

Securities Code 5208

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



Overview of Consolidated Financial Results for the Year Ended March 31, 2025



May 7, 2025

Arisawa Mfg. Co., Ltd.

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- FY2024 Review on a Consolidated Basis
- FY2025 Forecast on a Consolidated Basis
- Appendix



FY2024 Consolidated Performance



(Million Yen)	FY2023 result	FY2024 FCT (Feb. 6)	FY2024 result	YoY	vs. FCT (Feb. 6)
Sales	42,114	49,200	49,815	18.3%	1.3%
Operating Profit	1,483	4,500	4,893	3.3 times	8.7%
Operating Margin	3.5%	9.1%	9.8%		
Ordinary Profit	1,488	5,000	5,267	3.5 times	5.3%
Net Profit	1,639	3,500	3,969	2.4 times	13.4%
Earnings per share(Yen)	49.51	105.36*	119.49	2.4 times	13.4%
Dividend (Yen)	Total 60.00	Total 84.00	Total 96.00	--	--
Exchange rate (Yen/\$) average for the period at end of period	140.67 151.41	151.69 153.00	151.69 149.52	--	--

*Calculated by the number of shares as of Dec. 31, 2024

Year-on-year

- Consolidated sales increased by 7,701 million yen (18.3% YoY) due to increases in those of electronic and display materials.
- Operating profit increased by 3,409 million yen (3.3 times YoY) due to increases in sales and accompanying improved capacity utilization.
- Ordinary profit increased by 3.5 times YoY due to the impact of foreign exchange rates.
- Net profit increased by 2.4 times YoY due to a decrease in gain on sale of securities.

Versus the forecast as of Feb. 6

- Consolidated sales increased by 615 million yen (+1.3% vs. FCT) mainly due to an increase in sales of electronic materials.
- Operating profit increased by 393 million yen (+8.7% YoY) due to an increase in sales.
- Ordinary profit increased by 5.3% YoY due to a decrease in foreign exchange gains.
- Net profit increased by 13.4% YoY.



Statement of Income



(Million Yen)	FY2023 result	FY2024 FCT (Feb. 6)	FY2024 result	YoY	
Net sales	42,114	49,200	49,815	+7,701	Increase in sales of electronic and display materials
Gross profit	7,354 (17.5%)		11,621 (23.3%)		
Selling, general and administrative expenses	5,871		6,728		
Operation profit	1,483 (3.5%)	4,500 (9.1%)	4,893 (9.8%)	+3,409	Increase in sales and improved capacity utilization
Foreign exchange gains/loss	48	373	241		Share of loss of entities accounted for using equity method of 47 million yen and compensation expense of 57 million yen were recorded in FY2023. Increase in subsidy income of 66 million yen was recorded in FY2024.
Other non-operating income / expenses	-43	127	133		
Ordinary profit	1,488 (3.5%)	5,000 (10.2%)	5,267 (10.6%)	+3,779	
Gain on sale of investment securities	679		2		Decreases in gain on sale of investment securities and 57 of loss in disaster
Other extraordinary income/loss	-95		-6		
Profit before income taxes	2,072	5,000	5,263		
Income taxes, etc.	433	1,500	1,294		
Profit attributable to owners parent	1,639 (3.9%)	3,500 (7.1%)	3,969 (8.0%)	+2,329	

*Profit ratio in ()



Balance Sheet

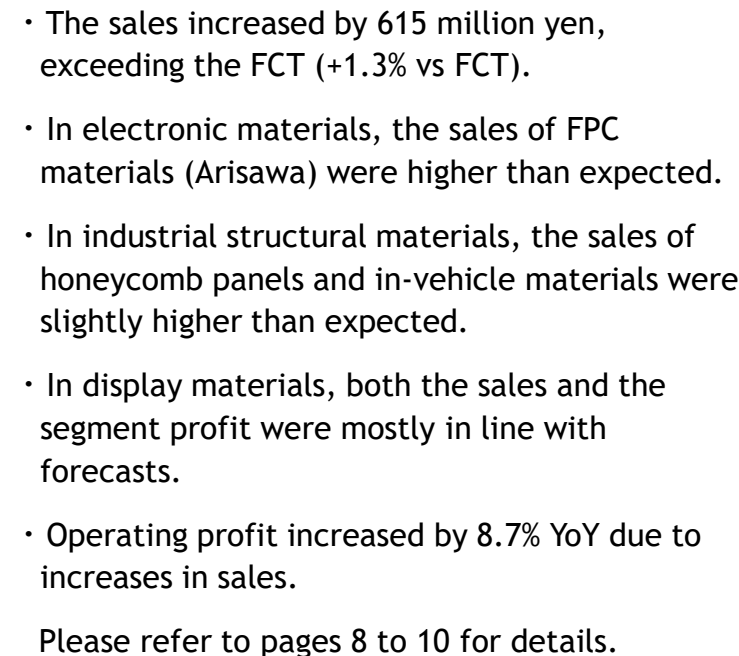
(Million Yen)	As of Mar. 2024	As of Mar. 2025	Change	
(Assets)				
Current assets	47,097	49,527	+2,429	Cash and deposits: -1,302, accounts receivable - trade: +158, inventories: +3,143
Property, plant and equipment, and intangible assets	18,345	19,065	+720	Capital expenditure
Investment securities	2,327	1,969	-358	Sale of cross-shareholdings
Other assets	1,047	1,175	+128	
Total assets	68,816	71,736	+2,919	
(Liabilities)				
Current liabilities	19,423	18,583	-840	Accounts payable: +690, short-term borrowings: - 2,534, income taxes payable, etc.: +578
Non-current liabilities	3,147	4,594	+1,447	Long-term borrowings: +1,706
Total liabilities	22,570	23,177	+607	
Shareholder's equity	42,867	44,147	+1,280	Retained earnings: +1,241
Other comprehensive income and share acquisition rights	3,379	4,412	+1,033	Foreign currency translation adjustment: +892
Total net assets	68,816	71,736	+2,919	

FY2024 Segment Comparison (vs. FY2023)

(Million Yen)	Sales			Segment Profit		
	FY2023 result	FY2024 result	change	FY2023 result	FY2024 result	change
Electronic materials	25,105	31,477	6,371	260	2,854	2,593
FPC materials (Arisawa)	13,814	17,520	3,706			
FPC materials (ThinFlex)	7,852	10,092	2,240			
ICGC, Prepreg	1,741	2,067	326			
Printed Wiring Board (Satosen)	1,698	1,798	100			
Industrial structural materials	10,602	10,616	14	1,476	1,762	286
Honey-comb panel	1,818	1,160	-658			
FRP pressure vessels for water treatment	6,044	7,254	1,210			
Others	2,740	2,202	-538			
Electrical insulating materials	2,533	2,457	-76	315	170	-145
Display materials	3,535	4,913	1,378	940	1,729	789
Related materials, others	339	352	13	199	210	11
Total	42,114	49,815	7,701	3,190	6,725	3,535
Corporate expenses				-1,707	-1,832	
Operating Profit				1,483	4,893	3,410

- Consolidated sales increased by 7,701 million yen (18.3% YoY) due to increases in those of electronic and display materials.
- Sales of electronic materials increased by 25.4% YoY due to a recovery in demand for semiconductors in addition to smartphones.
- The sales of industrial structural materials increased by 0.1% YoY due to weak sales of honeycomb panels and automotive materials, despite strong performance of FRP vessels for water purification.
- The sales of display materials increased by 39.0% YoY due to increases in sales of 3D-related materials and polarization control optical components.
- Operating profit increased by 3.3 times YoY due to increases in sales and improved capacity utilization in electronic and display materials and improved product mix in industrial structural materials.

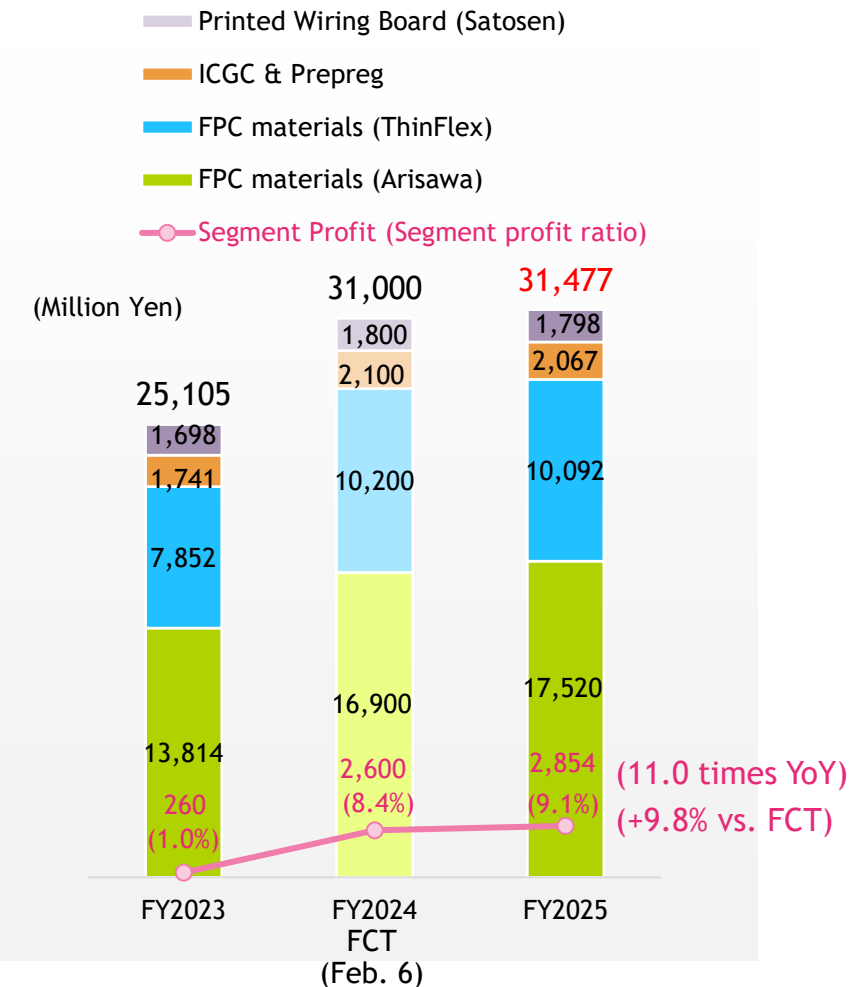
Please refer to pages 8 to 10 for details.



- The sales increased by 615 million yen, exceeding the FCT (+1.3% vs FCT).
- In electronic materials, the sales of FPC materials (Arisawa) were higher than expected.
- In industrial structural materials, the sales of honeycomb panels and in-vehicle materials were slightly higher than expected.
- In display materials, both the sales and the segment profit were mostly in line with forecasts.
- Operating profit increased by 8.7% YoY due to increases in sales.

Please refer to pages 8 to 10 for details.

Sales of electronic materials



Market

- Sluggish demand for smartphones and semiconductors which became apparent in the second half of FY2022 has bottomed out and is continuing to recover.

Performance YoY

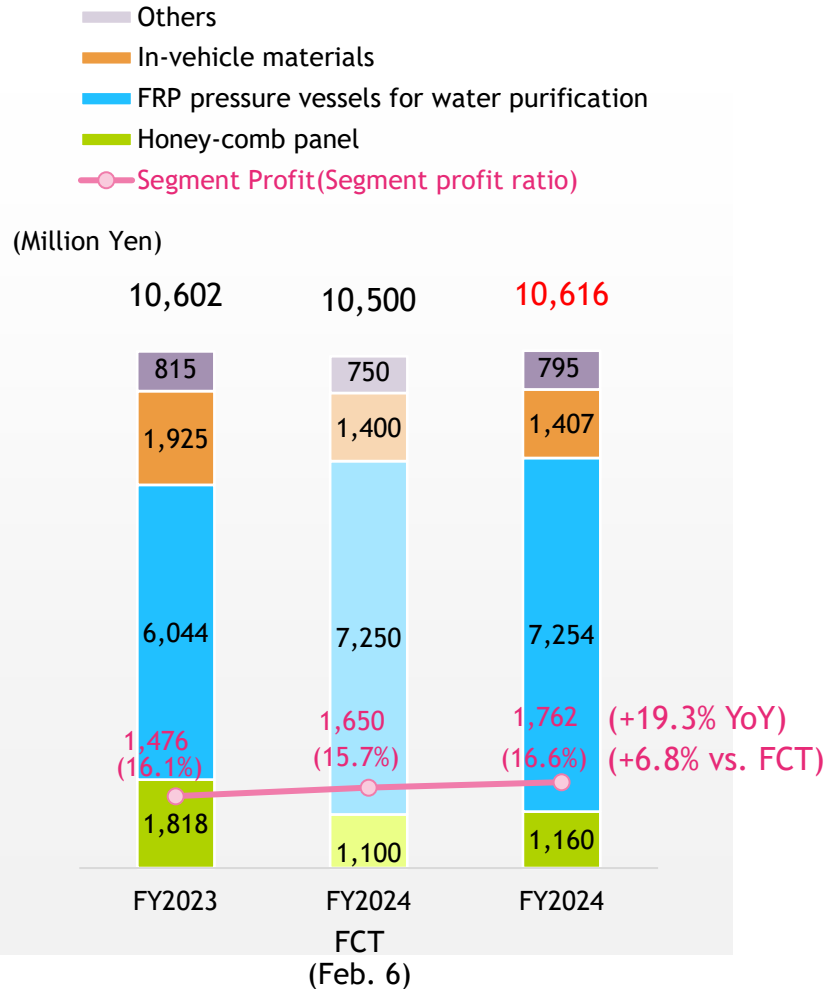
- Sales increased by 6,371 million yen (+25.4% YoY) due to increases in all areas of FPC materials, ICGC & Prepreg, and printed wiring boards.
- Sales of FPC materials (Arisawa) increased by 26.8% due to a recovery in demand for smartphones and semiconductor applications.
- Sales of FPC materials (ThinFlex) increased by 28.5% due to a recovery in demand for Chinese smartphones.
- Sales of ICGC & Prepreg increased by 18.7% YoY.
- Sales of printed wiring boards increased by 5.9% YoY.
- Segment profit increased by 2,593 million yen (11.0 times YoY) due to increases in sales and improved capacity utilization.

Performance vs. FCT as of Feb. 6

- Sales increased by 477 million yen (+1.5% vs. FCT) due to the steady performance of FPC materials (Arisawa).
- Segment profit increased by 254 million yen (+9.8% YoY).

Overview in FY2024 - Industrial Structural Materials

Sales of industrial structural materials



Market

- Strong performance continued in water purification materials for drinking and industrial water, etc. due to an increase in global demand for water.
- Development of new energy sources to reduce environmental impact is becoming more active, and the number of development projects for the Company is increasing.

Performance YoY

- Sales of industrial structural materials increased by 14 million yen (+0.1% YoY) due to weak sales of honeycomb panels and automotive materials, despite strong performance of FRP vessels for water purification.
- Sales of honey-comb panels decreased by 36.2% YoY due to the impact of market trends.
- Sales of FRP pressure vessel for water purification continued to be strong from the previous FY, with sales increasing by 20.0% YoY due to foreign exchange impact, etc.
- Sales of in-vehicle materials decreased by 26.9% YoY due to the impact of market trends.
- Segment profit increased by 286 million yen YoY (+19.3%) mainly due to an increase in sales of FRP pressure vessel for water purification.

Performance vs. FCT as of Feb. 6

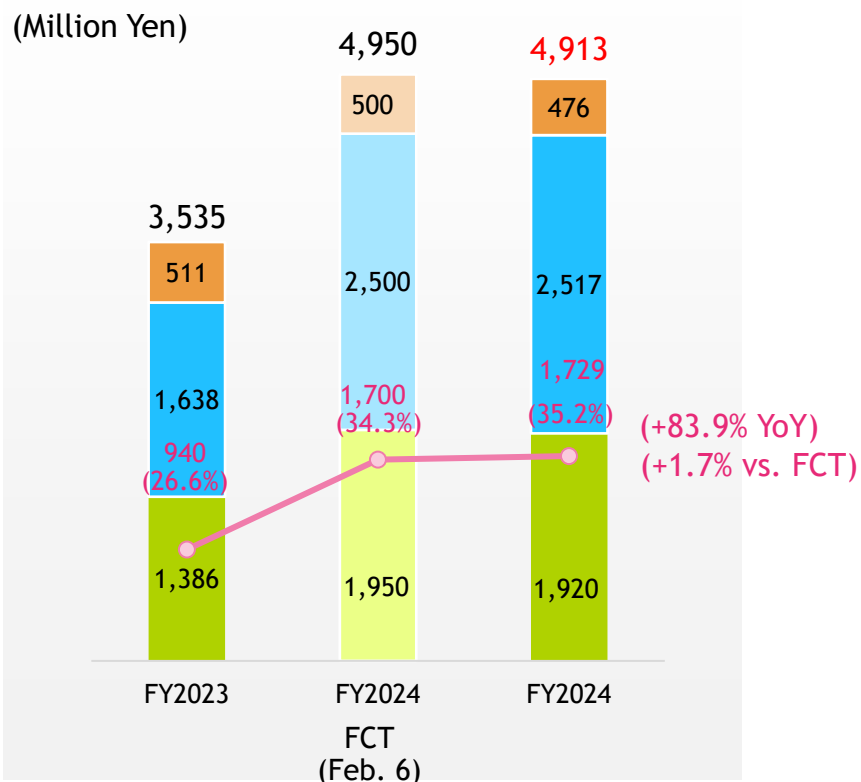
- Sales increased by 116 million yen (+1.1% vs. FCT) as honeycomb panels and in-vehicle materials were slightly higher than expected. Segment profit increased by 6.8% YoY.



Overview in FY2024 - Display Materials

Sales of display materials

- Others
- Polarization control optical components
- 3D-related materials
- Segment Profit (Segment profit ratio)



Market

- As for 3D-related materials, orders for medical monitors increased. The development for the industrial field is also promoted in order to enter into a market beyond medial applications.
- As for AR and VR-related applications, demand for polarization control optical components is expanding.

Performance YoY

- Sales of display materials increased by 1,378 million yen (+39.0% YoY) due to increases in sales of 3D-related materials and polarization control optical components.
- Sales of 3D-related materials increased by 38.5% YoY due to orders received in advance and the impact of foreign exchange, etc.
- Sales of polarization control optical components increased by 53.6% YoY due to the impact of foreign exchange, etc.
- Segment profit increased by 789 million yen (+83.9% YoY) due to the increase in sales.

Performance vs. FCT as of Feb. 6

- Sales and segment profit were largely in line with forecasts.

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FY2025 Forecast of Consolidated Performance



(Million Yen)	FY2024 1H result	FY2024 FY result	FY2025 1H FCT (May. 7)	YoY	FY2025 FY FCT (May. 7)	YoY
Sales	25,172	49,815	24,600	-2.3%	51,400	3.2%
Operating Profit	2,734	4,893	2,100	-23.2%	4,500	-8.0%
Operating Margin	10.9%	9.8%	8.5%		8.8%	
Ordinary Profit	2,917	5,267	2,200	-24.6%	4,500	-14.6%
Net Profit	2,122	3,969	1,500	-29.3%	3,200	-19.4%
Earnings per share(Yen)	63.91	119.49	45.16*	-29.3%	96.33*	-19.4%
Dividend (Yen)	42.00	Total 96.00	44.00	--	88.00	--
Exchange rate (Yen / \$) average for the period at end of period	152.36 142.73	151.69 149.52	146.92 140.00	--	143.00 135.00	--

*Calculated by the number of shares as of Mar. 31, 2025

* The impact of the reciprocal tariff policy on the Company's business is under investigation and is not reflected in the forecast at this time.

Forecast of consolidated performance (FY2025)

- Sales are expected to increase by 1,584 million yen (+3.2 YoY) due to increases in sales of electronic and industrial structural materials.
- Operating profit is expected to decrease by 393 million yen (-8.0% YoY) due to an increase in fixed costs and impact of foreign exchange rates.
- Ordinary profit is expected to decrease by 767 million yen (-14.6% YoY).
- Net profit decreased by 769 million yen (-19.4 YoY).



FY2025 1H Segment Comparison (vs. FY2024)

(Million Yen)	Sales			Segment Profit		
	FY2024 result	FY2025 FCT (May. 7)	YoY	FY2024 result	FY2025 FCT (May. 7)	YoY
Electronic materials	15,229	15,900	671	1,296	1,400	104
FPC materials (Arisawa)	8,818	8,800	-18			
FPC materials (ThinFlex)	4,566	5,000	434			
ICGC, Prepreg	952	1,200	248			
Printed Wiring Board (Satosen)	893	900	7			
Industrial structural materials	6,026	5,300	-726	1,182	850	-332
Honey-comb panels	769	700	-69			
FRP pressure vessels for water treatment	3,990	3,600	-390			
Others	1,267	1,000	-267			
Electrical insulating materials	1,180	1,200	20	33	50	17
Display materials	2,545	2,000	-545	921	600	-321
Related materials, others	192	200	8	114	100	-14
Total	25,172	24,600	-572	3,546	3,000	-546
		Corporate Expenses		-812	-900	
		Operating Profit		2,734	2,100	-634

Market forecasts

- Demand for semiconductors and the Chinese market is expected to remain strong.
- Sales of FRP pressure vessel for water purification are expected to decrease in the 1st half of FY2025 due to the impact of product mix, although demand is expected to remain strong.
- Inventory adjustments is expected to continue in honeycomb panels in the 1st half of FY2025.
- Inventory adjustments is expected to start for 3D materials. Polarization control optical components will be influenced by fluctuations in exchange rates.

Performance forecasts

- Sales is expected to decrease by 572 million yen (-2.3% YoY) due to weak sales of industrial structural materials and display materials, despite strong sales of electronic materials.
- Operating profit is expected to decrease by 634 million yen (-23.2% YoY) due to an increase in fixed costs and foreign exchange impact.



FY2025 FY Segment Comparison (vs. FY2024)

(Million Yen)	Sales			Segment Profit		
	FY2024 result	FY2025 FCT (May. 7)	YoY	FY2024 result	FY2025 FCT (May. 7)	YoY
Electronic materials	31,477	33,000	1,523	2,854	3,000	146
FPC materials (Arisawa)	17,520	17,500	-20			
FPC materials (ThinFlex)	10,092	11,000	908			
ICGC, Prepreg	2,067	2,600	533			
Printed Wiring Board (Satosen)	1,798	1,900	102			
Industrial structural materials	10,616	11,200	584	1,762	1,800	38
Honey-comb panels	1,160	1,600	440			
FRP pressure vessels for water treatment	7,254	7,200	-54			
Others	2,202	2,400	198			
Electrical insulating materials	2,457	2,500	43	170	100	-70
Display materials	4,913	4,300	-613	1,729	1,300	-429
Related materials, others	352	400	48	210	200	-10
Total	49,815	51,400	1,584	6,725	6,400	-325
				Corporate Expenses	-1,832	-1,900
				Operating Profit	4,893	4,500
						-393

Market forecasts

- Demand for semiconductors and the Chinese market is expected to remain strong.
- Demand for FRP pressure vessels for water purification is expected to remain firm.
- Demand for honeycomb panels is expected to recover slightly in the 2nd half of FY2025.
- Sales of 3D-related materials are expected to remain unchanged from FY2024 due to a recovery in the demand in the 2nd half of FY2025. The impact of foreign exchange on polarization control optical components is expected to continue.

Performance forecasts

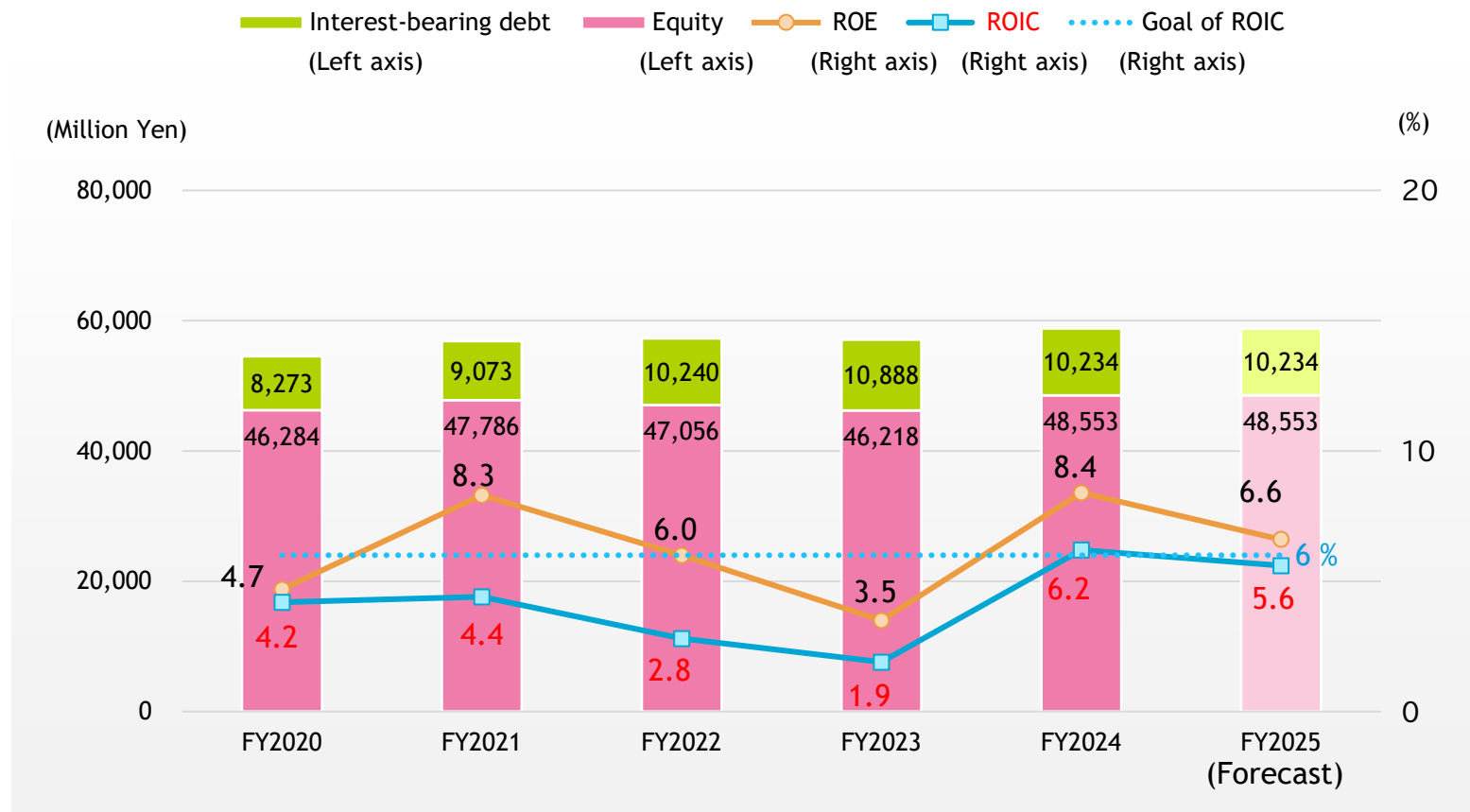
- Sales are expected to increase by 1,584 million yen (+3.2% YoY) due to steady sales of electronic materials and industrial structural materials.
- Operating profit is expected to decrease by 393 million yen (-8.0% YoY) due to an increase in fixed costs and foreign exchange impact



ROE, ROIC history

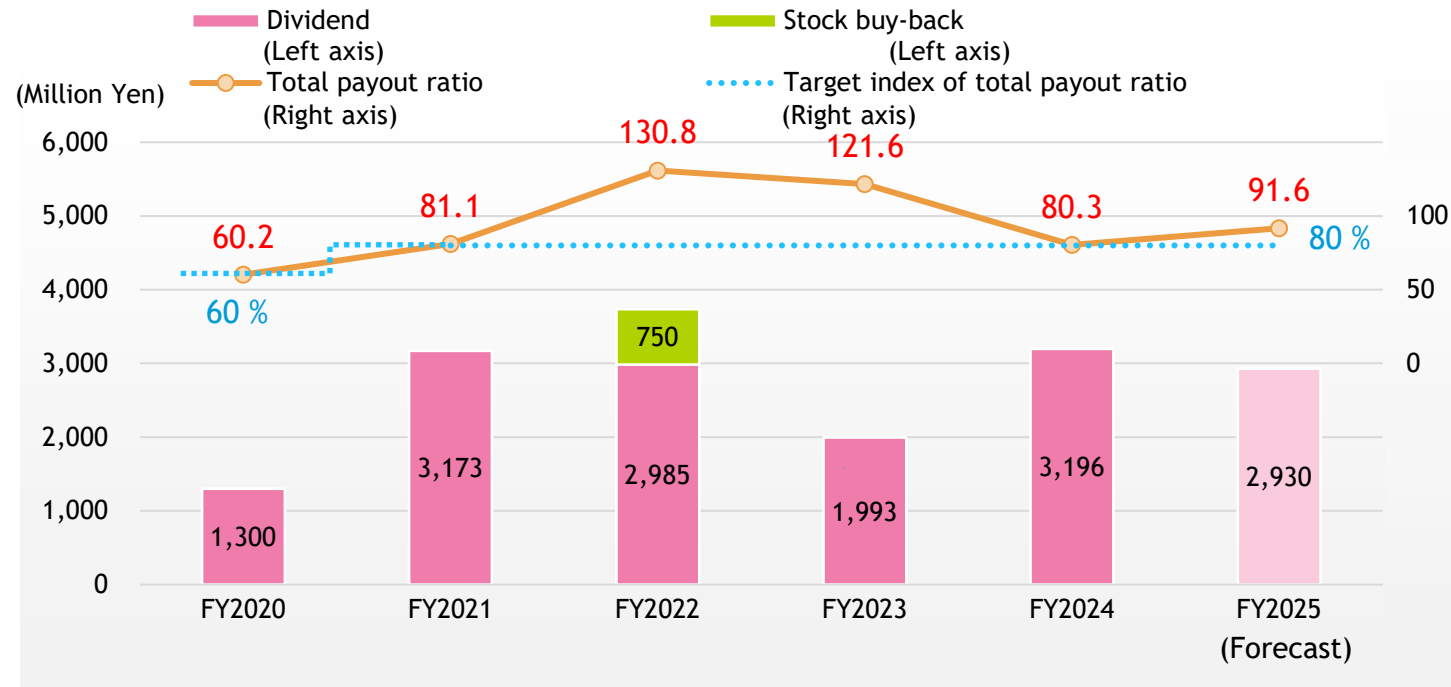
ROE= Net Profit / Equity Capital

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



- ROIC for FY2024 was 6.2% due to an increase in operating profit, achieving the target of 6% set forth in the Medium-Term Business Plan ended in FY2024.
- ROIC for FY2025 is expected to be 5.6% due to a decrease in operating profit.

Dividend and Total Payout Ratio History



- We revised the year-end dividend for the fiscal year ended March 31, 2025 to 54 yen per share, an increase of 12 yen from the previous forecast of 42 yen per share.
- As a result, total dividend per share was 96 yen in conjunction with the interim dividend of 42 yen resulting in the total return ratio of 80.3% for the fiscal year ended March 2025.

Policy on return to shareholders

- The Company's basic dividend policy is to pay the greater of “dividend on equity (DOE) of 6 %” or “total return ratio of 80 % or more” which are indicators aimed at stability. (applicable period: until when the equity ratio of around 50% is achieved).

	FY2020	FY2021	FY2022	FY2023	FY2024	26/3
Share Price (Yen/Share)*	1,000	957	1,254	1,137	1,384	—
Dividend (Yen/Share)	39	95	90	60	96	Total 88 (Forecast)
Dividend yield (%)	3.9	9.9	7.2	5.3	6.9	—

* Closing price at the end of each FY

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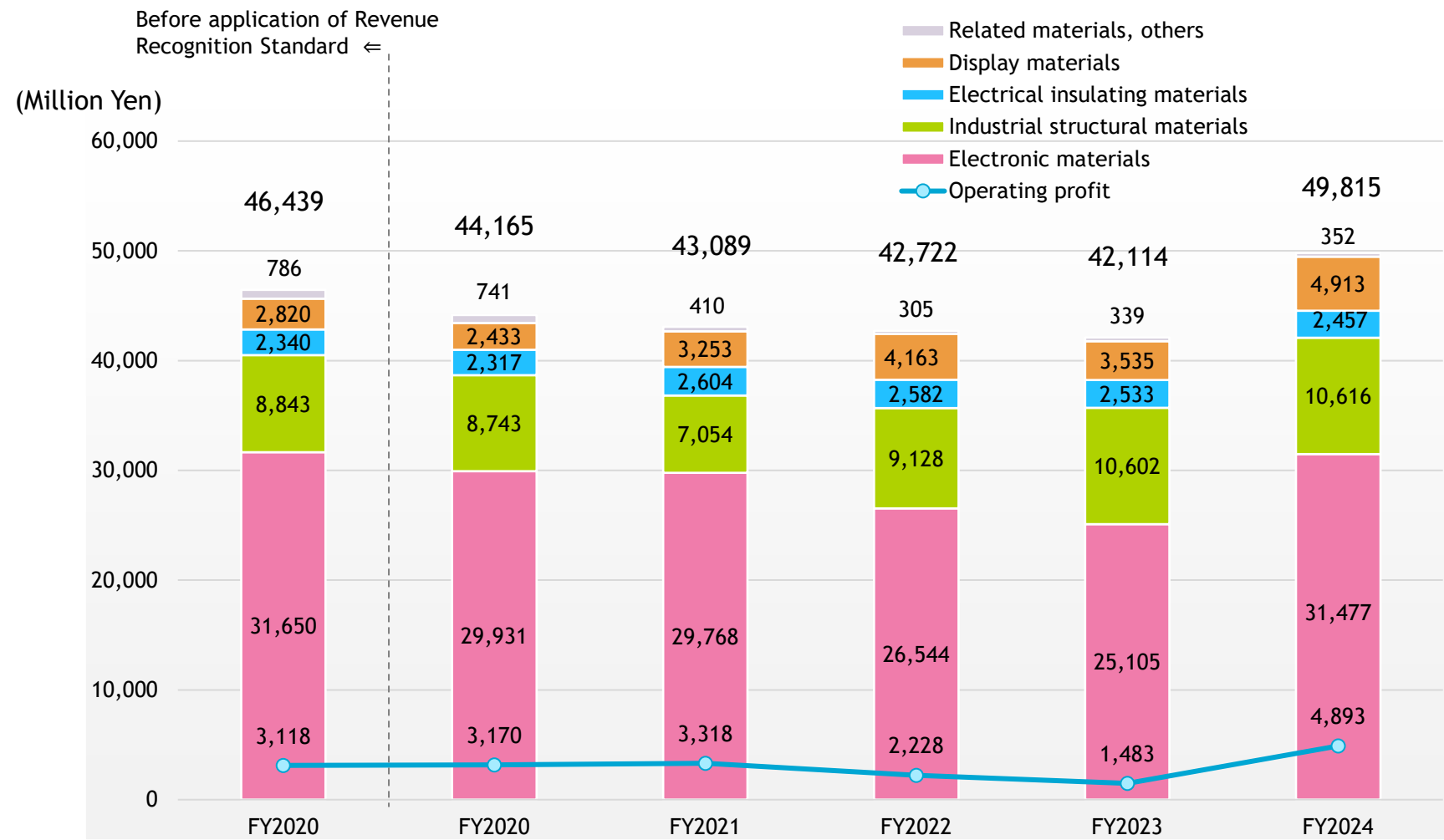
FY2024 Full-year Results by Consolidated Company



(Million Yen)	Sales					Operating Profit				
	FY2023 Result	FY2024 FCT(2/6)	FY2024 Result	Change YoY	vs. FCT	FY2023 Result	FY2024 FCT(2/6)	FY2024 Result	Change YoY	vs. FCT
Non-consolidated										
Arisawa Mfg.	26,560	29,500	30,267	3,707	767	905	2,400	2,707	1,802	307
Consolidated										
ThinFlex	8,559	12,200	12,173	3,614	-27	-601	310	318	919	8
Satosan	1,699	1,800	1,800	101	0	10	45	47	37	2
Arisawa Fiber Glass	1,897	2,250	2,255	358	5	-67	70	61	128	-9
Protec	6,037	7,100	7,105	1,068	5	906	1,150	1,144	238	-6
Arisawa Sogyo	1,786	1,900	1,924	138	24	102	100	110	8	10
Arisawa Jushi Kogyo	291	250	268	-23	18	34	5	27	-7	22
ColorLink Japan	1,640	2,500	2,518	878	18	131	420	470	339	50
(Adjustment)	-6,355	-8,300	-8,495			63	0	9		
Total	42,114	49,200	49,815	7,701	615	1,483	4,500	4,893	3,410	393



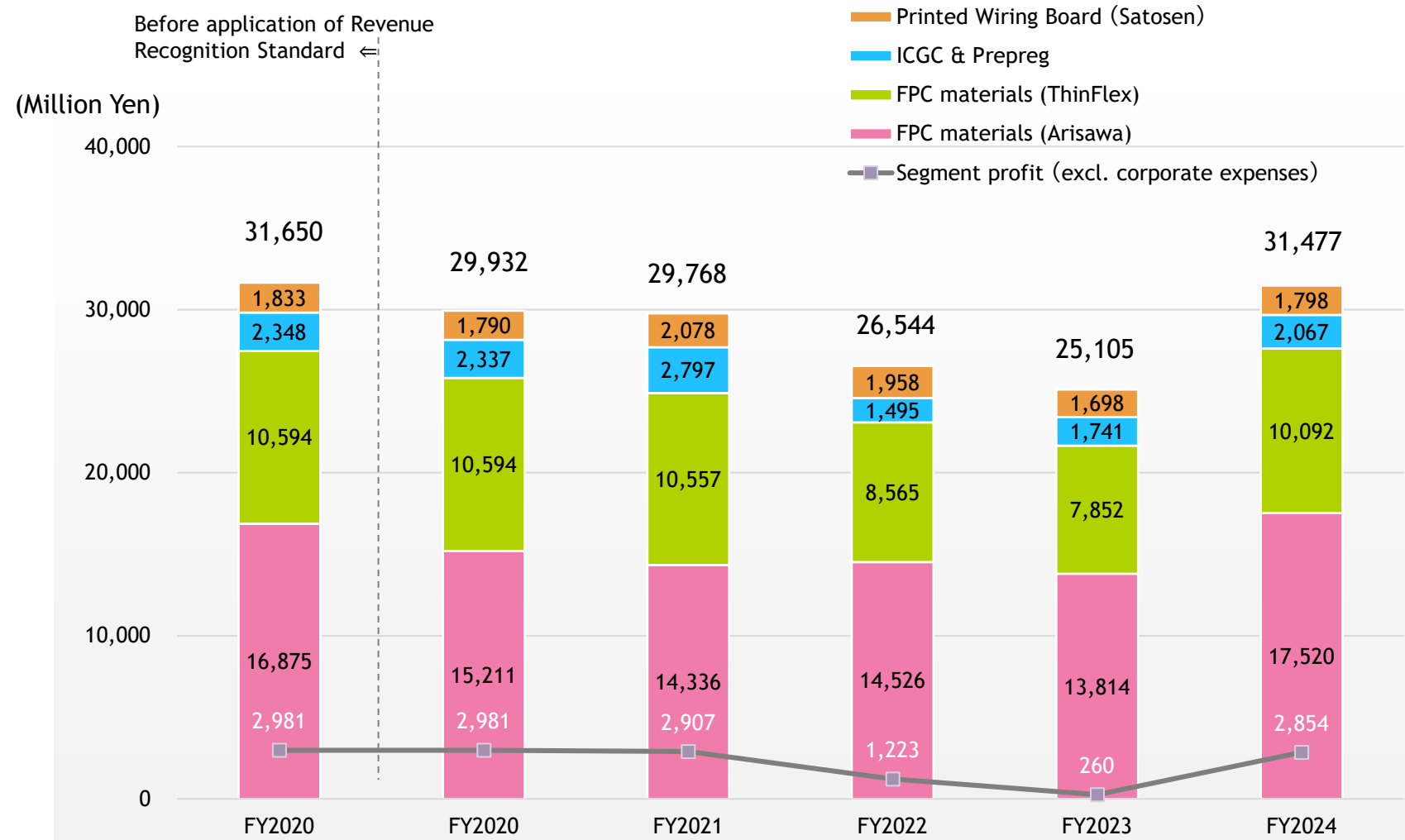
Segment Comparison History (Sales and Operating Profit)



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



Electronic Materials Sales History



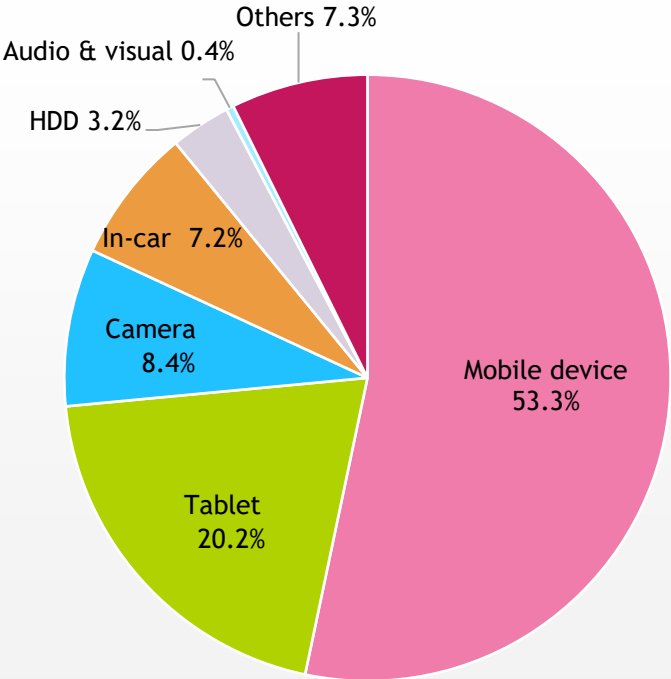
Revenue recognition standards have been applied since FY2021 (Retroactively applied for FY2020, as a reference).



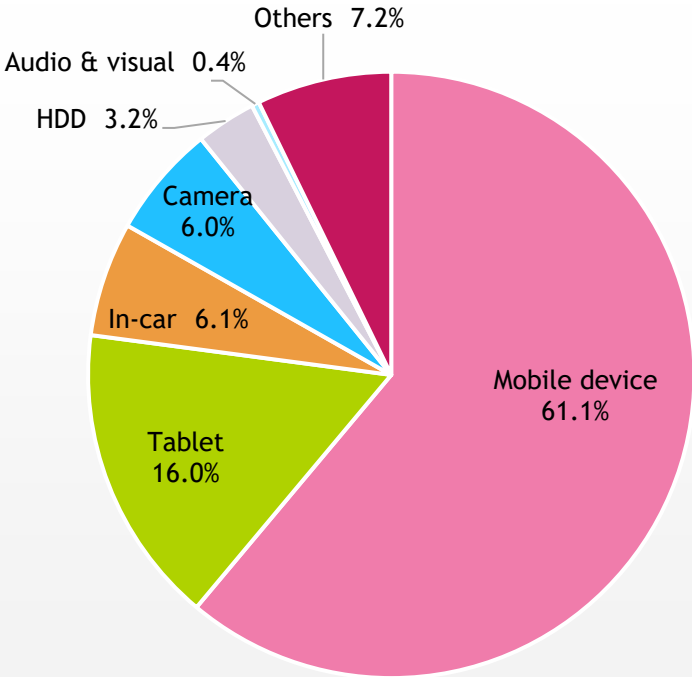
Our FPC's Major Applications



FY2023

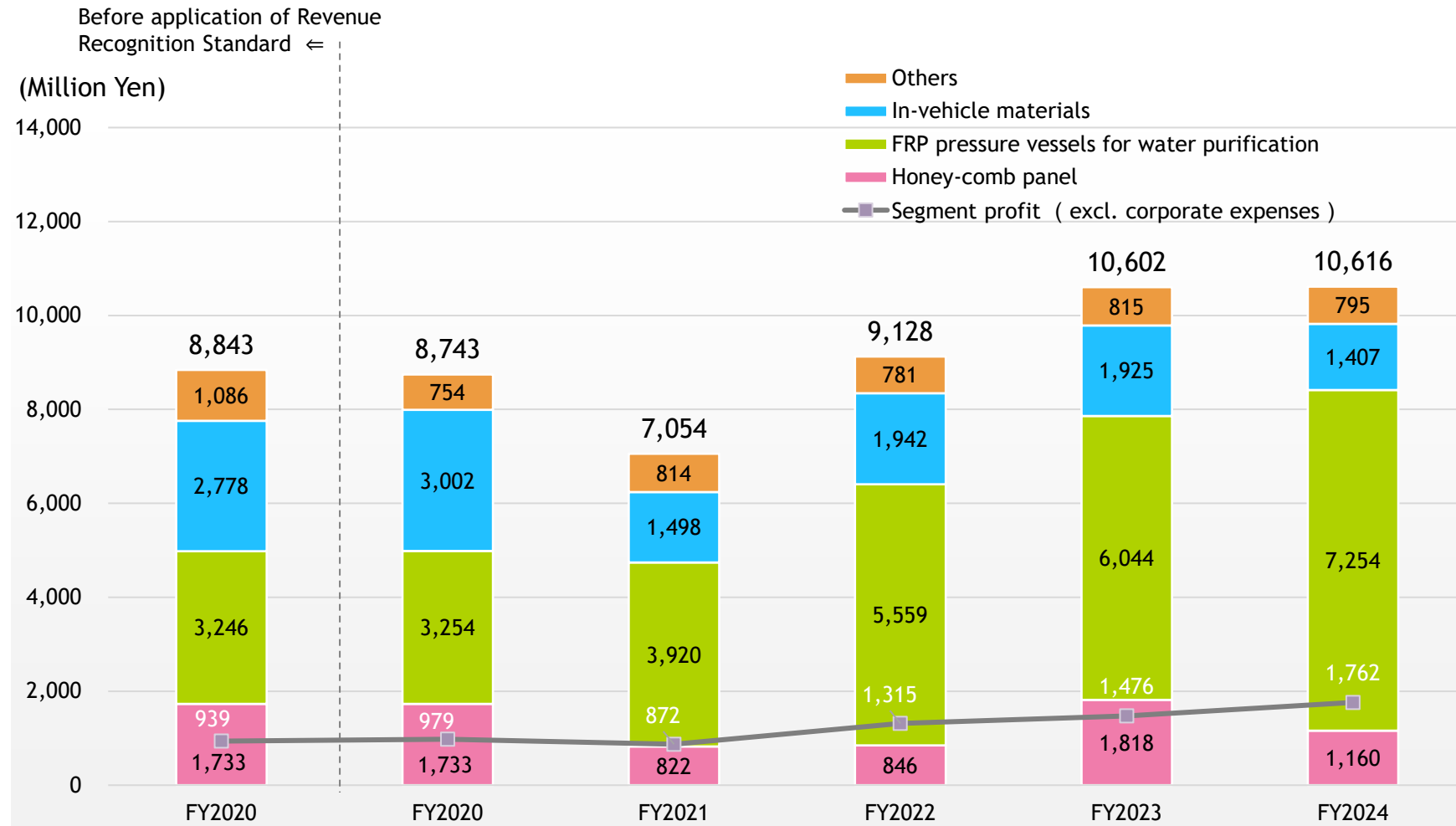


FY2024



In volume terms
Source: Arisawa estimates

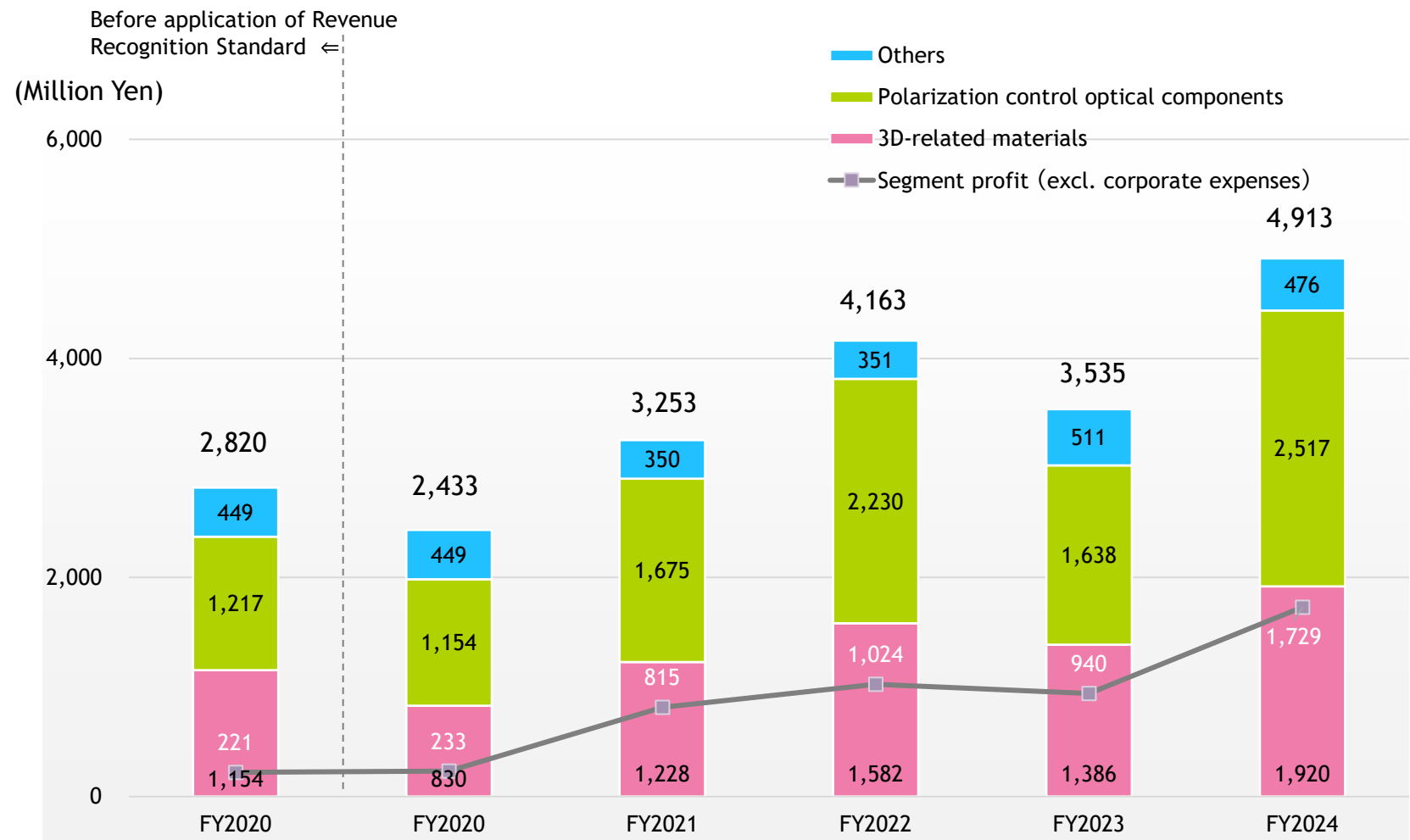
Industrial Structural Materials Sales History



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



Display Materials Sales History



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



New Products Sales History (Non-consolidated: Monthly Basis)

Sales of new products (million yen)

New product sales ratio (%)

= Sales of new products / Whole sales

Enhancing profitability by developing differentiated and application products,
in addition to environmentally sound products

Goal of new product sales ratio: **50% or more**

Classifications and requirements of new products

P (Pure)

New materials, compounding, effect, new process and method
Patent application or equivalent

T (Technical)

Significant process improvements, increased productivity, change and
improvement of materials and compounding

S (Sales)

Expanding application, model change

E (Eco)

Adopting materials and process having CO2 reduction effect

Reducing CO2 in application and process in our customers

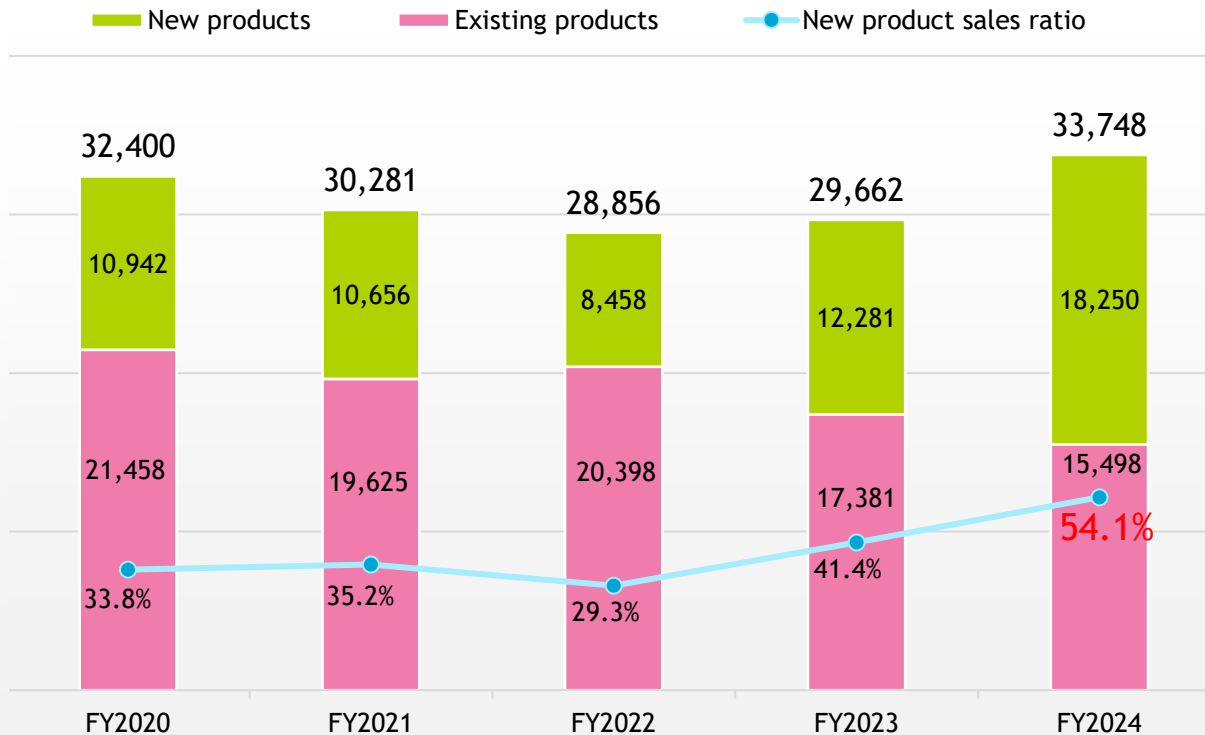
...Adopted from FY2022

E-C (E-CO2)

Reducing energy by modifying existing production conditions

... Adopted from 2nd half of FY2023

A period during which products are counted as new is the first three years
after start of the sales.

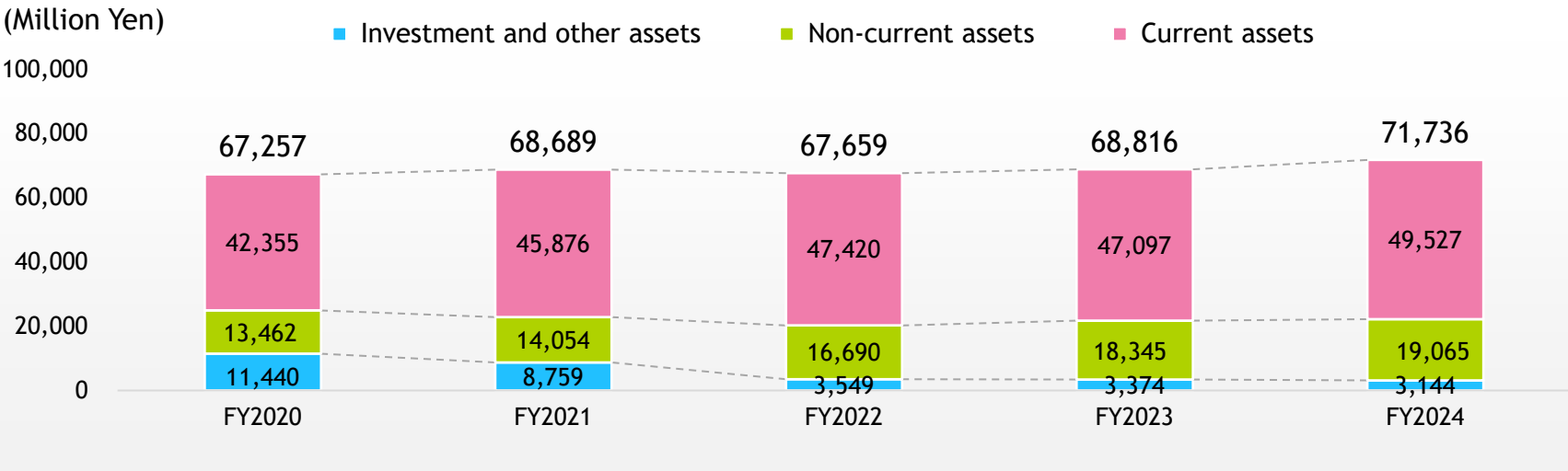




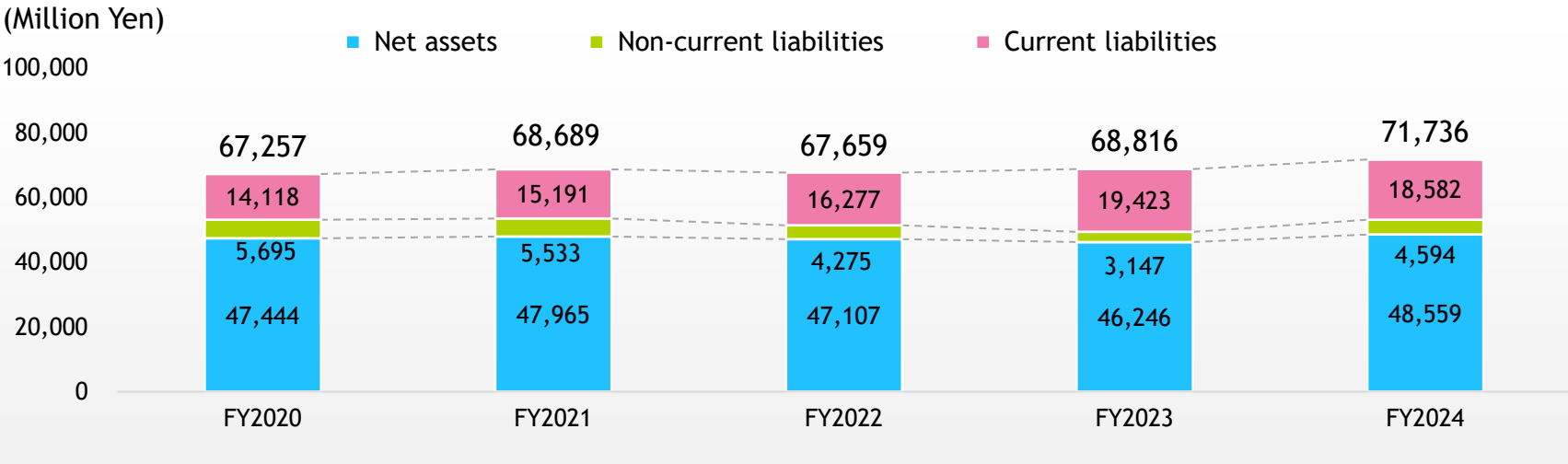
Consolidated Balance Sheets History (Outline)



Assets

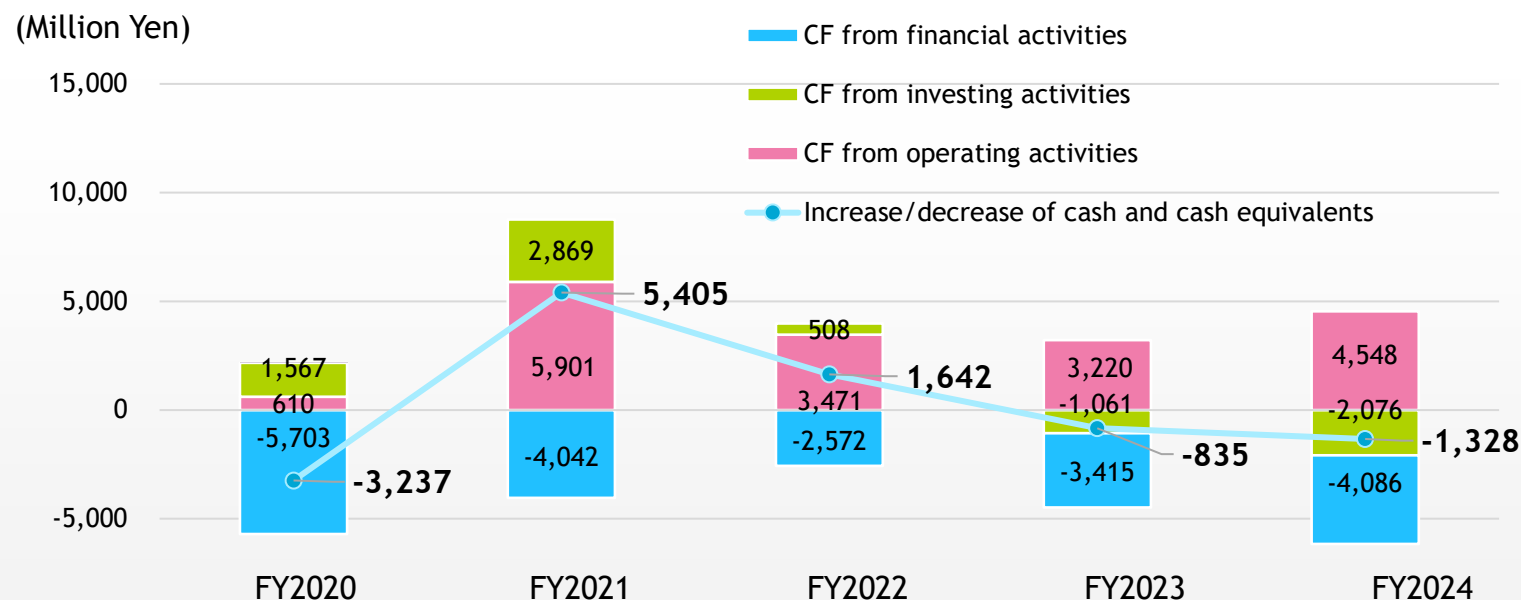


Liabilities and net assets





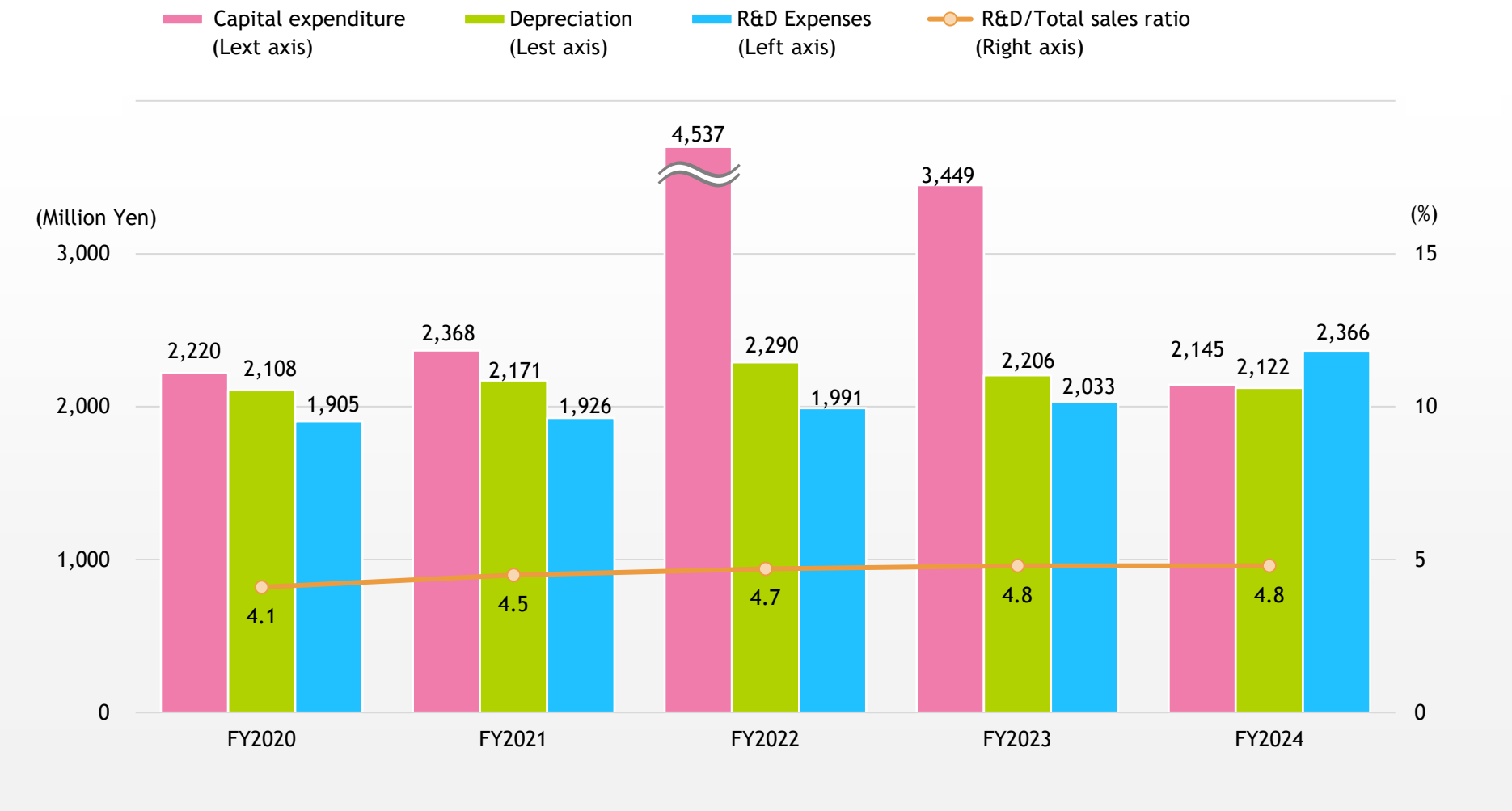
Cash Flow History



CF from operating activities	610	5,901	3,471	3,220	4,548
Income tax, etc. paid	-4,970	889	-1,588	-1,016	-559
CF from investing activities	1,567	2,869	508	-1,061	-2,076
Purchases of property, plant and equipment and intangible assets	-1,983	-2,007	-4,375	-3,779	-2,250
Gain on sale of investment securities	4,938	3,235	6,411	1,087	168
CF from financial activities	-5,703	-4,042	-2,572	-3,415	-4,086
Dividends paid	-995	-1,463	-3,000	-3,641	-2,723
Purchase of treasury shares		-82	-748		-122
Wholly owned subsidiary of ThinFlex	-4,324	-2,439			

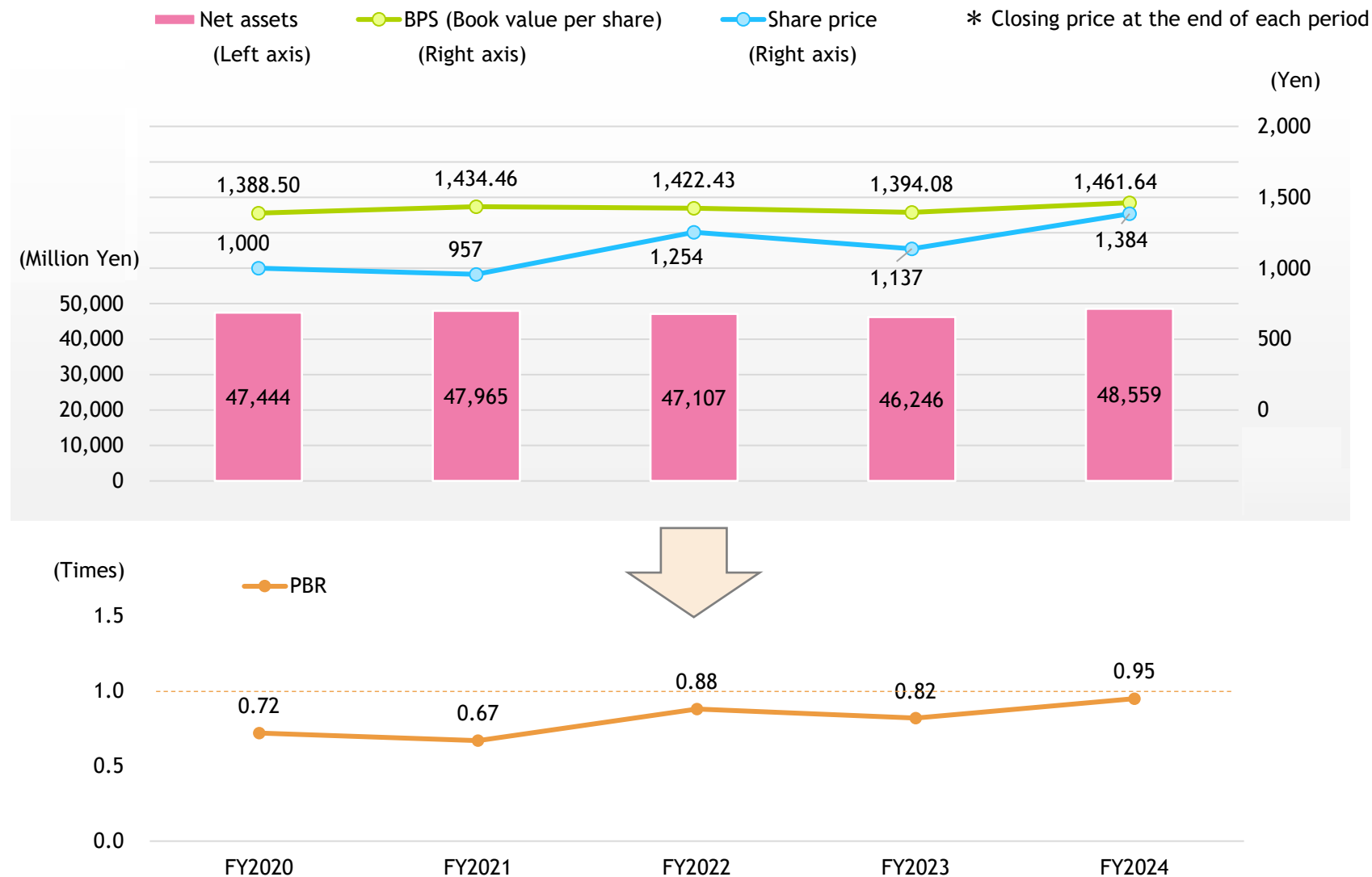


Capital Expenditure, Depreciation and R&D Expenses History





PBR (Price-Book Value Ratio) History



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