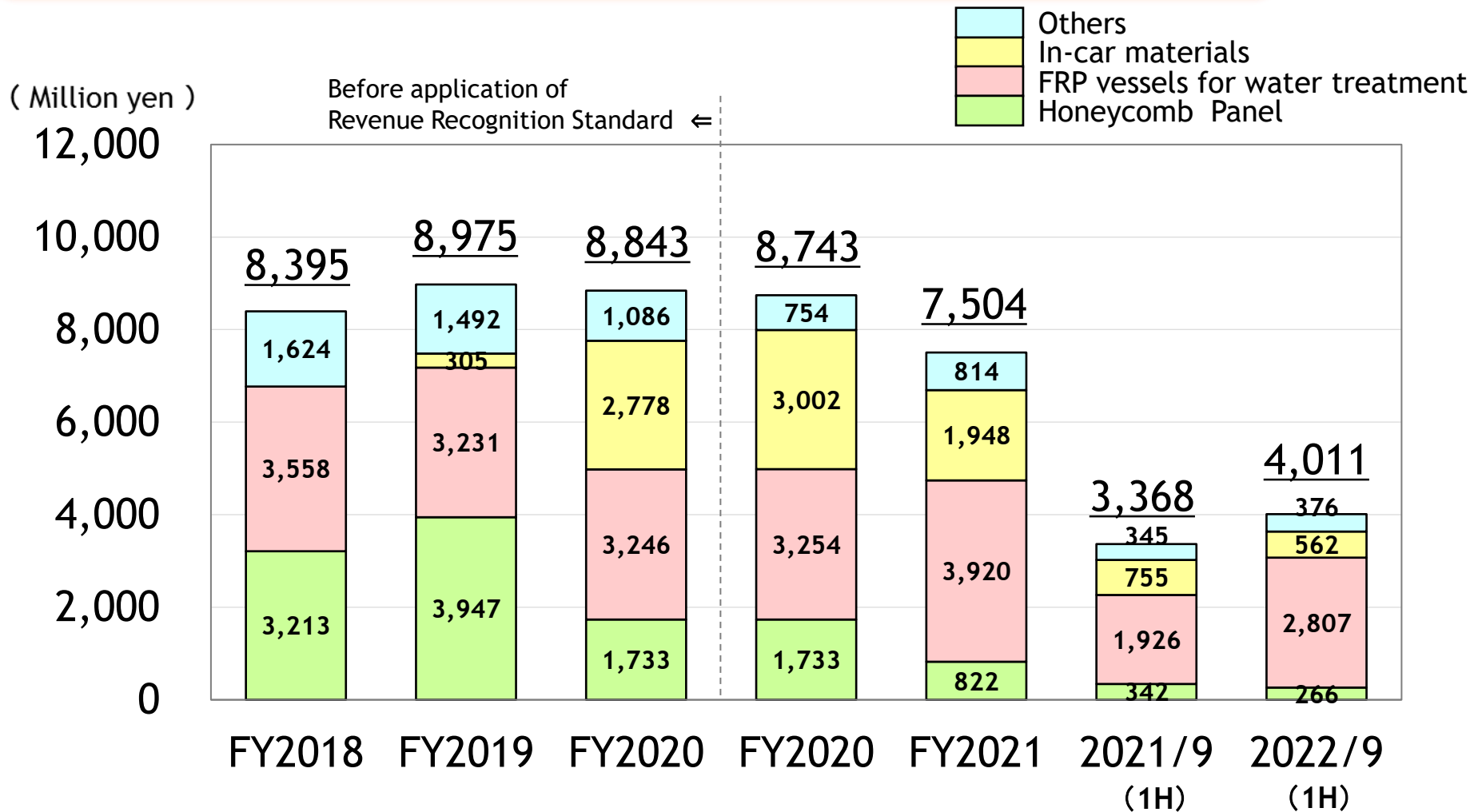
FY2022 1H



in volume terms

Source : Arisawa Mfg. estimates

# Industrial structural materials Sales history



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



## Contents

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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

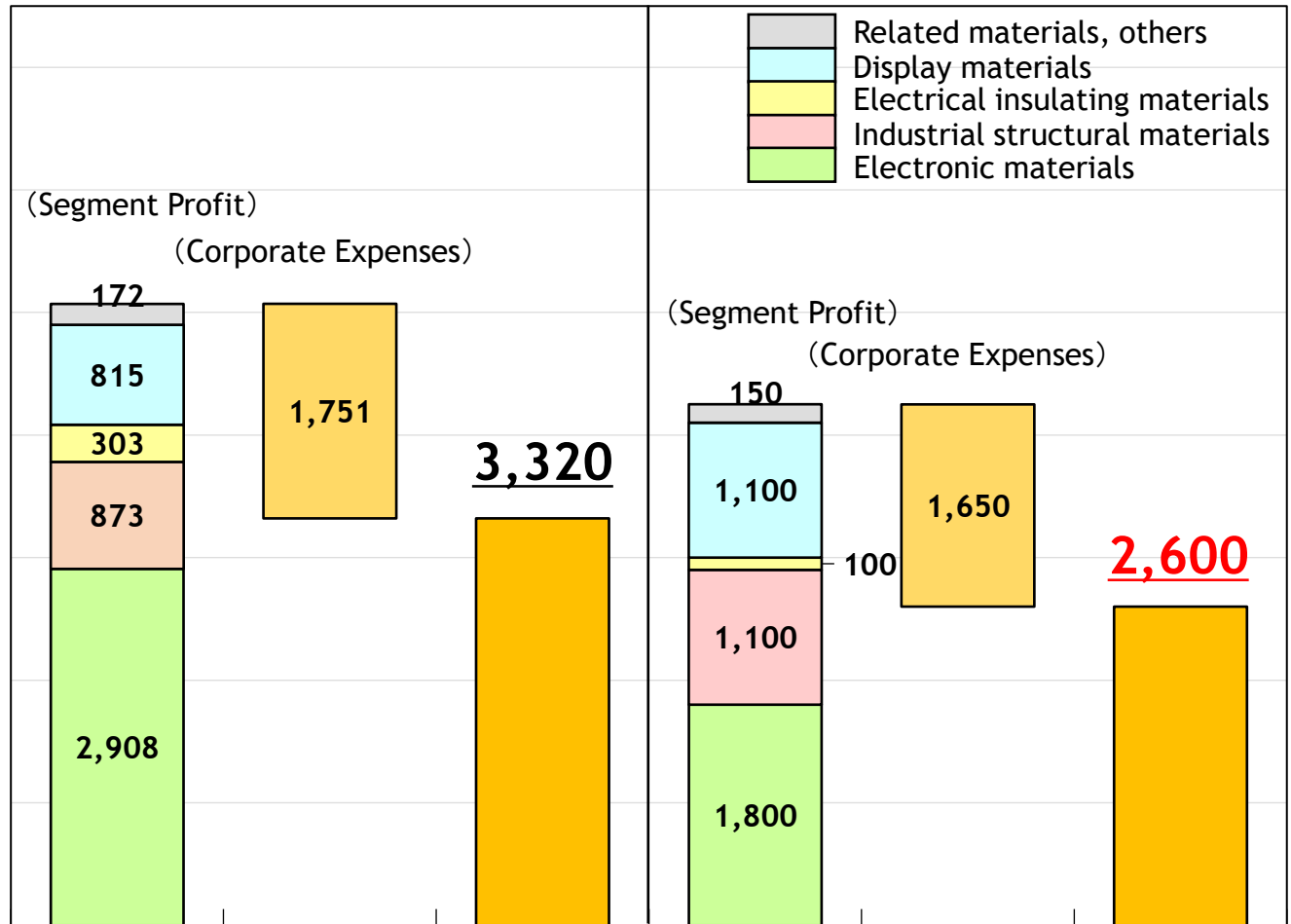
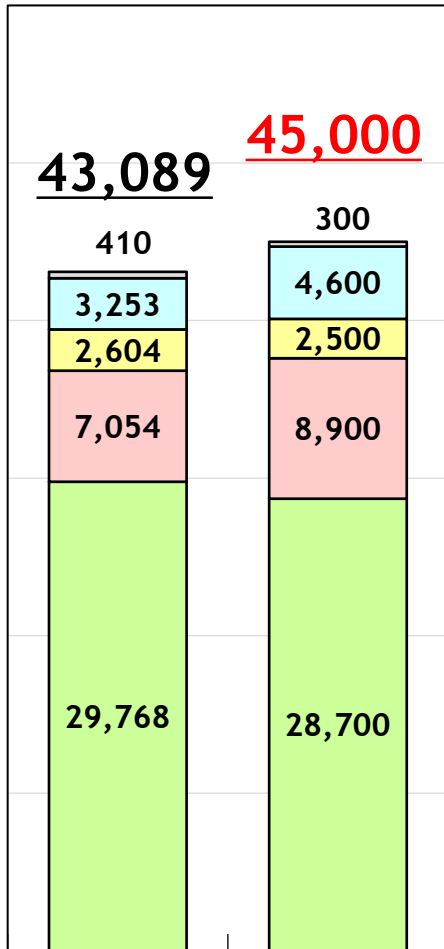
## ■ Highlights of FY2022 Consolidated Performance

- 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)

Operating Income (Million Yen)



**FY2021** **FY2022**  
( Forecast )

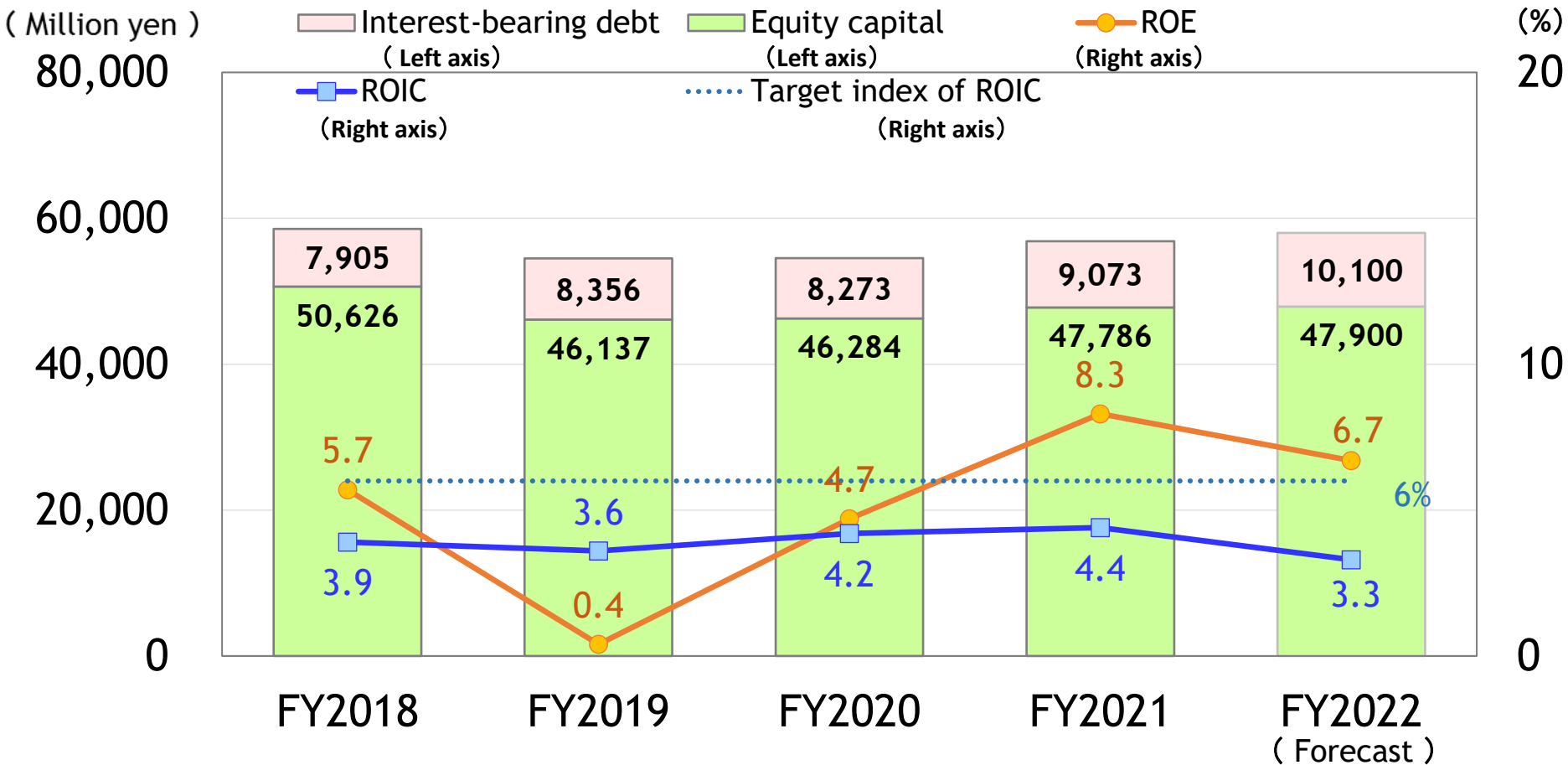
**FY2021**

**FY2022**  
( Forecast )

# ROE・ROIC history

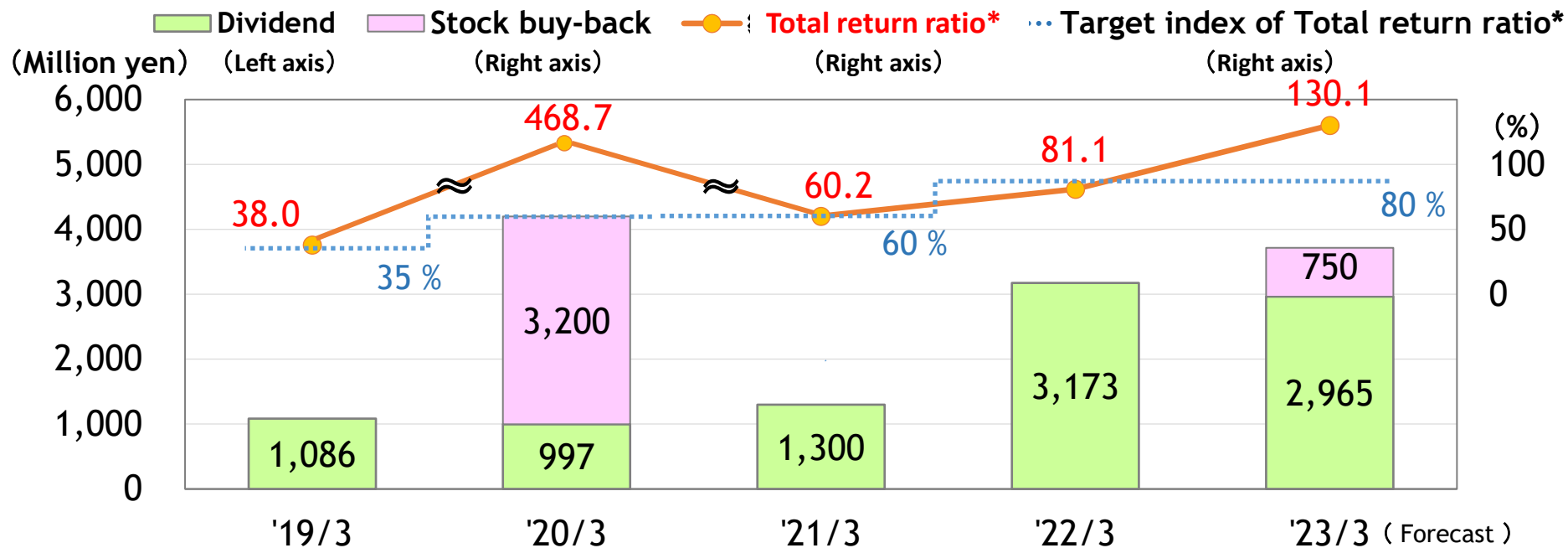
ROE= Net Income / Equity capital

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



# Dividend and Total return ratio history

\* Total return ratio has been applied from the 2021/3. (Dividend payout ratio was applied until the 2020/3.)



	'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

## Contents

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- FY2022 Forecast by consolidated basis
- Appendix**

# ■ 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		

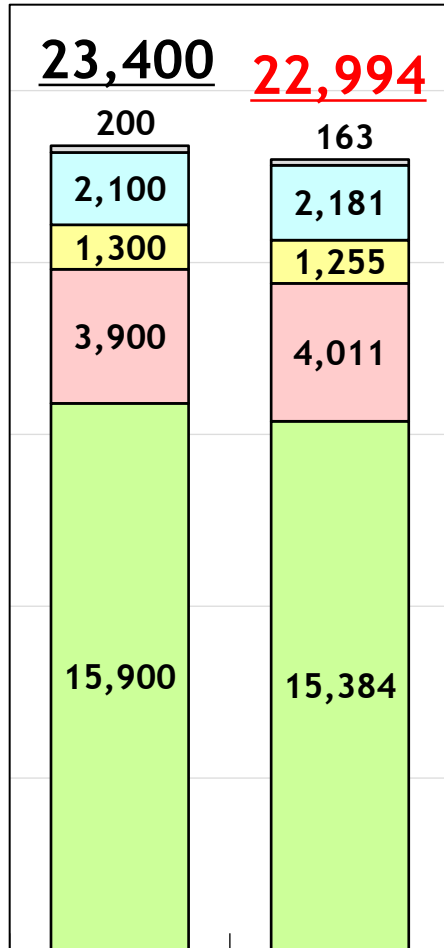
\* Calculated by the number of shares as of 30 Jun 16/24



# FY2022 1H Segment Comparison (vs. FCT)

FCT = Forecast as of 4 Aug

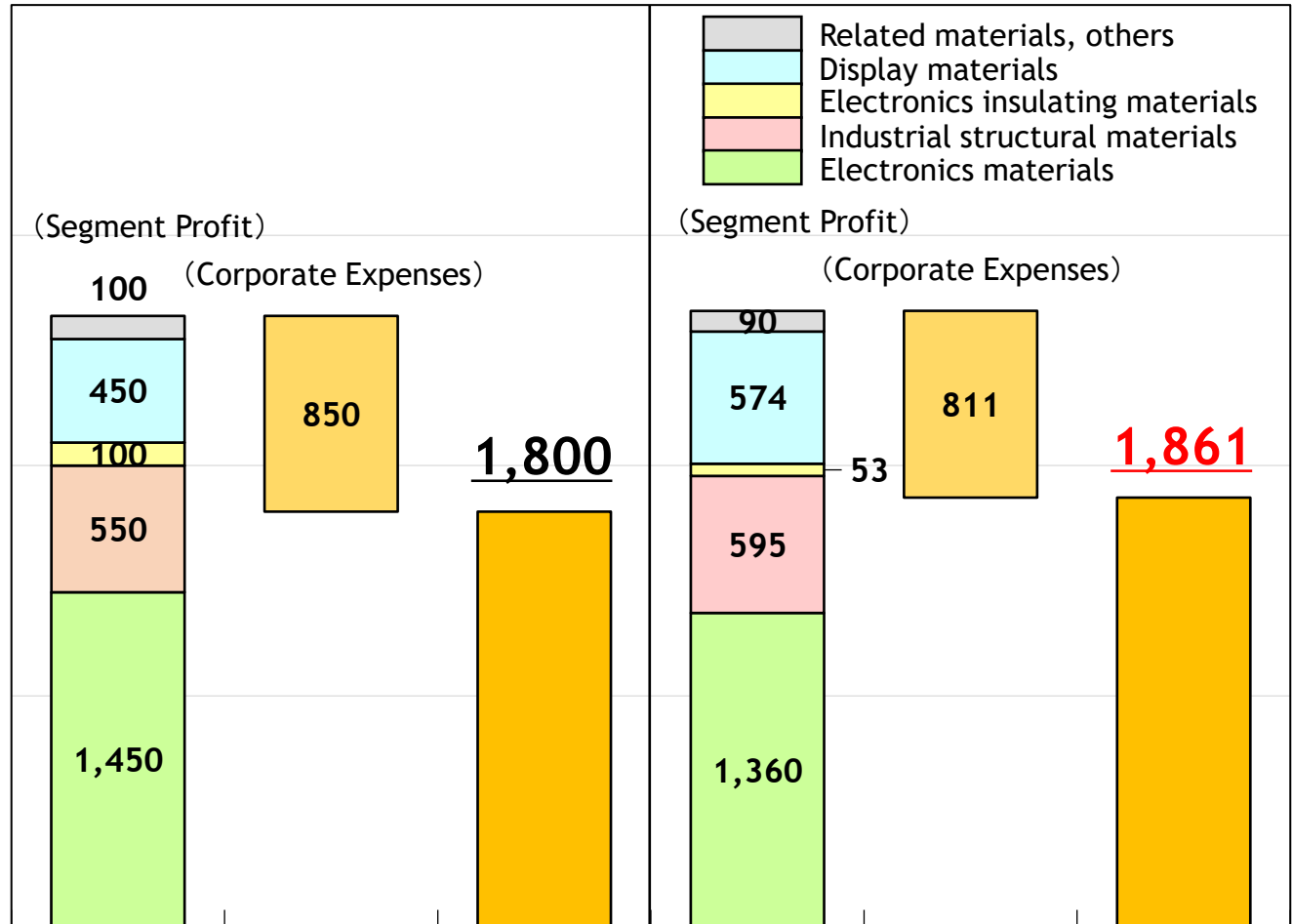
Sales (Million Yen)



FCT

Result

Operating Income (Million Yen)



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		

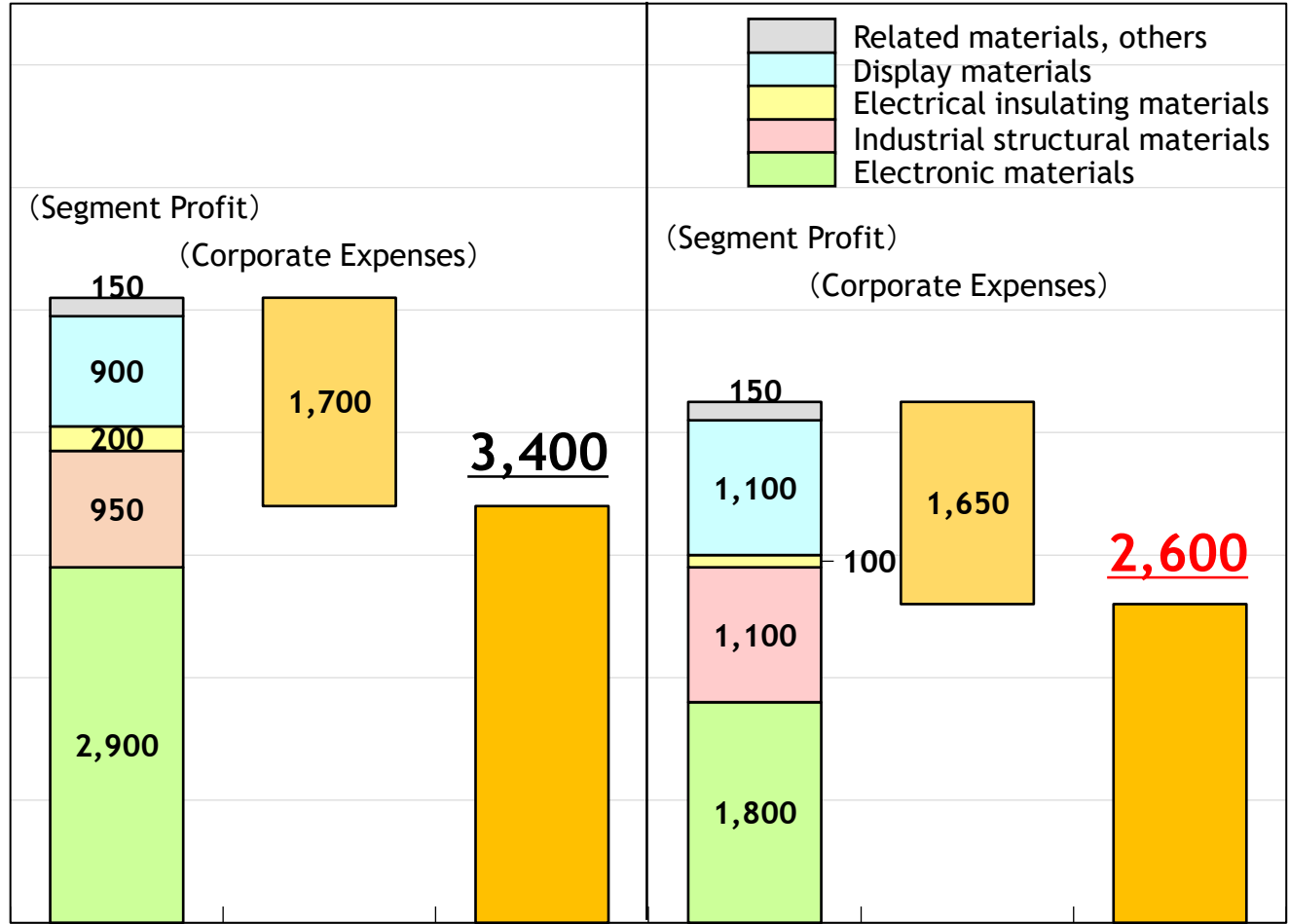
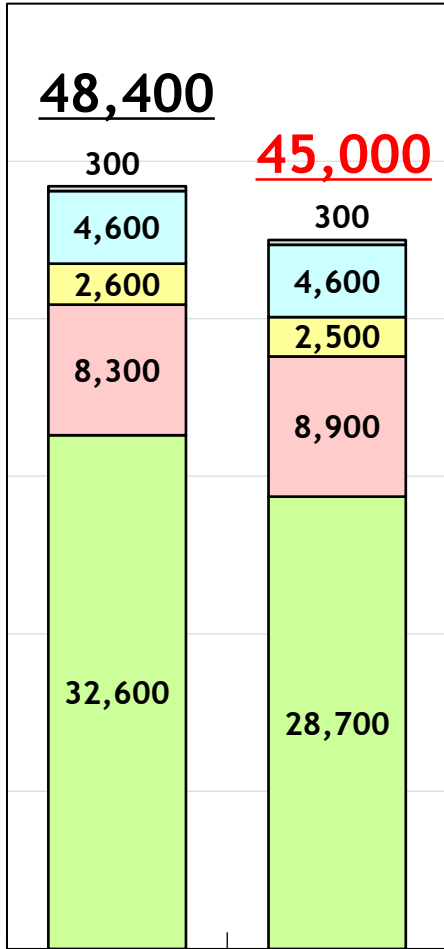
\* Calculated by the number of shares as of 30 Jun  
 \*\* Calculated by the number of shares as of 30 Sep

# FY2022 Segment Comparison (vs. FCT)

Sales (Million Yen)

Operating Income (Million Yen)

FCT = Forecast



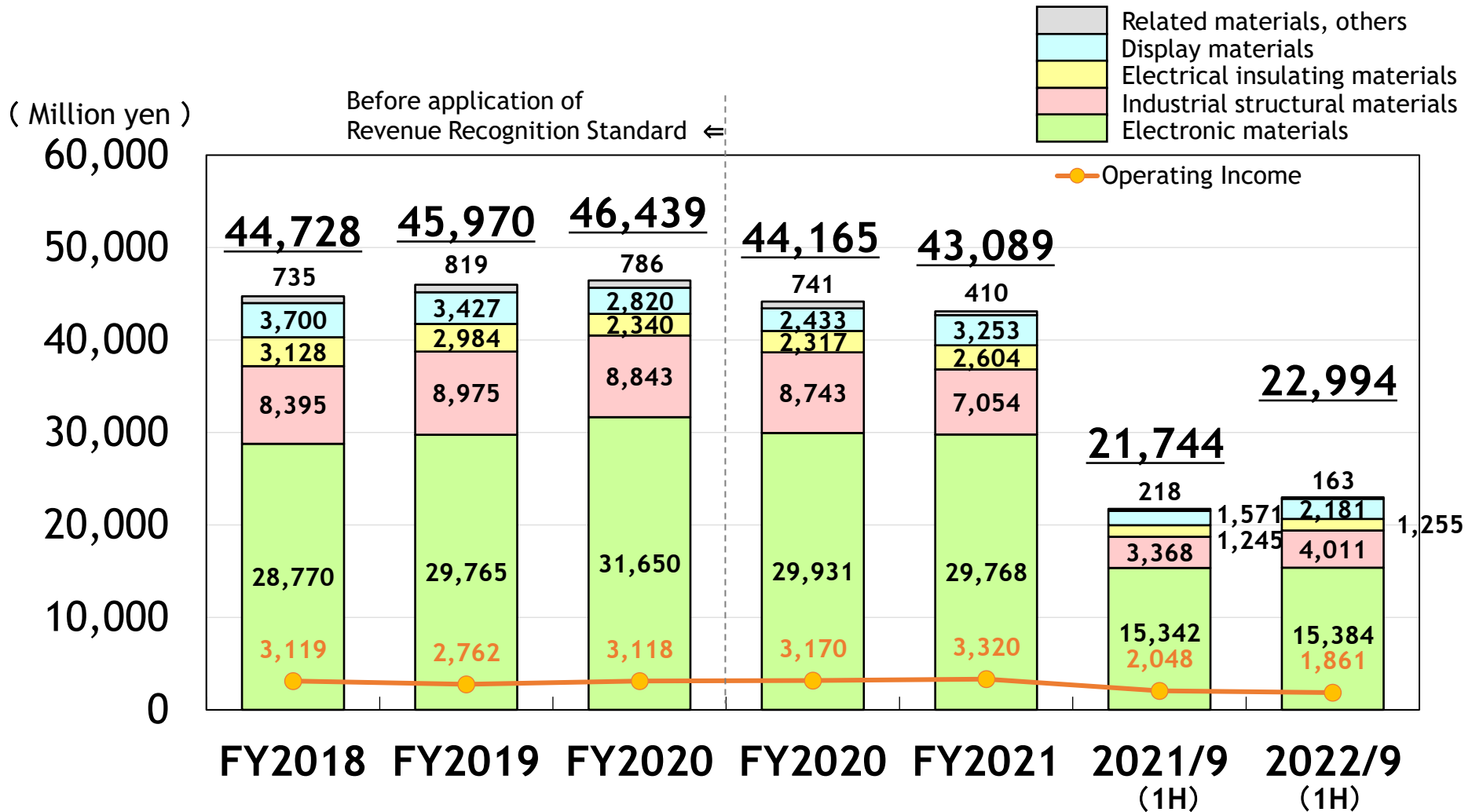
FCT  
(4 Aug)

FCT  
(4 Nov)

FCT  
(4 Aug)

FCT  
(4 Nov)

# ■ Segment Comparison history (Sales, Income)



# FY2022 1H Consolidated Comparison

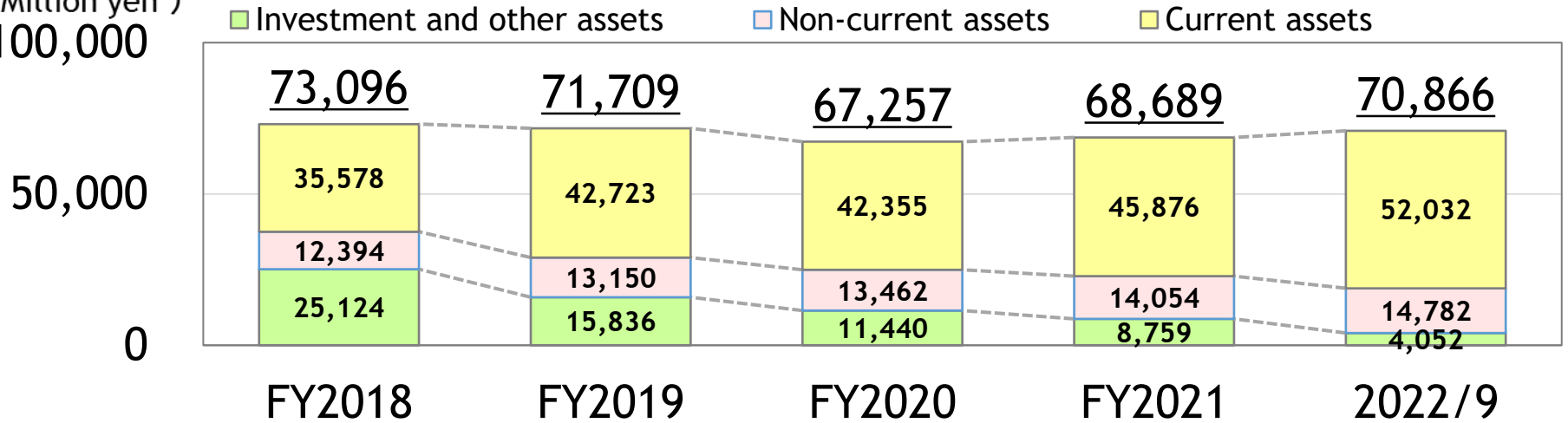
(unit: Million Yen)

	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	
<b>Parent</b>										
Arisawa Mfg.	13,444	14,100	14,011	567	(89)	768	950	927	159	(23)
<b>Consolidated</b>										
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)		
<b>Total</b>	<b>21,744</b>	<b>23,400</b>	<b>22,994</b>	1,250	(406)	<b>2,048</b>	<b>1,800</b>	<b>1,861</b>	(187)	61

# Consolidated balance sheets (Summary) history

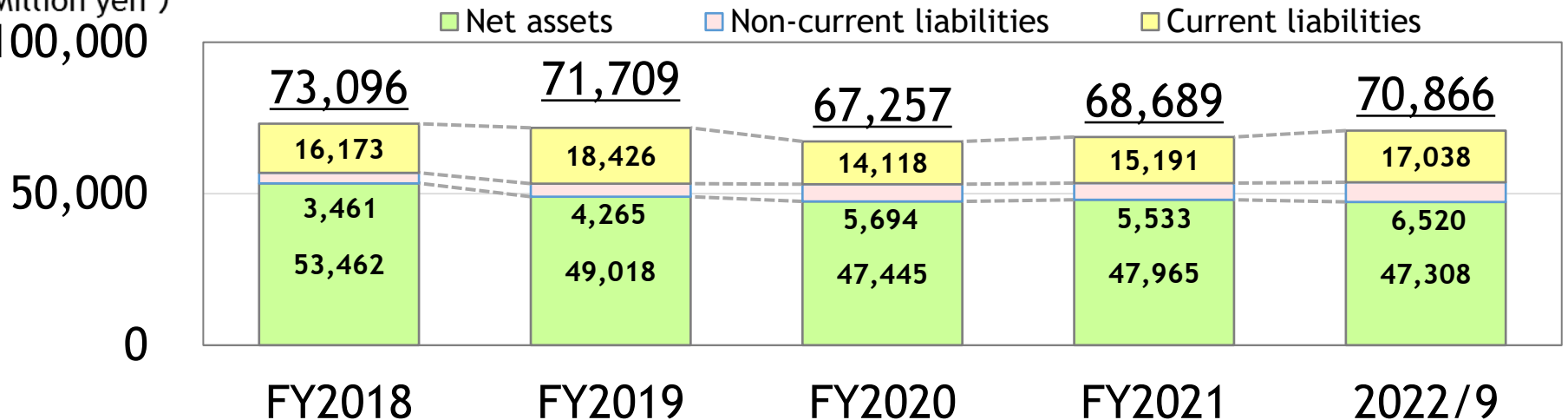
## Assets

( Million yen )  
100,000



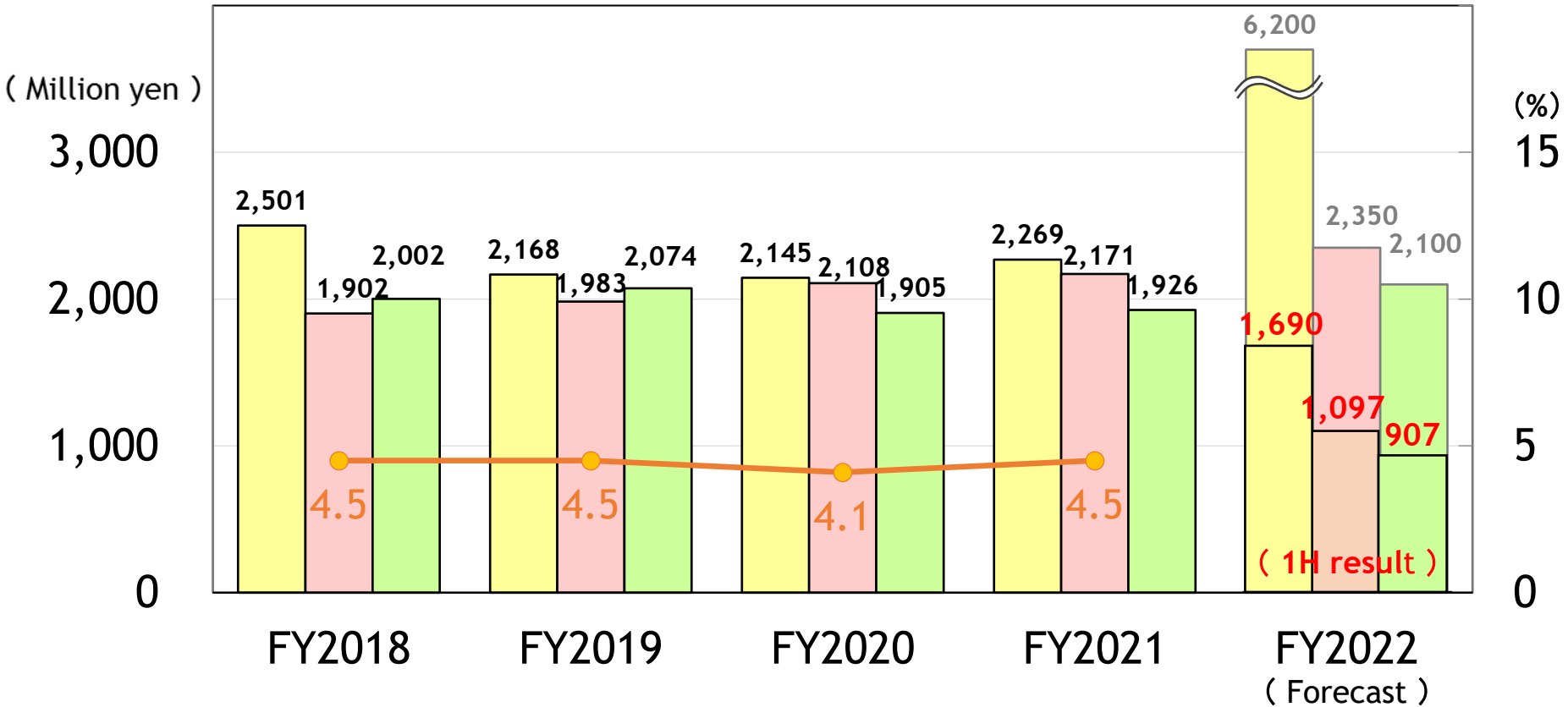
## Liabilities and net assets

( Million yen )  
100,000



# Capital expenditure, Depreciation and R & D Expenses history

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



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