

August 28, 2023

Arisawa Mfg. Co., Ltd.

Notice of Fraudulent Act by Former Employee of a Subsidiary of Arisawa (Follow-up report)

Arisawa Mfg. Co., Ltd. ("Arisawa") hereby announces that a former employee of our subsidiary (hereinafter referred to as the "Former Employee") has been arrested and prosecuted, regarding Notice of Fraudulent Act announced on January 31, 2022.

It is truly regrettable that such an incident occurred and we sincerely apologize for the great inconvenience and concern caused to our stakeholders. We hope that the fraudulent act by the Former Employee will be properly judged through a fair criminal trial.

1. Details

The Former Employee who was the accounting section chief of Satosen Co., Ltd. (Head Office: Nishinari-ku, Osaka-shi, President: Keita Miyahara, hereinafter referred to as the "Company"), a subsidiary of Arisawa, made excessive withdrawals from bank deposits by manipulating accounting slips, etc., and embezzled company money from July to November 2021 in order to use it for private purposes.

The Company filed criminal charges on August 30, 2022, and the Former Employee is now indicted, then the trial will begin.

2. Recurrence Prevention Measures

Arisawa Group will make further efforts to deepen its awareness of compliance through training and other means, review the workflow, reinforce its management system, and strive to prevent a recurrence throughout the Group.

3. Impact on Business Results

Regarding the damage caused by the act, the losses were recorded for the fiscal year ended March 2022.

【Inquiries regarding this matter】

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