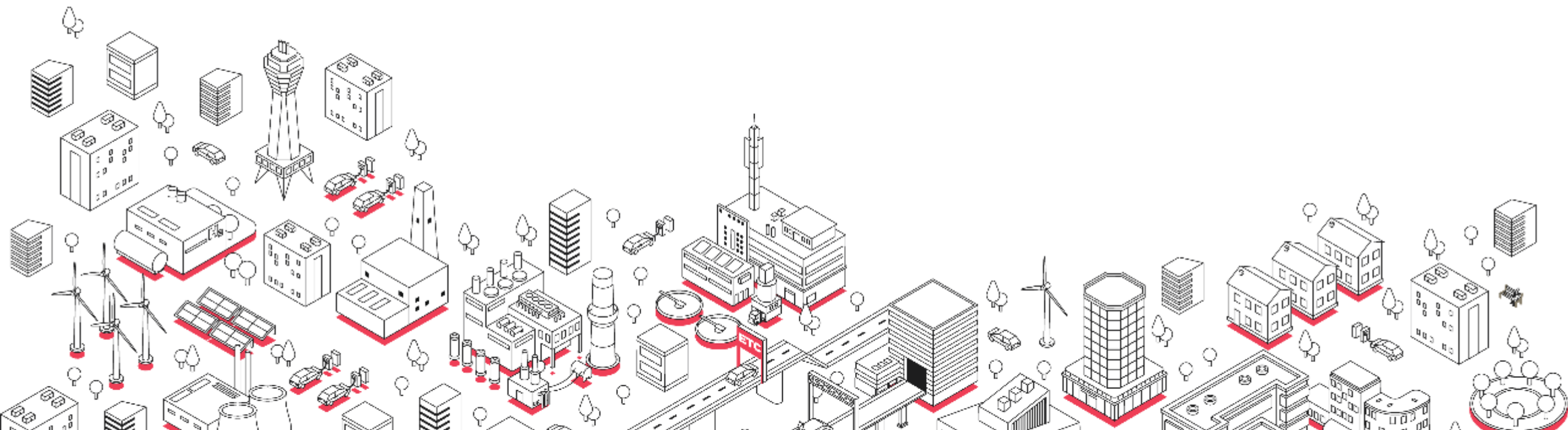


Earnings Presentation FY2025

(From April 1, 2025 to March 31, 2026)

SANSHA ELECTRIC MFG. CO., LTD. (Tokyo Stock Exchange Standard Market 6882)



Contents

- 01** Company outline
- 02** Summary of Financial Results for the FY2025
- 03** Forecast for FY2026 and Shareholder Returns
- 04** Appendix

01

Company outline



Company Highlights (As of Mar. 31, 2026)

Foundation

1933 93rd Year Since Foundation

Capital

Approx.
¥2.77 billion

Number of Shareholders

13,811
(YoY +16.2%)

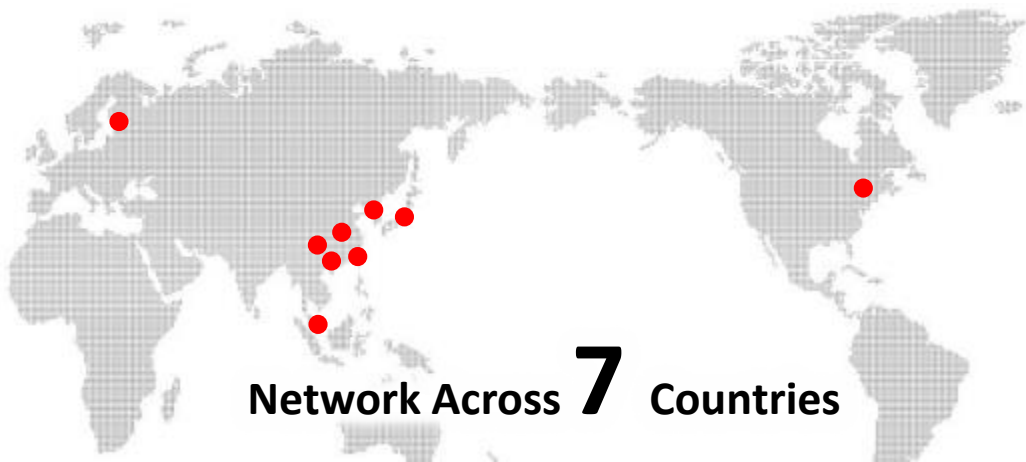
Number of Employees

1,399

Consolidated subsidiaries

Domestic 3 Overseas 6

Consolidated Business Locations



Sales Locations

United States / Finland / China / Taiwan / South Korea / Singapore / Hong Kong / Japan

Domestic Sales Locations

Osaka / Tokyo / Aichi / Fukuoka / Ishikawa

Production Sites

China (Shunde, Dongguan) / Japan (Shiga, Okayama, Nagano, Osaka)

Our Business

A Global Power Electronics Company with Strengths in Niche Markets

Semiconductor Business

Power semiconductors used in power supply systems to control high currents and voltages, unlike integrated circuit semiconductors such as CPUs and memory devices



Diode module

Ranked 5th in global market share for the thyristor and diode module market.※ 1



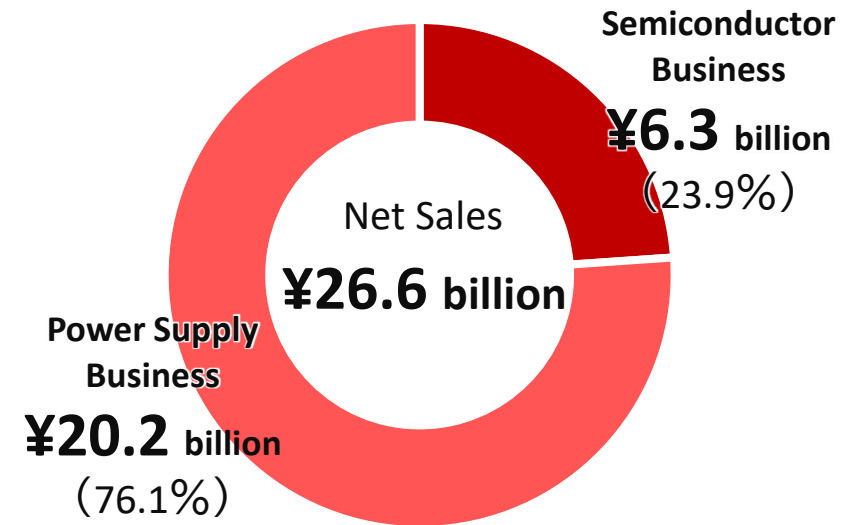
Power Supply for Surface Treatment

Ranked No. 1 in domestic market share for power supplies used in surface treatment.※ 2

Power Supply Business

A diverse range of industrial power supply systems supporting the environment and energy sector, infrastructure, and industrial facilities

Sales Composition (FY2025)

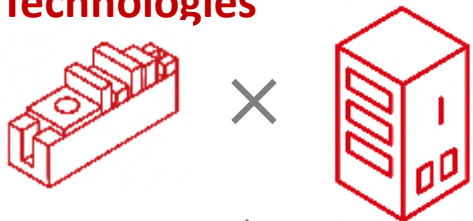


※1 : OMDIA 「Annual Power Semiconductor Reports-2023」

※2 : Estimated by Sansha Electric Manufacturing Co., Ltd. on the basis of the Japan Surface Finishing Suppliers Association:2021 Dynamic Statistics of Power Supply Sales

Our Strengths

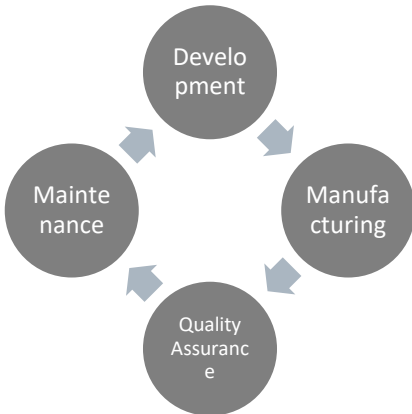
1 Optimal Design through the Integration of Core Technologies



Integration of Power Conversion and Control Technologies

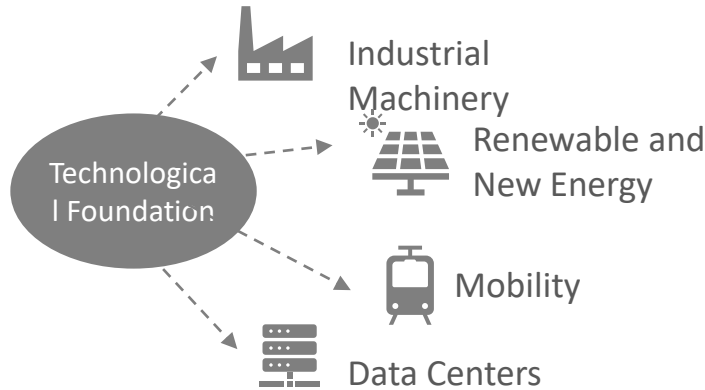
Competitive Advantage	Integration of the power conversion and control technologies of power semiconductors and power supply equipment enables optimized designs tailored to applications and operating conditions.
Value Created	Low-loss performance and stable operation improve productivity and reduce energy costs

2 Integrated Structure Covering Development through Maintenance



Competitive Advantage	An integrated structure spanning development, manufacturing, quality assurance, and maintenance delivers value throughout the product lifecycle
Value Created	Stable operation and continuous support help reduce operational risks and build long-term customer trust

3 Multi-Application Deployment Resilient to Market Fluctuations



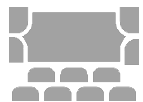
Competitive Advantage	Expanding into multiple markets based on our technological foundation, creating a diverse cross-application product portfolio
Value Created	Backed by technological expertise that enables flexible product development , we respond closely to diverse customer needs

Products of Sansha Electric Manufacturing that Support Society

Power Semiconductor

Thyristors/Diodes/ SiCs  Manufacturing facilities	Thyristors/Diodes  Welding machines	Diodes  commercial air Conditioners/ Elevators	Diodes  Solar (PV) power generation	Diodes  Auxiliary power supplies for electric railway	Triacs  Home appliances
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Power Supplies

Power conditioners for fuel cells /for water electrolysis  New energy	Power supplies for testing and evaluation  Storage battery/ Power conditioners	Power supplies for surface treatment  Smartphones/ Automobiles	Welding machines  Automobiles/ships	Uninterruptible power supplies (UPS)  Electronic toll collection (ETC)/production facilities	Electric Power Regulators  Various furnaces
Power sources for copper foil generation  Lithium ion batteries	Power supplies for light sources  Movie theaters/ TV studios, halls	Power conditioners , for fuel cells  Fuel cells	Power supplies for ozone generation  Water supply and sewage facilities	Plasma ash melting power supplies  Waste disposal plants	Small power supplies  ATMs/Medical equipment

02

Summary of Financial Results for the FY2025



Financial Highlights

- In addition to higher sales, improved added value in specific large-scale projects within the Power Supply Equipment Business contributed to a year-on-year increase in operating profit. Meanwhile, although sales in the Semiconductor Business increased, the improvement in losses remained limited due to the impact of inventory reductions.
- Ordinary profit decreased due to the recognition of investment losses from equity-method affiliates.
- Profit attributable to owners of parent decreased due to the recognition of impairment losses on certain fixed assets in the Semiconductor Business and fixed assets at overseas subsidiaries.

Net Sales

¥26,651 million

YoY Change + **1,211**

YoY % + **4.8%**

Operating Profit

¥1,386 million

YoY Change + **312**

YoY % + **29.1%**

Ordinary Profit

¥1,137 million

YoY Change **(43)**

YoY % **(3.7%)**

Profit Attributable to Owners of Parent

¥381 million

YoY Change **(121)**

YoY % **(24.2%)**

FY2025 Consolidated Financial Summary

(million yen)	FY2024	FY2025	Y to Y Increase/Decrease	%	Disclosure of earnings forecasts (2025/5/9)
Net sales	25,440	26,651	1,211	+4.8%	27,700
Operating profit	1,073	1,386	312	+29.1%	1,200
(Operating profit margin)	4.2%	5.2%			
Ordinary profit	1,180	1,137	(43)	(3.7%)	1,200
Profit attributable to owners of parent	502	381	(121)	(24.2%)	840
Earnings per share (yen)	37.80	28.65	(9.15)	(24.2%)	63.16
Capital investment	2,140	1,290	(849)	(39.7%)	—
Depreciation	905	1,006	+100	+11.1%	—
Research and development expenses	1,508	1,432	(76)	(5.1%)	—

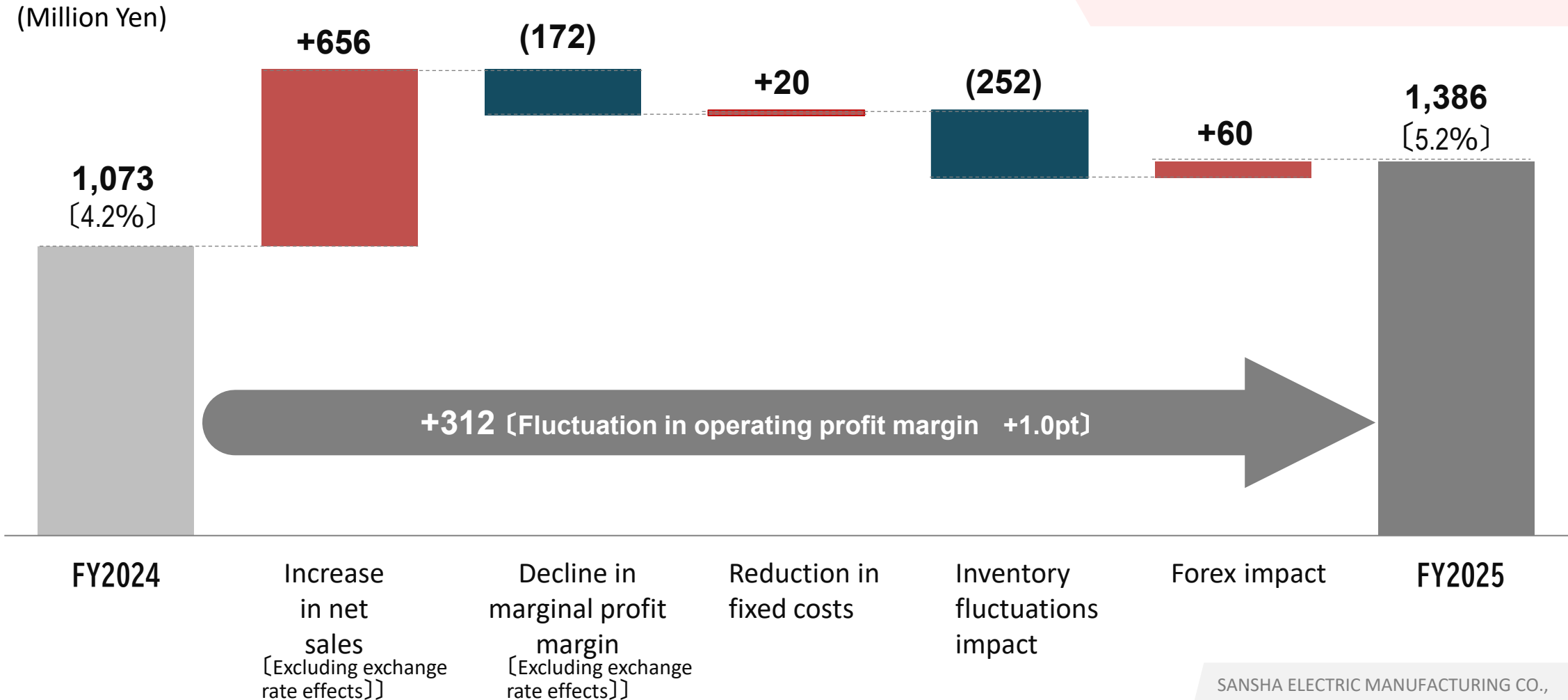
Note: The published forecast figures were revised on April 24, 2026.



Analysis of changes in operating profit (compared to previous year)

- Higher sales led to increased profits in both the Power Supply Equipment Business and Semiconductor Business.
- Year-on-year inventory reductions had a negative impact on profitability.

exchange rate	FY2024	FY2025
US dollar	152.58 yen	150.77 yen
Chinese Yuan	21.10 yen	21.25 yen



Results by Segment

Semiconductor Business

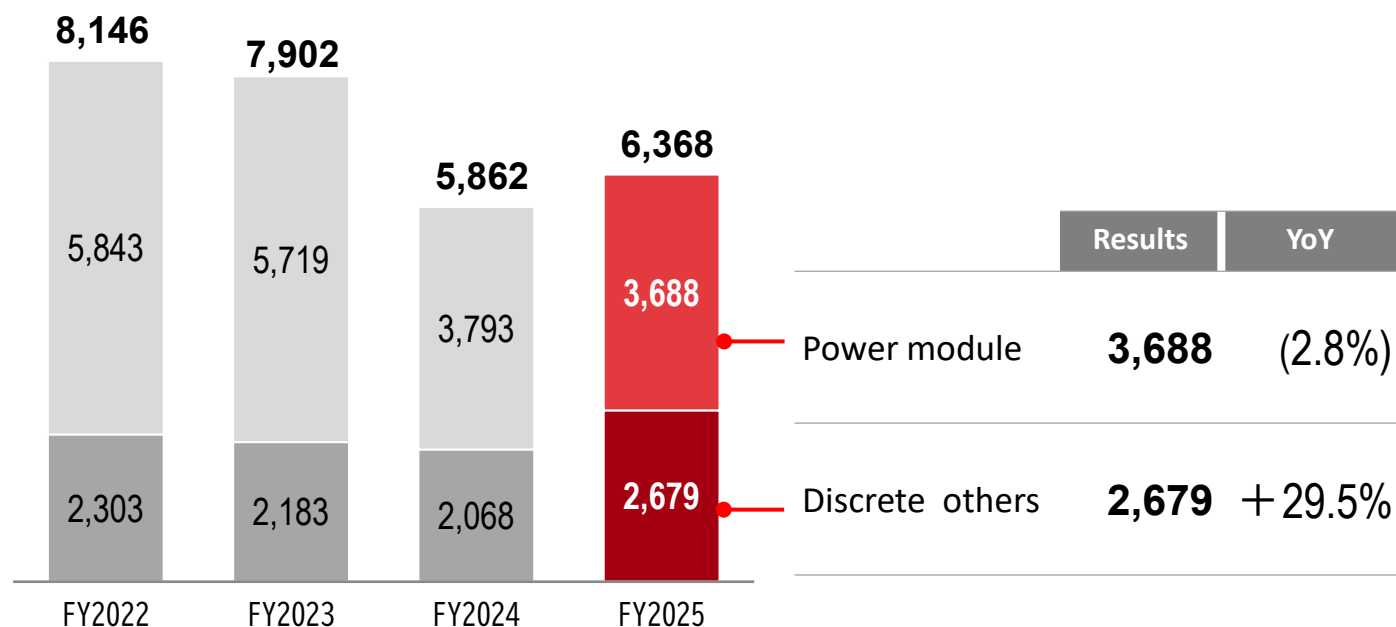
Net sales

YoY

+ ¥505 million (+8.6%)

- Wafer and chip sales increased 43.9% year on year.
- Discrete device sales increased 19.2% year on year.
- Inventory adjustments for power modules have largely concluded, and orders are showing a recovery trend.

(million yen)



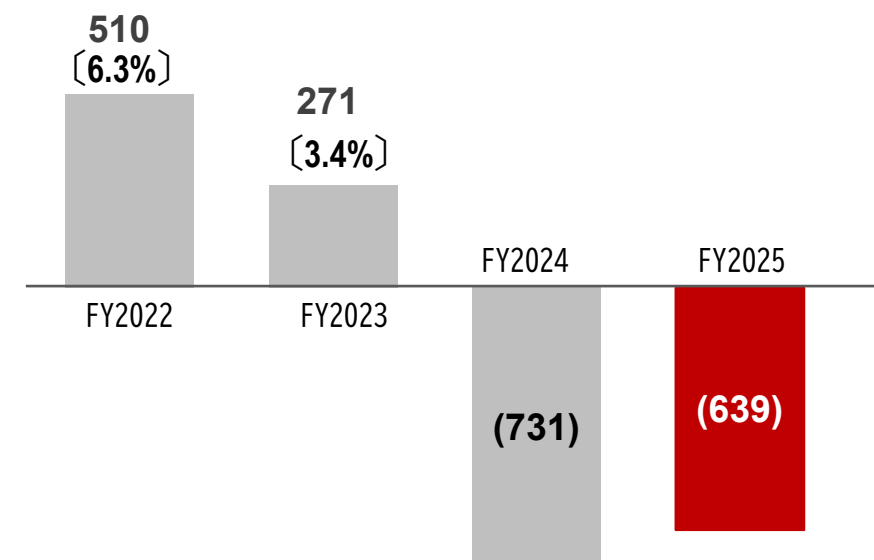
Operating profit

YoY

+ ¥91 million (—)

- Profit growth driven by higher sales
- Profit improvement remained limited due to higher fixed costs, including increased depreciation associated with capital investments.

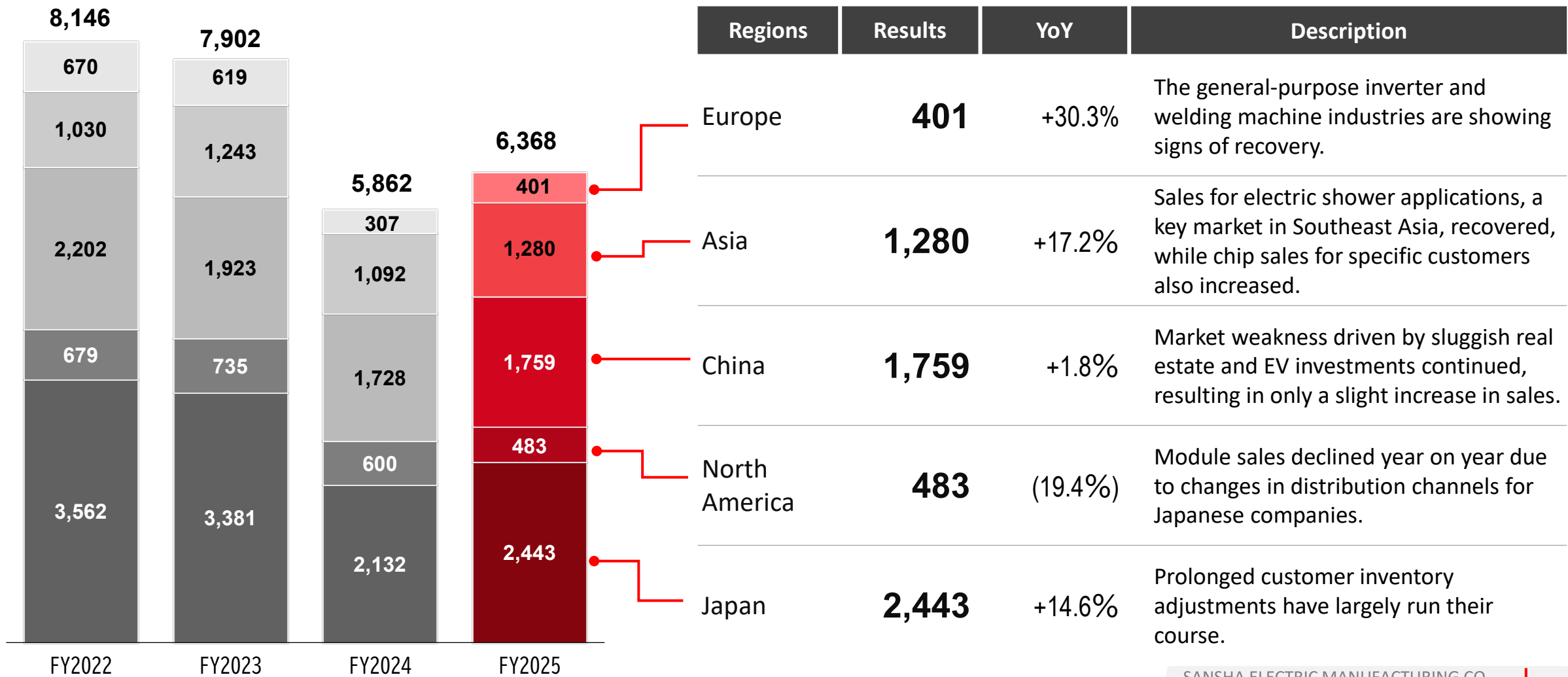
(million yen)





Regional Sales Breakdown [By Customer Location] Semiconductor Business

(million yen)



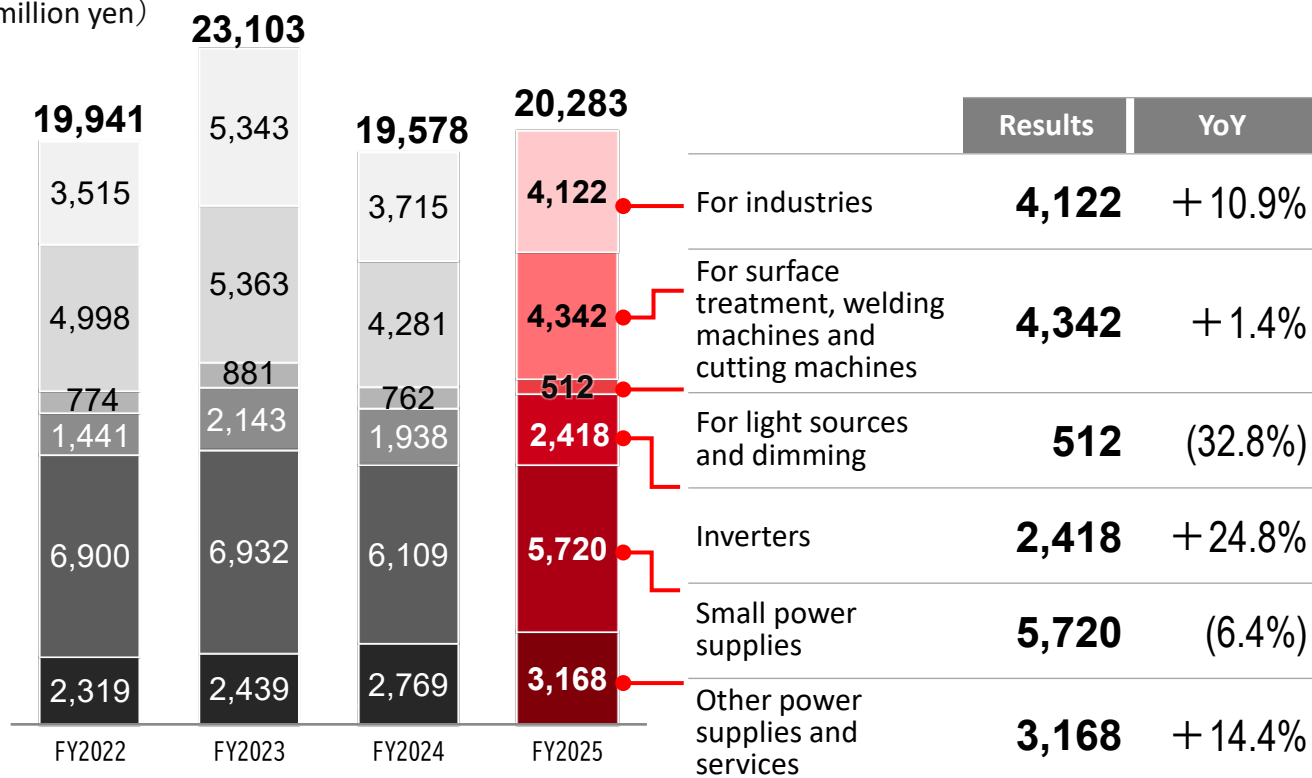
Results by Segment

Power Supply
Business

Net sales **YoY**
+¥705 million (+3.6%)

- Sales grew in applications including marine systems, metal material processing, and simulation power supplies for testing and evaluation.
- Sales of uninterruptible power supply (UPS) systems for expressways increased.
- Service sales expanded (+18%) against the backdrop of growing maintenance demand for power conditioners.

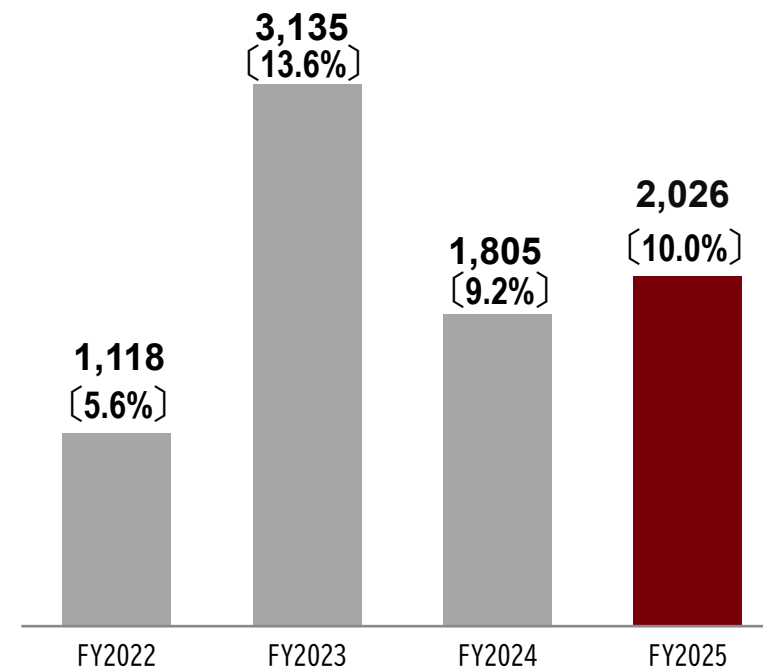
(million yen)



Operating profit **YoY**
+¥220 million (+12.2%)

- Profit growth driven by higher sales and improved added value in large-scale projects.

(million yen)



Consolidated Statement of Cash Flows

- Operating cash flow improved significantly due to lower working capital, despite a decrease in profit attributable to owners of parent.

(million yen)	FY2024	FY2025	Increase/Decrease	Factors driving the change
Net cash provided by (used in) operating activities	950	3,370	+2,419	Increase in Depreciation Expenses Decrease in Trade Receivables Decrease in Inventories
Net cash provided by (used in) investing activities	(2,392)	(1,315)	+1,076	Investment-related expenditures decreased year on year.
Free Cash Flow	(1,441)	2,056	+3,498	
Net cash provided by (used in) financing activities	1,410	(1,331)	(2,742)	Decrease in Short-Term Borrowings
Cash and cash equivalents at end of period	5,756	6,761	+1,004	

Consolidated balance sheets

(million yen)	FY2024	FY2025	Increase/Decrease	Factors driving the change	
Total assets	33,571	32,724	(847)		
Current Assets	24,900	23,974	(925)	Cash and Deposits	+1,007
				Trade Receivables	(986)
				Inventories	(639)
Non-Current Assets	8,671	8,749	+77	Property, Plant and Equipment	+181
				Intangible Assets	(65)
				Investments and Other Assets	(38)
Total Liabilities	9,230	7,798	(1,431)		
Current Liabilities	8,691	7,169	(1,522)	Trade Payables	(459)
				Short-Term Borrowings	(800)
Non-Current Liabilities	538	629	+90	Lease Liabilities	+38
				Liabilities Associated with Equity Method Investments	+124
Total Net Assets	24,341	24,925	+583		
Total liabilities and net assets	33,571	32,724	(847)		

Topics

First recipient of the “Special Jury Chairman’s Award”
at the New Energy Awards

Grid-Connected Power Conditioner Test System Supporting up to 5 MW



Recognized for its high level of technical excellence and originality, the system received an award. By adopting SiC MOSFETs, it achieved higher efficiency and compact size, while larger capacity and automated testing significantly reduced testing time.

Received the “Invention Encouragement Award”
at the Kinki Regional Commendation for Invention for the first time

Grid-Connected Inverter Technology



The Regional Commendation for Invention, established in 1921, recognizes outstanding inventions and technologies from eight regions across Japan. This technology was highly acclaimed for its practicality and contribution to regional industry.

03

Forecast for FY2026 and Shareholder Returns



Our History

A Company That Has Continued to **Solve Social Issues through Technology****1 Our Roots in Addressing Social Challenges****Contributed to Film Culture through the Development of Rectifiers**

- Developed rectifiers to stabilize movie projection systems (1933)
- Commercialized uninterruptible power supply systems (1947)

2 Industry-First and Pioneering Technologies**Pioneering Japan's First and Industry-First Innovations**

- Introduced uninterruptible tunnel lighting systems for expressways (1964)
- Developed Japan's first insulated triac (1971)
- Developed the industry's first ultra-low-current TIG welding machine (1983)

3 Globally Recognized Technologies**Earned Standard Adoption and International Recognition in Global Markets**

- U.S. movie theaters specified the use of our rectifiers (1954)
- Obtained UL certification for insulated triacs (1981)

Evolution of Our Technologies**Rectifier Technology**

1930s~



Widely adopted in film and industrial applications, helping support the development of society.

Power Semiconductor

1960s~



Through the development and commercialization of thyristors and transistors, we established control technologies and expanded their applications.

Power Supply Systems & UPS

1970s~



Contributed to power stabilization supporting social infrastructure through products such as uninterruptible power supply (UPS) systems.

Renewable Energy & Energy Sector

1990s~



Advancing efficient energy utilization through solar power conditioners and energy storage systems.

Next-Generation Technologies Including SiC

2010s~

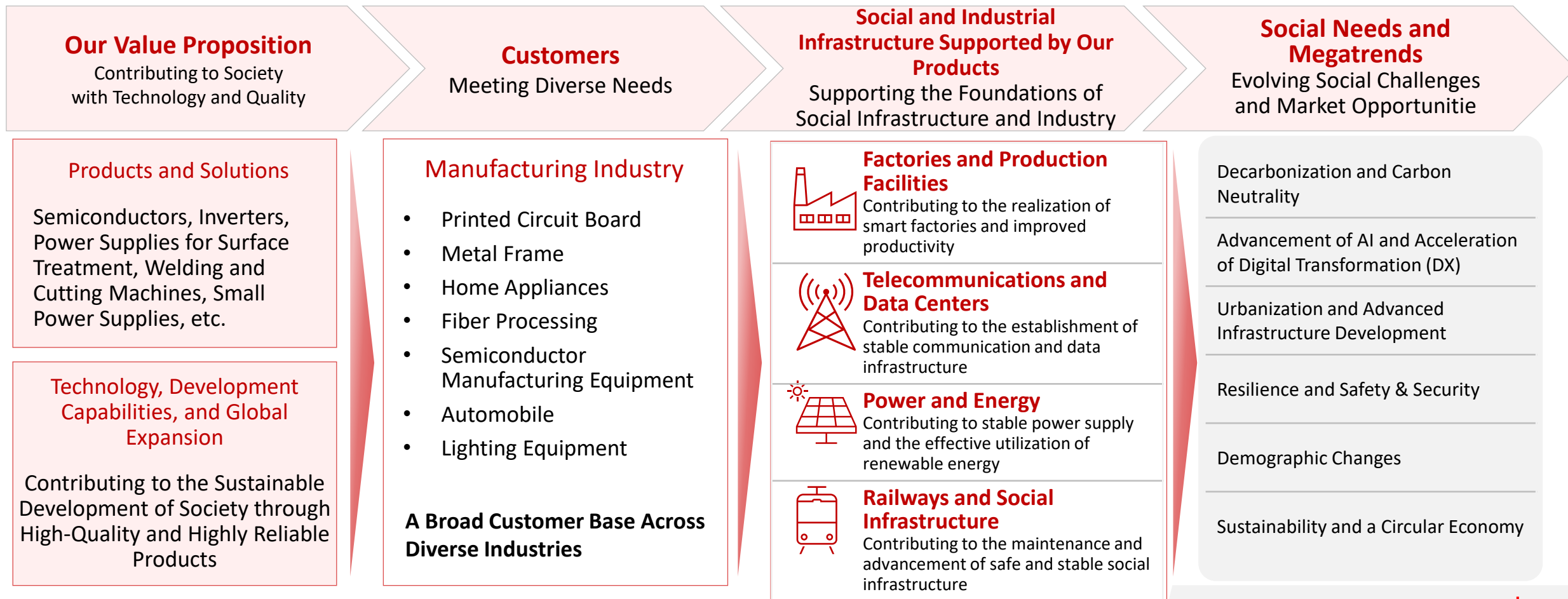


Achieving high efficiency and low loss through next-generation technologies such as SiC devices

Basic Policy

- Beginning this fiscal year, we transitioned to a business division structure to clarify profit responsibility and promote initiatives focused on key issues. At the same time, all functions will work together in an integrated manner to achieve sustainable business growth.

Our Approach to Value Creation



Business Environment – Social and Industrial Transformation Driven by the Evolution of AI –

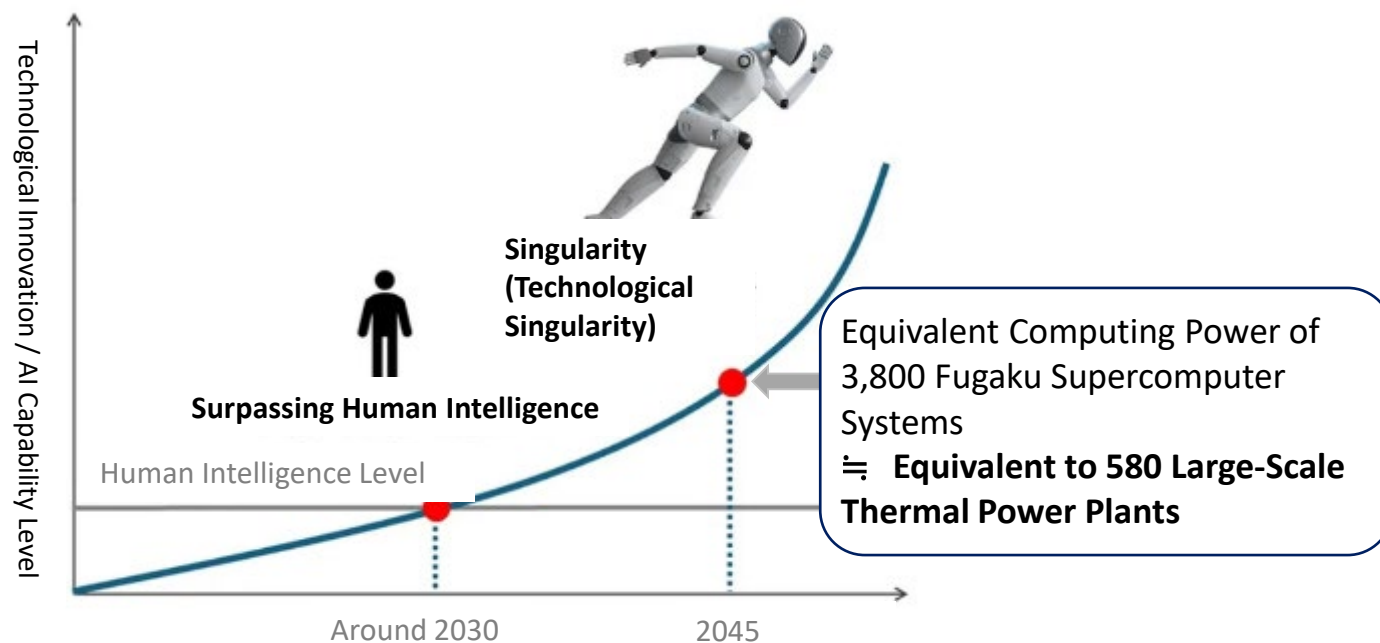
Rapid Growth
in Power Demand

Advances in distributed energy
resources are driving
a shift toward competition
in power supply and control.

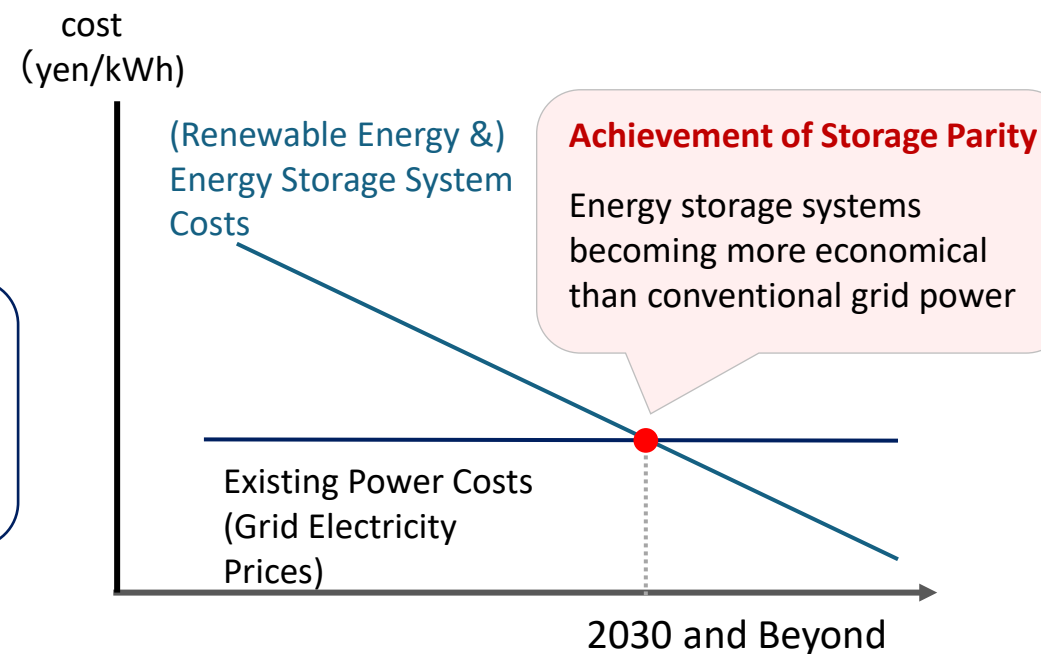
Growing Social Demand
for Power Electronics

Recognizing these changes as
business opportunities,
we are strengthening our product
planning and development capabilities

The Emergence of an Era Where Advanced AI Surpasses Human Intelligence

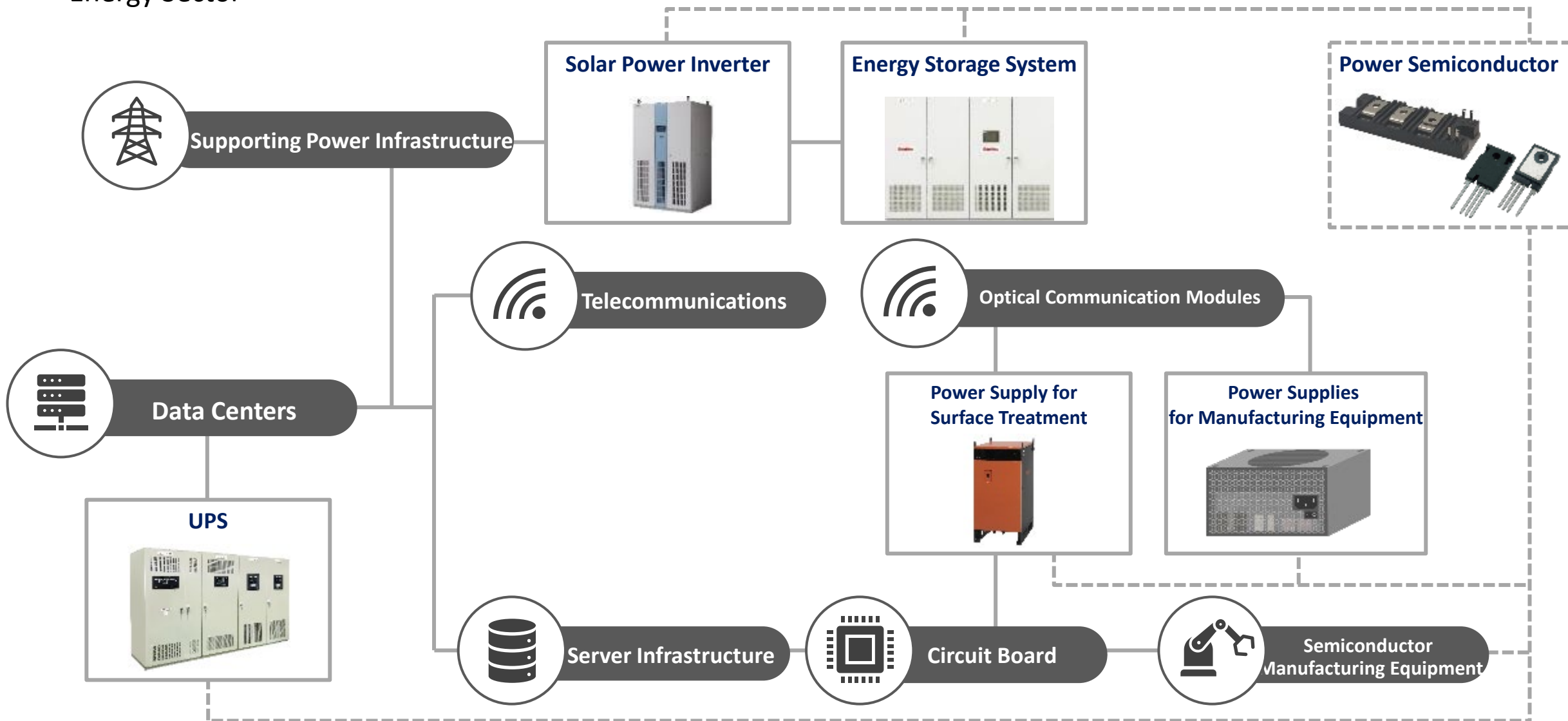


Entering an Era Where Renewable Energy and Energy Storage Become Standard Practice

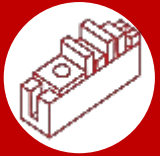


Sources : • SoftBank Business Blog, "What Is Singularity? A Clear Explanation of When It Will Occur and What the Future Holds"
• SoftBank World 2023, "Next-Generation Social Infrastructure as the Foundation for Coexistence with AI," presented by SoftBank President Miyakawa

Business Environment – Growing Expectations for Our Power Electronics Technologies in the Environment and Energy Sector –



Key Initiatives for FY2026



Semiconductor Business

Return to Profitability

Vision	Transformation of the Earnings Structure and Establishment of a Foundation for Sustainable Growth
Key Initiatives for the Fiscal Year	• Improved productivity through the operation of new facilities • Commercialization of New Products
Medium-Term Strategy	• Strengthening SiC Competitiveness • Development of High-Capacity Devices



Power Supply Business

Further Expansion in Growth Areas

Vision	Enhancing Customer Responsiveness
Key Initiatives for the Fiscal Year	• Expansion of Power Supply Equipment Sales for Data Centers • Improved productivity through the operation of new facilities
Medium-Term Strategy	• Faster Response to Custom Requirements • Lead Time Reduction (Including Design Standardization)



Growth of the Service Business

Vision	Strengthening the Foundation for Stable Earnings
Key Initiatives for the Fiscal Year	Expansion of Maintenance Services for Both Our Products and Third-Party Products
Medium-Term Strategy	Establishing a Foundation for Enhanced Maintenance Solution Proposals

Profitability Improvement (Semiconductor Business) × Growth Acceleration (Power Supply Equipment Business) × Stable Earnings (Service Business)

FY2026 Full-Year Forecast for Consolidated Results

- In the Semiconductor Business, sales are expected to increase due to a recovery in customer demand and a strategy to replace competitors' products. In the Power Supply Equipment Business, higher sales are anticipated in precision surface treatment applications for circuit boards.
- Operating profit margin declined due to rising material costs, increased depreciation associated with the operation of facilities invested in through the previous fiscal year, and higher development expenses for future growth.

(million yen)	FY2024 Results	FY2025 Forecast	Y o Y	
			Increase/Decrease	%
Net sales	26,651	28,000	+1,348	+5.1%
Semiconductor Business	6,368	7,100	+731	+11.5%
Power Supply Business	20,283	20,900	+616	+3.0%
Operating profit	1,386	1,300	(86)	(6.2%)
Operating Profit Margin	5.2%	4.6%		
Semiconductor Business	(639)	100	+739	—
Power Supply Business	2,026	1,200	(826)	(40.8%)
Ordinary profit	1,137	1,300	+ 162	+ 14.3%
Profit attributable to owners of parent	381	910	+528	+138.7%
Earnings per share(yen)	28.65	68.39	+ 39.74	+138.7%

Shareholder Returns

Based on a policy of stable dividends, the minimum dividend level is set at either a **30%** dividend payout ratio or **¥40** per share annually.

We will prioritize the allocation of profits to growth investments and strengthening competitiveness, while delivering sustainable shareholder returns.

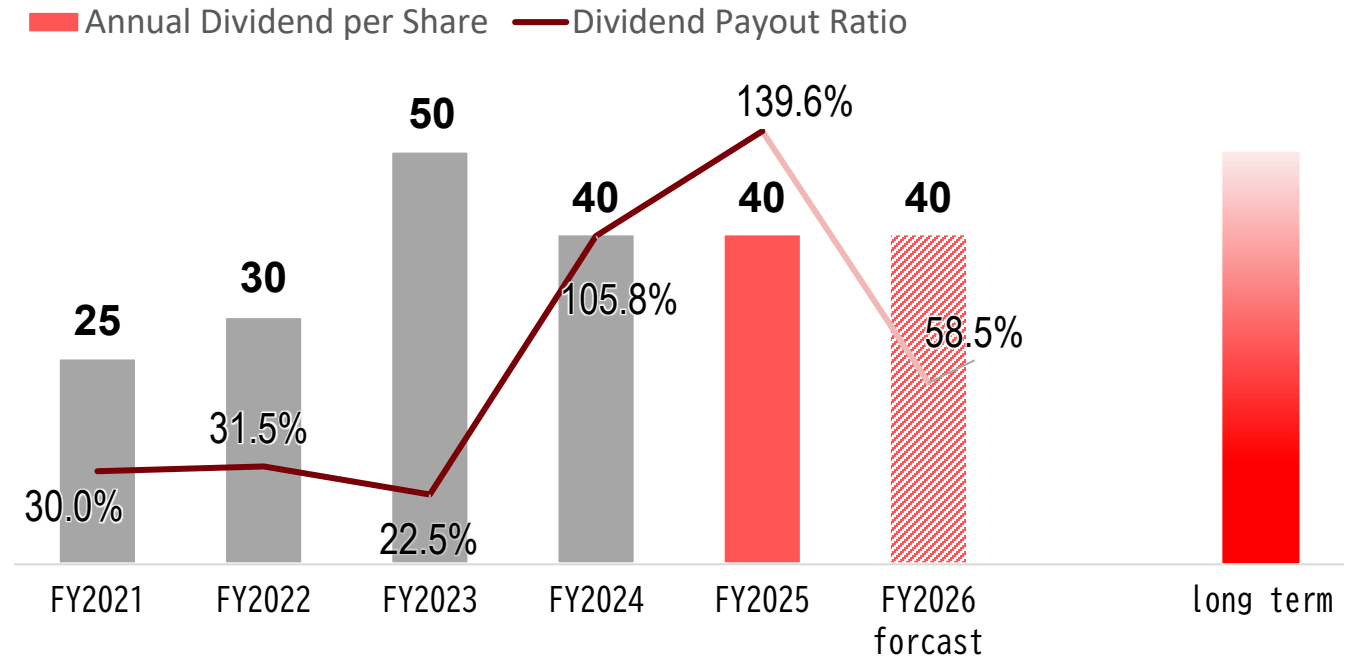
FY2026 dividends(forecast)

Annual Dividend per share **40** yen

Dividend Yield **4.3%** (As of March 31, 2026)

We will maintain stable dividends while aiming to enhance corporate value over the medium to long term.

Dividend per share and dividend payout ratio



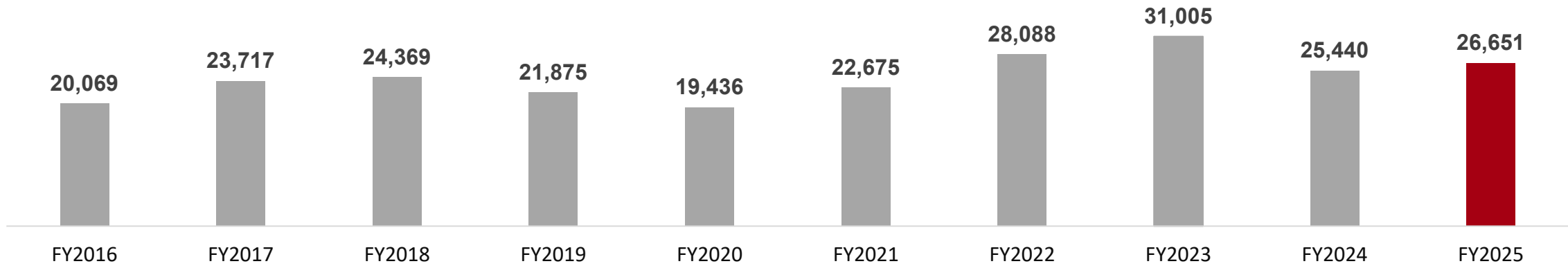
Notice: FY2023 includes a commemorative dividend of 5 yen for the 90th anniversary of the company's founding



Consolidated Financial Results

Net Sales

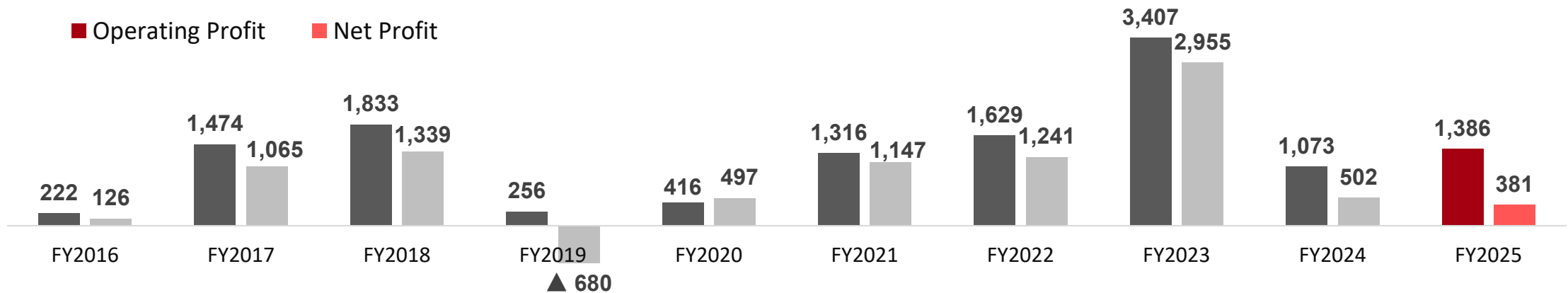
(million yen)



Operating Profit

(million yen)

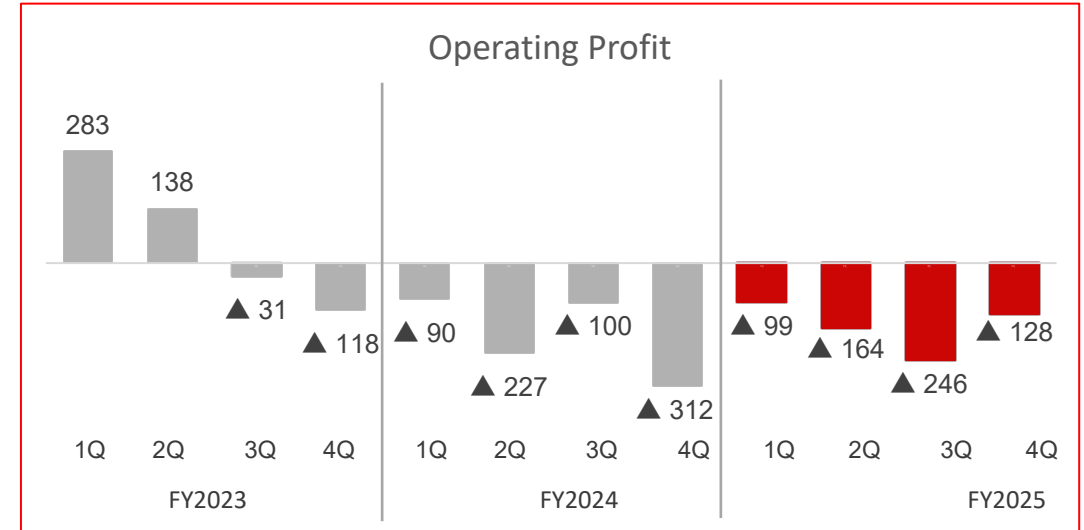
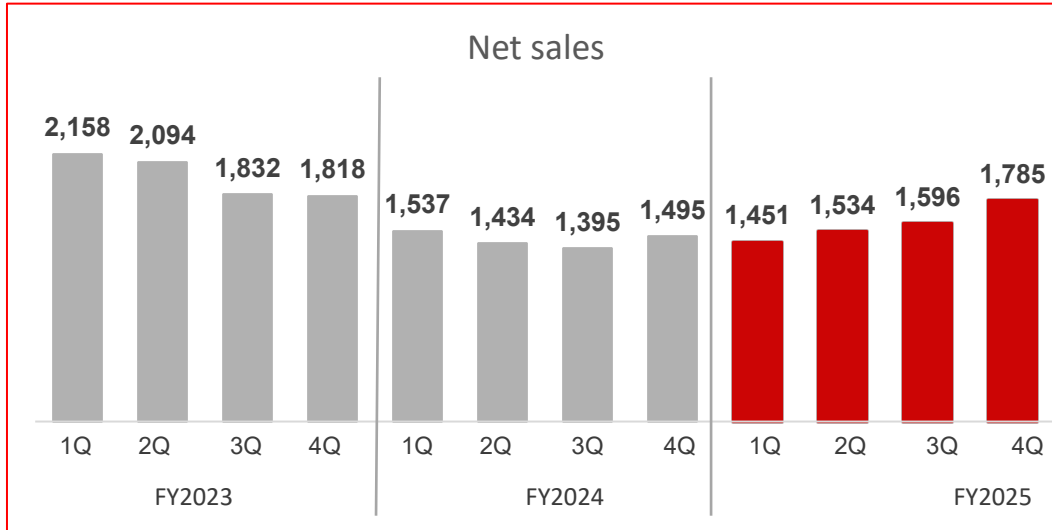
■ Operating Profit ■ Net Profit



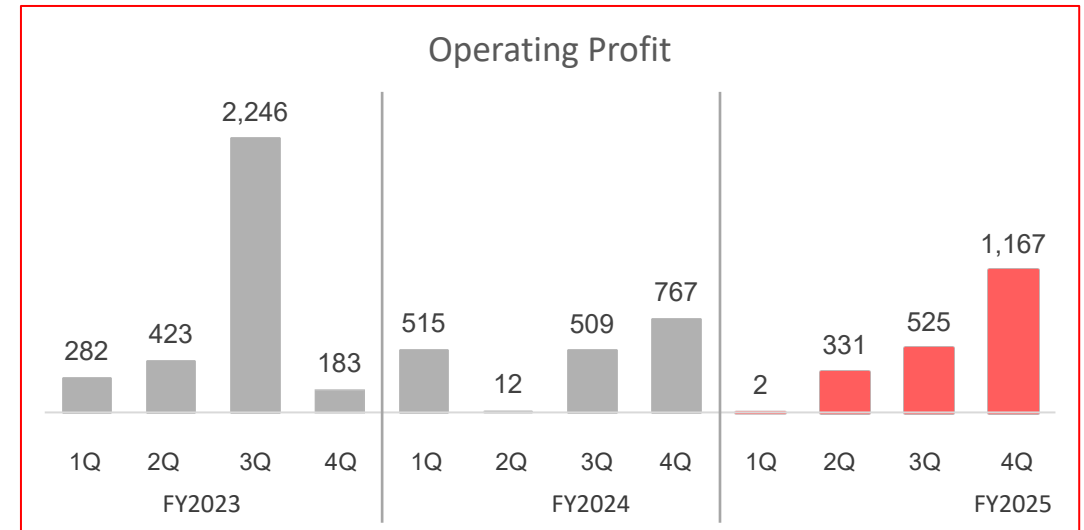
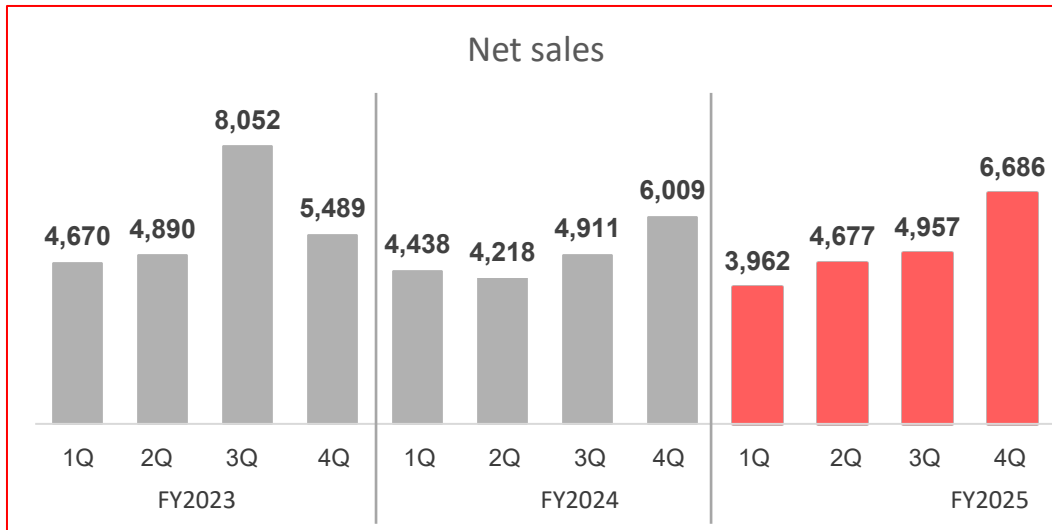
Consolidated Quarterly Results

(million yen)

Semiconductor Business



Power Supply Business



Purpose and Vision

Purpose

Moving society forward with power electronics and creativity

Vision

Global Power Solution Partner

specific elements that we aim to obtain in the long term

Technology



We will have world-leading technologies related to power electronics, which have been our strength since our founding.

Solution



Capitalizing on power electronics technologies, we will thoroughly identify customers' problems and resolve them.

Global



Taking a global perspective, we will operate our business on a wholly global scale.

Trust



We will earn the unrivaled trust of society for our quality and sincerity.

Notice

1. The future forecasts regarding performance and other matters included in the materials for this presentation are based on certain assumptions that the company deems reasonable, using information available at this time. Actual performance may differ from these forecasts due to various factors.
2. The materials for this presentation are intended for the purpose of providing information and do not constitute an invitation to trade the company's stock.
3. This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.