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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

April 24, 2025

Company name: Stanley Electric Co., Ltd.

Listing: Tokyo

Securities code: 6923

URL: <https://www.stanley-electric.com>

Representative: Yasuaki Kaizumi, President and Representative Director

Inquiries: Ikuo Kuwata, Executive Officer, Executive General Manager, Corporate Administration Division

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Scheduled date of annual general meeting of shareholders: June 25, 2025

Scheduled date to commence dividend payments: June 4, 2025

Scheduled date to file annual securities report: June 24, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	509,565	7.9	49,002	36.7	55,454	15.4	32,058	21.0
March 31, 2024	472,397	7.5	35,834	(2.4)	48,064	7.1	26,497	0.0

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 19,993 million [(75.8) %]
Fiscal year ended March 31, 2024: ¥ 82,634 million [82.0 %]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	205.73	-	6.3	7.6	9.6
March 31, 2024	162.41	162.41	5.3	7.2	7.6

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 428 million
Fiscal year ended March 31, 2024: ¥ 3,476 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	749,605	598,906	64.8	3,255.93
March 31, 2024	708,264	589,362	74.0	3,269.80

(Reference) Equity: As of March 31, 2025: ¥ 485,499 million
As of March 31, 2024: ¥ 524,409 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	66,577	(64,871)	(19,968)	128,442
March 31, 2024	65,552	(31,559)	(25,955)	147,130

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	27.00	-	28.00	55.00	8,919	33.9	1.8
March 31, 2025	-	32.00	-	40.00	72.00	11,006	35.0	2.2
Fiscal year ending March 31, 2026 (Forecast)	-	-	-	-	-		-	

Beginning with the fiscal year ending March 2026, we will revise our dividend policy to enhance shareholder returns with a focus on stability and capital efficiency. Under the new framework, we will adopt the higher of a 3.5% dividend on equity (DOE) or a 40% consolidated payout ratio.

As for the dividend forecast for fiscal year ending March 2026, we are closely monitoring developments such as U.S. trade policy and other external factors. We will disclose our forecast once it becomes appropriate to do so based on a reasonable and informed assessment.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	-	-	-	-	-	-	-	-	-
Full year	-	-	-	-	-	-	-	-	-

With respect to our consolidated financial results forecast for the fiscal year ending March 31, 2026, we intend to assess the potential impact of these developments carefully—particularly those related to U.S. trade dynamics—and will provide timely disclosure once a reasonable basis for projection is established.

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (Company name: Thai Stanley Electric Public Co., Ltd.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2025: 152,000,000 shares

March 31, 2024: 171,200,000 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 2,887,924 shares

March 31, 2024: 10,820,114 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 155,828,256 shares

Fiscal Year ended March 31, 2024: 163,152,163 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	171,340	(1.1)	4,563	57.6	17,751	2.6	16,472	(13.1)
March 31, 2024	173,193	5.1	2,895	(65.1)	17,306	(33.4)	18,947	(19.9)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	105.71	-
March 31, 2024	116.13	116.13

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	324,639	216,768	66.7	1,451.10
March 31, 2024	329,003	252,634	76.7	1,572.80

(Reference) Equity: As of March 31, 2025: ¥ 216,376 million
As of March 31, 2024: ¥ 252,245 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Explanation for the appropriate use of performance forecasts and other special notes:

At this point in time, there are no changes to the consolidated business forecasts.

The Company made these projections in forecasts based on currently available economic and business information; as such, these projections include certain risks and other uncertainties, and the Company does not intend to guarantee the achievement of these projections. Actual business performance may differ significantly from current projections resulting from various critical factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	194,642	219,514
Notes and accounts receivable - trade	75,060	77,368
Securities	3,998	100
Inventories	55,521	55,498
Other	29,406	37,611
Allowance for doubtful accounts	(17)	(54)
Total current assets	358,610	390,038
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	74,909	78,208
Machinery, equipment and vehicles, net	65,901	78,381
Tools, furniture and fixtures, net	14,883	16,714
Land	14,963	25,774
Leased assets, net	3,110	2,997
Construction in progress	17,072	33,529
Total property, plant and equipment	190,840	235,606
Intangible assets		
Goodwill	673	5,258
Other	8,152	4,745
Total intangible assets	8,825	10,003
Investments and other assets		
Investment securities	130,901	77,828
Retirement benefit asset	5,383	6,508
Deferred tax assets	4,489	7,036
Other	9,212	22,583
Total investments and other assets	149,987	113,956
Total non-current assets	349,653	359,566
Total assets	708,264	749,605

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	40,575	40,995
Current portion of bonds payable	10,000	-
Lease liabilities	1,489	1,619
Income taxes payable	4,949	4,535
Provision for product warranties	9,474	7,360
Provision for bonuses	5,115	5,892
Provision for bonuses for directors (and other officers)	276	286
Other	25,826	30,325
Total current liabilities	97,708	91,015
Non-current liabilities		
Bonds payable	-	40,000
Lease liabilities	2,788	2,956
Deferred tax liabilities	16,534	13,024
Provision for retirement benefits for directors (and other officers)	58	24
Other provisions	28	28
Retirement benefit liability	1,134	2,980
Asset retirement obligations	478	483
Other	170	184
Total non-current liabilities	21,193	59,682
Total liabilities	118,901	150,698
Net assets		
Shareholders' equity		
Share capital	30,514	30,514
Capital surplus	29,669	19,097
Retained earnings	386,872	358,372
Treasury shares	(28,862)	(7,668)
Total shareholders' equity	418,194	400,316
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44,860	31,735
Foreign currency translation adjustment	58,233	51,001
Remeasurements of defined benefit plans	3,122	2,445
Total accumulated other comprehensive income	106,215	85,183
Share acquisition rights	388	392
Non-controlling interests	64,564	113,014
Total net assets	589,362	598,906
Total liabilities and net assets	708,264	749,605

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	472,397	509,565
Cost of sales	389,507	403,892
Gross profit	82,890	105,672
Selling, general and administrative expenses	47,055	56,669
Operating profit	35,834	49,002
Non-operating income		
Interest income	4,437	4,894
Dividend income	2,851	3,555
Share of profit of entities accounted for using equity method	3,476	428
Foreign exchange gains	1,157	-
Miscellaneous income	945	803
Total non-operating income	12,867	9,682
Non-operating expenses		
Interest expenses	176	419
Foreign exchange losses	-	2,090
Miscellaneous losses	460	720
Total non-operating expenses	637	3,230
Ordinary profit	48,064	55,454
Extraordinary income		
Gain on sale of non-current assets	206	584
Gain on sale of investment securities	6,221	3,480
Gain on bargain purchase	-	10,060
Gain on liquidation of subsidiaries	-	170
Reversal of provision for environmental measures	316	-
Total extraordinary income	6,745	14,296
Extraordinary losses		
Loss on step acquisitions	-	1,130
Impairment losses	4,454	8,094
Loss on retirement of non-current assets	3,807	2,988
Business restructuring expenses	-	117
Extra retirement payments	-	2,836
Loss on abandonment of inventories	-	523
Loss on termination of retirement benefit plan	-	177
Provision for environmental measures	77	-
Employee housing reserve contribution	-	740
Special survey costs	-	110
Loss from money transfer scam at foreign subsidiary	3,452	-
Total extraordinary losses	11,791	16,720
Profit before income taxes	43,018	53,030
Income taxes - current	11,369	12,101
Income taxes - deferred	(1,605)	568
Total income taxes	9,764	12,670
Profit	33,253	40,360
Profit attributable to non-controlling interests	6,756	8,301
Profit attributable to owners of parent	26,497	32,058

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	33,253	40,360
Other comprehensive income		
Valuation difference on available-for-sale securities	18,669	(13,235)
Foreign currency translation adjustment	25,552	(6,302)
Remeasurements of defined benefit plans, net of tax	3,082	(682)
Share of other comprehensive income of entities accounted for using equity method	2,075	(146)
Total other comprehensive income	49,380	(20,366)
Comprehensive income	82,634	19,993
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	71,606	11,026
Comprehensive income attributable to non-controlling interests	11,027	8,966

Consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,514	29,852	373,682	(18,938)	415,111
Changes during period					
Dividends of surplus	-	-	(8,570)	-	(8,570)
Profit attributable to owners of parent	-	-	26,497	-	26,497
Purchase of treasury shares	-	-	-	(14,740)	(14,740)
Disposal of treasury shares	-	-	5	48	53
Cancellation of treasury shares	-	-	(4,746)	4,746	-
Exercise of share acquisition rights	-	-	4	21	25
Capital increase of consolidated subsidiaries	-	(183)	-	-	(183)
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	(183)	13,190	(9,923)	3,083
Balance at end of period	30,514	29,669	386,872	(28,862)	418,194

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans			
Balance at beginning of period	26,163	34,898	44	425	59,485	536,128
Changes during period						
Dividends of surplus	-	-	-	-	-	(8,570)
Profit attributable to owners of parent	-	-	-	-	-	26,497
Purchase of treasury shares	-	-	-	-	-	(14,740)
Disposal of treasury shares	-	-	-	-	-	53
Cancellation of treasury shares	-	-	-	-	-	-
Exercise of share acquisition rights	-	-	-	-	-	25
Capital increase of consolidated subsidiaries	-	-	-	-	-	(183)
Net changes in items other than shareholders' equity	18,696	23,334	3,078	(36)	5,078	50,151
Total changes during period	18,696	23,334	3,078	(36)	5,078	53,234
Balance at end of period	44,860	58,233	3,122	388	64,564	589,362

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,514	29,669	386,872	(28,862)	418,194
Changes during period					
Dividends of surplus	-	-	(9,533)	-	(9,533)
Profit attributable to owners of parent	-	-	32,058	-	32,058
Purchase of treasury shares	-	-	-	(30,004)	(30,004)
Disposal of treasury shares	-	-	3	147	150
Cancellation of treasury shares	-	-	(51,032)	51,032	-
Exercise of share acquisition rights	-	-	3	18	21
Change in scope of consolidation	-	(11,285)	-	-	(11,285)
Additional purchase of shares of consolidated subsidiaries	-	713	-	-	713
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	(10,572)	(28,500)	21,193	(17,878)
Balance at end of period	30,514	19,097	358,372	(7,668)	400,316

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans			
Balance at beginning of period	44,860	58,233	3,122	388	64,564	589,362
Changes during period						
Dividends of surplus	-	-	-	-	-	(9,533)
Profit attributable to owners of parent	-	-	-	-	-	32,058
Purchase of treasury shares	-	-	-	-	-	(30,004)
Disposal of treasury shares	-	-	-	-	-	150
Cancellation of treasury shares	-	-	-	-	-	-
Exercise of share acquisition rights	-	-	-	-	-	21
Change in scope of consolidation	-	-	-	-	-	(11,285)
Additional purchase of shares of consolidated subsidiaries	-	-	-	-	-	713
Net changes in items other than shareholders' equity	(13,124)	(7,231)	(676)	4	48,450	27,422
Total changes during period	(13,124)	(7,231)	(676)	4	48,450	9,543
Balance at end of period	31,735	51,001	2,445	392	113,014	598,906

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	43,018	53,030
Depreciation	37,044	43,683
Impairment losses	4,454	8,094
Gain on bargain purchase	-	(10,060)
Increase (decrease) in allowance for doubtful accounts	9	28
Increase (decrease) in provision for bonuses	(132)	787
Increase (decrease) in provision for product warranties	4,827	(2,173)
Increase (decrease) in retirement benefit liability	(1,259)	(172)
Interest and dividend income	(7,288)	(8,450)
Interest expenses	176	419
Share of loss (profit) of entities accounted for using equity method	(3,476)	(428)
Loss (gain) on step acquisitions	-	1,130
Loss (gain) on sale and retirement of non-current assets	3,600	2,403
Loss (gain) on sale of investment securities	(6,221)	(3,480)
Extra retirement payments	-	2,836
Loss from money transfer scam at foreign subsidiary	3,452	-
Decrease (increase) in trade receivables	607	7,561
Decrease (increase) in inventories	(6,298)	3,373
Increase (decrease) in trade payables	(1,234)	(5,605)
Other, net	(1,346)	(17,099)
Subtotal	69,934	75,878
Interest and dividends received	9,574	8,124
Interest paid	(187)	(337)
Income taxes paid	(10,316)	(14,252)
Extra retirement payments	-	(2,836)
Payment for loss from money transfer scam at foreign subsidiary	(3,452)	-
Net cash provided by (used in) operating activities	65,552	66,577
Cash flows from investing activities		
Payments into time deposits	(66,580)	(132,389)
Proceeds from withdrawal of time deposits	63,361	119,945
Payments into increase in long-term deposits	-	(8,444)
Purchase of securities	(1,999)	-
Purchase of property, plant and equipment	(25,059)	(43,783)
Proceeds from sale of property, plant and equipment	138	479
Purchase of intangible assets	(2,039)	(1,839)
Proceeds from sale of intangible assets	-	400
Purchase of investment securities	(2,627)	-
Proceeds from sale and redemption of short-term and long-term investment securities	7,200	6,269
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(5,420)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	8,214
Purchase of long-term prepaid expenses	(4,280)	(8,301)
Other, net	327	(4)
Net cash provided by (used in) investing activities	(31,559)	(64,871)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Proceeds from issuance of bonds	-	39,807
Redemption of bonds	-	(10,000)
Purchase of treasury shares	(14,740)	(30,004)
Proceeds from sale of treasury shares	22	18
Decrease(increase) in money held in trust for purchase of treasury stock	4,741	-
Dividends paid	(8,568)	(9,531)
Dividends paid to non-controlling interests	(6,004)	(2,693)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(6,825)
Other, net	(1,404)	(739)
Net cash provided by (used in) financing activities	(25,955)	(19,968)
Effect of exchange rate change on cash and cash equivalents	8,210	(423)
Net increase (decrease) in cash and cash equivalents	16,248	(18,687)
Cash and cash equivalents at beginning of period	130,881	147,130
Cash and cash equivalents at end of period	147,130	128,442

(Notes on segment information, etc.)

Segment information

Sales and profit or loss by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of Yen)						
	Automotive Equipment Business	Electronic Components Business	Applied Electronic Products Business	Others (Note 1)	Adjustment (Note 2)	Total amount recognized in consolidated financial statements (Note 3)
Sales						
Sales to outside customers	386,174	21,724	64,423	75	—	472,397
Intersegment sales or transfer	1,300	16,238	54,579	2,908	(75,026)	—
Total	387,475	37,963	119,002	2,983	(75,026)	472,397
Segment income (loss)	26,026	4,214	13,478	19	(7,903)	35,834
Segment assets	231,401	45,962	76,297	3,368	351,234	708,264
Other items						
Depreciation and amortization	21,739	3,604	6,182	48	5,436	37,011
Increases in property, plant and equipment and intangible assets	17,163	2,526	3,360	11	7,464	30,527

Notes: 1. “Others” mainly includes the following project and services not included in the reportable segments: the project for promotion of employment of the physically disabled; and financial and management services provided within the Stanley Group.

2. Adjustments are as described below.

(1) (7,903) million yen adjustment to segment income (loss) mainly includes company-wide expenses not included in the reportable segments of (7,677) million yen. The company-wide expenses are mainly general research and development expenses and administrative expenses, which are not attributable to the reportable segments.

(2) 351,234 million yen adjustment to segment assets mainly includes company-wide assets of 484,205 million yen, (73,570) million yen adjustment to investment capital, and (67,805) million yen adjustment to receivables and payables, which are not attributable to the reportable segments. The company-wide assets are mainly assets of administrative departments and assets pertaining to general research and development activities, such as surplus operating funds (cash and deposits, etc.) and long-term investment funds (investment securities, etc.), which are not attributable to the reportable segments.

(3) 5,436 million yen adjustment to depreciation and amortization mainly includes 5,991 million yen depreciation and amortization of company-wide assets not attributable to the reportable segments.

(4) 7,464 million yen adjustment to increases in property, plant and equipment and intangible assets mainly includes 7,497 million yen investment in company-wide assets not attributable to the reportable segments.

3. Segment income (loss) is adjusted to be consistent with operating income shown on the consolidated financial statements.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of Yen)

	Automotive Equipment Business	Electronic Components Business	Applied Electronic Products Business	Others (Note 1)	Adjustment (Note 2)	Total amount recognized in consolidated financial statements (Note 3)
Sales						
Sales to outside customers	438,473	19,344	51,742	4	—	509,565
Intersegment sales or transfer	1,656	17,720	64,601	3,129	(87,108)	—
Total	440,130	37,065	116,344	3,133	(87,108)	509,565
Segment income (loss)	46,966	2,494	8,810	69	(9,338)	49,002
Segment assets	285,570	43,391	64,528	2,041	354,072	749,605
Other items						
Depreciation and amortization	28,069	2,984	5,944	13	6,596	43,608
Increases in property, plant and equipment and intangible assets	29,522	3,281	7,267	65	9,330	49,467

Notes: 1. “Others” mainly includes the following project and services not included in the reportable segments: the project for promotion of employment of the physically disabled; and financial and management services provided within the Stanley Group.

2. Adjustments are as described below.

(1) (9,338) million yen adjustment to segment income (loss) mainly includes company-wide expenses not included in the reportable segments of (8,523) million yen. The company-wide expenses are mainly general research and development expenses and administrative expenses, which are not attributable to the reportable segments.

(2) 354,072 million yen adjustment to segment assets mainly includes company-wide assets of 581,948 million yen, (94,683) million yen adjustment to investment capital, and (89,526) million yen adjustment to receivables and payables, which are not attributable to the reportable segments. The company-wide assets are mainly assets of administrative departments and assets pertaining to general research and development activities, such as surplus operating funds (cash and deposits, etc.) and long-term investment funds (investment securities, etc.), which are not attributable to the reportable segments.

(3) 6,596 million yen adjustment to depreciation and amortization mainly includes 6,673 million yen depreciation and amortization of company-wide assets not attributable to the reportable segments.

(4) 9,330 million yen adjustment to increases in property, plant and equipment and intangible assets mainly includes 10,285 million yen investment in company-wide assets not attributable to the reportable segments.

3. Segment income (loss) is adjusted to be consistent with operating income shown on the consolidated financial statements.