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May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: Sansha Electric Manufacturing Co., Ltd.
 Listing: Tokyo Standard
 Securities code: 6882
 URL: <https://www.sansha.co.jp>
 Representative: Representative Director, President Hajimu Yoshimura
 General Manager
 Inquiries: Corporate Planning Division Hiroyuki Maruyama
 Managing Operating Officer
 Telephone: +81-06-6321-0321
 Scheduled date of annual general meeting of shareholders: June 25, 2025
 Scheduled date to commence dividend payments: June 5, 2025
 Scheduled date to file annual securities report: June 24, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	25,440	(17.9)	1,073	(68.5)	1,180	(66.0)	502	(83.0)
March 31, 2024	31,005	10.4	3,407	109.1	3,473	110.3	2,955	138.0

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥579 million [(84.7)%]
 For the fiscal year ended March 31, 2024: ¥3,794 million [185.9%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	37.80	—	2.1	3.4	4.2
March 31, 2024	222.19	—	13.0	10.8	11.0

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2025: ¥(72) million
 For the fiscal year ended March 31, 2024: ¥ — million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	33,571	24,341	72.5	1,830.19
March 31, 2024	35,334	24,432	69.1	1,837.05

Reference: Equity
 As of March 31, 2025: ¥24,341 million
 As of March 31, 2024: ¥24,432 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	950	(2,392)	1,410	5,756
March 31, 2024	2,303	(1,097)	488	5,825

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	10.00	—	40.00	50.00	664	22.5	2.9
Fiscal year ended March 31, 2025	—	10.00	—	30.00	40.00	536	105.8	2.2
Fiscal year ending March 31, 2026 (Forecast)	—	10.00	—	30.00	40.00		63.3	

Note: The year-end dividend for March 31, 2024 includes an ordinary dividend of 35 yen and a commemorative dividend of 5 yen to celebrate the company's 90th anniversary.

3. Consolidated financial forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	27,700	8.9	1,200	11.8	1,200	1.6	840	67.1	63.16

Note: As the Company manages its operations on an annual basis, the consolidated earnings forecast for the second quarter (cumulative) is omitted. For details, please refer to the attached document on page 2: "1. Overview of Operating Results [Outlook for the Next Fiscal Year]."

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: — companies

Excluded: — companies

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

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

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2025	14,950,000 shares
As of March 31, 2024	14,950,000 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	1,650,022 shares
As of March 31, 2024	1,650,022 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	13,299,978 shares
Fiscal year ended March 31, 2024	13,299,978 shares

Note: The number of treasury shares at the end of the fiscal year includes shares of the Company held by the executive compensation stock trust, as follows:

March 31, 2024: 123,000 shares

March 31, 2025: 123,000 shares

In addition, the shares of the Company held by the executive compensation stock trust are included as treasury shares deducted in the calculation of the average number of shares outstanding during the period, as follows:

March 31, 2024: 75,692 shares

March 31, 2025: 123,000 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	15,707	(24.8)	204	(91.4)	326	(88.0)	286	(88.4)
March 31, 2024	20,898	15.1	2,384	319.8	2,718	289.0	2,464	360.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	21.51	—
March 31, 2024	185.34	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	25,257	17,450	69.1	1,312.05
March 31, 2024	27,682	17,864	64.5	1,343.16

Reference: Equity

As of March 31, 2025: ¥17,450 million

As of March 31, 2024: ¥17,864 million

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document are based on information available to the Company at the time this document was prepared and actual results may differ materially due to various factors.

Consolidated financial statements
Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	5,825	5,760
Notes receivable - trade	457	359
Accounts receivable - trade	7,702	7,485
Electronically recorded monetary claims - operating	4,278	1,673
Merchandise and finished goods	3,997	3,801
Work in process	1,829	2,280
Raw materials and supplies	3,047	2,740
Other	284	821
Allowance for doubtful accounts	(31)	(23)
Total current assets	27,393	24,900
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,627	1,636
Machinery, equipment and vehicles, net	619	796
Land	2,238	2,256
Leased assets, net	339	467
Construction in progress	711	1,114
Other, net	233	235
Total property, plant and equipment	5,770	6,505
Intangible assets		
Goodwill	16	9
Other	195	512
Total intangible assets	211	522
Investments and other assets		
Investment securities	213	88
Deferred tax assets	689	145
Retirement benefit asset	797	1,156
Other	259	252
Total investments and other assets	1,959	1,643
Total non-current assets	7,941	8,671
Total assets	35,334	33,571

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,850	1,898
Electronically recorded obligations - operating	405	322
Short-term borrowings	1,000	3,000
Accounts payable - other	1,394	870
Accrued expenses	723	765
Income taxes payable	1,001	187
Contract liabilities	211	466
Provision for bonuses	895	684
Provision for product warranties	44	33
Provision for loss on orders received	73	68
Other	922	394
Total current liabilities	10,522	8,691
Non-current liabilities		
Lease liabilities	155	296
Directors' retirement benefits payable	68	68
Deferred tax liabilities	9	10
Provision for share based compensation expenses for directors	33	51
Retirement benefit liability	58	56
Other	54	55
Total non-current liabilities	378	538
Total liabilities	10,901	9,230
Net assets		
Shareholders' equity		
Share capital	2,774	2,774
Capital surplus	2,755	2,755
Retained earnings	18,561	18,393
Treasury shares	(1,597)	(1,597)
Total shareholders' equity	22,493	22,325
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28	—
Foreign currency translation adjustment	1,697	1,620
Remeasurements of defined benefit plans	213	395
Total accumulated other comprehensive income	1,939	2,016
Total net assets	24,432	24,341
Total liabilities and net assets	35,334	33,571

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	31,005	25,440
Cost of sales	22,423	19,153
Gross profit	8,582	6,287
Selling, general and administrative expenses	5,174	5,213
Operating profit	3,407	1,073
Non-operating income		
Interest income	13	38
Dividend income	1	2
Rental income	13	13
Subsidy income	26	—
Electricity sale income	7	6
Gain on valuation of derivatives	81	28
Compensation income for damage	—	108
Other	23	57
Total non-operating income	167	255
Non-operating expenses		
Interest expenses	9	27
Share of loss of entities accounted for using equity method	—	72
Foreign exchange losses	52	45
Loss on cancellation of rental contracts	35	—
Other	3	3
Total non-operating expenses	101	148
Ordinary profit	3,473	1,180
Extraordinary income		
Gain on sale of investment securities	—	48
Total extraordinary income	—	48
Profit before income taxes	3,473	1,229
Income taxes - current	1,089	269
Income taxes - deferred	(571)	457
Total income taxes	518	726
Profit	2,955	502
Profit attributable to owners of parent	2,955	502

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	2,955	502
Other comprehensive income		
Valuation difference on available-for-sale securities	16	(28)
Foreign currency translation adjustment	587	(76)
Remeasurements of defined benefit plans, net of tax	234	182
Total other comprehensive income	838	77
Comprehensive income	3,794	579
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,794	579

Consolidated statements of changes in equity
Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,774	2,698	16,033	(1,540)	19,965
Changes during period					
Dividends of surplus			(426)		(426)
Profit attributable to owners of parent			2,955		2,955
Purchase of treasury shares by stock ownership plan trust				(172)	(172)
Disposal of treasury shares by ownership plan trust		57		114	172
Net changes in items other than shareholders' equity					
Total changes during period	—	57	2,528	(57)	2,528
Balance at end of period	2,774	2,755	18,561	(1,597)	22,493

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	11	1,109	(21)	1,100	21,065
Changes during period					
Dividends of surplus					(426)
Profit attributable to owners of parent					2,955
Purchase of treasury shares by stock ownership plan trust					(172)
Disposal of treasury shares by ownership plan trust					172
Net changes in items other than shareholders' equity	16	587	234	838	838
Total changes during period	16	587	234	838	3,367
Balance at end of period	28	1,697	213	1,939	24,432

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,774	2,755	18,561	(1,597)	22,493
Changes during period					
Dividends of surplus			(671)		(671)
Profit attributable to owners of parent			502		502
Purchase of treasury shares by stock ownership plan trust					—
Disposal of treasury shares by ownership plan trust					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(168)	—	(168)
Balance at end of period	2,774	2,755	18,393	(1,597)	22,325

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	28	1,697	213	1,939	24,432
Changes during period					
Dividends of surplus					(671)
Profit attributable to owners of parent					502
Purchase of treasury shares by stock ownership plan trust					—
Disposal of treasury shares by ownership plan trust					—
Net changes in items other than shareholders' equity	(28)	(76)	182	77	77
Total changes during period	(28)	(76)	182	77	(91)
Balance at end of period	—	1,620	395	2,016	24,341

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,473	1,229
Depreciation	901	905
Amortization of goodwill	6	6
Increase (decrease) in allowance for doubtful accounts	(1)	(7)
Increase (decrease) in provision for bonuses	275	(210)
Increase (decrease) in provision for product warranties	(14)	(11)
Increase (decrease) in provision for loss on orders received	21	(4)
Decrease (increase) in retirement benefit asset	(74)	(87)
Increase (decrease) in retirement benefit liability	3	(1)
Increase (decrease) in provision for directors' stock based compensation	33	18
Interest and dividend income	(15)	(40)
Interest expenses	9	27
Share of loss (profit) of entities accounted for using equity method	—	72
Loss (gain) on sale of investment securities	—	(48)
Decrease (increase) in trade receivables	(2,331)	2,897
Decrease (increase) in inventories	(563)	34
Increase (decrease) in trade payables	(140)	(2,018)
Increase (decrease) in accrued expenses	36	43
Other, net	1,146	(481)
Subtotal	2,765	2,322
Interest and dividends received	14	40
Interest paid	(9)	(21)
Income taxes paid	(467)	(1,390)
Net cash provided by (used in) operating activities	2,303	950
Cash flows from investing activities		
Purchase of property, plant and equipment	(882)	(2,018)
Proceeds from sale of property, plant and equipment	—	0
Purchase of intangible assets	(55)	(451)
Purchase of investments in associates	(159)	—
Proceeds from sale of investment securities	—	64
Other, net	—	13
Net cash provided by (used in) investing activities	(1,097)	(2,392)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,000	2,000
Repayments of finance lease liabilities	(85)	(98)
Proceeds from sale and leaseback transactions	—	179
Dividends paid	(426)	(670)
Net cash provided by (used in) financing activities	488	1,410
Effect of exchange rate change on cash and cash equivalents	171	(37)
Net increase (decrease) in cash and cash equivalents	1,865	(68)
Cash and cash equivalents at beginning of period	3,959	5,825
Cash and cash equivalents at end of period	5,825	5,756