SanRex

November 9, 2026

Earnings Presentation

FY2026 2Q

(From April 1, 2026 to September 30, 2026)

SANSHA ELECTRIC MFG. CO., LTD.

（Tokyo Stock Exchange Standard Market　6882）



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01 Company outline

Company Highlights（As of Sep. 30, 2026）

Foundation

1933 **93**rd Year Since Foundation

Capital

Approx.
¥2.77 billion

Number of Shareholders

12,526
YoY +3.6%

Number of Employees

1,415
vs. FY-end +16

Consolidated subsidiaries

Domestic **3** Overseas **6**

Consolidated Business Locations



Network Across 8 Countries

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 Business

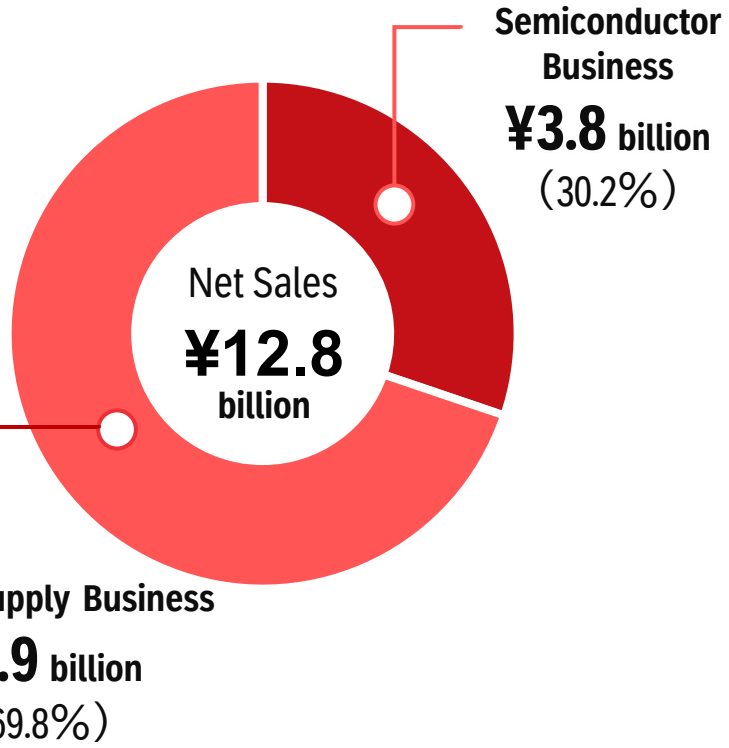
A diverse range of industrial power supply systems supporting the environment and energy sector, infrastructure, and industrial facilities



Power Supply for Surface Treatment

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

Sales Composition （FY2026 2Q)



※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 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)
- Delivered one of Japan's largest power supply evaluation systems to the Fukushima Renewable Energy Institute of the National Institute of Advanced Industrial Science and Technology (2014 and 2024).

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	Power Semiconductor	Power Supply Systems & UPS	Renewable Energy & Energy Sector	Next-Generation Technologies Including SiC
1930s～	1960s～	1970s～	1990s～	2010s～
				
Widely adopted in film and industrial applications, helping support the development of society.	Through the development and commercialization of thyristors and transistors, we established control technologies and expanded their applications.	Contributed to power stabilization supporting social infrastructure through products such as uninterruptible power supply (UPS) systems.	Advancing efficient energy utilization through solar power conditioners and energy storage systems.	Contributing to technological development in the renewable energy sector through SiC technology.

Our Strengths

1 Optimal Design through the Integration of Core Technologies



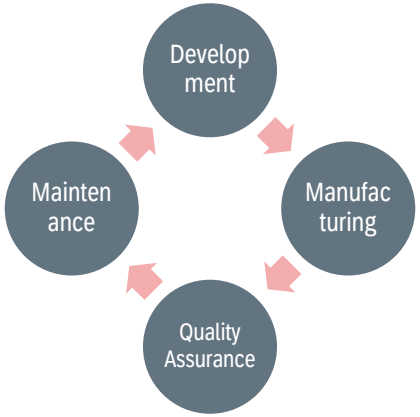
Semiconductor × Power Supply



Integration of Power Conversion and Control Technologies

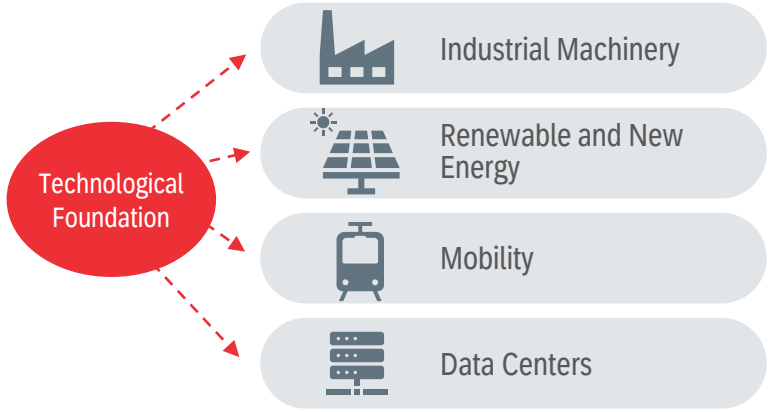
Competitive Advantage	Integration of the power conversion and control technologies of power semiconductors and power supply equipment enables optimized designs tailored to applications and operating conditions.
Value Created	**Low-loss performance and stable operation** improve productivity and reduce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



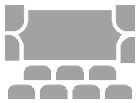
Competitive Advantage	Expanding into multiple markets based on our technological foundation, creating a diverse cross-application product portfolio
Value Created	Backed by **technological expertise that enables flexible product development**, we respond closely to diverse customer needs

Products of Sansha Electric Manufacturing that Support Society

Power Semiconductor

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

Power Supplies

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

02 Summary of Financial Results for the 2Q of FY2026

Basic Policy

Through our Group's technologies and products, we aim to contribute to solving societal and industrial challenges and achieve sustainable growth

Our Approach to Value Creation

Our Value Proposition
Contributing to Society with Technology and Quality

Products and Solutions

Semiconductors, Inverters, Power Supplies for Surface Treatment, Welding and Cutting Machines, Small Power Supplies, etc.

Technology, Development Capabilities, and Global Expansion

Contributing to the Sustainable Development of Society through High-Quality and Highly Reliable Products

Customers
Meeting Diverse Needs

Manufacturing Industry

- Printed Circuit Board
- Metal Frame
- Home Appliances
- Fiber Processing
- Semiconductor Manufacturing Equipment
- Automobile
- Lighting Equipment

A Broad Customer Base Across Diverse Industries

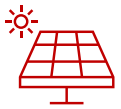
Social and Industrial Infrastructure Supported by Our Products
Supporting the Foundations of Social Infrastructure and Industry



Factories and Production Facilities
Contributing to the realization of smart factories and improved productivity



Telecommunications and Data Centers
Contributing to the establishment of stable communication and data infrastructure



Power and Energy
Contributing to stable power supply and the effective utilization of renewable energy



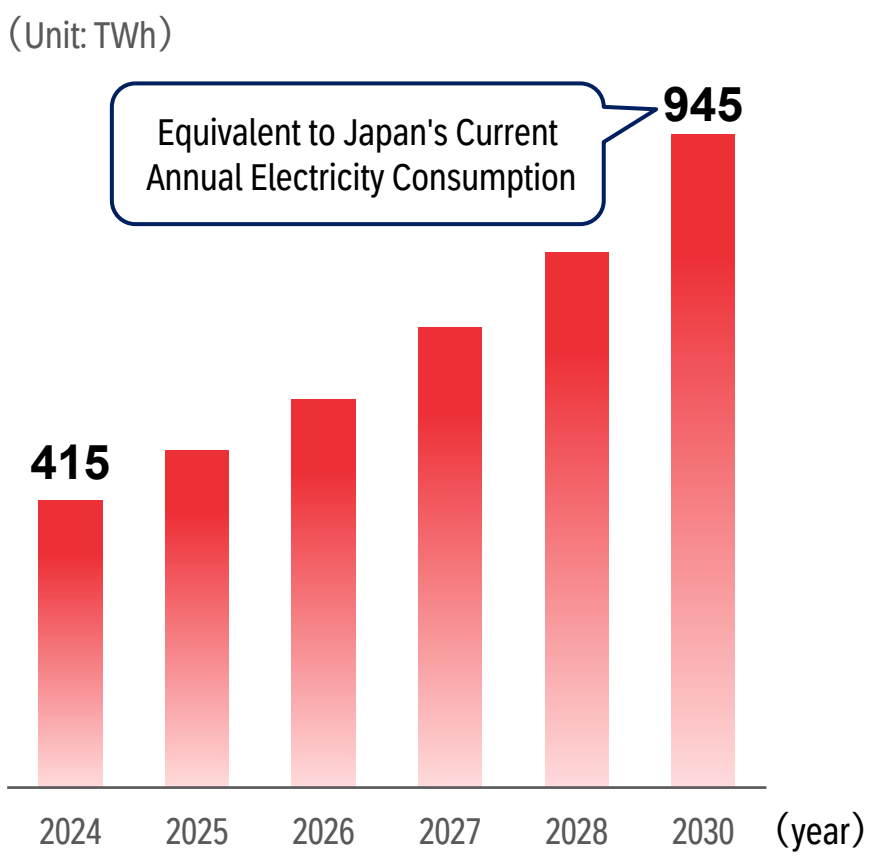
Railways and Social Infrastructure
Contributing to the maintenance and advancement of safe and stable social infrastructure

Social Needs and Megatrends
Evolving Social Challenges and Market Opportunitie

- Decarbonization and Carbon Neutrality
- Advancement of AI and Acceleration of Digital Transformation (DX)
- Urbanization and Advanced Infrastructure Development
- Resilience and Safety & Security
- Demographic Changes
- Sustainability and a Circular Economy

Market Environment – Data Center Market Trends

Global Data Center Electricity Consumption



Source: International Energy Agency (IEA), Energy and AI

AI and Data Center-Related Investments by Japanese Companies

AI / Data Centers, Servers

- ✓ Plans for large-scale AI data centers are progressing in Japan.
- ✓ Capital investment in GPU servers for generative AI and related equipment is expanding.

Optical Fibers and Optical Cabling

- ✓ Optical fiber production capacity is being expanded to meet growing communication demand.
- ✓ Capital investment in optical cabling for high-speed communications is increasing.

Thermal Management and Cooling Products

- ✓ Demand for cooling products is growing as AI servers become more powerful.
- ✓ Production capacity for liquid cooling modules and related products is expanding.

Electronic Materials for AI Servers

- ✓ Demand for materials used in high-density, high-layer-count circuit boards is growing.
- ✓ Production capacity for high-performance circuit board materials is expanding.

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

Supporting Power Infrastructure

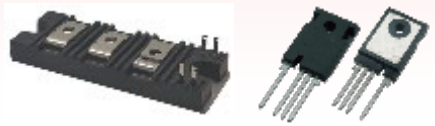
Solar Power Inverter



Energy Storage System



Power Semiconductor



Telecommunications

Optical Communication Modules

Data Centers

UPS

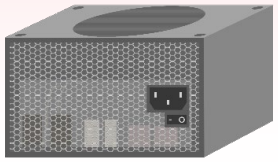


Power Supplies Supporting Stable Data Center Operations

Power Supply for Surface Treatment



Power Supplies for Manufacturing Equipment



Server Infrastructure

Circuit Board

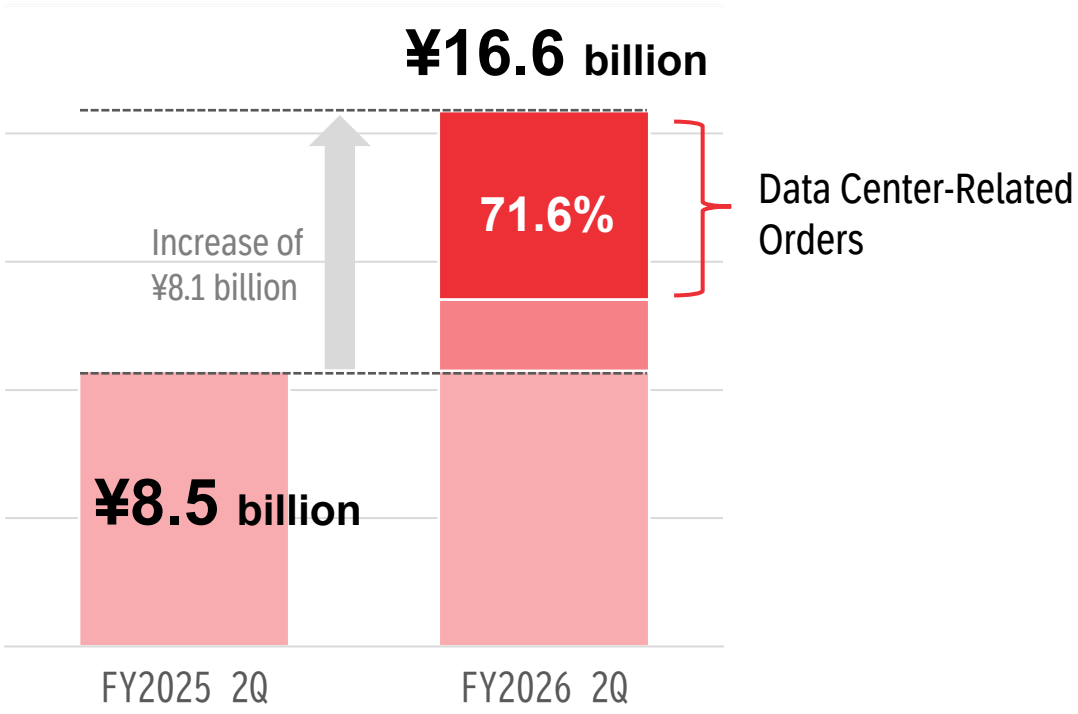
Semiconductor Manufacturing Equipment

Data Center-Related Order Trends

Power Supply Business

Orders Received (FY2026 Q2)

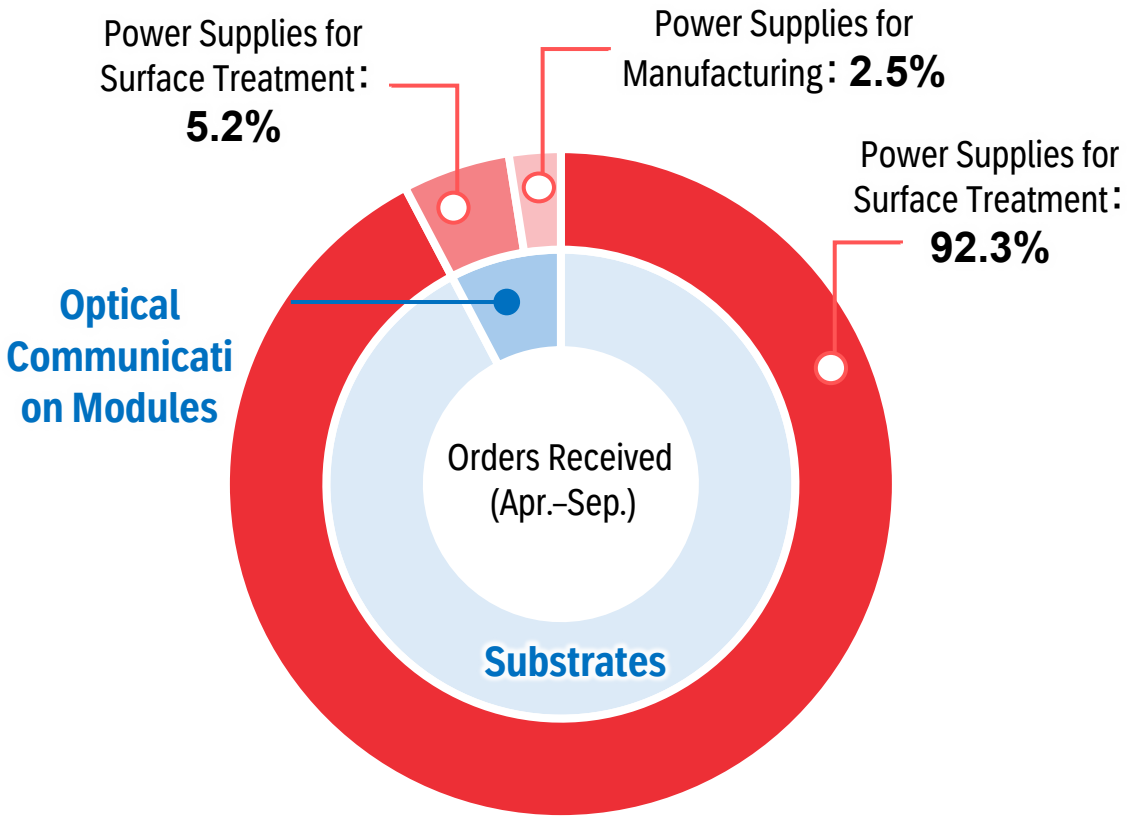
- Order Value: YoY **+94.3%**
- **71.6%** of the increase in orders came from data center-related demand.



Note: Figures are for Sansha Electric Manufacturing Co., Ltd. on a non-consolidated basis.

Breakdown of Data Center-Related Orders by Product Category

- Power Supplies for Surface Treatment Account for the Majority of Orders



Note: Figures are for Sansha Electric Manufacturing Co., Ltd. on a non-consolidated basis.

Financial Highlights

01 Solid Orders in Growth Markets

Orders remained solid, driven by strengthened sales activities targeting robust AI and data center-related capital investment.

02 Higher Sales Offset Rising Costs, Driving Profit Growth

Despite higher costs due to rising raw material and component prices, profit increased year on year, driven by higher sales.

Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent
12,804 million	**500** million	**431** million	**243** million
YoY Change **+1,178** million	YoY Change **+431** million	YoY Change **+361** million	YoY Change **+273** million
YoY % +10.1%	YoY % +630.3%	YoY % +511.6%	YoY % -

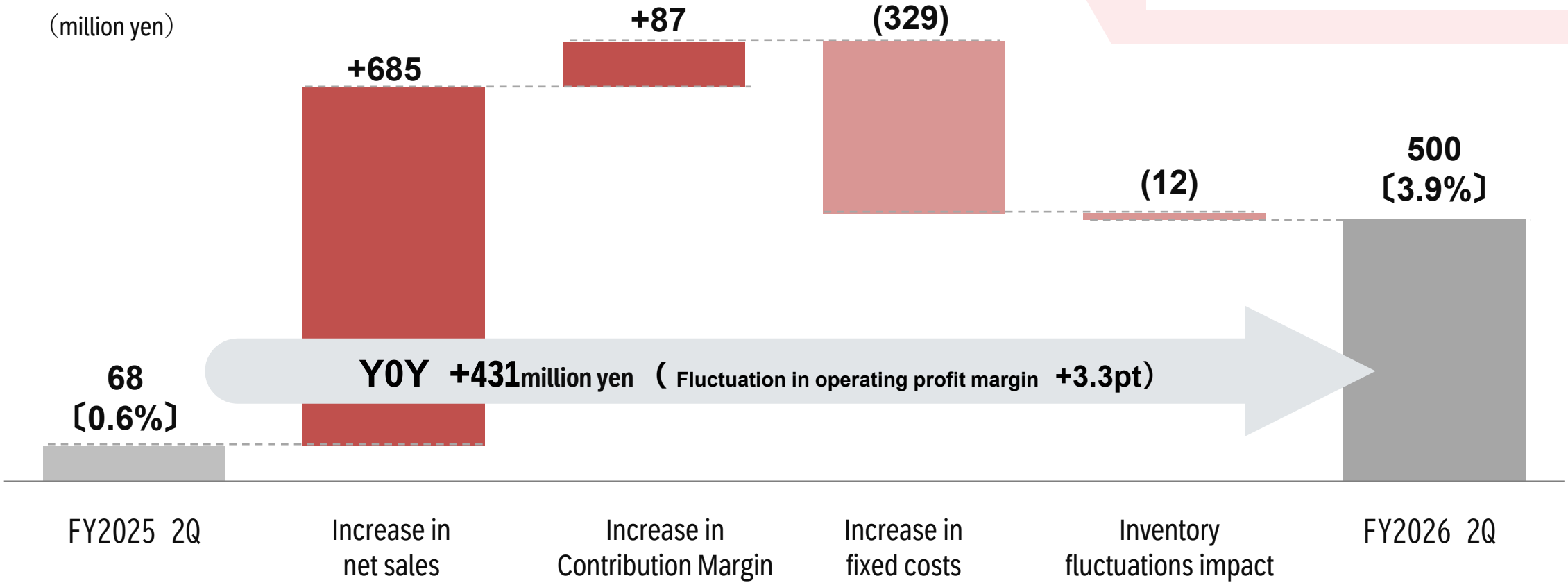
FY2026 2Q Consolidated Financial Summary

(million yen)	FY2025 2Q	FY2026 2Q	YoY Increase/Decrease	YoY Percentage change
Net sales	11,626	12,804	+1,178	+10.1%
Operating profit	68	500	+431	+630.3%
Operating profit margin	0.6%	3.9%		
Ordinary profit	70	431	+361	+511.6%
Profit attributable to owners of parent	(29)	243	+273	—
Earnings per share (yen)	(2.24)	18.30	+20.54	—
Capital investment	691	231	(460)	(66.6%)
Depreciation	504	504	0	+0.1%
Research and development expenses	732	787	54	+7.5%

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

- Increased by **¥431 million** year on year, driven by higher sales and an improved contribution margin ratio.

exchange rate	FY2025 2Q	FY2026 2Q
US dollar	146.04 yen	159.37 yen
Chinese Yuan	20.30 yen	23.52 yen



Note: The impact of foreign exchange fluctuations compared with the same period of the previous year was +¥105 million.

Results by Segment

Semiconductor Business

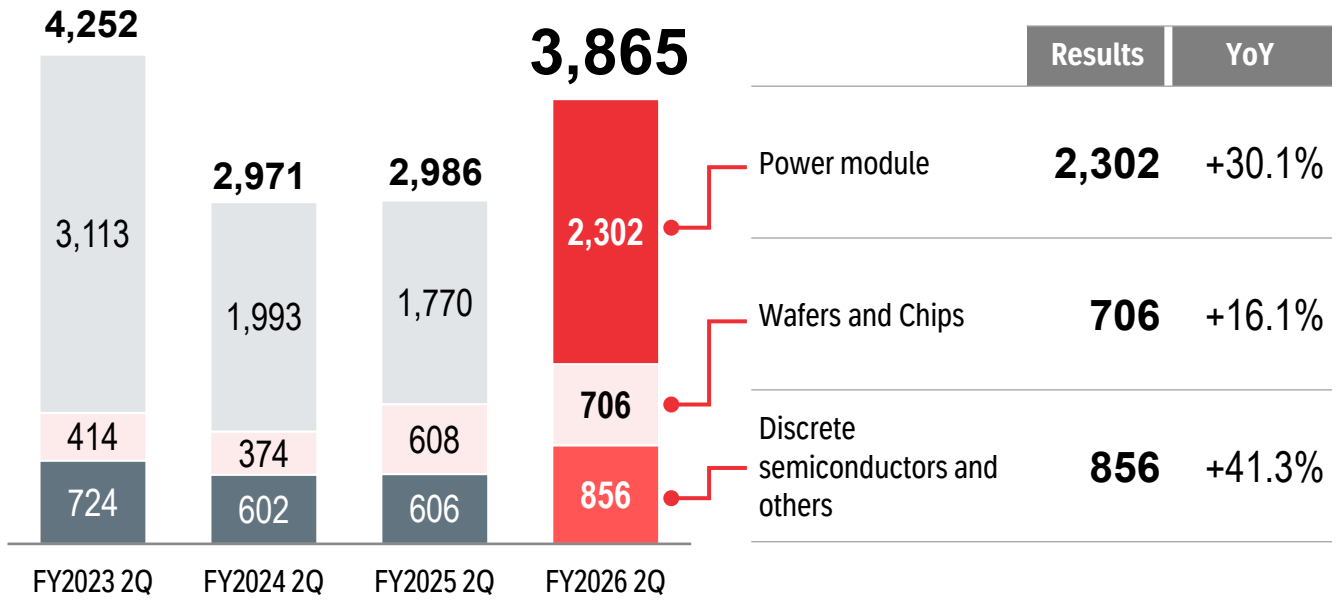
Net sales

YoY

+879 million (+29.4%)

- Demand recovered, supported by strong AI and data center-related capital investment.
- Demand recovered significantly across all product categories, particularly for power modules used in inverters, our core products.

(million yen)



	Results	YoY
Power module	2,302	+30.1%
Wafers and Chips	706	+16.1%
Discrete semiconductors and others	856	+41.3%

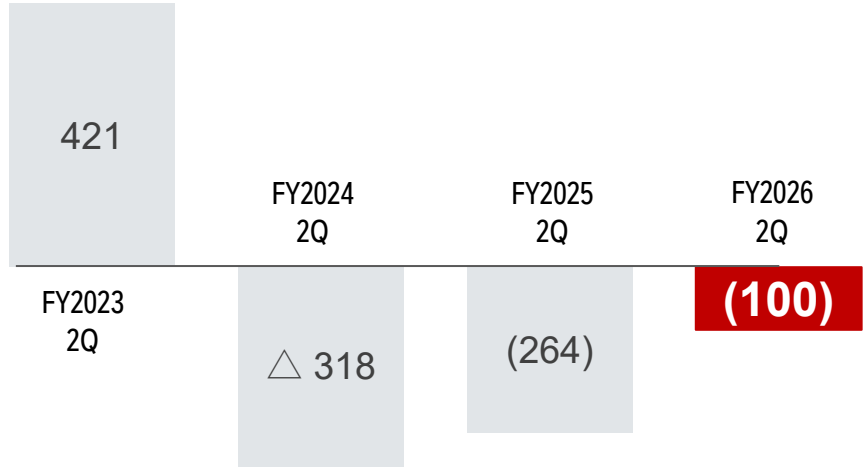
Segment Profit

YoY

+164 million (—)

- Contribution Margin Ratio Declined Due to Higher Material and Outsourcing Costs
- However, higher sales helped reduce losses year on year.

(million yen)

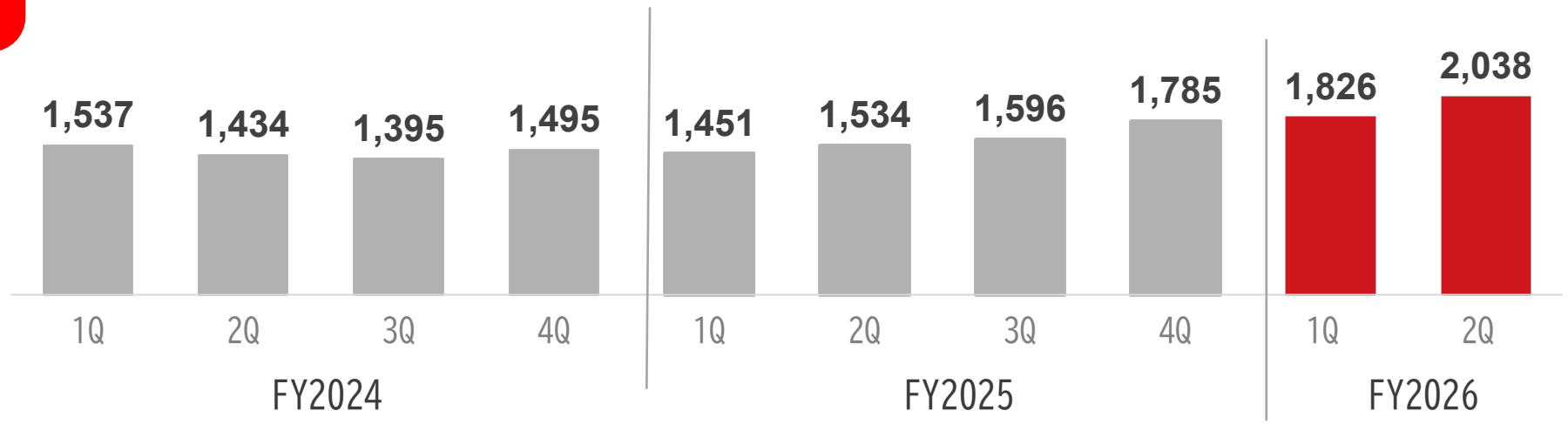


Consolidated Quarterly Results

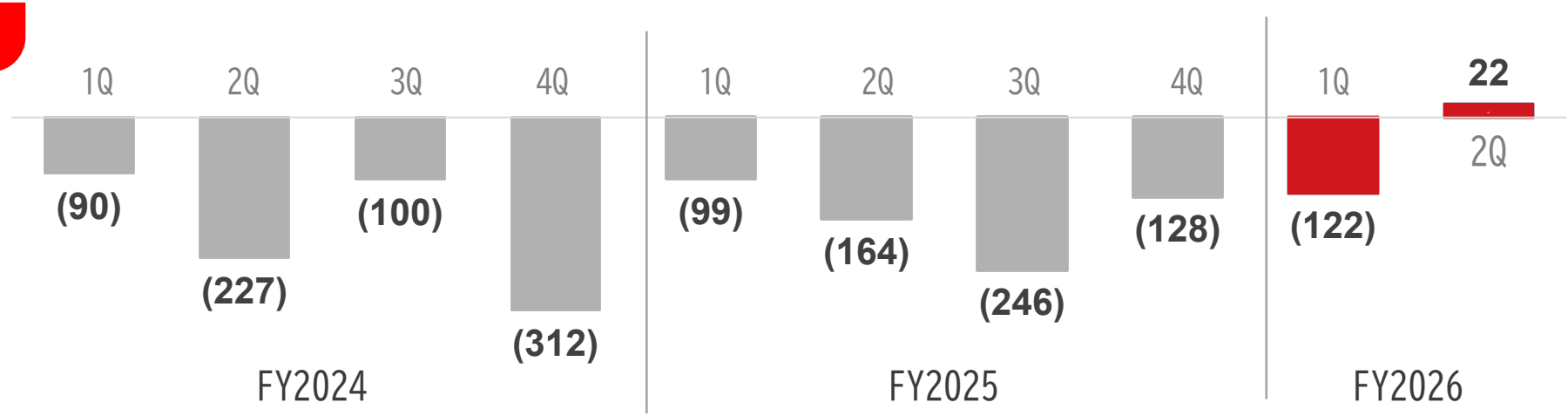
Semiconductor Business

(million yen)

Net sales



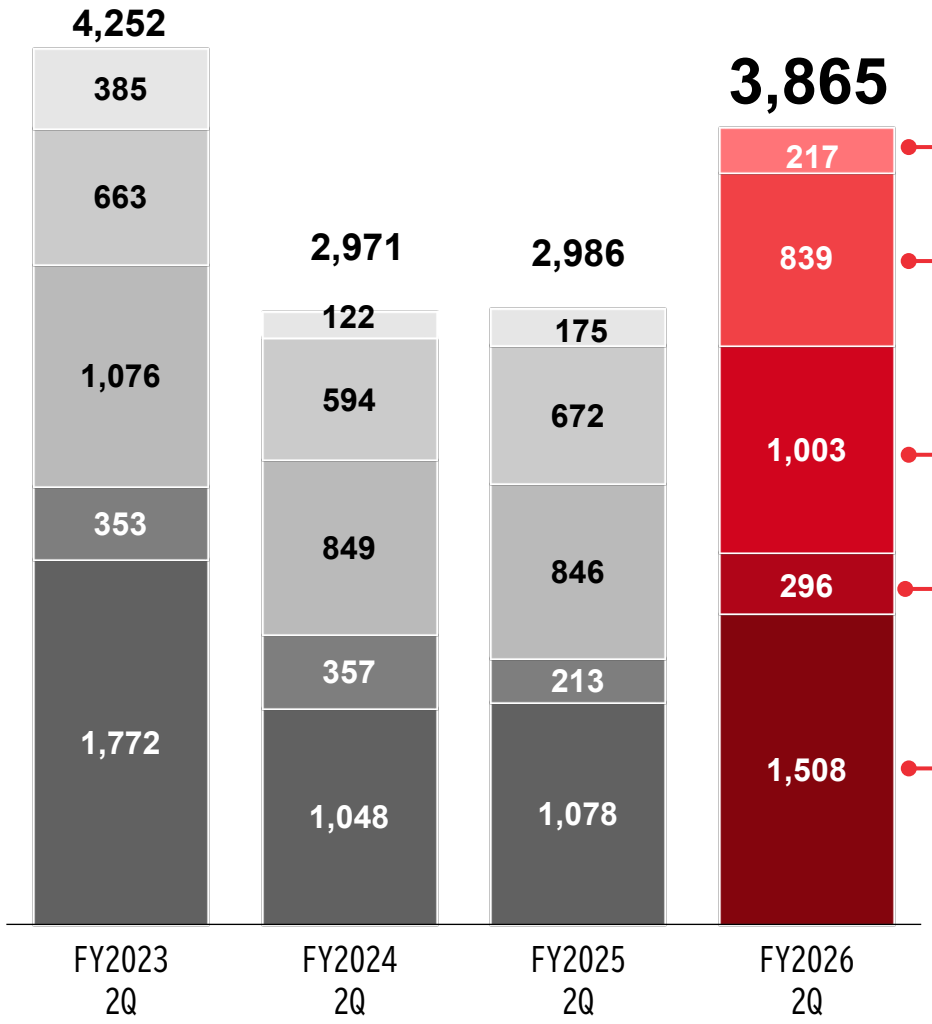
Segment Profit



Regional Sales Breakdown [By Customer Location]

Semiconductor Business

(million yen)



Regions	Results	YoY	Description
Europe	217	+23.7%	• Demand for both general-purpose inverters and welding machines is recovering. • Economic stagnation continues in Europe.
Asia	839	+24.9%	• Southeast Asia: Strong demand for shower heaters and recovering demand for power modules. • South Korea: Increasing demand for semiconductor manufacturing equipment. • Taiwan: Surging demand for general-purpose inverters, driven primarily by AI-related applications.
China	1,003	+18.6%	• Strong demand for power modules used in general-purpose inverters for AI data centers and welding machines for shipbuilding.
North America	296	+39.0%	• The recovery in the welding machine and inverter markets has continued since the second half of the previous year.
Japan	1,508	+39.9%	• Sales for industrial equipment increased significantly, driven by strong data center demand. • Increased due to the acquisition of new projects.

Results by Segment

Power Supply Business

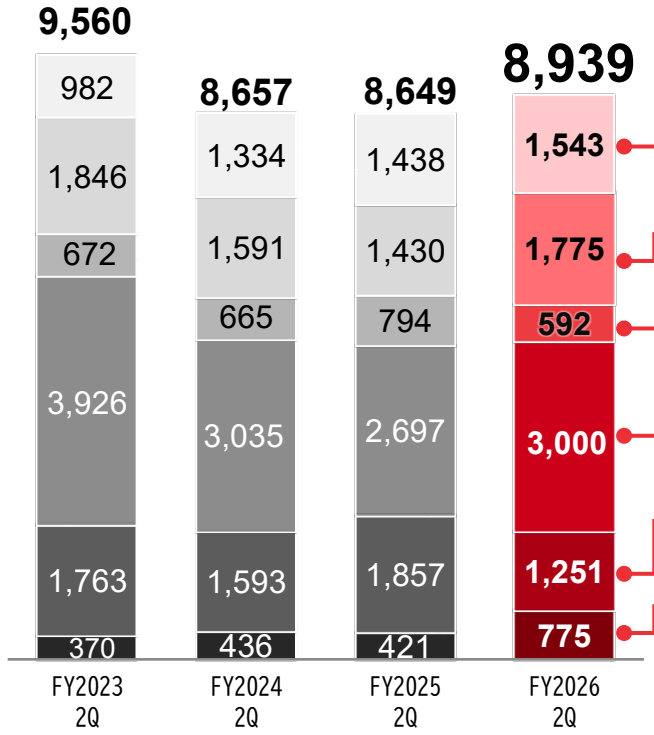
Net sales

YoY

+299 million (+3.5%)

- Orders for surface treatment power supplies remained strong, driven by growing data center-related demand, particularly in East Asia, including Japan.
- Maintenance services expanded significantly, particularly for solar power conditioners (PCS).

(million yen)



	Results	YoY
For industries	1,543	+7.3%
For surface treatment	1,775	+24.1%
Inverters	592	(25.4%)
Small power supplies	3,000	+11.2%
Other power supplies	1,251	(33.6%)
Maintenance services	775	+84.1%

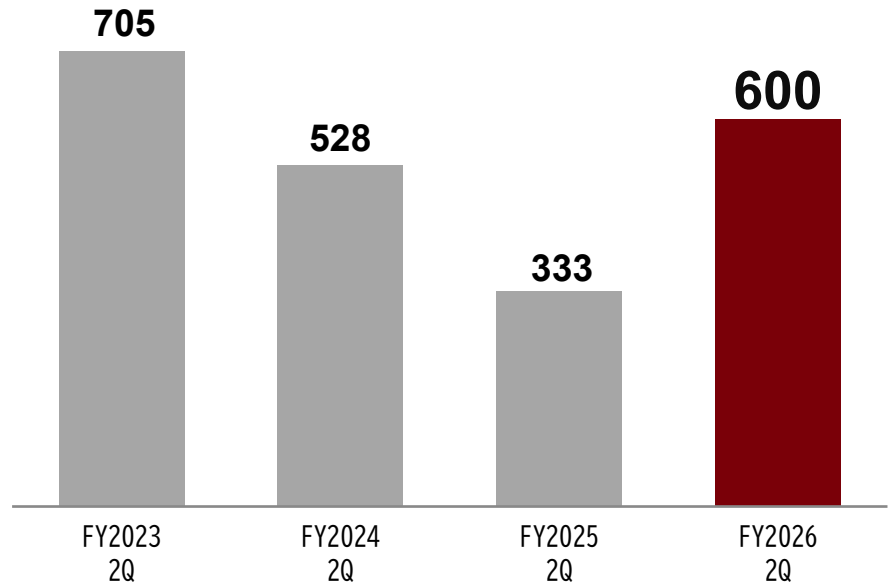
Segment Profit

YoY

+267 million (+80.2%)

- Higher sales and improved profitability of custom products helped secure a positive contribution margin.

(million yen)

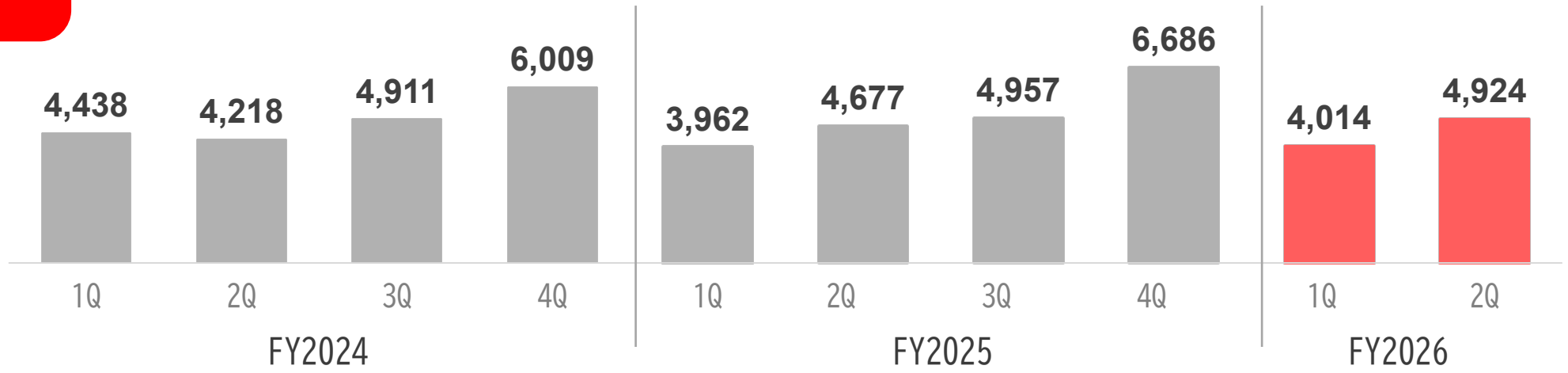


Consolidated Quarterly Results

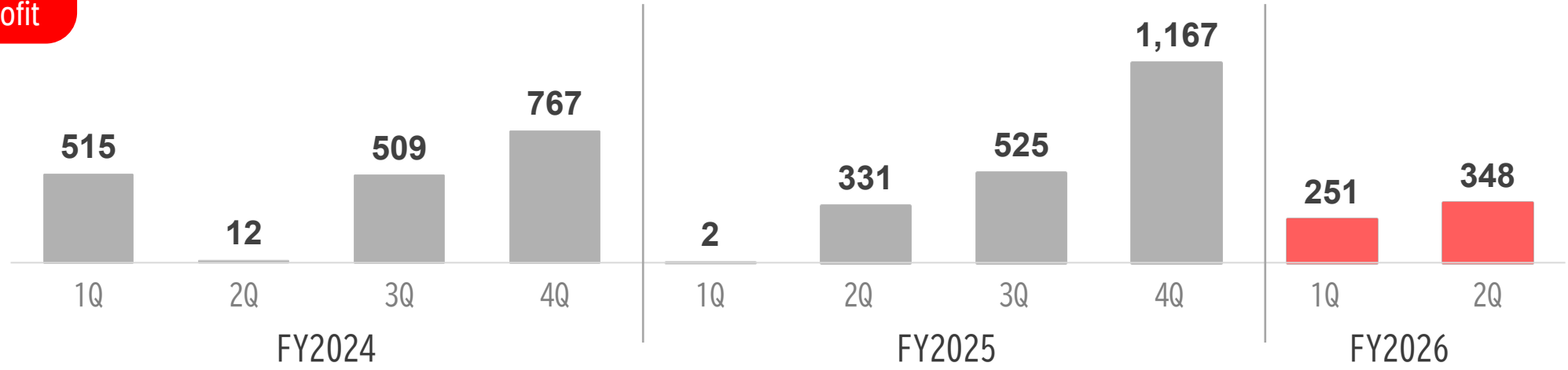
Power Supply Business

(million yen)

Net sales



Segment Profit



Consolidated Statement of Cash Flows

- Cash and cash equivalents at the end of the period decreased by ¥74 million year on year to ¥6,146 million, mainly due to a decline in operating cash flow.

(million yen)	FY2025 2Q	FY2026 2Q	Increase/Decrease	Factors driving the change
Net cash provided by (used in) operating activities	1,762	779	(983)	Cash outflows increased due to higher inventories.
Net cash provided by (used in) investing activities	(159)	(210)	(51)	
Free Cash Flow	1,603	569	(1,034)	
Net cash provided by (used in) financing activities	(1,147)	(1,172)	(25)	
Cash and cash equivalents at end of period	6,220	6,146	(74)	

Consolidated balance sheets

(million yen)	FY2024	FY2025 2Q	Increase/Decrease	Factors driving the change	
Total assets	32,724	32,478	(245)		
Current Assets	23,974	23,867	(107)	Cash and Deposits Accounts Receivable Inventories	△614 △1,292 +1,612
Non-Current Assets	8,749	8,611	(138)	Property, Plant and Equipment Intangible Fixed Assets Investments and Other Assets	△238 △43 +144
Total Liabilities	7,798	7,642	(156)		
Current Liabilities	7,169	6,994	(175)	Accounts Payable Short-Term Borrowings	+566 △700
Non-Current Liabilities	629	647	+18		
Total Net Assets	24,925	24,836	(88)		
Total liabilities and net assets	32,724	32,478	(245)		

Topics

Semiconductor Business

01 New Product

SiC MOSFET Module FCA300AD120（300A,1200V）

A high-performance power semiconductor module combining our proprietary “Techno Block” package with DioMOS technology.



- Integrated freewheeling diode functionality simplifies circuit design.
- Maintains low on-resistance even at high temperatures.

Main Applications

- Renewable Energy (Power Conditioning Systems)
- Data Centers (Power Supply Systems)
- Industrial Inverters (Motor Control, etc.)

02 New Product

Three-Phase Rectifier Diode Module

Voltage Rating 1600V/1800V/2200V
Current Rating 200A/250A

A high-voltage, low-loss, and highly durable rectifier module that contributes to improved energy efficiency and long-term stable operation.



- Significantly improved thermal cycling and power cycling durability.
- Excellent resistance to moisture and ionic contamination.
- High surge current withstand capability and low power loss.

Main Applications

- Industrial Inverters (Motor Control, etc.)
- Industrial Robots
- Welding Machines

Topics

Power Supply Business

01 New Product

Redesigned Power Controllers to Meet the Needs of Manufacturing Sites

A newly designed thyristor power controller featuring in-house developed power semiconductors.



CALPOTE UG3 Series

- Space-Saving Design
- IoT Connectivity and Remote Monitoring Support
- Improved Maintenance Efficiency

02 New Product

Multi-Use DC/DC Converter Connecting Renewable Energy, Energy Storage, and Hydrogen Systems

One Unit Supports a Wide Range of DC Systems, Including Solar Power Generation, Battery Storage, Fuel Cells, and Water Electrolysis.



- Versatile Applications
- Stable Operation
- Flexible Scalability

03 Forecast for FY2026 and Shareholder Returns

FY2026 Full-Year Forecast for Consolidated Results

(million yen)	FY2025 Results	FY2026 Forecast	YoY Increase/Decrease	YoY %
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%

Semiconductor Business

Aim to return to profitability in the second half through steady production execution, cost reduction measures, and price adjustments to offset rising material costs, supported by expected sales growth.

Power Supply Business

Aim to expand sales by strengthening production capacity to steadily fulfill strong orders received during the fiscal year and promoting sales of new products developed in the first half.

Shareholder Returns

Dividend Policy

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.

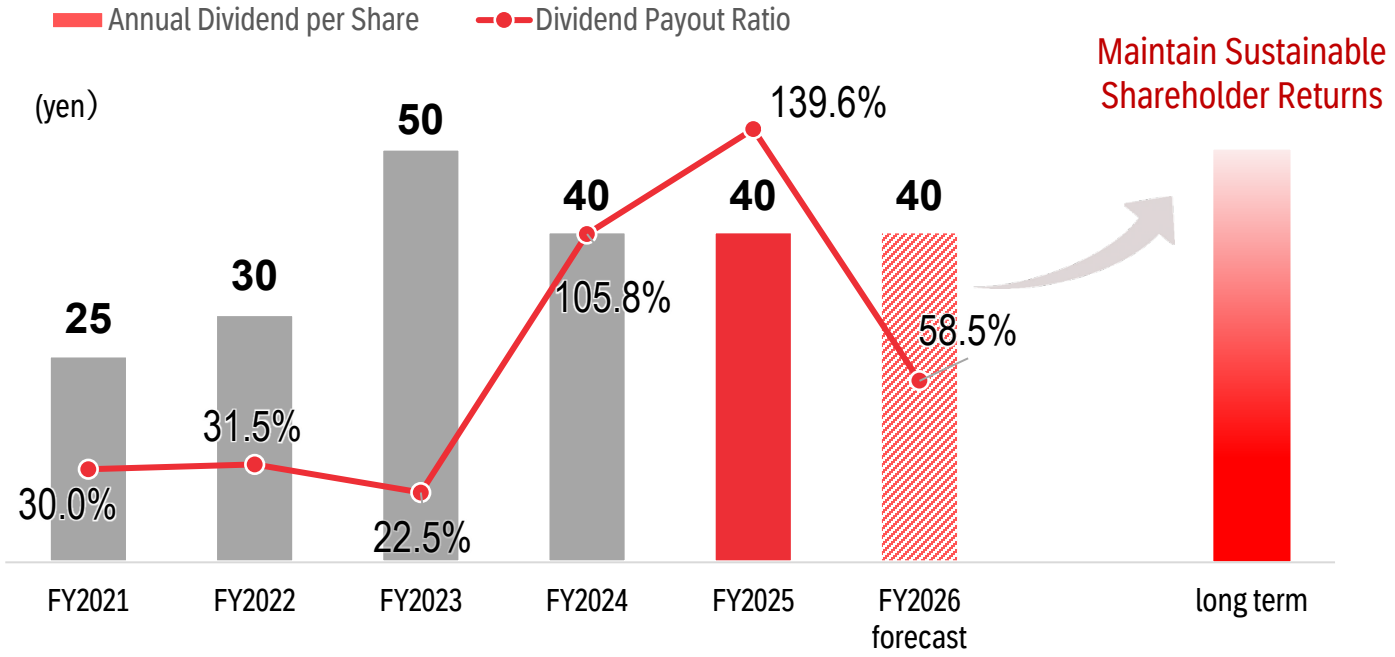
Dividend Forecast for FY2026 (Per Share)

Interim Dividend	¥10
Year-End Dividend	¥30
Annual Dividend	¥40

Shareholder Return Policy

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

Dividend per share and dividend payout ratio



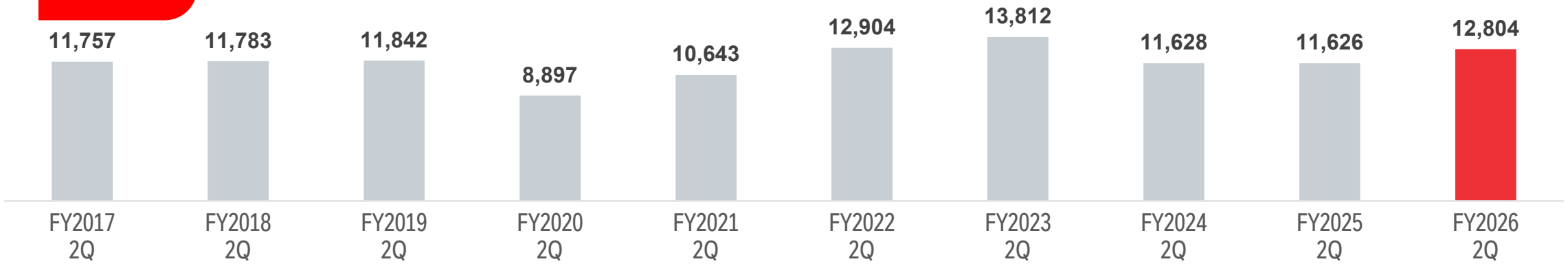
Notice: FY2023 includes a commemorative dividend of 5 yen for the 90th anniversary of the company's founding

04 Appendix

Consolidated Financial Results

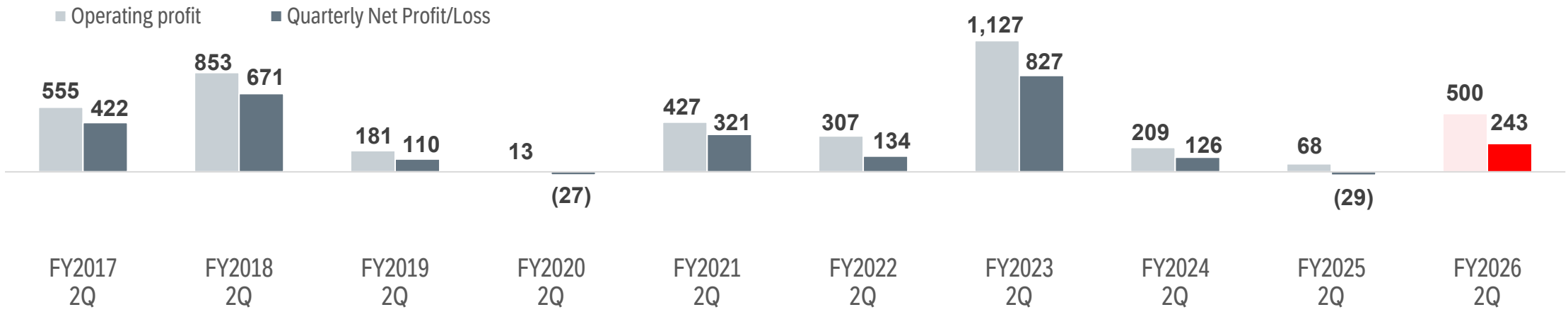
Net Sales

(million yen)



Operating Profit

(million yen)



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.