

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



May 7, 2025

Company name:	Arisawa Mfg. Co., Ltd.
Name of representative:	Yuta Arisawa, Representative Director and CEO (Securities code: 5208; TSE Prime Market)
Inquiries:	Takeshi Masuda, Director and Senior Managing Operating Officer (Telephone: +81-25-524-7101)

Notice Concerning Formulation of Medium-Term Business Plan (FY2025 - FY2029)

Arisawa Mfg. Co., Ltd. (the “Company”) hereby announces that it has formulated the Medium-Term Business Plan covering the five-year period from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2030.

For details, please refer to the attached materials.

Securities Code 5208

[ARISAWA Mfg. Co., Ltd.](#)



Medium-Term Business Plan

(FY2025 - FY2029)



May 7, 2025
Arisawa Mfg. Co., Ltd.

Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22

In accordance with our long-standing motto, “Create”, “Innovate”, and “Challenge”, we pledge the following:

- I. To create new values and enhance customer satisfaction;
- II. To explore customer needs and generate new businesses with original technologies;
- III. To strengthen our corporate structure by boosting productivity and product quality;
- IV. To achieve our sustained growth by contributing to the solution of social and environmental issues.

Our mission is to continuously and persistently provide “surprise and delight” to our customers while surpassing their expectations even if only a little.

Our products contribute to society.



Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22



II-1. Overview of Medium-term Business Plan (From FY2020 to FY2024)

Goal for ROIC

- Business management with ROIC

Goal: 6% → Result: **6.2%**

We finally achieved the ROIC goal in FY2024.

Business strategy

- Expansion of the scope of existing business

Electronic materials: Adopted for foldable devices and extra-fine line applications

Industrial structural & electrical insulating materials:
Increased sales of FRP pressure vessels for water purification

Display materials: Increased sales of 3D displays for medical applications and polarization control optical components

- Creation of new business opportunities

Electronic materials: Adopted for fast communication FPC

Industrial structural & electrical insulating materials:
Developed for new energy fields

Display materials: Expanded business in AR/VR fields

Financial strategy

- Capitalization of non-business assets as business assets
Non-business assets: ▲16 billion yen from sales of securities
→ Business assets: 14.3 billion yen of capital expenditure
- Enhanced shareholder returns
Introduced 6% of DOE (maintaining a total return ratio of 80% or more)

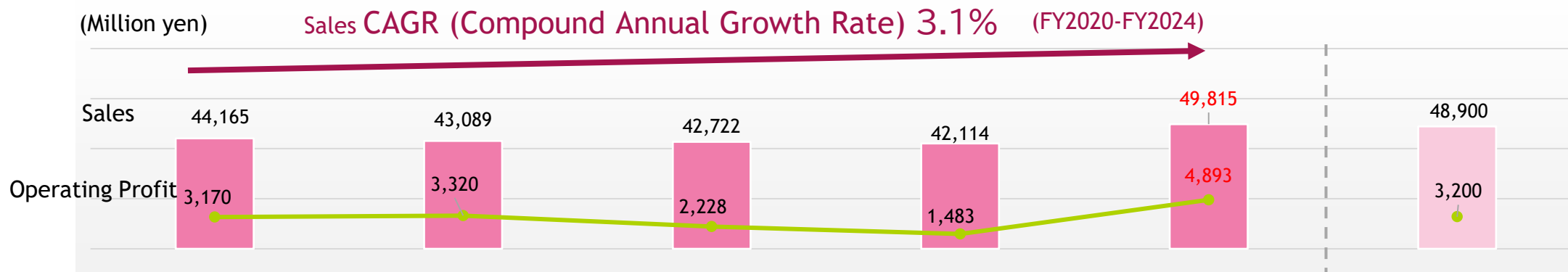
ESG strategy

- | | Goal → Result |
|---|---------------|
| ■ Contribution to a carbon-free society | |
| Achievement ratio of carbon neutrality | 54% → 54.4% |
| ■ Development of diverse human resources and improvement in job satisfaction | |
| Ratio of female managers | 20% → 20.1% |
| Wage gap rate between female & male | 85% → 92.5% |
| Male employees taking childcare leave | 60% → 54.5% |
| ■ Promotion of a circular economy | |
| Established the CSR Procurement Policy and conducted a questionnaire survey for suppliers | |
| ■ Enhancement of corporate governance | |
| Established the human rights policy and launched the integrated report | |



II-2. Overview of Medium-term Business Plan (From FY2020 to FY2024) Various Indicators

Business performance of electronic material segment, which is our main field, stagnated in FY2022 and FY2023 due to a decrease in demand in the Chinese market. The goals for business performance were achieved with the recovery of electronic materials performance starting from FY2024 and also the growth of display materials.



	FY2020 (Actual results)	FY2021 (Actual results)	FY2022 (Actual results)	FY2023 (Actual results)	FY2024 (Actual results)	FY2024 (Revised in May 2024)
ROIC (%)	4.2	4.4	2.8	1.9	6.2	6.0 or more
ROE (%)	4.7	8.3	6.0	3.5	8.4	
Dividend (yen/share)	39	95	90	60	96	
Total return ratio (%)	60.1	80.9	104.1	121.2	80.3	80 or more
BPS (yen/share)	1,388.50	1,434.46	1,422.43	1,394.08	1,461.64	
PBR	0.72	0.67	0.88	0.81	0.95	

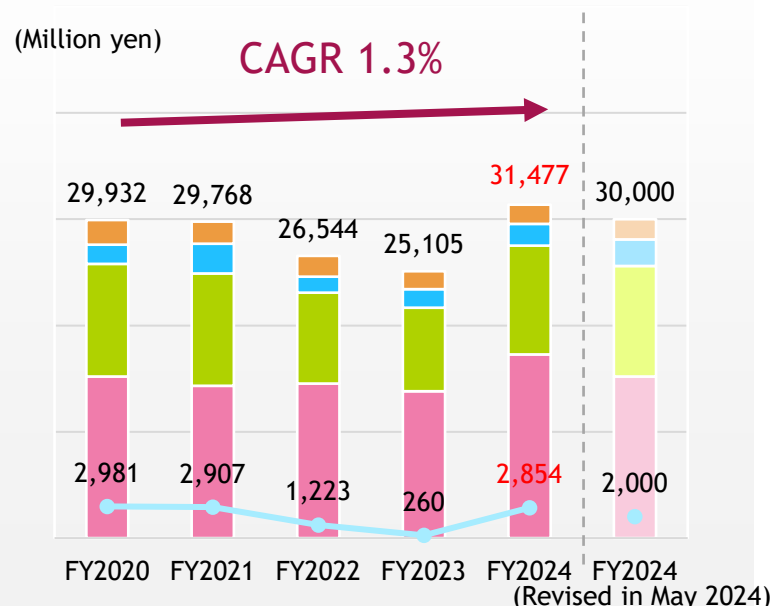
Note: Revenue recognition standards have been applied since FY2021 (Retroactively applied for FY2020, as a reference).



II-3. Overview of Medium-term Business Plan (From FY2020 to FY2024) Performance by Segments

Electronic materials

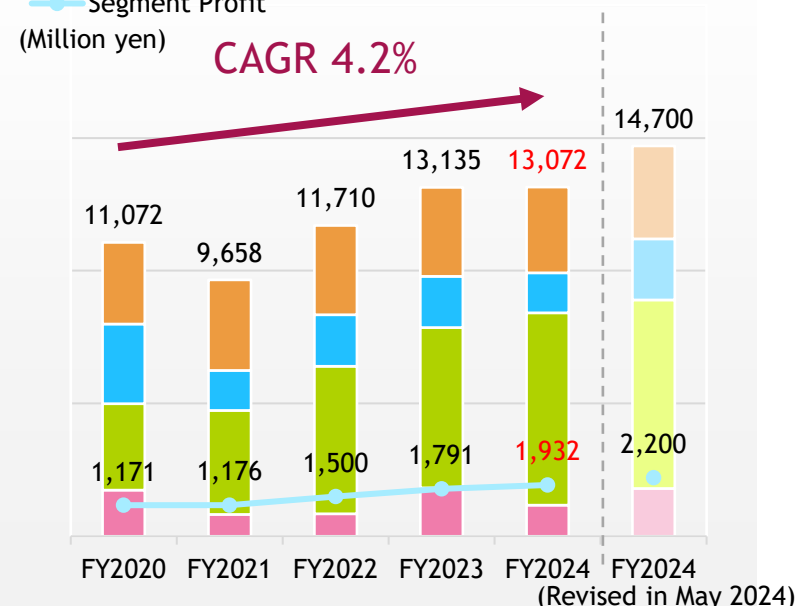
- Rigid printed circuit boards
- Prepreg & glass cloths for printed circuit boards
- FPC materials (ThinFlex)
- FPC materials (Arisawa)
- Segment profit



- The performance goal was achieved due to the demand in the Chinese market recovered from FY2024, which had been in decline from the 2nd half of FY2022.

Industrial structural & electrical insulating materials

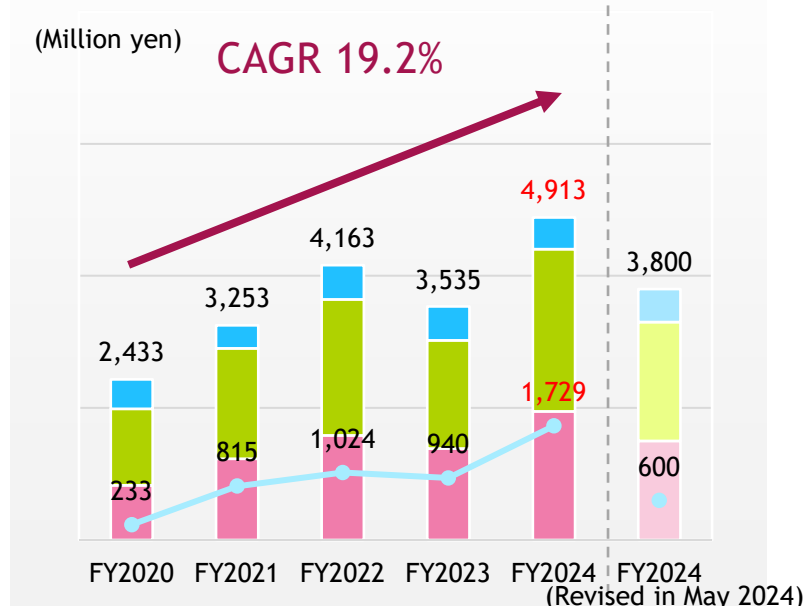
- Electrical insulating materials & others
- In-vehicle materials
- FRP pressure vessels for water purification
- Honeycomb sandwich panels
- Segment Profit



- The performance goal was not achieved even though FRP pressure vessels for water purification led the segment.
- Honeycomb sandwich panels and in-vehicle materials performance were weak.

Display materials

- Others
- Polarization control optical components
- 3D Display
- Segment profit



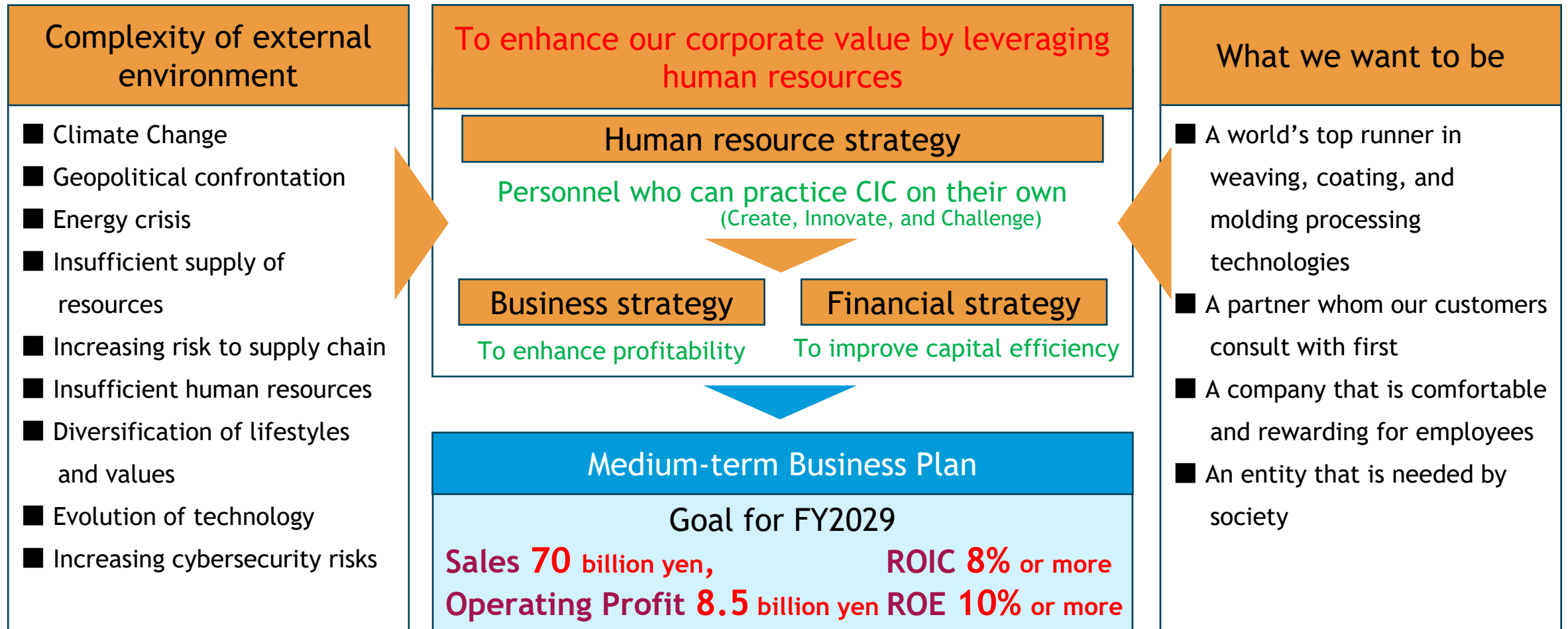
- The performance goal was achieved due to the strong performance of 3D displays for medical applications and polarization control optical components.

Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22

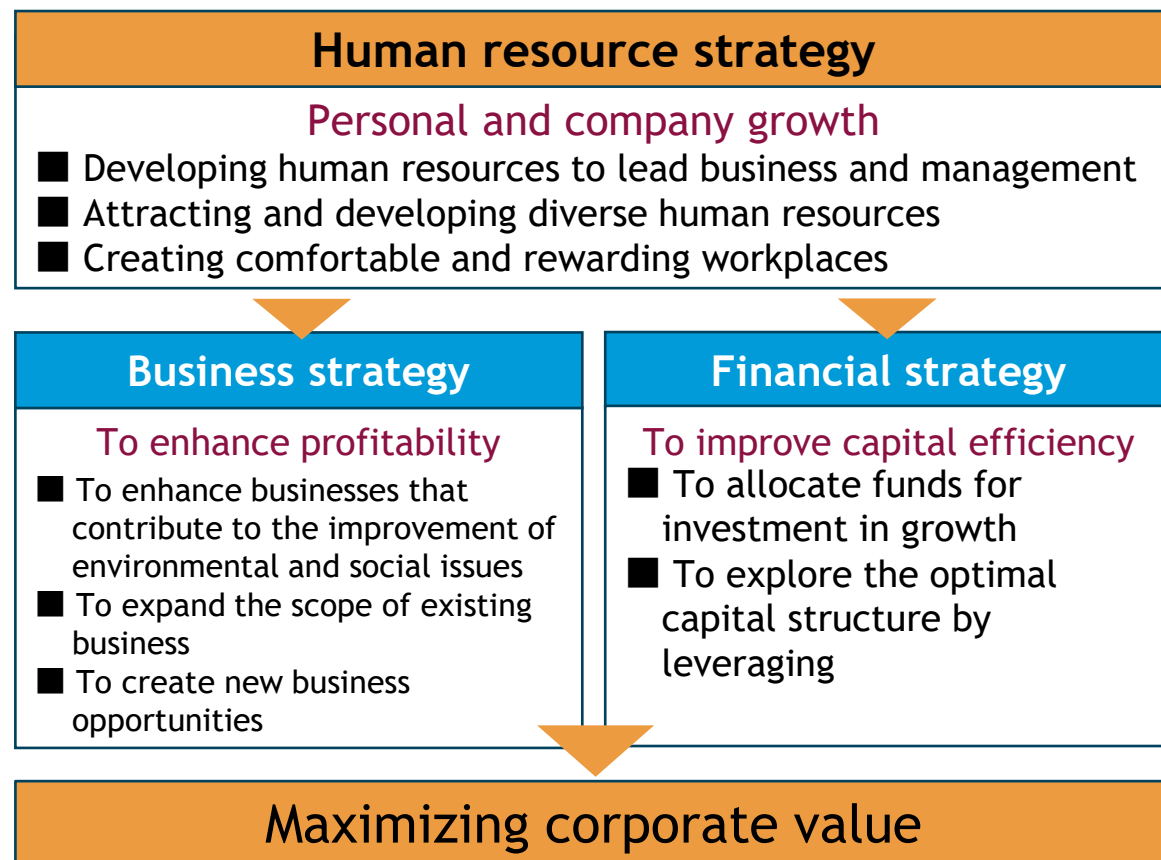
III-1. Performance Goals for FY2029

To realize “What we want to be”, we work to enhance corporate value and strengthen the business foundation.



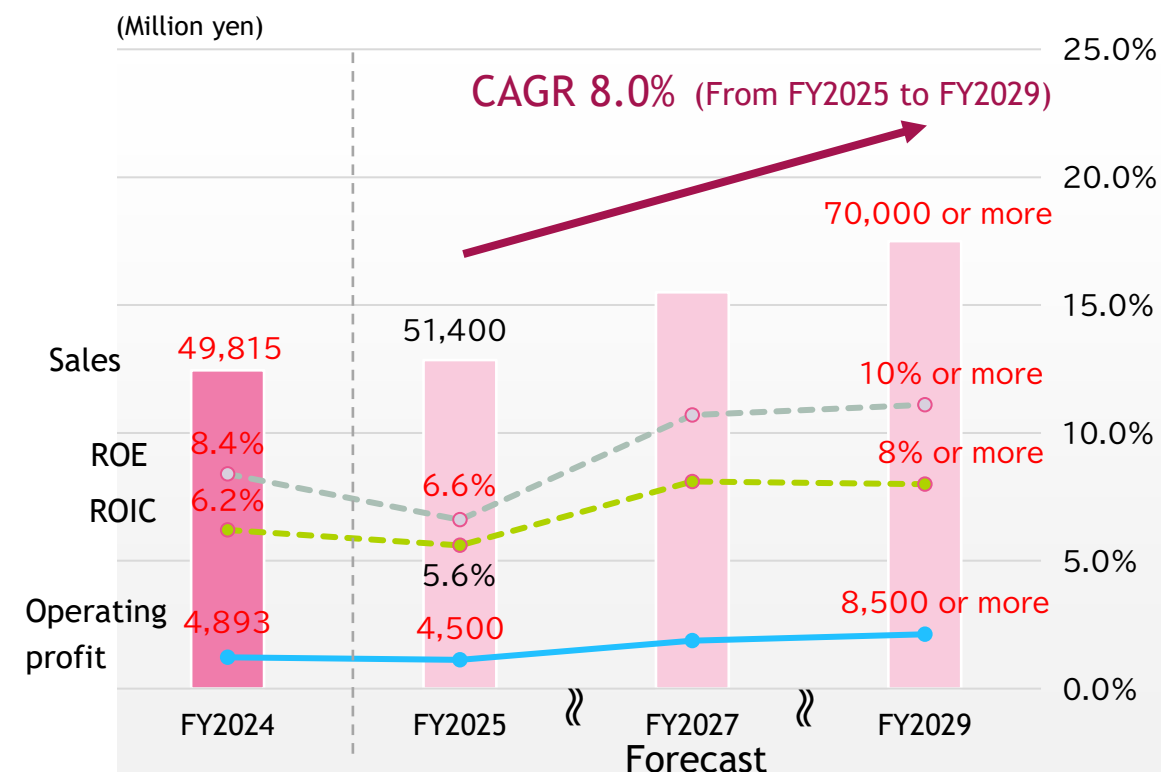
III-2. Medium-term Business Plan (From FY2025 to FY2029) Basic Policy

We aim to enhance our corporate value from both business and financial perspectives by leveraging our human resources and addressing environmental and social issues.



ROIC goal: 8.0% or more (by FY2029)

Expecting increases in both sales and profit by increasing the production of electronic materials for semiconductor and starting mass production of industrial structural materials for new energy sources

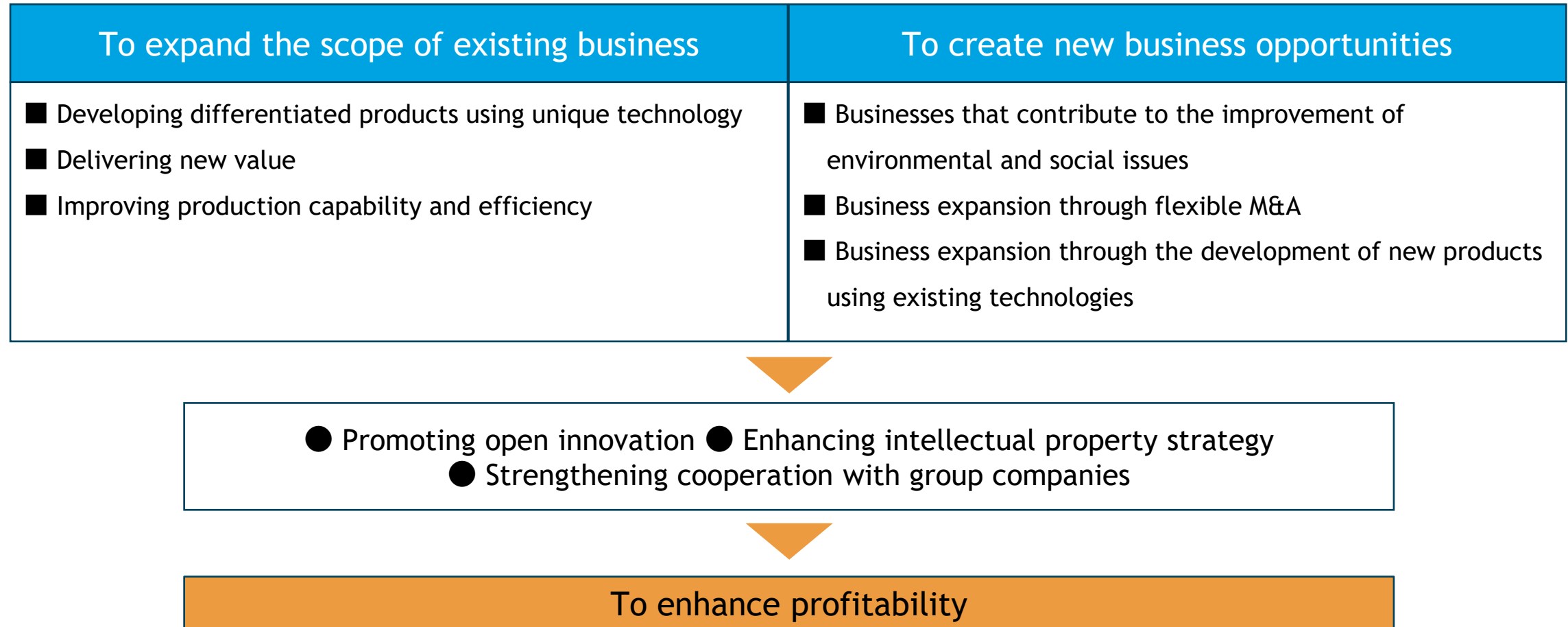


Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22

IV-1. Business Strategy

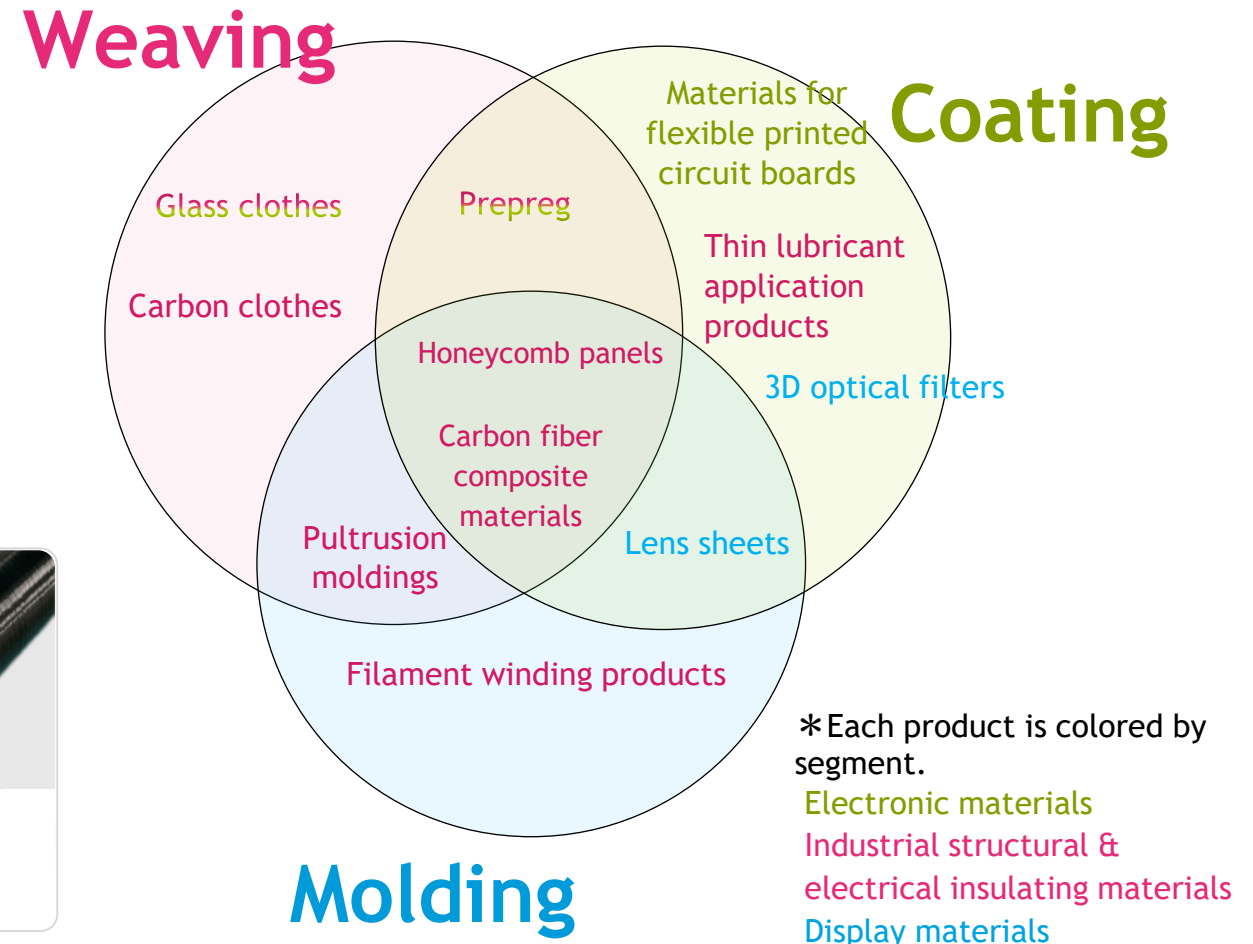
We work on “expanding the scope of existing business” and “creating new business opportunities” to enhance profitability.



IV-2. Our Technologies as a Source of Profitability

We continue to hone our “weaving”, “painting”, and “molding” technologies, and combine them.

- **“Weaving”** technology, which is the starting point of our innovation
- **“Coating”** technology to produce new functions through unique resin development
- **“Molding”** technology to maximize the performance of FRPs



IV-3. Business Field

We aim to increase the sales ratio of new business fields by developing differentiated products.

Existing business field

Exploring the business and strengthening the quality

New business field

Expanding the business field and creating the value

Growth driver

Exploring the business

- Semiconductor/data center
- Water treatment plant
- Industrial infrastructure

Core

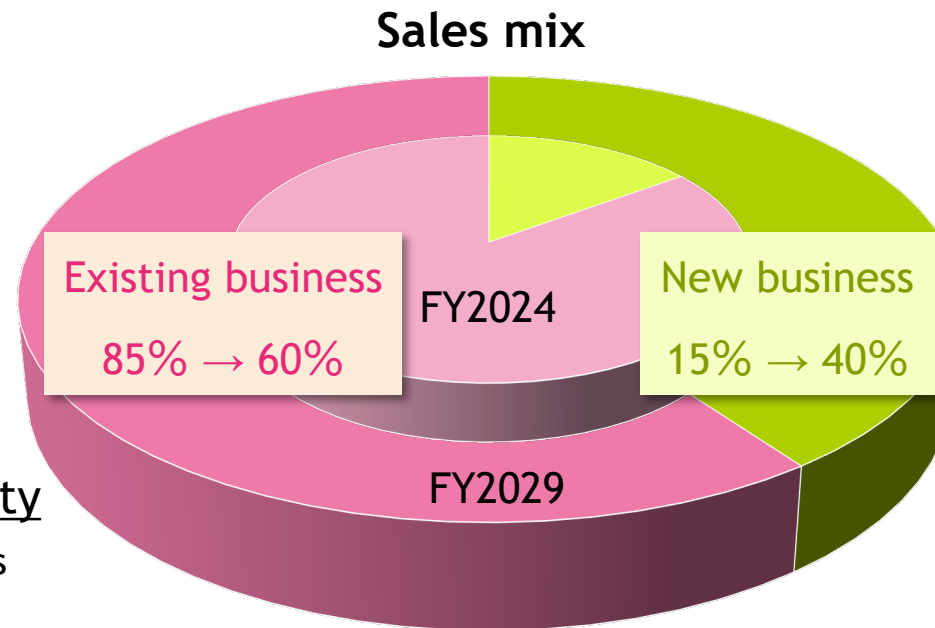
Strengthening the quality

- Mobile communication devices
- Fuel cell for vehicles
- Materials for aircraft interiors
- Medical devices

Target

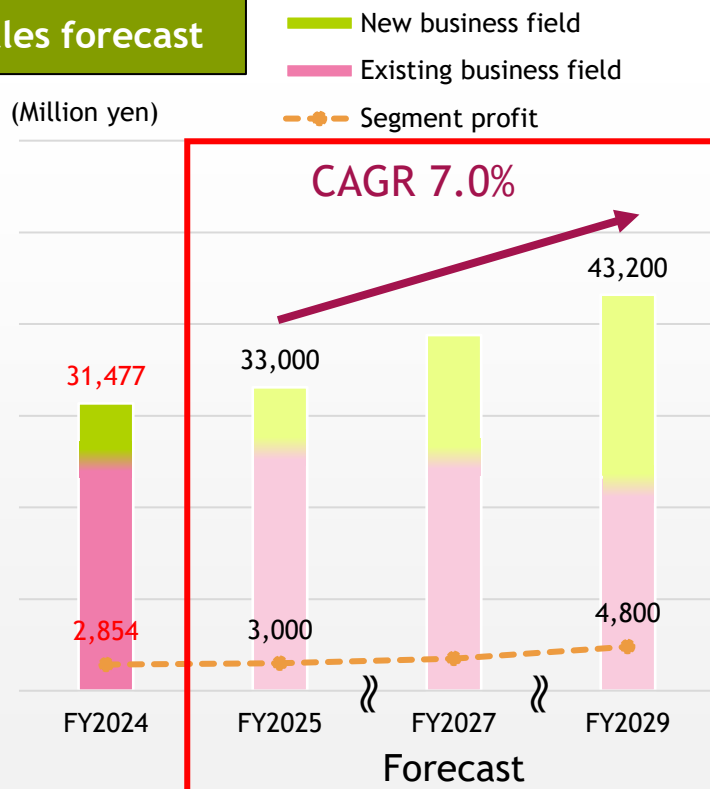
Expanding the business and creating the value

- Next-generation batteries
- Next-generation computing
- Next-generation mobility
- Hydrogen energy
- Environmentally friendly designs and businesses



IV-4-1. Electronic Materials Segment

Sales forecast



Expected markets

- In the mobile communications and semiconductor fields, demand for high-speed communication materials will increase with the spread of generative AI.
- In the mobility field, high-heat dissipation and high-current support materials will spread with the progress of electrification.

Aiming for further growth by developing high-performance materials using our in-house resin compounding and coating technologies

Existing business field

Exploring growth-driving businesses

- Semiconductors/data centers

Strengthening quality of core business

- Mobile communication devices

New business field

Commercialization of targeted fields

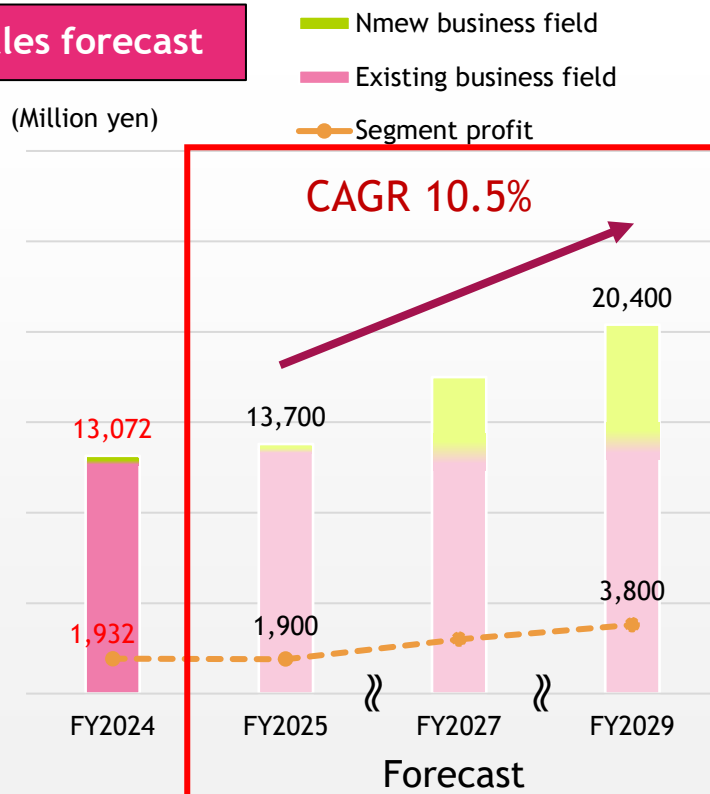
- Next-generation computing
- Next-generation mobility

Specific measures

- Semiconductor/data center:
Enhancing the production capacity
Strengthening the business foundation through collaboration with group companies
- Mobile communication terminals:
Capturing the growth in demand in China and other Asian markets through unique and differentiated products
- Next-generation computing:
Expanding the business in generative AI markets/high-speed communication/selling products with larger capacities
- Next-generation mobility:
Developing highly reliable products that meet the needs of high-current support and high-heat dissipation performance, etc.

IV-4-2. Industrial Structural Materials & Electrical Insulating Materials Segments

Sales forecast



Expected markets

- In the mobility field, the adoption of materials for high-performance batteries and lightweight structures will increase due to electrification.
- Next-generation energy, including hydrogen energy, will become widespread toward decarbonization.

Accelerating commercialization of mobility and energy business fields by launching differentiated products

Existing business field

Exploring growth-driving businesses

- Water treatment plant

Strengthening quality of core business

- Fuel cells
- Materials for aircraft interiors

New business field

Commercialization of targeted fields

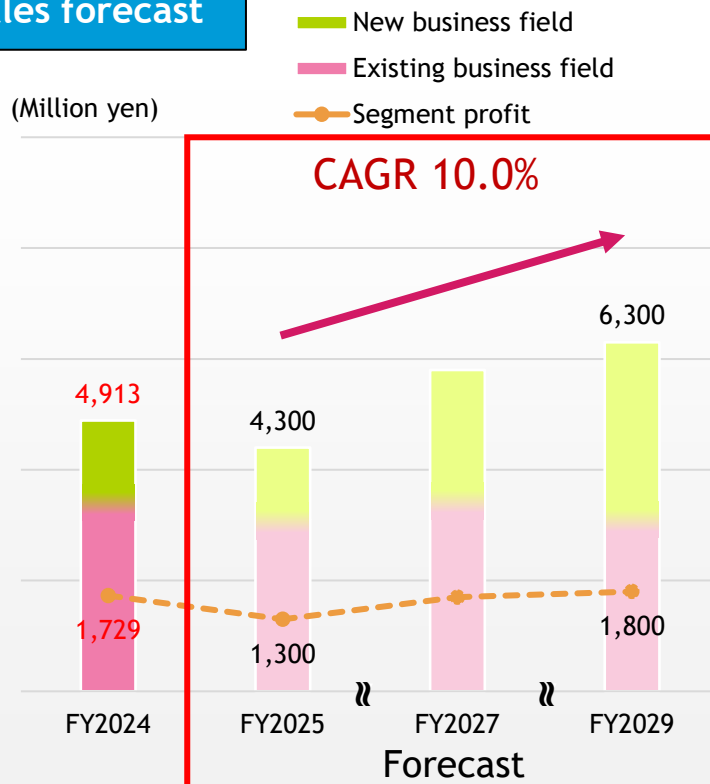
- Next-generation batteries
- Hydrogen energy
- Environmentally friendly products

Specific measures

- Water treatment plant:
Strengthening profitability and expanding business by taking full advantage of the group company's network
- Fuel cell battery:
Developing materials for next-generation batteries and promoting sales
- Materials for aircraft interiors:
Promoting sales of newly developed products such as environmentally friendly interior materials
- Next-generation battery/H₂ energy:
Developing high-performance and high-durability materials
- Environmentally friendly products:
Developing material for gas separation devices

IV-4-3. Display Materials Segment

Sales forecast



Expected Markets

- In the medical field, demand for high-performance displays will increase with the spread of medical upgrading and telemedicine.
- In the industrial and scientific research fields, projects using polarization control optical components will increase.

Contributing to further development of the digital society through development of new products

Existing business field

Exploring growth-driving businesses

- Industrial infrastructure

Strengthening quality of core business

- Medical devices

New business field

Commercialization of target fields





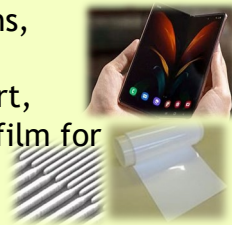
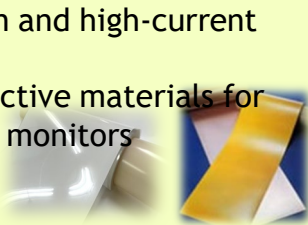
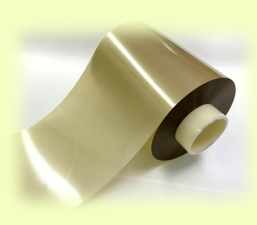
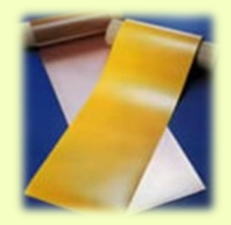

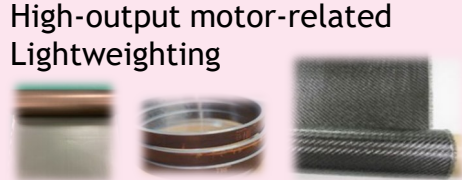
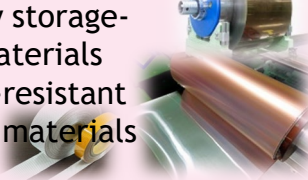





- Next-generation computing

Specific measures

- Industrial infrastructure:
Newly developing for infrastructure applications such as mobility, construction equipment and heavy machinery
- Medical devices:
Promoting sales in the Chinese and Asian markets
Exploring new markets for larger and higher resolution products
- Next-generation computing:
Developing new products and obtaining new market share for AR/VR-related materials

IV-5. Differentiated Products by Business Segment (Reference)

We develop differentiated products with focus on fields with growth potential

Market Business Segment	Information device  Contribution to IoT society	Next-generation mobility  Contribution to next-generation transportation devices	Next-generation energy  Challenge for new energy	Smart wellness  Contribution to environment and human wellness
Electronic materials	FPC materials for high-speed communications, micro wiring, foldable support, and insulating film for semiconductor boards 	FPC materials for high-heat dissipation and high-current support High-reflective materials for in-vehicle monitors 	Hydrogen energy-related materials 	FPC materials for medical devices 
Industrial structural & electrical insulating materials	Glass cloths for high-speed communication 	In-vehicle batteries-related High-output motor-related Lightweighting 	H ₂ energy-related and electricity storage-related materials Radiation-resistant insulating materials 	For water purification for drinking and industrial water, and CO ₂ separators 
Display materials	Transparent materials for graphic tablet 	Screen of HUD. 	Transparent materials with weather-resistance. 	Displays for medical devices AR/VR-related 

Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22

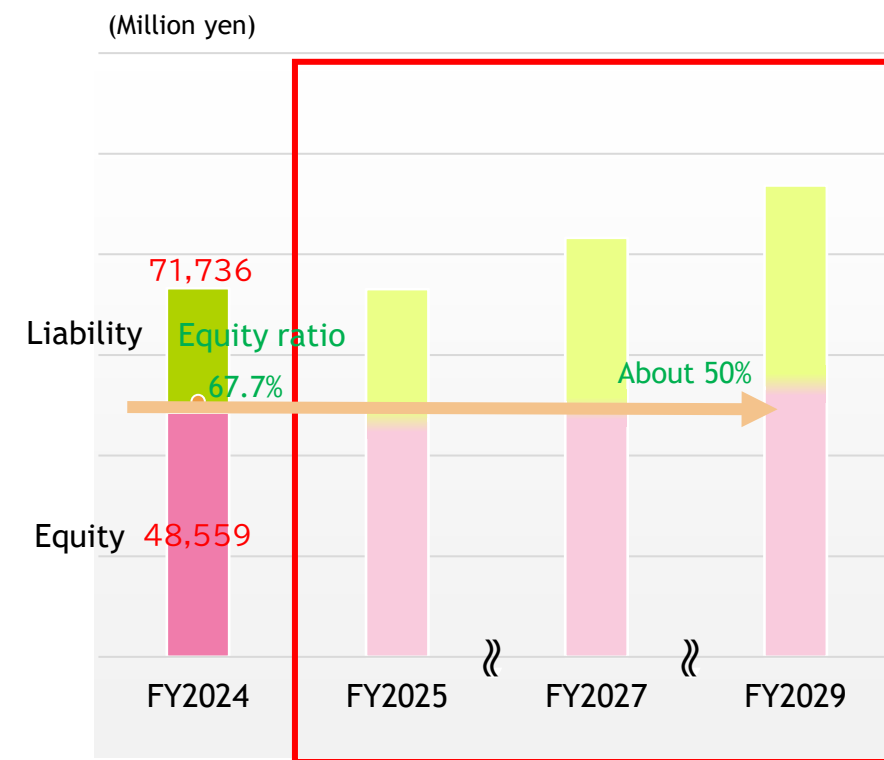
V-1. Financial Strategy

- We invest in growth businesses that generate future cash flows.
- We aim to explore capital structure optimization and improve capital efficiency.

Investment for growth	Shareholder returns	Capital structure
<ul style="list-style-type: none"> ■ Capital expenditure To expand the scope of existing business To create new business opportunities ■ M&A Synergistic effect with the strengths of existing business fields Expanding into new fields 	<ul style="list-style-type: none"> ■ Greater of either DOE of 6% or total return ratio of 80% or more ■ Flexible acquisition of treasury stock 	<ul style="list-style-type: none"> ■ Equity ratio about 50% ■ Use of interest-bearing liabilities (both direct and indirect finances)

Improvement in capital efficiency

Image of balance sheet growth



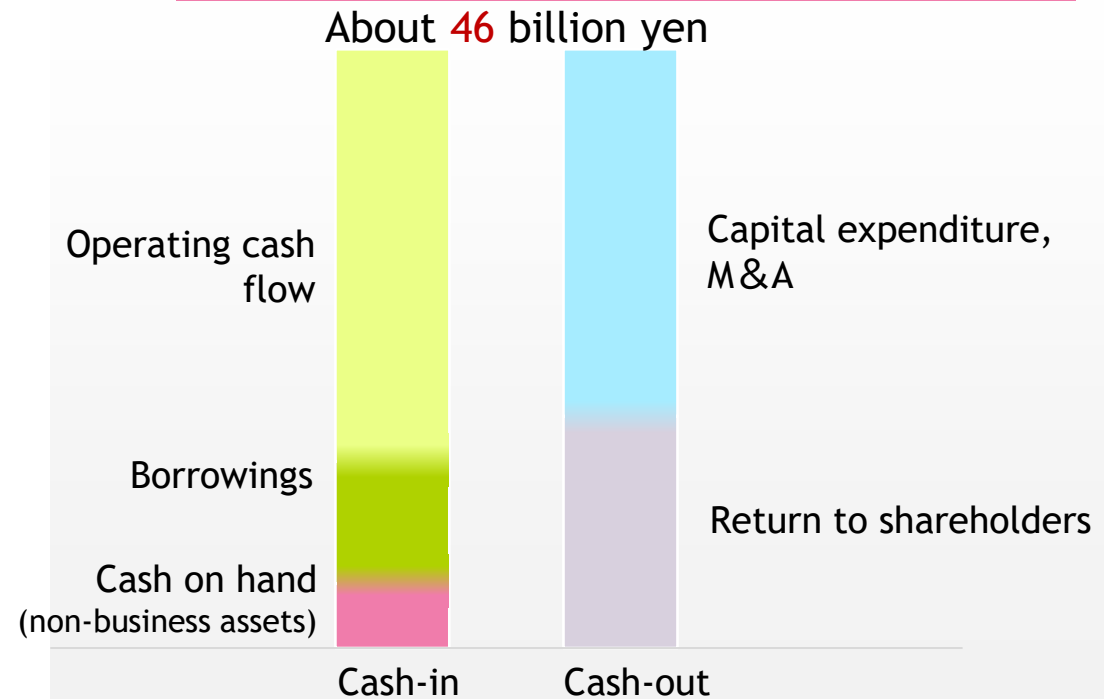
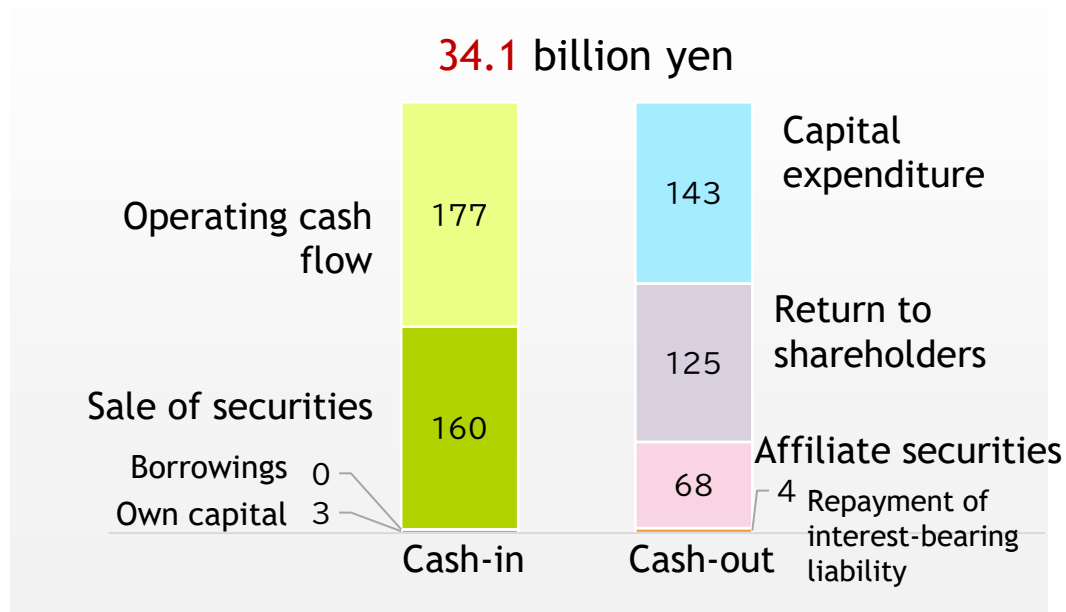
V-2. Cash Allocation

From FY2025, we will increase the allocation of funds to growth investments to achieve sustainable growth and improve capital efficiency.

- From FY2020 to FY2024, we converted non-business assets into cash.
- From FY2025, we will use interest-bearing liability and other resources to enhance product capability and to fund the commercialization and mass production of new products.

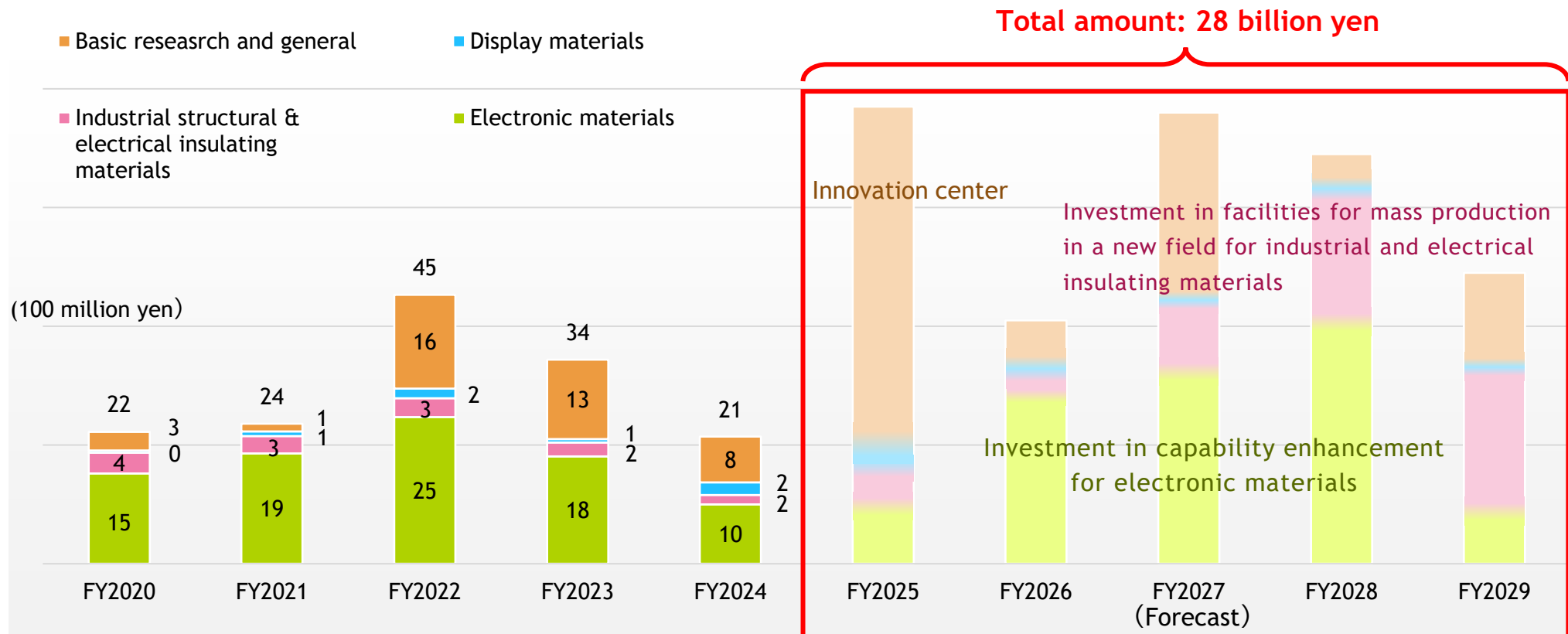
Actual result from FY2020 to FY2024

Forecast for 5 years from FY2025 to FY2029



V-3. Capital Expenditure by Segment

We promote capital expenditure aimed at expanding new business fields and promoting development.



From FY2022 to FY2024, we invested in research and development from a mid- to long-term perspective.

From FY2025 to FY2029, we will invest in capability enhancement and new business fields.

V-4-1. Strategic Investments (Innovation Center)

ARISAWA INNOVATES!
With eyes on the next 100 years



Opening in September 2025!!

V-4-2. Strategic Investments (Innovation Center)

Concept

A place where people and ideas come and go

- A base for open innovation which integrates and co-creates technologies with other companies and research institutes
- A base where employees can freely and actively interact across business fields and departments and generate ideas
- A base for research and development with diverse human resources

Construction specification

Like a family gathering in a snow igloo, coexisting with nature with both severity and tenderness

- Workshop spaces connecting labs and offices
- An event hall designed to integrate with our customers and local communities
- Designed for ZEB Ready *
 - Energy-saving design using a heat source of cold heat collected from snow on the roof, “Modern version of a Yukimuro snow room”
 - “Utilizing waste heat from factories using both building frame and hot water heat storage” to contribute to energy saving and health
 - “Natural ventilation” that forms various air flow fields utilizing cool outside air

*One of the ZEB(Net Zero Energy Building) certifications.
Reduce energy required in conventional buildings by 50% or more through energy saving.

Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22



VI. Human Resource Strategy

To promote our business strategy and financial strategy, we aim to enhance both individual autonomy and the sense of unity of the organization.

Talent that meets our needs: Personnel who can practice CIC on their own

Employee Engagement Survey (the 1st survey was performed in March 2024)

Issues	Efforts for solution
<ul style="list-style-type: none">- Clear career paths.- Fair evaluation and treatment.- Mental and physical health promotion.	<ul style="list-style-type: none">- Providing opportunities to learn about other departments to support career path development- Enhancing training for each job level and reviewing the company's system and organizational structure- Aiming to create a free and open workplace culture, as well as hygienic and comfortable workplace

Developing a dynamic human resource portfolio

Developing human resource to lead business and management	Attracting and developing diverse human resources	Creating comfortable and rewarding workplaces
<ul style="list-style-type: none">■ Clarifying career paths and expanding business positions for professionals■ Enhancing career development support■ Enhancing training and providing diverse practical experience	<ul style="list-style-type: none">■ Enhancing training and increasing opportunities for personnel exchange■ Activating job rotation■ Reviewing promotions to job positions (Fair evaluation and treatment)	<ul style="list-style-type: none">■ Respecting diversity■ Maintaining favorable workplace environment■ Saving personnel and improving efficiency through systemizations and DX

Contents

I.	Management Policy	1
II.	Overview of Medium-term Business Plan (FY2020 to FY2024)	2-4
	Medium-term Business Plan (FY2025 to FY2029)	
III.	Basic Policy and Performance Goals for FY2029	5-6
IV.	Business Strategy	7-13
V.	Financial Strategy	14-18
VI.	Human Resource Strategy	19
VII.	ESG Strategy	20-22

VII-1. Materiality to be Tackled

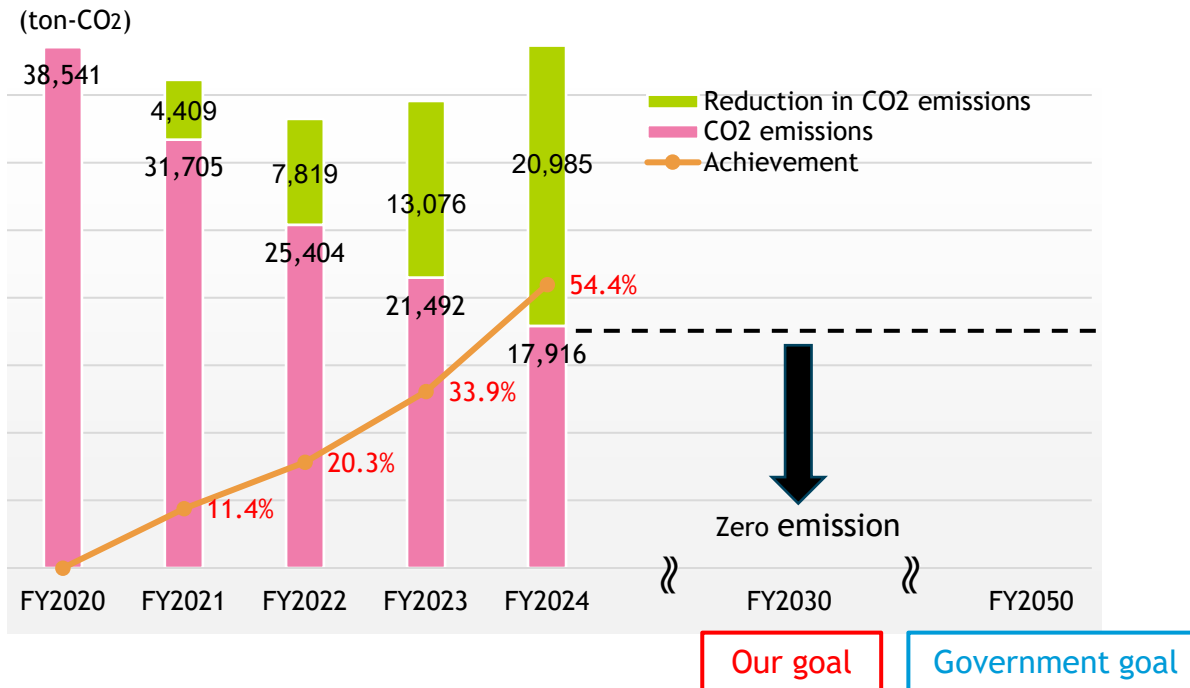
We set KGIs (key goal indicators) to achieve in each materiality and pursue sustainable growth.

Materiality	KGI (Key Goal Indicator)	Initiatives through FY2024
Contribution to a decarbonized society	<ul style="list-style-type: none"> - Achieve carbon neutrality by 2030 - Promote energy saving and resource conservation - Replace with renewable energy - Offer low environmental load materials 	<ul style="list-style-type: none"> - Achievement ratio of carbon neutrality; 54.4% - Installation of waste heat recovery system in the coating machine, and renewal of air conditioning equipment - Amount used: Electricity 17.31 million kWh, CN gas 2.05 million m³ - Reduction of energy for mass production and development of new eco-friendly products
Development of diversified human resources and improvement in job satisfaction	<ul style="list-style-type: none"> - Enhance individual autonomy and the sense of unity of the organization - Develop human resources to lead the next generation - Company where all employees can work lively 	<ul style="list-style-type: none"> - Enrich the contents of e-learning (online education system), and conduct engagement survey - Provide opportunities for communication between CEO and female employees, and outside directors and operating officers - Review benefits and systems
Promotion of circular economy	<ul style="list-style-type: none"> - Reduce emissions - Promote recycle - Establish a sustainable supply chain - Ensure safety of chemical substances 	<ul style="list-style-type: none"> - Reduce scraps of FRP products - Start recycling of glass scraps, PVC materials, etc. - Establish the Human Rights Policy and the CSR Procurement Policy, and conduct CSR survey - Start investigations of chemical substance database and the management system
Enhancement of corporate governance	<ul style="list-style-type: none"> - Organization with strong sense of ethics - Enhance risk management 	<ul style="list-style-type: none"> - Conduct audits for subsidiary companies - Conduct BCP training - Enhance information security

VII-2. Contribution to Environmental and Social Issues

Carbon neutrality

Progressing in achieving our goals of carbon neutrality by FY2030 as planned



Achievement rate of CN (carbon neutrality) =
 (Total of renewable energy, energy creation, low-carbon products, and energy utilization efficiency) /
 CO₂ emissions in FY2020

Please refer to [ARISAWA INTEGRATED REPORT 2024](#) for further information.

Coexistence with society

To enhance our brand value, we have conducted locally focused social activities.

- Returning 0.5% of non-consolidated net profit to society
- Conserving the natural environment

Establish a sustainable supply chain and reduce emissions

Promoting CSR activities with suppliers

- Announcement to suppliers of the CSR Procurement Policy
- Achieving zero-emission by 2050
- Recycling promotion

VII-3. Corporate Governance

We will improve governance to enhance corporate value with a diverse board composition that has the skills necessary to achieve the medium-term business plan.

(Unit: persons)

FY	Directors			Corporate auditors		Operating officers			Main implementation
	Inside	Outside		Inside	Outside	Inside		Served as director	
	Male	Male	Female	Male	Male	Male	Female		
2019	4	2		1	2	11		(4)	- Abolition of anti-takeover measures - Establishment of the Nomination and Compensation (voluntary advisory body)
2020	4	3		1	2	11		(4)	- Assessment of the effectiveness of the Board of Directors by a third-party organization - Introduction of exercising voting rights by an electromagnetic method
2021	4	4	1	1	2	11		(4)	- Change of stock-based compensation for directors from stock options to restricted stocks
2022	4	4	1	1	2	11	1	(4)	Initiatives to be strengthened in the future ■ Expansion of discussions on the management of group companies ■ Efforts to strengthen the relationship with stakeholders
2023	4	3	2	1	2	10	1	(4)	
2024	4	3	2	1	2	11	2	(4)	

Initiatives to be strengthened in the future

- Expansion of discussions on the management of group companies
- Efforts to enhance risk management

Breakdown of skill composition

Corporate management	Business strategy / marketing	R&D / technological strategies	Finance / accounting / financial market	HR / labor / HR development	Legal / risk management	International experience
7	5	3	6	4	3	7

(Each figure indicates the number of directors corresponding to the skills, and the denominator is 12 persons)

Please refer to
[ARISAWA INTEGRATED REPORT 2024](#)
 for details of the skill matrix.

The data and forward-looking statements contained in this document are based on judgments made and information available as of the date of release of this document, and may change for a variety of reasons, including changes in economic conditions and market trends.

Therefore, this document is not a guarantee of the achievement of the stated goals, forecasts and future business performance. Final decisions regarding investments are solely at your own risk.

