

Overview of Consolidated Financial Results for the Second Quarter Ended September 30, 2025



Arisawa Mfg. Co., Ltd.

November 6, 2025

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- FY2025 Q2 Review on a Consolidated Basis
- FY2025 Forecast on a Consolidated Basis
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FY2025 1H Consolidated Performance



(Million Yen)	FY2024 1H result	FY2025 1H FCT (Aug. 7)	FY2025 1H result	vs. Prev. year	vs. FCT (Aug. 7)
Sales	25,172	24,600	26,537	5.4%	7.9%
Operating Profit	2,734	2,100	2,454	-10.2%	16.9%
Operating Margin	10.9%	8.5%	9.3%		
Ordinary Profit	2,917	2,200	2,154	-26.1%	-2.1%
Net Profit	2,122	1,500	1,562	-26.4%	4.1%
Earnings per share (Yen)	63.91	45.15*	47.00	-26.5%	4.1%
Dividend (Yen)	42.00	44.00	44.00	--	--
Exchange rate (Yen/\$) average for the period at end of period	152.36 142.73	148.40 140.00	148.40 148.88	--	--

*Calculated by the number of shares as of Jun. 30

Year-on-year

- Consolidated sales increased by 1,365 million yen (+5.4% YoY) due to increases in those of electronic materials.
- Operating profit decreased by 279 million yen (-10.2% YoY) due to a change in the product mix.
- Ordinary profit decreased by 762 million yen (-26.1% YoY) due to foreign exchange losses.
- Net profit decreased by 559 million yen (-26.4% YoY).

Versus the forecast as of Aug. 7

- Consolidated sales increased by 1,937 million yen (+7.9% vs. FCT) due to increases in each segment.
- Operating profit increased by 16.9% vs. FCT due to an increase in the sales.
- Ordinary profit decreased by 2.1% due to influence by foreign exchange and net profit decreased by 4.1%.

Statement of Income

	(Million Yen)	FY2024 1H result	FY2025 1H FCT (Aug. 7)	FY2025 1H result	Change
Net sales		25,172	24,600	26,537	+1,365 Increase mainly in sales of electronic materials
Gross profit		6,190 (24.6%)		6,025 (22.7%)	
Selling, general and administrative expenses		3,456		3,570	
Operation profit		2,734 (10.9%)	2,100 (8.5%)	2,454 (9.3%)	-279 Changes in the product mix
Foreign exchange gains/loss		94		-339	
Other non-operating income/expenses		89		39	
Ordinary profit		2,917 (11.6%)	2,200 (8.9%)	2,154 (8.1%)	-762 By foreign exchange
Gain on sale of investment securities		0		70	
Other extraordinary income/loss		9		-6	
Profit before income taxes		2,926	2,200	2,218	
Income taxes, etc.		804		656	
Profit attributable to owners of parent		2,122 (8.4%)	1,500 (6.1%)	1,562 (5.9%)	-559

*Profit ratio in ()

Balance Sheet

	(Million Yen)	As of Mar. 2025	As of Sep. 2025	Change
(Assets)				
Current assets		49,527	48,863	-663 Cash and deposits: -3,010, Accounts receivable - trade: +1,706, Inventories: +687
Property, plant and equipment, and intangible assets		19,065	23,910	+4,845 Capital Investment
Investment securities		1,969	3,122	+1,153 Acquisition of Arisawa Kenko
Other assets		1,175	1,269	+94
Total assets		71,736	77,165	+5,429
(Liabilities)				
Current liabilities		18,582	24,788	+6,206 Capital Investment
Non-current liabilities		4,594	4,086	-508 Long-term borrowings: -381
Total liabilities		23,177	28,875	+5,698
Shareholder's equity		44,147	44,001	-145 Retained earnings: -236
Other comprehensive income and share acquisition rights		4,411	4,288	-123 Foreign currency translation adjustment: -195
Total liabilities and net assets		71,736	77,165	+5,429

FY2025 1H Segment Comparison (vs. FY2024)



	Sales			Segment Profit		
(Million Yen)	FY2024 1H result	FY2025 1H result	Change	FY2024 1H result	FY2025 1H result	Change
Electronic materials	15,229	17,217	1,988	1,296	1,685	388
FPC materials (Arisawa)	8,818	9,719	901			
FPC materials (ThinFlex)	4,566	5,286	720			
ICGC, Prepreg	952	1,308	356			
Printed Wiring Board (Satosen)	893	904	11			
Industrial structural materials	6,026	6,081	55	1,182	1,218	36
Honey-comb panels	769	999	230			
FRP pressure vessels for water purification	3,990	3,825	-165			
Others	1,267	1,257	-10			
Electrical insulating materials	1,180	1,265	85	33	92	59
Display materials	2,545	1,804	-740	921	324	-596
Related materials, others	192	168	-23	114	120	6
Total	25,172	26,537	1,365	3,546	3,441	-104
Corporate expenses				-812	-987	
Operating Profit				2,734	2,454	-279

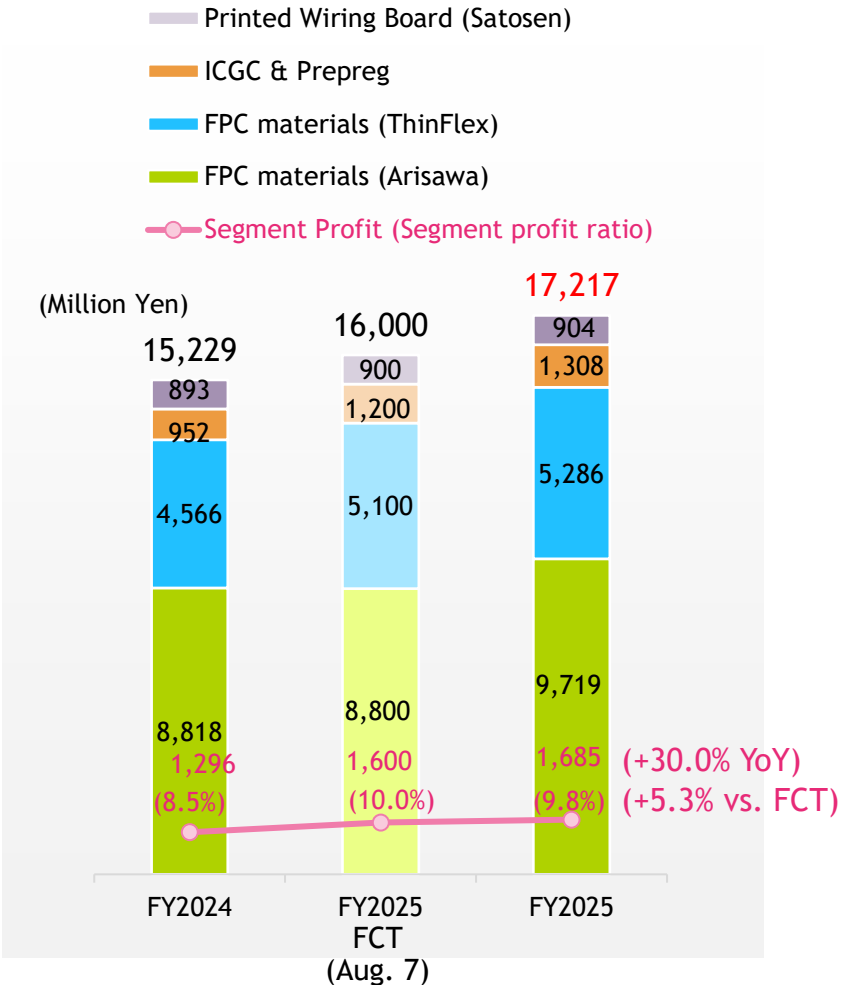
- Consolidated sales increased by 1,365 million yen (+5.4% YoY) due to increases in those of electronic, industrial structural and electrical insulating materials.
- Operating profit decreased by 10.2% YoY due to a change in the product mix.
- The sales of electronic materials increased by 13.1% YoY due to a strong demand for semi-conductors in addition to smartphones.
- The sales of industrial structural materials increased by 0.9% YoY due to a recovery in demand for honey-comb panels for aircraft.
- The sales of display materials decreased by 29.1% YoY due to a weak performance in 3D-related materials and polarization control optical components.



	Sales			Segment Profit		
(Million Yen)	FY2025 1H FCT(Aug. 7)	FY2025 1H result	Change	FY2025 1H FCT(Aug. 7)	FY2025 1H result	Change
Electronic materials	16,000	17,217	1,217	1,600	1,685	85
FPC materials (Arisawa)	8,800	9,719	919			
FPC materials (ThinFlex)	5,100	5,286	186			
ICGC, Prepreg	1,200	1,308	108			
Printed Wiring Board (Satosen)	900	904	4			
Industrial structural materials	5,600	6,081	481	1,050	1,218	168
Honey-comb panels	900	999	99			
FRP pressure vessels for water purification	3,800	3,825	25			
Others	900	1,257	357			
Electrical insulating materials	1,150	1,265	115	50	92	42
Display materials	1,700	1,804	104	300	324	24
Related materials, others	150	168	18	100	120	20
Total	24,600	26,537	1,937	3,100	3,441	341
		Corporate expenses		-1,000	-987	
		Operating Profit		2,100	2,454	354

- Consolidated sales increased by 1,937 million yen (+7.9% vs. FCT) due to increases in each segment.
- Operating profit increased by 354 million yen (+16.9% vs. FCT) due to increases in sales.
- In the sales of electronic materials, FPC materials (especially that of Arisawa) and ICGC and prepreg were higher than expected.
- In the sales of industrial structural materials, in-vehicle materials were higher than expected.
- In the sales of display materials, both 3D-related materials and polarization control optical components were as expected.

Sales of electronic materials



Market

- The demand for smartphones and semi-conductors were firm.

Performance year-on-year

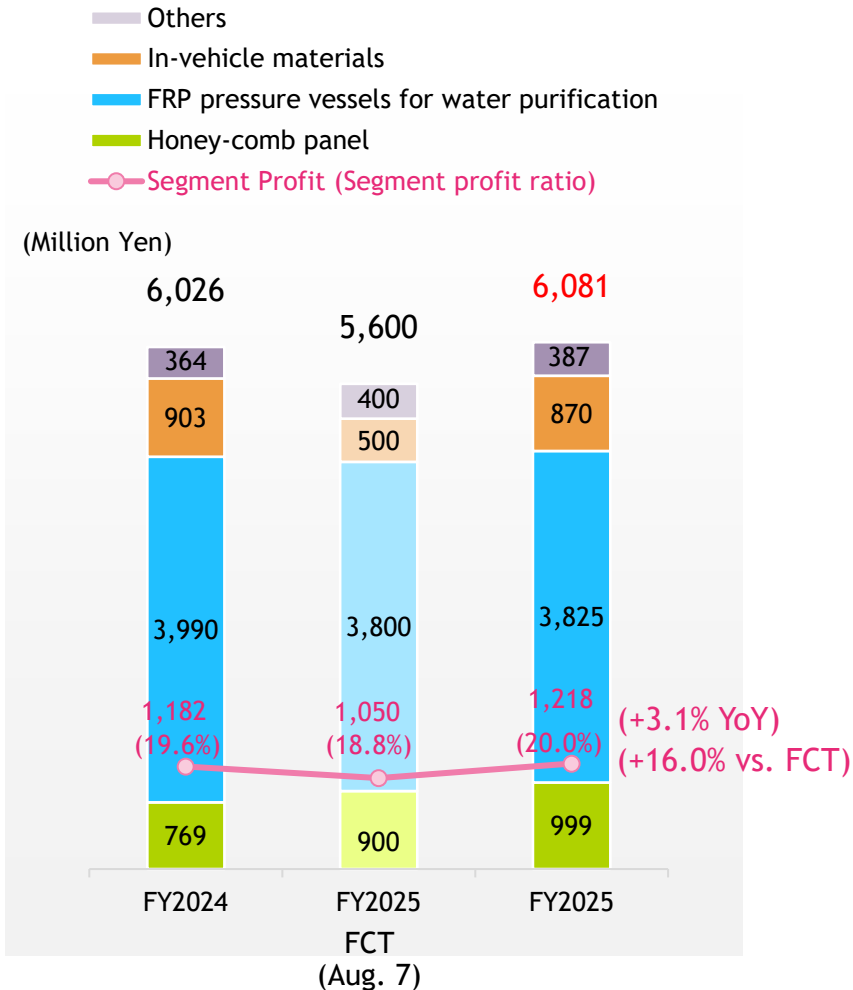
- Sales increased by 1,988 million yen (+13.1% YoY) due to increases in those of FPC materials and ICGC and prepreg.
- Sales of FPC materials (Arisawa) increased by 10.2% YoY due to a strong performance in smartphones and semi-conductor applications.
- Sales of FPC materials (ThinFlex) increased by 15.8% YoY due to a strong performance in Chinese smartphones.
- Sales of ICGC and prepreg increased by 37.4% YoY.
- Sales of printed wiring boards increased by 1.3% YoY.
- Segment profit increased by 389 million yen (+30.0% YoY) due to increases in sales.

Performance versus forecast as of Aug. 7

- Sales exceeded the forecast by 1,217 million yen (+7.6% vs. FCT) due to strong sales of FPC materials (mainly, Arisawa) and ICGC and prepreg.
- Segment profit exceeded the forecast by 85 million yen (+5.3% vs. FCT).

Overview in FY2025 1H - Industrial structural materials

Sales of industrial structural materials



Market

- The strong performance continued in water purification materials for drinking and industrial water, etc. due to an increase in global demand for water.
- The demand for aircraft is recovering gradually due to the normalization of economic conditions after COVID-19 pandemic calmed down.

Performance year-on-year

- Sales increased by 55 million yen (+0.9% YoY) due to demand recovery for honey-comb panels for aircraft.
- Sales of honey-comb panels for aircraft increased by 30.0% YoY.
- Sales of FRP pressure vessels for water purification decreased by 4.1% due to influence by foreign exchange.
- Sales of in-vehicle materials decreased by 3.7% YoY.
- Segment profit increased by 36 million yen (+3.1% YoY).

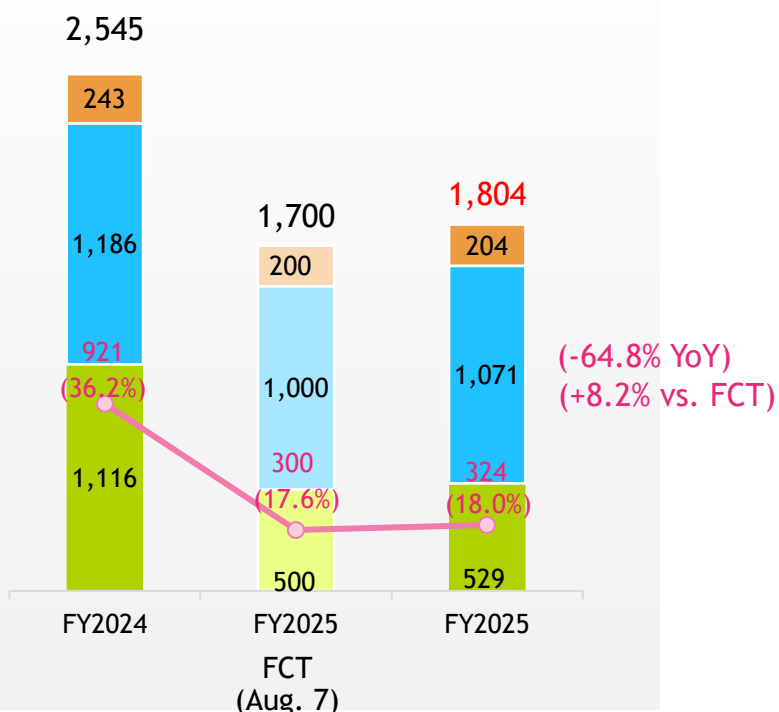
Performance versus forecast as of Aug. 7

- Sales of in-vehicle materials were higher than expected.
- Segment profit exceeded the forecast by 168 million yen (+16.0% vs. FCT).

Sales of display materials

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

(Million Yen)



Market

- 3D-related materials were under inventory adjustment.
- We are promoting the development of new industrial fields to utilize these materials beyond medical applications.

Performance year-on-year

- Sales decreased by 740 million yen (-29.1% YoY) due to decreases of sales in 3D-related materials and polarization control optical components.
- Sales of 3D-related materials decreased by 52.6% YoY.
- Sales of polarization control optical components decreased by 9.6% YoY.
- Segment profit decreased by 596 million yen (-64.8% YoY) due to decreases in sales and a change in the product mix.

Performance versus forecast as of Aug. 7

- Sales exceeded the forecast by 104 million yen (+6.2% vs. FCT).
- Segment profit exceeded the forecast by 24 million yen (+8.2% vs. FCT).

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FY2025 FY Consolidated Performance



(Million Yen)	FY2024 FY result	FY2025 FY FCT (Aug. 7)	FY2025 FY FCT (Nov. 6)	Change YoY	Vs. FCT (Aug. 7)
Sales	49,815	51,400	51,400	3.2%	±0.0%
Operating profit	4,893	4,500	4,500	-8.0%	±0.0%
Operating margin	9.8%	8.8%	8.8%		
Ordinary profit	5,267	4,500	4,500	-14.6%	±0.0%
Net profit	3,969	3,200	3,200	-19.4%	±0.0%
Earnings per share (Yen)	119.49	96.32*	96.15**	-19.5%	-0.2%
Dividend (Yen)	Total 96.00	Total 88.00	Total 88.00	--	--
Exchange rate (Yen/\$) average for the period at end of period	151.69 149.52	143.00 135.00	145.00 147.50	--	--

*Calculated by the number of shares as of Jun. 30

* * Calculated by the number of shares as of Sep. 30

Year-on-year

- Consolidated sales are expected to increase by 1,584 million yen (+3.2% YoY) due to increases in those of electronic and industrial structural materials.
- Operating profit is expected to decrease by 393 million yen (-8.0% YoY) due to a change in the product mix.
- Ordinary profit is expected to decrease by 14.6% YoY due to influence by foreign exchange.
- Net profit is expected to decrease by 19.4%.

Versus the forecast as of Aug. 7

- Consolidated sales remain unchanged from FCT on the whole, but sales in industrial structural materials are revised up and sales in electronic and display materials are revised down.
- Operating profit and ordinary and net profit are expected to be almost the same as FCT.

Market forecasts

- ### Performance forecasts (vs. Prev. year)

- Consolidated 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 a change in the product mix.

FY2025 FY Segment Comparison (vs. FCT)

(Million Yen)	Sales			Segment Profit		
	FY2025 FCT (Aug. 7)	FY2025 FCT (Nov. 6)	Change	FY2025 FCT (Aug. 7)	FY2025 FCT (Nov. 6)	Change
Electronic materials	33,000	32,700	-300	3,400	3,150	-250
FPC materials (Arisawa)	17,600	17,600	0			
FPC materials (ThinFlex)	11,000	10,800	-200			
ICGC, Prepreg	2,500	2,450	-50			
Printed Wiring Board (Satosen)	1,900	1,850	-50			
Industrial structural materials	12,100	12,500	400	2,200	2,400	200
Honey-comb panels	2,300	2,300	0			
FRP pressure vessels for water purification	7,500	7,900	400			
Others	2,300	2,300	0			
Electrical insulating materials	2,300	2,300	0	100	150	50
Display materials	3,700	3,600	-100	600	600	0
Related materials, others	300	300	0	200	200	0
Total	51,400	51,400	0	6,500	6,500	0
Corporate expenses				-2,000	-2,000	
Operating Profit				4,500	4,500	0

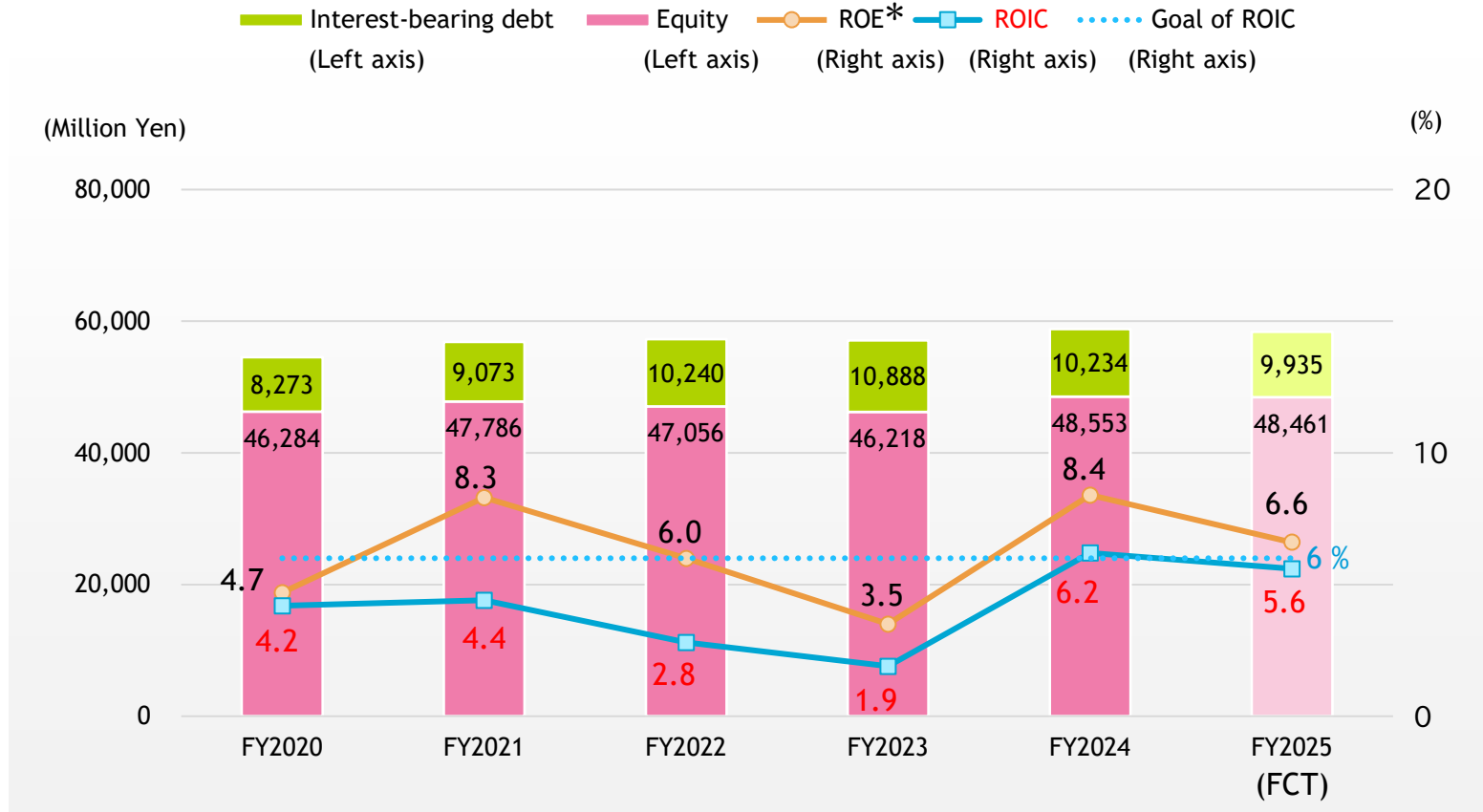
Performance forecasts (vs. FCT)

- The sales in industrial structural materials are expected to remain strong, but the sales in electronic and display materials are revised down.
- Consolidated sales and operating profit are expected to be almost the same as FCT on the whole.
- In electronic materials, the sales are expected to decrease by 300 million yen (-0.9% vs. FCT)
- In industrial structural materials, the sales are expected to increase by 400 million yen (+3.3% vs. FCT).
- In display materials, the sales are expected to decrease by 100 million yen (-2.7% vs. FCT).
- We have revised FCT of consolidated performance in each segment considering the results in 1H 2025 and the change of FCT in 2H 2025.

ROE, ROIC history

ROE = Net Profit/Equity Capital

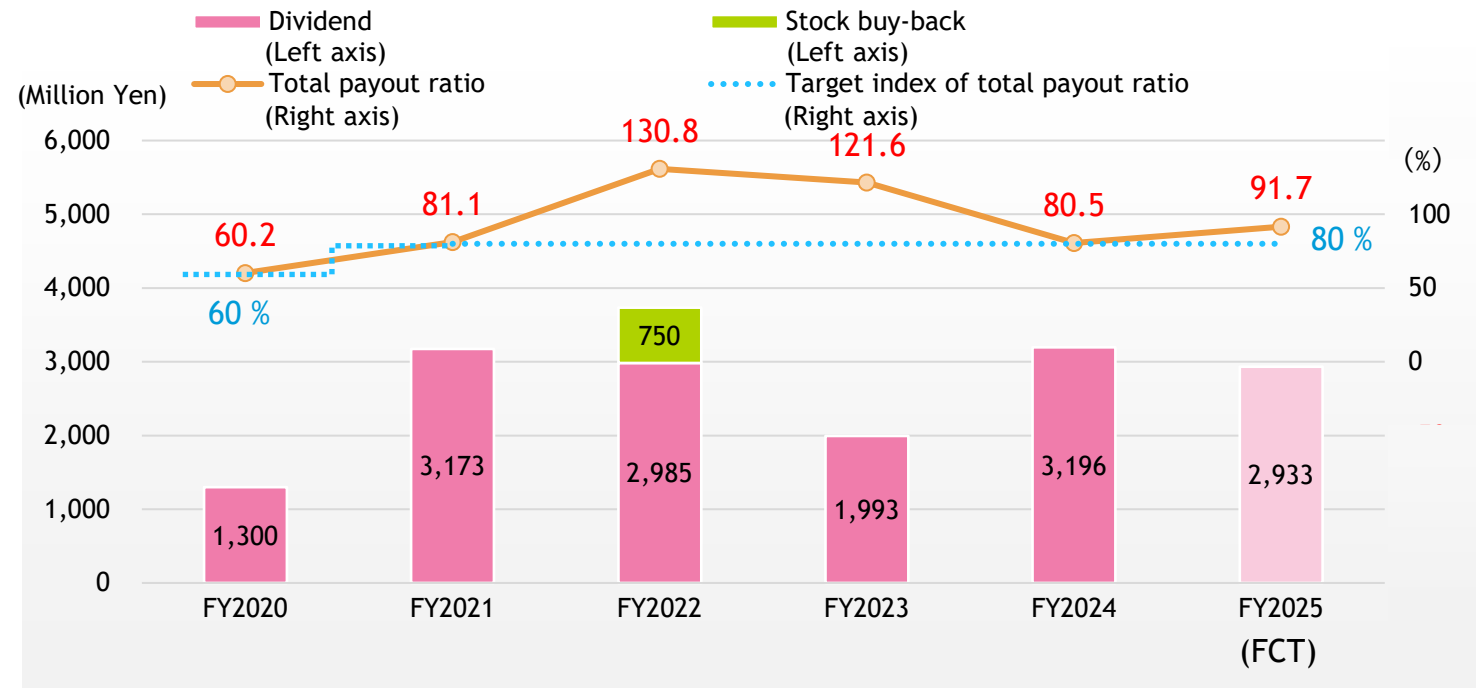
ROIC = NOPLAT (Net Operating Profit Less Adjusted Tax)/(Equity Capital + Interest-bearing Debt)



• ROIC of the FY2025 is expected to be 5.6% due to a decrease in operating profit.

* Equity capital shown above excludes share subscription rights, stock options and noncontrolling interests from total equity.

Dividend and Total Payout Ratio History



Shareholder Return Policy

• The greater of either “dividend on equity (DOE) ratio of 6%”, which is a stability-oriented dividend, or “total payout ratio of 80% or more”, will be returned to shareholders. (Adaptation period: until 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 (FCT)
Dividend yield (%)	3.9	9.9	7.2	5.3	6.9	—

* Closing price at the end of each FY

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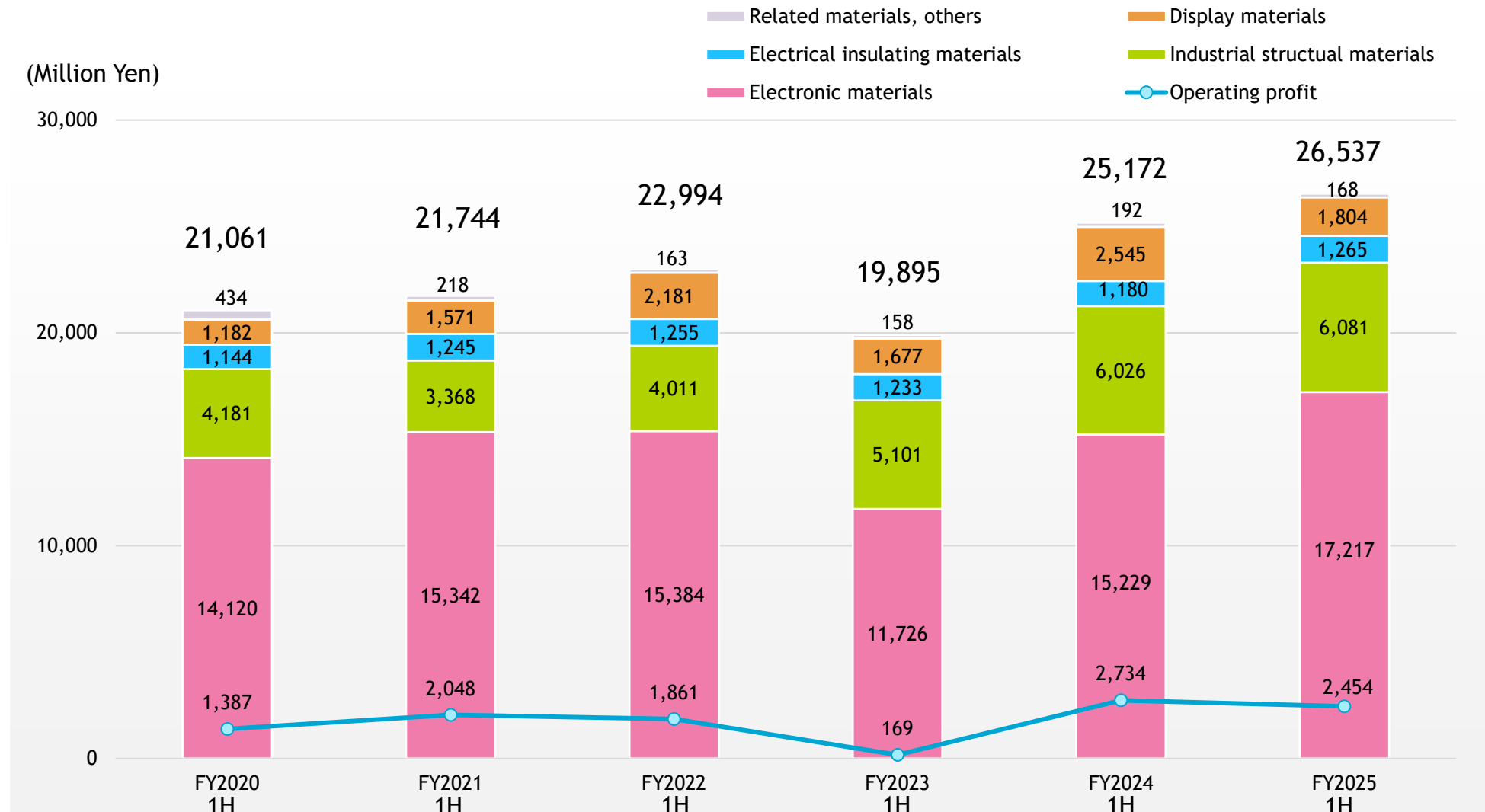
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FY2025 1H Segment Comparison



	Sales					Operating Profit				
	(Million Yen)	FY2024 1H result	FY2025 1H FCT (Aug. 7)	FY2025 1H result	Change YoY Vs. FCT	FY2024 1H result	FY2025 1H FCT (Aug. 7)	FY2025 1H result	Change YoY Vs. FCT	
Non-consolidated										
Arisawa Mfg.		15,765	15,200	16,568	803 1,368	1,507	1,100	1,342	-165 242	
Consolidated										
ThinFlex		5,423	6,100	6,103	680 3	99	90	91	-8 1	
Satosan		894	900	905	11 5	41	10	1	-40 -9	
Arisawa Fiber Glass		1,068	1,300	1,370	302 70	27	80	73	46 -7	
Protec		3,880	3,700	3,710	-170 10	729	670	670	-59 0	
Arisawa Sogyo		934	1,000	1,017	83 17	54	60	61	7 1	
Arisawa Jushi Kogyo		126	150	195	69 45	2	0	27	25 27	
ColorLink Japan		1,186	1,000	1,075	-111 75	204	90	127	-77 37	
(Adjustment)		-4,104	-4,750	-4,406		71	0	62		
Total		25,172	24,600	26,537	1,365 1,937	2,734	2,100	2,454	-279 354	

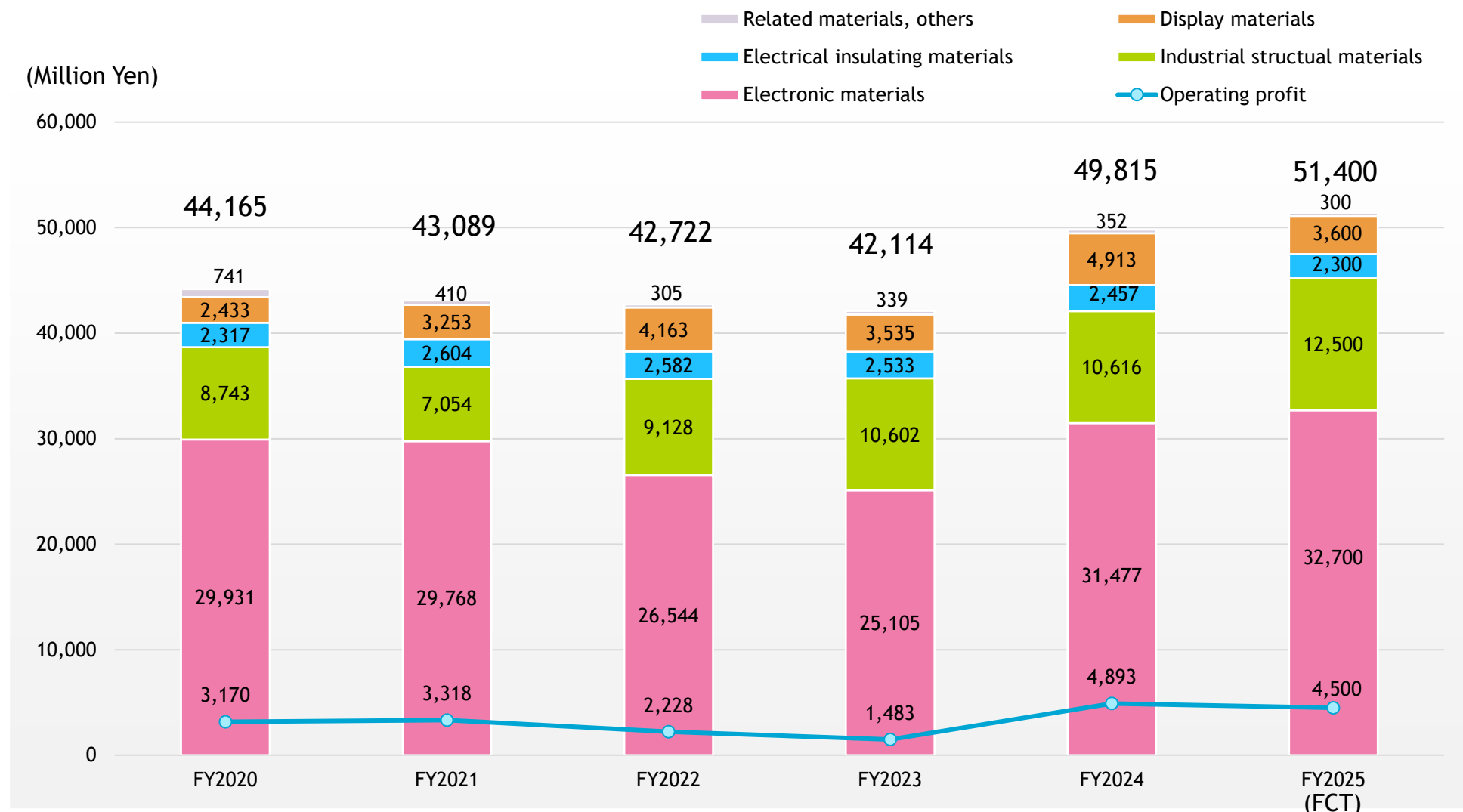
Segment Comparison History (Sales and Operating Profit) (1H)



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

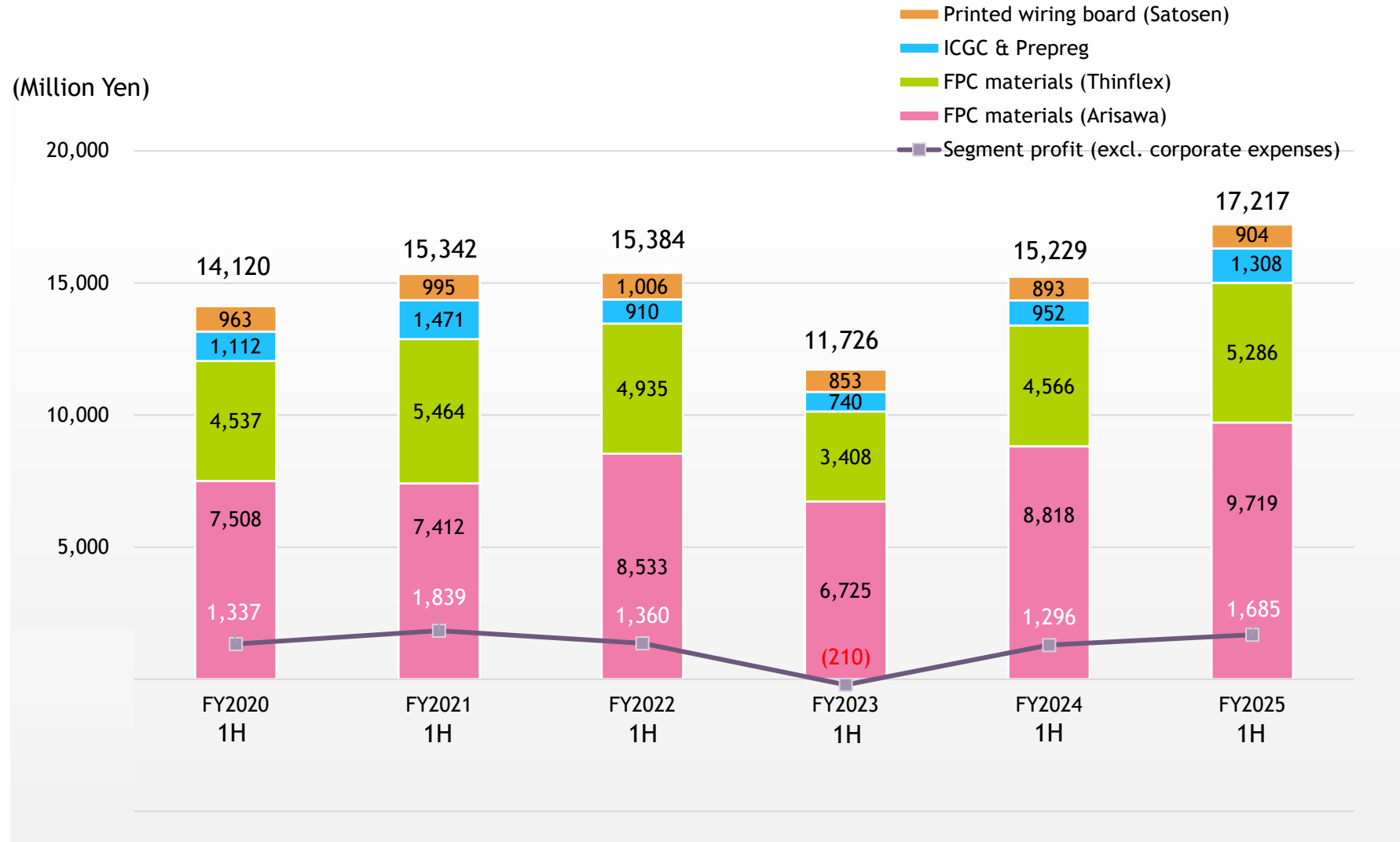


Segment Comparison History (Sales and Operating Profit)



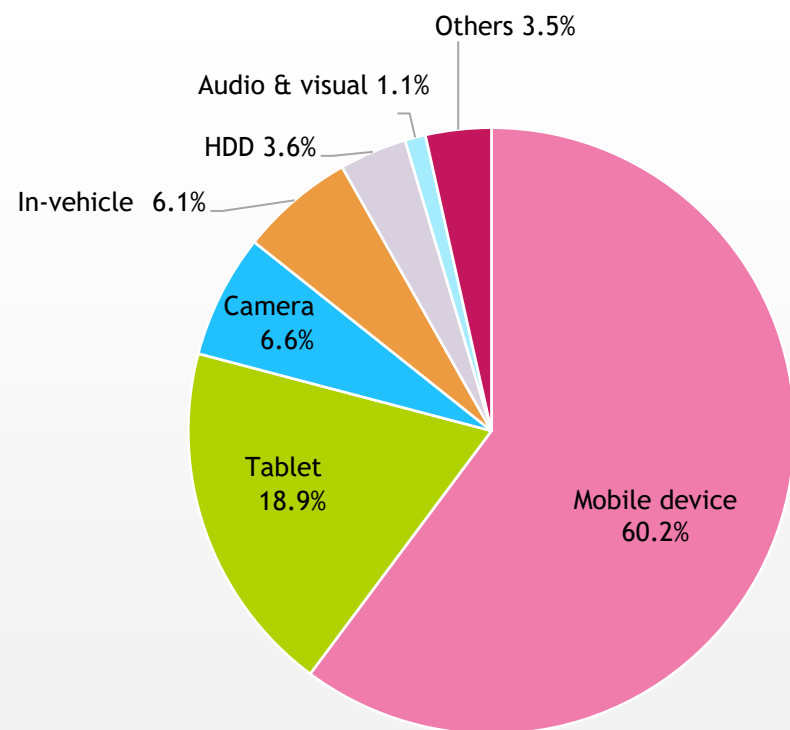
Revenue recognition standards have been applied since FY2021 (Retroactively applied for FY2020, as a reference).

Electronic Materials Sales History (1H)

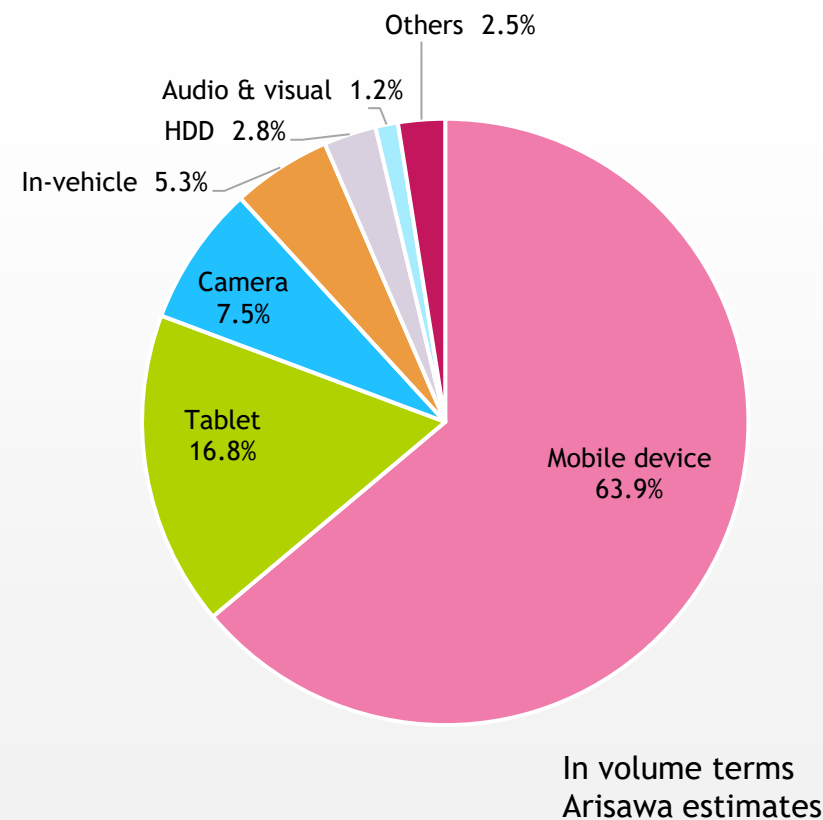


Revenue recognition standards have been applied since FY2021 (Retroactively applied for FY2020, as a reference).

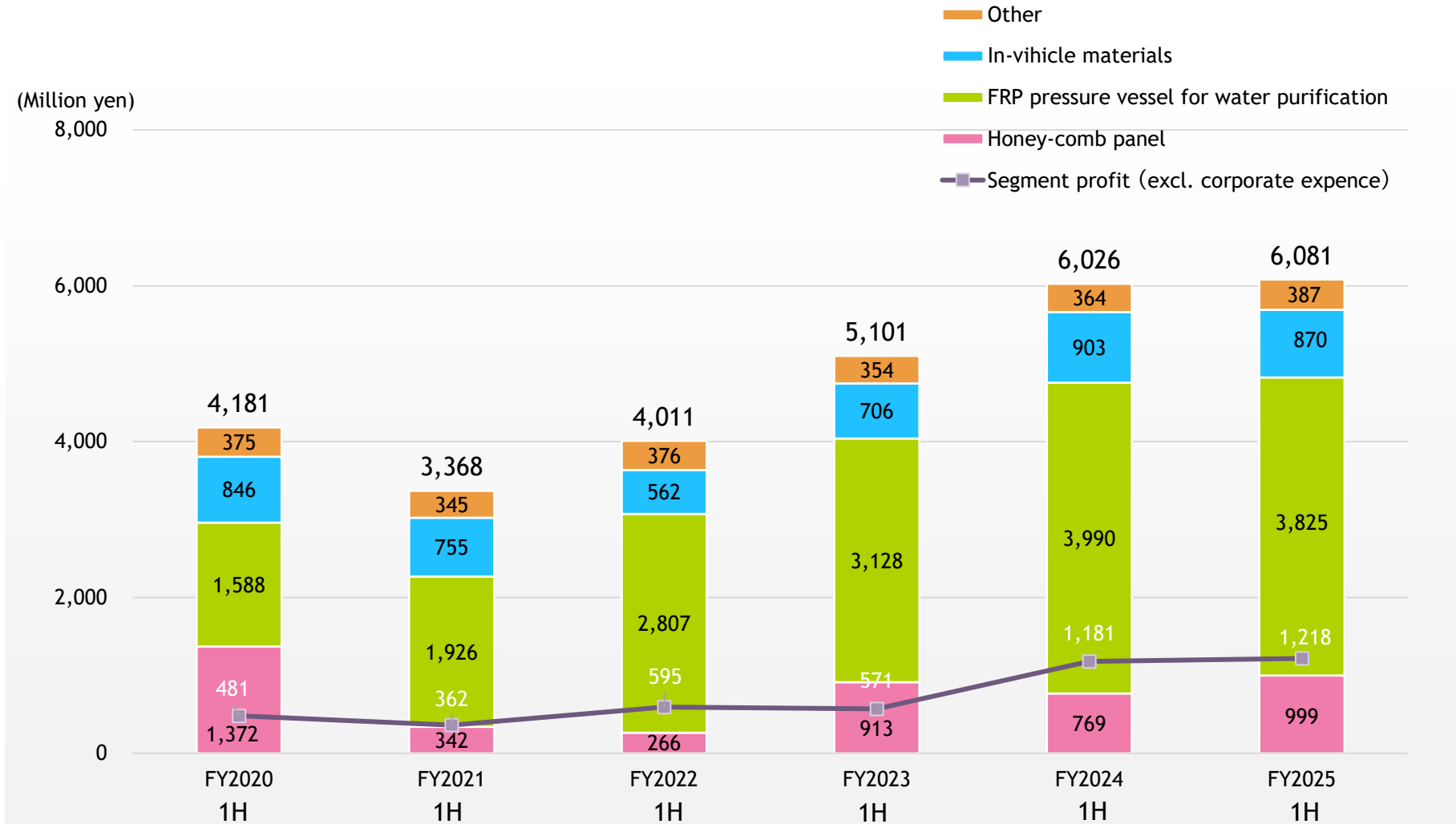
• FY2024/1H



• FY2025/1H

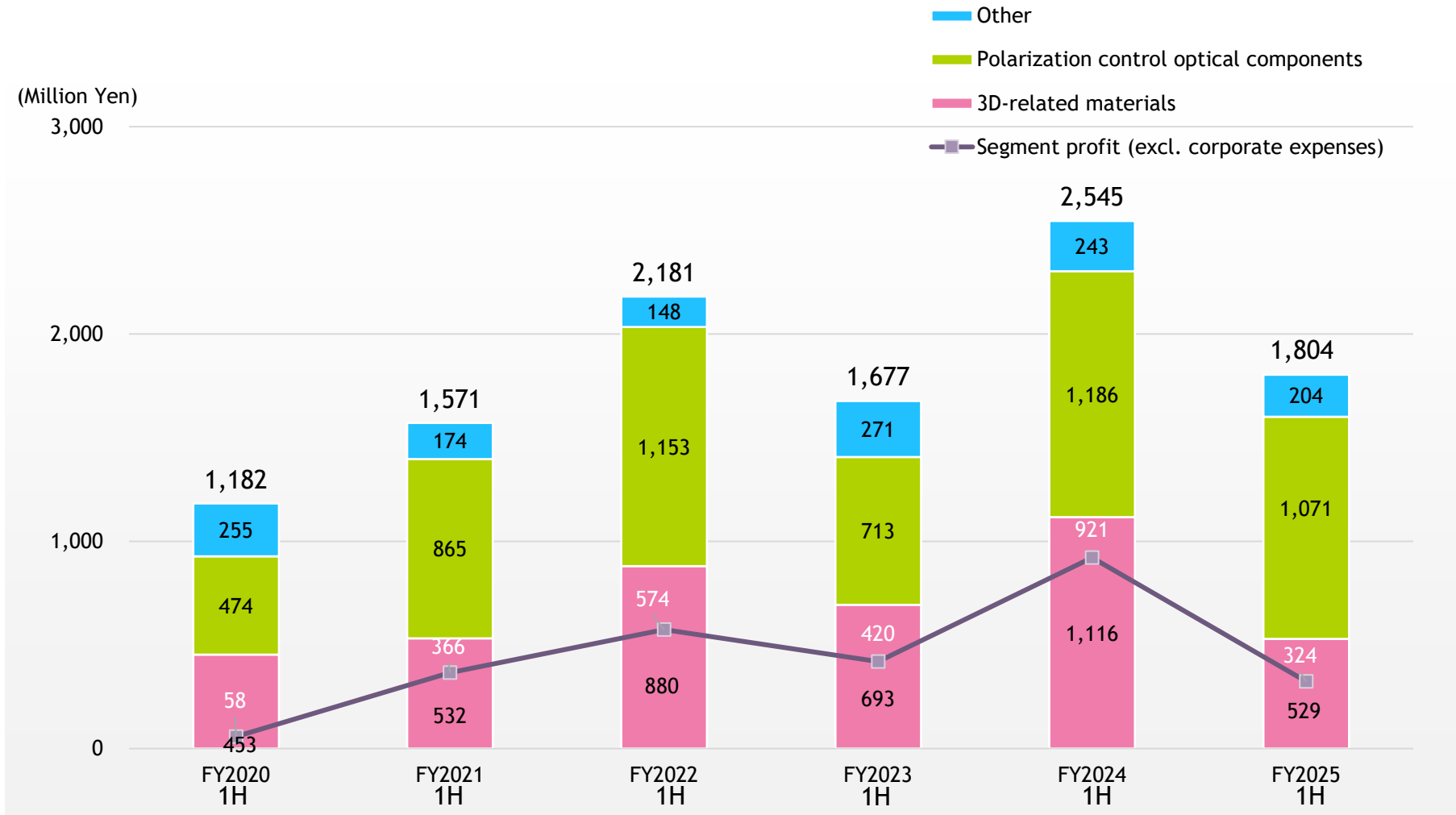


Industrial Structural Materials Sales History (1H)



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

Display Materials Sales History (1H)



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



New Products Sales History (Non-consolidated: monthly basis)

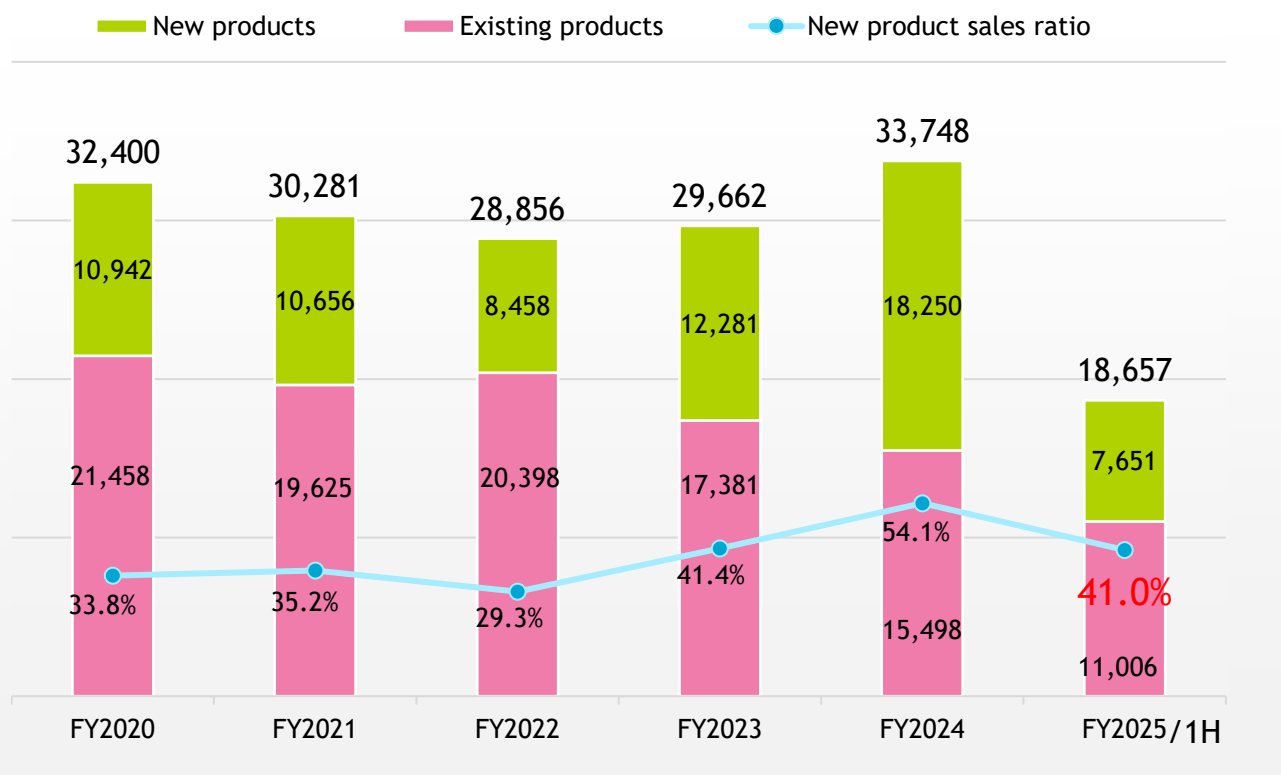
Sales of new products (million yen)

New product sales ratio (%)

= Sales of new products/Whole sales

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

Target 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)

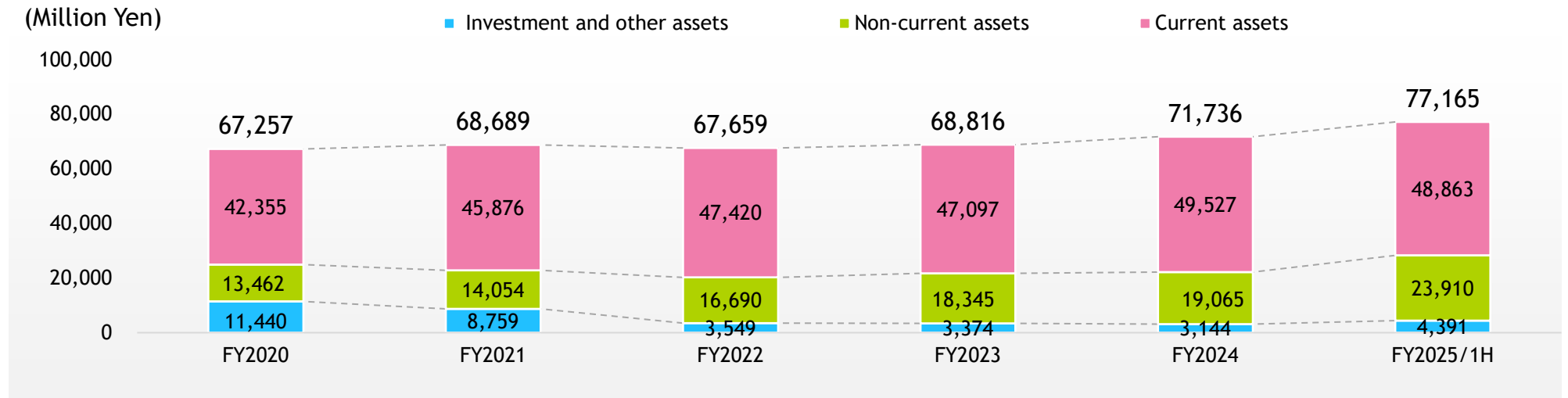
E (Eco) (Adopting materials and process having CO₂ reduction effect. Reducing CO₂ in application and process of our customers)
...**Adopted from FY2022**

E-C (E-CO₂) (Reducing energy by modifying existing production conditions) ... **Adopted from 2nd half of FY2023**

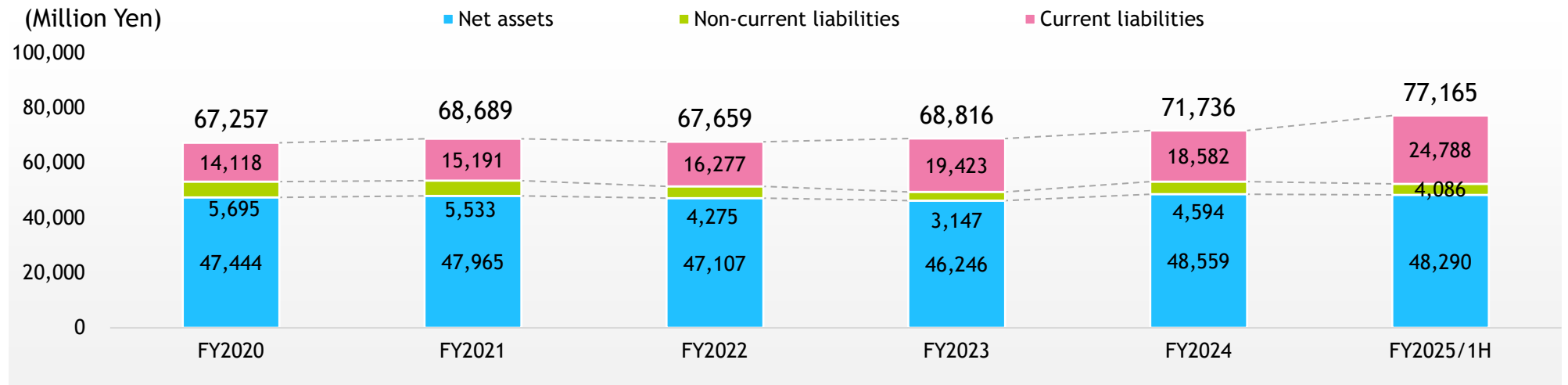
A period during which products are counted as new is the first three years after start of the sales.

Consolidated Balance Sheets History (Outline)

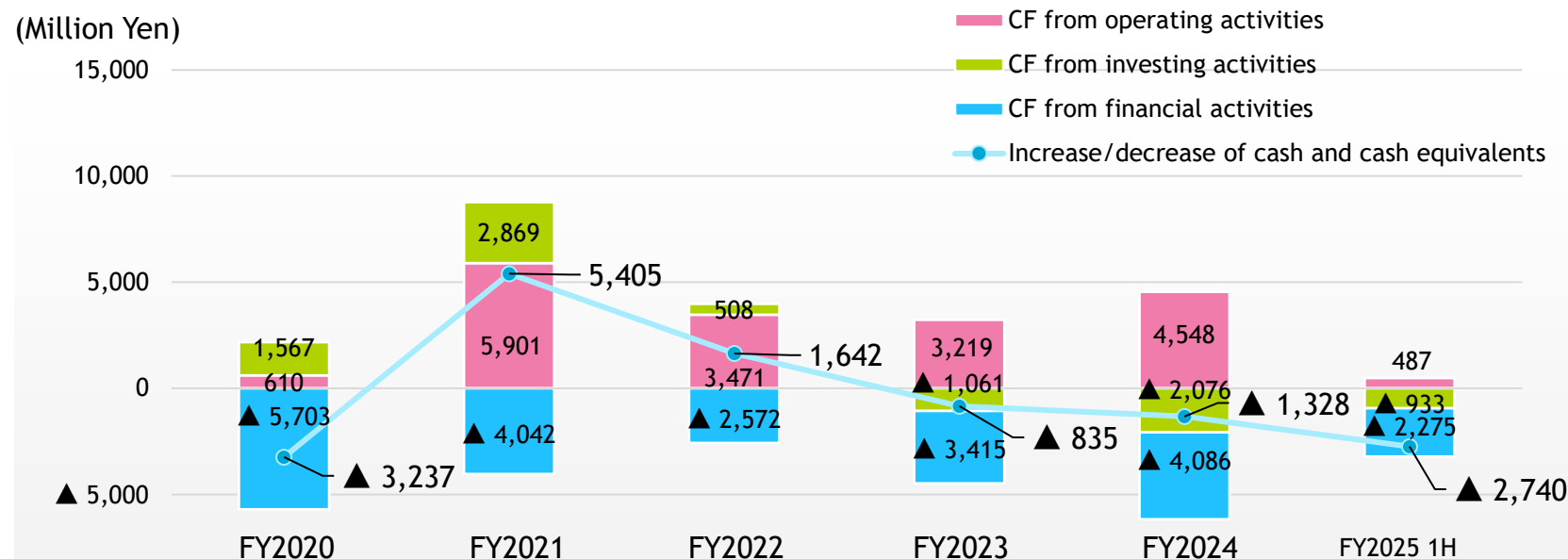
Assets



Liabilities and net assets



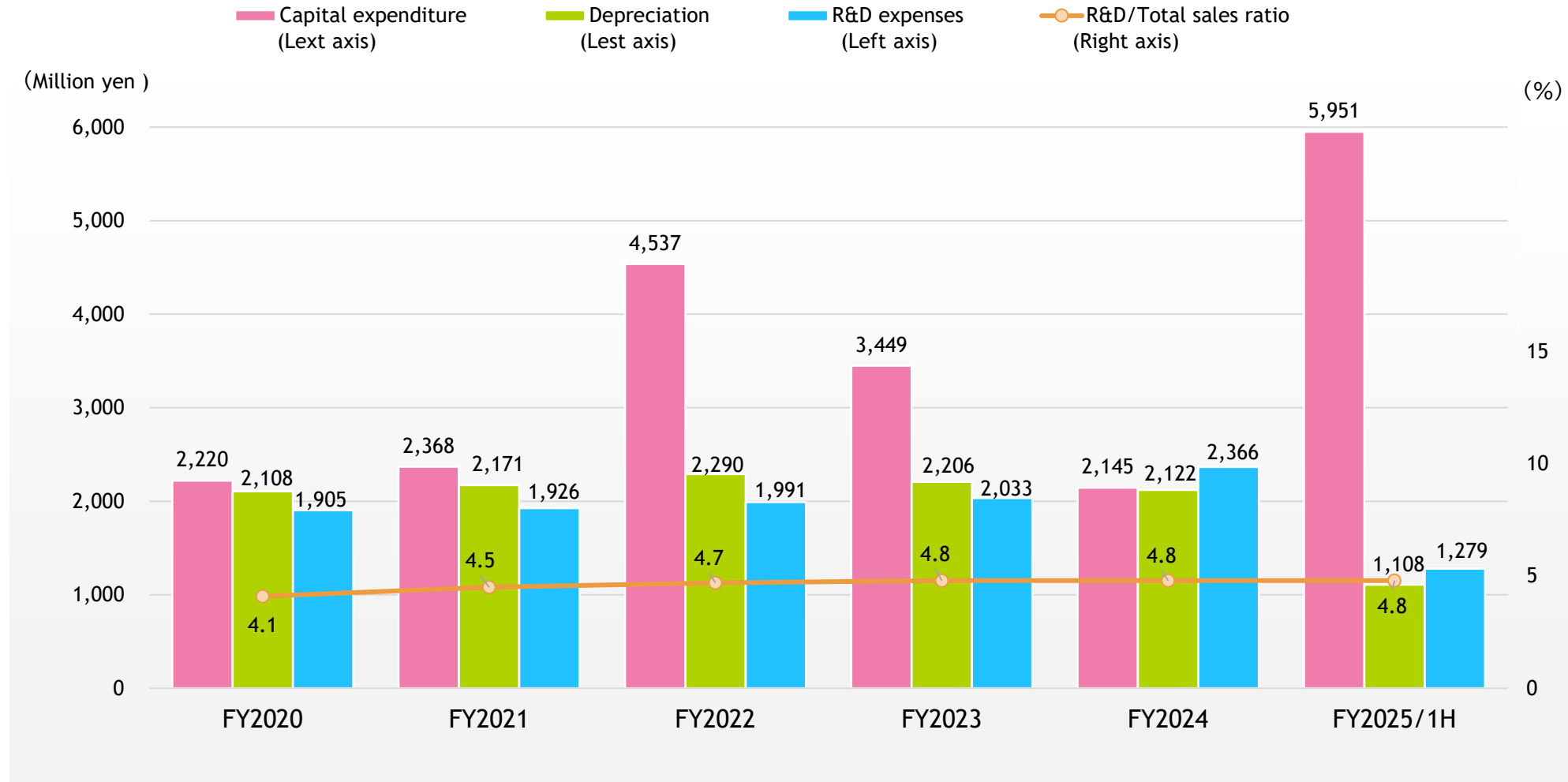
Cash Flow History



CF from operating activities	610	5,901	3,471	3,219	4,548	487
Income tax, etc. paid	-4,970	889	-1,588	-1,016	-559	-644
CF from investing activities	1,567	2,869	508	-1,061	-2,076	-933
Purchases of property, plant and equipment and intangible assets	-1,983	-2,007	-4,375	-3,779	-2,250	-374
Gain on sale of investment securities	4,938	3,235	6,411	1,087	168	-819
CF from financial activities	-5,703	-4,042	-2,572	-3,415	-4,086	-2,275
Dividends paid	-995	-1,463	-3,000	-3,641	-2,723	-1,792
Purchase of treasury shares		-82	-748		-122	
ThinFlex made to a wholly owned subsidiary	-4,324	-2,439				



Capital Expenditure, Depreciation and R&D Expenses History



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