



SANYO DENKI

FY2025 Consolidated Financial and Operating Results <IFRS>

(Overview – English translation of the Japanese original)

April 25, 2025

Company Name: SANYO DENKI CO., LTD.

Code Number: 6516 (Listed on the Tokyo Stock Exchange Prime Market)

(URL: <https://www.sanyodenki.co.jp/>)

Representative: Shigeo Yamamoto, Representative Director, Chairman of the Board & CEO

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Scheduled date for the Ordinary General Meeting of Shareholders: June 19, 2025

Scheduled date for commencement of dividend payments: June 20, 2025

Scheduled date for submitting the Securities Report: June 19, 2025

Availability of supplementary briefing material on annual results: Yes

Schedule of annual results briefing session: Yes

(Amounts below one million yen are truncated.)

1. Overview of the Consolidated Financial and Operating Results for FY2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(% indicates changes from the previous corresponding term)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
FY2025	97,847	(13.3)	7,936	(32.8)	8,003	(39.9)	5,638	(46.2)	5,637	(46.2)	4,735	(76.3)
FY2024	112,904	(6.5)	11,811	(12.0)	13,323	(6.3)	10,479	(8.2)	10,477	(8.2)	19,948	42.1

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent (ROE)	Ratio of profit before tax to total assets (ROA)	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
FY2025	472.79	472.59	5.0	5.4	8.1
FY2024	867.52	867.52	10.3	9.0	10.5

(Reference) Equity in earnings of affiliates: FY2025: ¥- million FY2024: ¥- million

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
	¥ Million	¥ Million	¥ Million	%	Yen
FY2025	145,628	113,347	113,347	77.8	9,504.59
FY2024	150,688	110,373	110,358	73.2	9,258.58

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	¥ Million	¥ Million	¥ Million	¥ Million
FY2025	15,788	(3,734)	(9,690)	28,898
FY2024	21,452	(6,466)	(10,666)	26,687

2. Dividends

	Annual cash dividend per share					Total amount of cash dividends (Annual)
	1Q	2Q	3Q	4Q	Annual	
	Yen	Yen	Yen	Yen	Yen	¥ Million
FY2024	—	70.00	—	75.00	145.00	1,742
FY2025	—	75.00	—	90.00	165.00	1,968
FY2026 (Forecast)	—	100.00	—	110.00	210.00	

	Payout ratio (Consolidated)	Dividend on equity attributable to owners of parent (Consolidated)
	%	%
FY2024	16.7	1.7
FY2025	34.9	1.8
FY2026 (Forecast)	29.5	

3. Forecast for FY2026 (from April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding term)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	Yen
First half	51,800	11.3	5,000	64.1	5,300	105.8	3,800	137.4	318.64
Full year	107,100	9.5	11,550	45.5	11,950	49.3	8,500	50.8	712.76

(Note) The impact of the U.S. tariff policy is expected to have a limited impact on the consolidated business results forecast.

4. Others

(1) Significant changes in subsidiaries during FY2025: None

(Change of certain subsidiaries that involves change in the scope of consolidation)

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

1) Changes in accounting policies required by IFRS: None

2) Changes in accounting policies other than 1): None

3) Changes in accounting estimates: None

(3) Number of issued shares (common shares)

1) Number of issued shares at the end of the period (including treasury shares)

FY2025	12,972,187 shares	FY2024	12,972,187 shares
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2) Number of treasury shares at the end of the period

FY2025	1,040,575 shares	FY2024	1,045,982 shares
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3) Average number of shares outstanding during the period

FY2025	11,924,130 shares	FY2024	12,077,104 shares
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(Reference) Summary of the Non-consolidated Financial and Operating Results

1. Overview of the Non-consolidated Financial and Operating Results for FY2025
(from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(% indicates changes from the previous corresponding term)

	Net sales		Operating income		Ordinary income		Profit	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
FY2025	78,503	(15.9)	2,525	(55.9)	4,985	(44.3)	4,527	(39.2)
FY2024	93,357	(7.2)	5,720	(9.4)	8,946	9.5	7,448	11.2

	Net income per share	Diluted net income per share
	Yen	Yen
FY2025	379.46	—
FY2024	616.38	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Million	%	Yen
FY2025	86,613	63,112	72.9	5,289.54
FY2024	91,157	62,104	68.1	5,207.41

(Reference) Equity: FY2025: ¥63,112 million FY2024: ¥62,104 million

* These consolidated financial results are outside the scope of audit by a certified public accountant or an auditing firm.

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

(Explanation for the appropriate use of forward-looking Information)

Statements in these reports regarding the next fiscal year and other future events are evaluations made based upon the information available at the time these reports were prepared and believed to be reasonable. Accordingly, actual results may vary significantly from the forecast results stated here for a number of factors. Please refer to “Overview of Operating Results, etc.” on page 2 for assumptions for the performance forecasts and notes on precautions for the usage thereof.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for FY2025

During the fiscal year under review, the global economy saw robust consumer spending in the U.S., while economic recovery lagged in China and Europe.

While the Japanese economy showed a gradual recovery due to solid capital investment based on stable corporate earnings, economic activities were weak due to the delayed recovery of the global economy.

Under such circumstances, while demand was generally sluggish for the factory automation market including ICT equipment, robots, and semiconductor manufacturing equipment, which is the Group's main target market, there were signs of recovery in the markets related to AI.

As a result, consolidated revenue totaled ¥97,847 million in the fiscal year under review, down 13.3% from the previous fiscal year. Consolidated operating profit decreased by 32.8% to ¥7,936 million, consolidated profit before tax decreased by 39.9% to ¥8,003 million, and profit attributable to owners of parent amounted to ¥5,637 million, down 46.2%.

Orders received increased by 18.7% to ¥89,391 million, and order backlog decreased by 19.1% to ¥35,882 million.

To strengthen our management foundation and business system, the Company introduced a business company system effective April 1, 2024. Since the Board of Directors allocates management resources, makes decisions, and conducts evaluations based on the performance of each company, we have changed our reportable segments from a regional segmentation to a company-based segmentation.

For details of the change, please refer to “3. Consolidated Financial Statements and Primary Notes, (5) Notes on Consolidated Financial Statements (Segment Information, etc.).”

The performance of each segment is as follows. Comparisons with the same period of the previous fiscal year are made using the figures for the same period of the previous fiscal year, reclassified according to the new segment method. Additionally, from the fiscal year ended March 31, 2025, revenue from external customers has been stated as segment revenue.

Statement of income by segment for the fiscal year ended March 31, 2025

(Million yen)

	San Ace Company	Electronics Company	Motion Company	Others	Adjustments (Note 2)	Total
Revenue (Note 1)	38,062	21,149	32,971	5,663	—	97,847
Cost of sales	24,684	16,080	27,124	4,860	(28)	72,721
Gross profit	13,378	5,069	5,846	803	28	25,125
Selling, general and administrative expenses	6,995	4,635	5,587	542	—	17,760
Other income and expenses	473	49	32	15	—	571
Operating profit	6,856	483	291	276	28	7,936

Notes: 1. This shows revenue from external customers for each segment.

2. Adjustments are elimination of intersegment transactions.

1) San Ace Company

Regarding “San Ace” products of San Ace Company, demand for high performance servers and network equipment, etc. remained robust. In addition, a trend toward recovery was observed in demand from dealers in North America and Japan with new orders due to improvements in customer inventory adjustment. Meanwhile, demand remained sluggish for telecommunications infrastructure equipment such as wireless base stations, as well as for control equipment used in servo amplifiers and inverters, and semiconductor manufacturing equipment.

As a result, segment revenue amounted to ¥38,062 million, down 11.5% from the same period last

year, and segment profit decreased by 20.1% to ¥6,856 million. Orders received increased by 20.9% to ¥32,266 million, and order backlog decreased by 31.6% to ¥12,569 million.

2) Electronics Company

Regarding “SANUPS” products of Electronics Company, demand was robust for social infrastructure such as information communication, servers for data centers, and fire protection and road transportation, as well as for defense systems. Additionally, demand for renewable energy also remained stable, including solar, hydroelectric, and wind power systems. On the other hand, demand for semiconductor manufacturing equipment was sluggish.

Regarding “SANMOTION” products of Electronics Company, demand for semiconductor manufacturing equipment and wafer conveying robots was sluggish, failing to recover to previous levels, despite robust capital investment in AI-related equipment and equipment for China. In addition, the downturn in the Chinese market led to weak demand for metal processing machines, injection molding machines, and machine tools, while there were signs of a partial recovery.

As a result, segment revenue amounted to ¥21,149 million, down 11.2% from the same period last year, and segment profit decreased by 68.6% to ¥483 million. Orders received decreased by 4.1% to ¥19,667 million, and order backlog decreased by 12.9% to ¥9,993 million.

3) Motion Company

Regarding “SANMOTION” products of Motion Company, demand for electronic part surface mounters remained robust in the first six months. Demand for semiconductor manufacturing equipment and wafer conveying robots was sluggish, failing to recover to previous levels, despite robust capital investment in AI-related equipment and equipment for China. In addition, demand for metal processing machines, injection molding machines, machine tools, and robots remained sluggish, affected by the downturn in the Chinese market, while there were signs of a partial recovery.

As a result, segment revenue amounted to ¥32,971 million, down 18.3% from the same period last year, and segment profit decreased by 81.5% to ¥291 million. Orders received increased by 40.3% to ¥31,839 million, and order backlog decreased by 8.8% to ¥11,686 million.

4) Others

Electrical equipment sales business and electrical works contracting business, etc. are classified and recorded under the “Others” segment.

For industrial electrical equipment, control equipment, and materials for electronic equipment, demand related to medical equipment, shipbuilding, and public infrastructure remained robust. On the other hand, demand for the semiconductor industry and the robotics industry was sluggish.

For electrical works contracting business, demand from the steel industry, which is the Group’s major customer, remained robust, thanks to the execution of inspections and repair works on aging electrical facilities as planned. Meanwhile, demand for electrical facilities works for general industries was sluggish, failing to recover to previous levels.

As a result, segment revenue amounted to ¥5,663 million, down 1.3% from the same period last year, and segment profit increased by 254.0% to ¥276 million. Orders received increased by 3.5% to ¥5,617 million, and order backlog decreased by 2.8% to ¥1,633 million.

Additionally, revenue from external customers by geographical area where we operate is as follows.

	(Million yen)					
	Japan	North America	Europe	East Asia	Southeast Asia	Total
Fiscal year ended March 31, 2025	59,945	20,990	6,970	8,679	1,261	97,847
Fiscal year ended March 31, 2024	71,269	21,365	9,652	8,162	2,454	112,904

1) Japan

Companies operating in Japan are the Company and its consolidated subsidiaries: SANYO KOGYO CO., LTD., SANYO DENKI Techno Service CO., LTD., and SANYO DENKI IT Solution CO., LTD.

2) North America

The Company has a consolidated subsidiary in North America: SANYO DENKI AMERICA, INC.

3) Europe

The Company's consolidated subsidiaries operating in Europe are SANYO DENKI EUROPE S.A. and SANYO DENKI GERMANY GmbH.

4) East Asia

The Company's consolidated subsidiaries operating in East Asia include SANYO DENKI SHANGHAI CO., LTD., SANYO DENKI (H.K.) CO., LIMITED, SANYO DENKI TAIWAN CO., LTD., SANYO DENKI KOREA CO., LTD., SANYO DENKI ENGINEERING (Shanghai) CO., LTD., SANYO DENKI (Shenzhen) CO., LTD., SANYO DENKI (Zhongshan) CO., LTD., SANYO DENKI ENGINEERING (Shenzhen) CO., LTD., SANYO DENKI (Tianjin) CO., LTD., and SANYO DENKI (Chengdu) CO., LTD.

5) Southeast Asia

The Company's consolidated subsidiaries operating in Southeast Asia include SANYO DENKI PHILIPPINES, INC., SANYO DENKI INDIA PRIVATE LIMITED, and SANYO DENKI (THAILAND) CO., LTD.

(2) Overview of Financial Position for FY2025

As for the financial position at the end of the fiscal year under review, total assets decreased by ¥5,059 million from the end of the previous fiscal year, total liabilities decreased by ¥8,033 million, and total equity increased by ¥2,974 million.

Major factors of changes in assets were a decrease of ¥2,951 million in trade and other receivables, and a decrease of ¥2,696 million in inventories.

Major factors of changes in liabilities were a decrease of ¥4,720 million in borrowings (current liabilities), a decrease of ¥2,397 million in borrowings (non-current liabilities), and a decrease of ¥791 million in trade and other payables.

Major factors of changes in equity were an increase of ¥5,353 million in retained earnings and a decrease of ¥2,407 million in other components of equity.

The financial position by segment is as follows:

Statement of financial position by segment for the fiscal year ended March 31, 2025

(Million yen)

	San Ace Company	Electronics Company	Motion Company	Others (Note)	Total
Assets					
Current assets	26,417	25,296	37,091	6,057	94,862
Non-current assets	16,300	14,686	18,653	1,125	50,765
Total assets	42,718	39,982	55,744	7,182	145,628
Liabilities and equity					
Liabilities					
Current liabilities	8,529	4,761	7,596	2,646	23,533
Non-current liabilities	3,134	1,870	3,137	605	8,747
Total liabilities	11,664	6,631	10,733	3,251	32,280

Statement of financial position by segment for the fiscal year ended March 31, 2025

(Million yen)

	San Ace Company	Electronics Company	Motion Company	Others (Note)	Total
Equity					
Total equity	31,053	33,351	45,011	3,931	113,347
Total liabilities and equity	42,718	39,982	55,744	7,182	145,628

(Note) Elimination of intersegment transactions is included in others.

(3) Overview of Cash Flows for FY2025

Cash and cash equivalents (hereinafter referred to as “cash”) at the end of the fiscal year under review increased by ¥2,211 million from the end of previous fiscal year to ¥28,898 million. The conditions of each cash flow and factors thereof are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities during the fiscal year under review amounted to ¥15,788 million (net cash provided of ¥21,452 million in the previous fiscal year). This is mainly attributable to profit before tax of ¥8,003 million, depreciation and amortization expense of ¥5,959 million, and a decrease of ¥2,878 million in trade and other payables.

(Cash flows from investing activities)

Net cash used in investing activities during the fiscal year under review amounted to ¥3,734 million (net cash used of ¥6,466 million in the previous fiscal year). This is mainly attributable to purchase of property, plant and equipment of ¥2,666 million and other, net of ¥1,142 million.

(Cash flows from financing activities)

Net cash used in financing activities during the fiscal year under review amounted to ¥9,690 million (net cash used of ¥10,666 million in the previous fiscal year). This is mainly attributable to repayments of long-term borrowings of ¥3,710 million, net decrease in short-term borrowings of ¥3,435 million, and dividends paid of ¥1,786 million.

(Reference) Changes in cash flow related indicators

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Ratio of equity attributable to owners of parent	61.8%	62.7%	64.8%	73.2%
Ratio of equity attributable to owners of parent based on fair value	62.6%	46.3%	51.8%	55.8%
Ratio of cash flow to interest- bearing debt	3.5 years	2.3 years	2.3 years	0.6 years
Interest coverage ratio	49.6	85.2	44.8	105.4

	Fiscal year ended March 31, 2025
Ratio of equity attributable to owners of parent	77.8%
Ratio of equity attributable to owners of parent based on fair value	76.5%
Ratio of cash flow to interest- bearing debt	0.3 years
Interest coverage ratio	50.7

Ratio of equity attributable to owners of parent: $\frac{\text{Total equity attributable to owners of parent}}{\text{Total assets}}$
Ratio of equity attributable to owners of parent based on fair value:

$\frac{\text{Total market value of stock}}{\text{Total assets}}$
Ratio of cash flow to interest-bearing debt: $\frac{\text{Interest-bearing debt}}{\text{Cash flow}}$
Interest coverage ratio: $\frac{\text{Cash flow}}{\text{Interest paid}}$

1. The indicators were calculated by using consolidated financial figures.
2. The total market value of stock was calculated based on the total number of shares outstanding, excluding the treasury stock.
3. The figures of cash flows from operating activities are used in the calculation.
4. Interest paid on the consolidated statements of cash flows is used in the calculation.
5. Interest-bearing debt includes all debts recorded on the consolidated statements of financial position for which interest is paid.

(4) Future Outlook

As for the outlook for the next fiscal year, the Japanese economy is expected to recover gradually thanks to a recovery in consumer spending and an increase in capital investment, although the impact of the U.S. tariff policy on the economy remains unclear.

Under such circumstances, the Group will work to globalize all of its business activities and promote manufacturing and sales of industry-leading products with high performance and reliability.

Furthermore, the Group believes that the impact of the U.S. tariff policy on its business performance will be limited as there are no manufacturers of equivalent products within the U.S.

The Group also believes that the impact of the suspension of rare earth exports from China on its business performance will be minimal. We have already begun implementing various measures to an expected slight impact of the suspension on Motion Company's production.

For the next fiscal year, we expect revenue of ¥107,100 million, operating profit of ¥11,550 million, profit before tax of ¥11,950 million, and profit attributable to owners of parent of ¥8,500 million.

(5) Dividend Policy and Payments for the Current Fiscal Year and the Next Fiscal Year

The Company will further reinforce its business structure so that it can survive competition in the industry. Its basic policy is to pay dividends in proportion to the achievements the Company has made.

As for the cash dividend for the fiscal year under review, the year-end cash dividend is set at ¥90 per share, and the total dividend for the year will be ¥165 per share, including a ¥75 interim dividend per share. As for the cash dividend for the next fiscal year, we plan to pay an interim dividend of ¥100 per share and a year-end cash dividend of ¥110 per share, resulting in a total dividend for the year of ¥210 per share.

2. Basic Policy on Selection of Accounting Standards

In its active pursuit of business development on a global basis, the Group has voluntarily adopted International Financial Reporting Standards (IFRS) to enhance convenience for various stakeholders, including shareholders and investors, by improving the international comparability of its financial information, starting from the Consolidated Financial Statements in the Securities Report for the fiscal year ended March 31, 2017.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Statements of Financial Position

(Million yen)

	Note	As of March 31, 2024	As of March 31, 2025
Assets			
Current assets			
Cash and cash equivalents		26,687	28,898
Trade and other receivables		32,095	29,143
Other financial assets		691	1,594
Inventories		36,848	34,151
Other current assets		635	1,074
Total current assets		96,958	94,862
Non-current assets			
Property, plant and equipment		27,271	24,592
Intangible assets		4,807	4,940
Right-of-use assets		2,854	2,699
Investment property		1,503	1,503
Other financial assets		14,462	11,845
Retirement benefit assets		2,053	4,423
Deferred tax assets		643	613
Other non-current assets		133	146
Total non-current assets		53,729	50,765
Total assets		150,688	145,628
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		17,441	16,649
Borrowings		7,984	3,263
Lease liabilities		795	850
Other financial liabilities		74	36
Income taxes payable		1,136	368
Other current liabilities		2,705	2,364
Total current liabilities		30,137	23,533
Non-current liabilities			
Borrowings		3,934	1,537
Lease liabilities		1,816	1,631
Net defined benefit liability		–	557
Deferred tax liabilities		3,556	4,080
Other non-current liabilities		869	940
Total non-current liabilities		10,177	8,747
Total liabilities		40,314	32,280
Equity			
Share capital		9,926	9,926
Share premium		11,494	11,518
Retained earnings		79,373	84,726
Treasury shares		(3,518)	(3,500)
Other components of equity		13,082	10,674
Total equity attributable to owners of parent		110,358	113,347
Non-controlling interests		14	0
Total equity		110,373	113,347
Total liabilities and equity		150,688	145,628

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	Note	From April 1, 2023 to March 31, 2024	From April 1, 2024 to March 31, 2025
Revenue		112,904	97,847
Cost of sales		84,001	72,721
Gross profit		28,903	25,125
Selling, general and administrative expenses		17,911	17,760
Other income		953	594
Other expenses		134	23
Operating profit		11,811	7,936
Finance income		1,714	644
Finance costs		202	577
Profit before tax		13,323	8,003
Income tax expense		2,844	2,365
Profit		10,479	5,638
Profit attributable to:			
Owners of parent		10,477	5,637
Non-controlling interests		2	0
Profit		10,479	5,638
Earnings per share			
Basic earnings per share (yen)		867.52	472.79
Diluted earnings per share (yen)		867.52	472.59

Consolidated Statements of Comprehensive Income

(Million yen)

	Note	From April 1, 2023 to March 31, 2024	From April 1, 2024 to March 31, 2025
Profit		10,479	5,638
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income		2,471	(1,291)
Remeasurements of defined benefit plans		2,892	999
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		4,105	(609)
Total other comprehensive income		9,469	(902)
Comprehensive income		19,948	4,735
Comprehensive income attributable to:			
Owners of parent		19,945	4,735
Non-controlling interests		3	0
Comprehensive income		19,948	4,735

(3) Consolidated Statements of Changes in Equity

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

(Million yen)

	Note	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
						Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at April 1, 2023		9,926	11,467	67,631	(2,395)	3,364	—
Profit		—	—	10,477	—	—	—
Other comprehensive income		—	—	—	—	2,471	2,892
Comprehensive income		—	—	10,477	—	2,471	2,892
Purchase of treasury shares		—	—	—	(1,145)	—	—
Dividends		—	—	(1,696)	—	—	—
Share-based payment expenses		—	26	—	22	—	—
Transfer to retained earnings		—	—	2,960	—	(67)	(2,892)
Changes in ownership interests in subsidiaries		—	—	—	—	—	—
Total transactions with owners and other		—	26	1,264	(1,123)	(67)	(2,892)
Balance at March 31, 2024		9,926	11,494	79,373	(3,518)	5,767	—

	Note	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
		Exchange differences on translation of foreign operations	Total			
Balance at April 1, 2023		3,210	6,575	93,205	11	93,217
Profit		—	—	10,477	2	10,479
Other comprehensive income		4,103	9,468	9,468	1	9,469
Comprehensive income		4,103	9,468	19,945	3	19,948
Purchase of treasury shares		—	—	(1,145)	—	(1,145)
Dividends		—	—	(1,696)	(0)	(1,696)
Share-based payment expenses		—	—	49	—	49
Transfer to retained earnings		—	(2,960)	—	—	—
Changes in ownership interests in subsidiaries		—	—	—	—	—
Total transactions with owners and other		—	(2,960)	(2,792)	(0)	(2,792)
Balance at March 31, 2024		7,314	13,082	110,358	14	110,373

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

(Million yen)

	Note	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	
						Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans
Balance at April 1, 2024		9,926	11,494	79,373	(3,518)	5,767	—
Profit		—	—	5,637	—	—	—
Other comprehensive income		—	—	—	—	(1,291)	999
Comprehensive income		—	—	5,637	—	(1,291)	999
Purchase of treasury shares		—	—	—	(6)	—	—
Dividends		—	—	(1,789)	—	—	—
Share -based payment expenses		—	25	—	24	—	—
Transfer to retained earnings		—	—	1,505	—	(506)	(999)
Changes in ownership interests in subsidiaries		—	(0)	—	—	—	—
Total transactions with owners and other		—	24	(283)	18	(506)	(999)
Balance at March 31, 2025		9,926	11,518	84,726	(3,500)	3,969	—

	Note	Other components of equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
		Exchange differences on translation of foreign operations	Total			
Balance at April 1, 2024		7,314	13,082	110,358	14	110,373
Profit		—	—	5,637	0	5,638
Other comprehensive income		(609)	(902)	(902)	(0)	(902)
Comprehensive income		(609)	(902)	4,735	0	4,735
Purchase of treasury shares		—	—	(6)	—	(6)
Dividends		—	—	(1,789)	(0)	(1,790)
Share -based payment expenses		—	—	50	—	50
Transfer to retained earnings		—	(1,505)	—	—	—
Changes in ownership interests in subsidiaries		—	—	(0)	(13)	(14)
Total transactions with owners and other		—	(1,505)	(1,746)	(14)	(1,761)
Balance at March 31, 2025		6,705	10,674	113,347	0	113,347

(4) Consolidated Statements of Cash Flows

(Million yen)

	Note	From April 1, 2023 to March 31, 2024	From April 1, 2024 to March 31, 2025
Cash flows from operating activities			
Profit before tax		13,323	8,003
Depreciation and amortization expense		5,841	5,959
Interest and dividend income		(512)	(634)
Interest expenses		200	299
Decrease (increase) in trade and other receivables		7,067	2,878
Decrease (increase) in inventories		5,612	2,507
Increase (decrease) in trade and other payables		(7,296)	176
Other, net		233	(936)
Subtotal		24,469	18,253
Interest received		288	332
Dividend received		237	290
Interest paid		(203)	(311)
Income taxes paid		(3,339)	(2,776)
Net cash flows from operating activities		21,452	15,788
Cash flows from investing activities			
Purchase of property, plant and equipment		(5,731)	(2,666)
Purchase of intangible assets		(1,028)	(1,135)
Proceeds from sales of property, plant and equipment and intangible assets		2	204
Proceeds from sales of other financial assets		300	1,006
Other, net		(8)	(1,142)
Net cash flows from investing activities		(6,466)	(3,734)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings		(7,173)	(3,435)
Proceeds from long-term borrowings		2,223	–
Repayments of long-term borrowings		(2,169)	(3,710)
Purchase of treasury shares		(1,145)	(6)
Dividends paid		(1,691)	(1,786)
Other, net		(710)	(749)
Net cash flows from financing activities		(10,666)	(9,690)
Effect of exchange rate changes on cash and cash equivalents		1,819	(152)
Net increase (decrease) in cash and cash equivalents		6,138	2,211
Cash and cash equivalents at beginning of period		20,548	26,687
Cash and cash equivalents at end of period		26,687	28,898

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Segment Information, etc.)

1 Overview of reportable segments

The Group's business segments are determined on the basis that separate financial information of such segments are available and examined periodically by the Board of Directors to make decisions regarding the allocation of management resources and assess the business performances of such segments.

Based on the characteristics of the businesses we operate, the Group has established four reportable segments, namely San Ace Company, Electronics Company, Motion Company, and Others.

Segment	Main business
San Ace Company	Design, manufacturing, and sales of cooling fans, etc.
Electronics Company	Design, manufacturing, and sales of power supplies, servo amplifiers, and stepping drivers, etc.
Motion Company	Design, manufacturing, and sales of servo motors and stepping motors, etc.
Others	Electrical equipment sales and electrical works contracting, etc.

2 Information on reportable segments

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

(Million yen)

	Reportable segment						Consolidated
	San Ace Company	Electronics Company	Motion Company	Others	Total	Adjustments (Note 2)	
Revenue							
Revenue from external customers	42,984	23,814	40,365	5,740	112,904	—	112,904
Intersegment revenue or transfers (Note 1)	—	—	—	2,197	2,197	(2,197)	—
Total	42,984	23,814	40,365	7,937	115,102	(2,197)	112,904
Segment profit	8,579	1,542	1,573	78	11,773	38	11,811
Finance income	—	—	—	—	—	—	1,714
Finance costs	—	—	—	—	—	—	202
Profit before tax	—	—	—	—	—	—	13,323
Profit	—	—	—	—	—	—	10,479
Segment assets	44,378	40,189	59,951	6,518	151,037	(349)	150,688
Segment liabilities	13,978	8,267	14,956	3,116	40,319	(4)	40,314
Other items							
Depreciation and amortization expense	1,848	1,490	2,416	86	5,841	—	5,841
Capital expenditure (including intangible assets)	3,747	912	2,841	3	7,506	(82)	7,423

Notes: 1. Intersegment transaction prices are based on prevailing market prices.

2. Adjustments are as follows:

- (1) Adjustments of segment profit of ¥38 million are elimination of intersegment transactions.
- (2) Adjustments of segment assets of ¥(349) million are elimination of intersegment transactions.
- (3) Adjustments of segment liabilities of ¥(4) million are elimination of intersegment transactions.
- (4) Depreciation of right-of-use assets is included in depreciation and amortization expense.
- (5) Adjustments of capital expenditure (including intangible assets) of ¥(82) million are elimination of intersegment transactions.

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

(Million yen)

	Reportable segment						
	San Ace Company	Electronics Company	Motion Company	Others	Total	Adjustments (Note 2)	Consolidated
Revenue							
Revenue from external customers	38,062	21,149	32,971	5,663	97,847	—	97,847
Intersegment revenue or transfers (Note 1)	—	—	—	1,868	1,868	(1,868)	—
Total	38,062	21,149	32,971	7,532	99,715	(1,868)	97,847
Segment profit	6,856	483	291	276	7,908	28	7,936
Finance income	—	—	—	—	—	—	644
Finance costs	—	—	—	—	—	—	577
Profit before tax	—	—	—	—	—	—	8,003
Profit	—	—	—	—	—	—	5,638
Segment assets	42,718	39,982	55,744	7,476	145,922	(293)	145,628
Segment liabilities	11,664	6,631	10,733	3,255	32,284	(3)	32,280
Other items							
Depreciation and amortization expense	2,055	1,509	2,284	109	5,959	—	5,959
Capital expenditure (including intangible assets)	1,238	838	941	1	3,020	(97)	2,923

Notes: 1. Intersegment transaction prices are based on prevailing market prices.

2. Adjustments are as follows:

- (1) Adjustments of segment profit of ¥28 million are elimination of intersegment transactions.
- (2) Adjustments of segment assets of ¥(293) million are elimination of intersegment transactions.
- (3) Adjustments of segment liabilities of ¥(3) million are elimination of intersegment transactions.
- (4) Depreciation of right-of-use assets is included in depreciation and amortization expense.
- (5) Adjustments of capital expenditure (including intangible assets) of ¥(97) million are elimination of intersegment transactions.

3 Matters related to changes in reportable segments

To strengthen our management foundation and business system, the Company introduced a business company system effective April 1, 2024. Since the Board of Directors allocates management resources, makes decisions, and conducts evaluations based on the performance of each company, we have changed our reportable segments from a regional segmentation to a company-based segmentation.

Please note that the segment information for the fiscal year ended March 31, 2024 is stated based on the new segmentation method.

(Per Share Information)

Basic earnings per share, diluted earnings per share, and the basis for their calculation are as follows:

Items	The fiscal year ended March 31, 2024	The fiscal year ended March 31, 2025
Profit attributable to owners of parent (million yen)	10,477	5,637
Profit used to calculate basic earnings per share (million yen)	10,477	5,637
Profit used to calculate diluted earnings per share (million yen)	10,477	5,637
Average number of common shares outstanding (shares)	12,077,104	11,924,130
Dilutive effects of restricted stock compensation (shares)	—	5,039
Average number of diluted shares outstanding (shares)	12,077,104	11,929,169
Basic earnings per share (yen)	867.52	472.79
Diluted earnings per share (yen)	867.52	472.59

(Notes) 1. Basic earnings per share are calculated by dividing profit attributable to owners of parent by average number of common shares outstanding during the reporting period.

2. Diluted earnings per share are calculated by dividing profit attributable to owners of parent by average number of diluted shares outstanding during the reportable period.

(Material Subsequent Events)

There is no relevant information.

4. Non-consolidated Financial Statements and Primary Notes

(1) Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and bank deposits	3,903	8,317
Notes receivable - trade	128	142
Electronically recorded monetary claims - operating	7,581	6,318
Accounts receivable-trade	24,334	21,042
Finished goods	3,341	3,473
Raw materials	10,725	10,455
Work in process	2,900	2,885
Supplies	38	62
Prepaid expense	142	187
Others	2,286	1,684
Allowance for doubtful accounts	(3)	(2)
Total current assets	55,380	54,569
Fixed assets		
Property, plant and equipment		
Buildings	7,264	6,801
Structures	268	259
Machinery and equipment	3,168	2,107
Vehicles	26	21
Tools, furniture and fixtures	602	655
Land	6,200	6,048
Construction in progress	187	198
Total property, plant and equipment	17,718	16,091
Intangible fixed assets		
Leasehold right	44	—
Software	1,525	1,925
Others	8	7
Total intangible fixed assets	1,577	1,933
Investments and other assets		
Investments in securities	10,330	7,673
Stocks of subsidiaries and affiliates	2,920	2,934
Investments in capital of subsidiaries and affiliates	786	927
Long-term loans receivable	6	3
Long-term prepaid expenses	41	23
Others	2,396	2,456
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	16,481	14,018
Total fixed assets	35,777	32,043
Total assets	91,157	86,613

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable - trade	490	369
Electronically recorded obligations - operating	2,769	2,877
Accounts payable - trade	5,813	6,046
Short-term debt	5,602	4,797
Long-term debt due within one year	1,920	1,063
Accounts payable - other	1,627	1,046
Accrued expenses	2,245	2,208
Accrued income taxes	542	37
Advances received	12	14
Deposits received	622	582
Notes payable - facilities	837	74
Reserve for bonuses to directors and corporate auditors	45	45
Total current liabilities	22,529	19,163
Non-current liabilities		
Long-term debt	2,696	1,537
Deferred tax liabilities	691	390
Deferred tax liabilities - revaluation	840	849
Reserve for retirement benefits	1,668	939
Long-term accounts payable - other	626	618
Total non-current liabilities	6,523	4,336
Total liabilities	29,053	23,500
Net assets		
Shareholders' equity		
Common stock	9,926	9,926
Capital surplus		
Legal capital surplus	11,458	11,458
Other capital surplus	47	72
Total capital surplus	11,506	11,531
Retained earnings		
Legal retained earnings	1,032	1,032
Other retained earnings	37,661	40,434
Reserve for retirement allowances	900	900
Reserve for dividends	790	790
Reserve for advanced depreciation of fixed assets	62	62
General reserve	1,500	1,500
Retained earnings brought forward	34,408	37,182
Total retained earnings	38,693	41,466
Treasury stock	(4,008)	(3,989)
Total shareholders' equity	56,118	58,934
Valuation and translation adjustments		
Unrealized holding gain on securities	5,049	3,302
Revaluation reserve for land, net of tax	936	876
Total valuation and translation adjustments	5,985	4,178
Total net assets	62,104	63,112
Total liabilities and net assets	91,157	86,613

(2) Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	93,357	78,503
Cost of sales	76,901	65,237
Gross profit	16,456	13,266
Selling, general and administrative expenses	10,735	10,740
Operating income	5,720	2,525
Other income		
Interest and dividend income	2,085	2,369
Foreign exchange gain	807	—
Subsidy income	100	100
Rent income	100	100
Others	179	109
Total other income	3,273	2,680
Other expenses		
Interest expense	46	65
Foreign exchange loss	—	150
Loss on sales of notes payable	1	0
Others	0	2
Total other expenses	47	220
Ordinary income	8,946	4,985
Extraordinary income		
Gain on sales of fixed assets	0	0
Gain on sales of investment securities	20	827
Total extraordinary income	21	828
Extraordinary loss		
Loss on sales of fixed assets	—	83
Loss on retirement of property, plant and equipment	2	0
Loss on valuation of investment securities	—	100
Total extraordinary loss	2	184
Income before income taxes	8,965	5,629
Income taxes - current	1,462	726
Income taxes - deferred	55	375
Total income taxes	1,517	1,101
Profit	7,448	4,527

(3) Non-consolidated Statements of Changes in Net Assets

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

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of the year	9,926	11,458	20	11,479	1,032
Changes of items during the year					
Cash dividends	—	—	—	—	—
Profit	—	—	—	—	—
Reversal of reserve for advanced depreciation of fixed assets	—	—	—	—	—
Reversal of revaluation reserve for land	—	—	—	—	—
Acquisition of treasury stock	—	—	—	—	—
Share-based payment expenses	—	—	27	27	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the year	—	—	27	27	—
Balance at the end of the year	9,926	11,458	47	11,506	1,032

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance at the beginning of the year	900	790	62	1,500	28,656	32,940
Changes of items during the year						
Cash dividends	—	—	—	—	(1,696)	(1,696)
Profit	—	—	—	—	7,448	7,448
Reversal of reserve for advanced depreciation of fixed assets	—	—	—	—	—	—
Reversal of revaluation reserve for	—	—	—	—	—	—

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
land						
Acquisition of treasury stock	–	–	–	–	–	–
Share-based payment expenses	–	–	–	–	–	–
Net changes of items other than shareholders' equity	–	–	–	–	–	–
Total changes of items during the year	–	–	–	–	5,752	5,752
Balance at the end of the year	900	790	62	1,500	34,408	38,693

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain on securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at the beginning of the year	(2,884)	51,461	2,875	936	3,811	55,273
Changes of items during the year						
Cash dividends	–	(1,696)	–	–	–	(1,696)
Profit	–	7,448	–	–	–	7,448
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–	–
Reversal of revaluation reserve for land	–	–	–	–	–	–
Acquisition of treasury stock	(1,145)	(1,145)	–	–	–	(1,145)
Share-based payment expenses	22	49	–	–	–	49
Net changes of items other than shareholders' equity	–	–	2,174	–	2,174	2,174
Total changes of items during the year	(1,123)	4,656	2,174	–	2,174	6,830
Balance at the end of the year	(4,008)	56,118	5,049	936	5,985	62,104

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

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus			Retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings
Balance at the beginning of the year	9,926	11,458	47	11,506	1,032
Changes of items during the year					
Cash dividends	—	—	—	—	—
Profit	—	—	—	—	—
Reversal of reserve for advanced depreciation of fixed assets	—	—	—	—	—
Reversal of revaluation reserve for land	—	—	—	—	—
Acquisition of treasury stock	—	—	—	—	—
Share-based payment expenses	—	—	24	24	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the year	—	—	24	24	—
Balance at the end of the year	9,926	11,458	72	11,531	1,032

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Balance at the beginning of the year	900	790	62	1,500	34,408	38,693
Changes of items during the year						
Cash dividends	—	—	—	—	(1,789)	(1,789)
Profit	—	—	—	—	4,527	4,527
Reversal of reserve for advanced depreciation of fixed assets	—	—	(0)	—	0	—
Reversal of revaluation reserve for land	—	—	—	—	35	35

	Shareholders' equity					
	Retained earnings					
	Other retained earnings					Total retained earnings
	Reserve for retirement allowances	Reserve for dividends	Reserve for advanced depreciation of fixed assets	General reserve	Retained earnings brought forward	
Acquisition of treasury stock	–	–	–	–	–	–
Share-based payment expenses	–	–	–	–	–	–
Net changes of items other than shareholders' equity	–	–	–	–	–	–
Total changes of items during the year	–	–	(0)	–	2,773	2,773
Balance at the end of the year	900	790	62	1,500	37,182	41,466

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain on securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at the beginning of the year	(4,008)	56,118	5,049	936	5,985	62,104
Changes of items during the year						
Cash dividends	–	(1,789)	–	–	–	(1,789)
Profit	–	4,527	–	–	–	4,527
Reversal of reserve for advanced depreciation of fixed assets	–	–	–	–	–	–
Reversal of revaluation reserve for land	–	35	–	–	–	35
Acquisition of treasury stock	(6)	(6)	–	–	–	(6)
Share-based payment expenses	24	49	–	–	–	49
Net changes of items other than shareholders' equity	–	–	(1,747)	(60)	(1,807)	(1,807)
Total changes of items during the year	18	2,816	(1,747)	(60)	(1,807)	1,008
Balance at the end of the year	(3,989)	58,934	3,302	876	4,178	63,112

(4) Notes on Non-consolidated Financial Statements
(Notes on Going Concern Assumption)

There is no relevant information.

5. Others

(1) Changes in Directors and Corporate Auditors

1. Changes in Representative Directors

There is no relevant information.

2. Changes in Other Directors and Corporate Auditors (Scheduled date of change: June 19, 2025)

Candidate for new Director:

Outside Director:

Noriko Miyagi (present Outside Audit & Supervisory Board Member)

Candidate for new Audit & Supervisory Board Member:

Outside Audit & Supervisory Board Member (part-time):

Nobuko Furusawa

Director to retire:

Outside Director:

Toru Suzuki

Audit & Supervisory Board Member to retire:

Outside Audit & Supervisory Board Member (full-time):

Noriko Miyagi