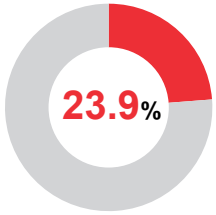
Semiconductor Business

The Sansha Electric Manufacturing Group develops and manufactures power semiconductors, rather than integrated circuit semiconductors such as CPUs and memory devices. Our power semiconductors are used in power supply equipment to control high currents and voltages. They have been adopted in a wide range of customer production equipment and power supply products, where they play an important role in industrial applications that require high reliability over long periods of operation.

Contribution to net sales





Products

Modules

Device packages combining multiple power semiconductors



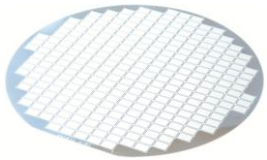
Discrete semiconductors

Semiconductor devices that control current and voltage. Single-function devices, such as transistors and diodes, are used in various combinations depending on the application.



Chips

A semiconductor chip integrating circuits that perform basic functions such as controlling current and voltage.



Thyristor and Diode Modules Global Market Share

5th *

Recognized worldwide for their high quality and reliability, our thyristor and diode modules are used in a wide range of industrial applications.



Diode Module

* OMDIA, Annual Power Semiconductor Reports-2023

Strengths and features

Independently developed power semiconductors with high-voltage, high-current and low-loss characteristics

In addition to the planar structure, we actively use our original mesa technologies to independently develop and manufacture power semiconductors with high voltage resistance and low power loss.

Packaging technologies for high reliability

Our original chip packaging technologies suited for power semiconductors gain high marks for their long-term reliability in key industrial applications.

Synergy with the Power Supply Business to provide optimal solutions

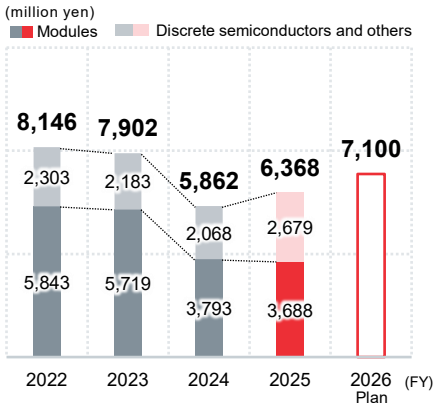
Using the knowledge we have cultivated in the development and manufacturing of power supplies, we provide the solutions that are best suited to the environment power semiconductors will be used in and their applications.

Semiconductor Business

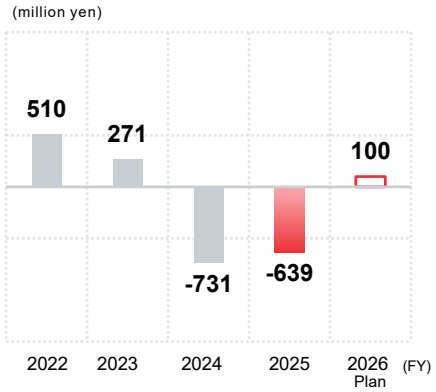
FY2025 Business Results and Outlook

In FY2025, the Semiconductor Business recorded higher net sales overall. While the mainstay power modules were affected by prolonged inventory adjustments by customers and slower growth in the Chinese market, sales of discrete semiconductors and chips increased. In response to growing demand for higher efficiency and higher-voltage capabilities, we made improvements to our SiC chips and expanded our product lineup, while also developing products for applications in the infrastructure sector. As a result, net sales increased 8.6% year on year to 6,368 million yen. Although the business posted a loss due in part to an increase in fixed costs, the loss narrowed from the previous fiscal year. Going forward, we will steadily expand into high-value-added areas to strengthen the quality of our earnings base and contribute to the medium- to long-term enhancement of corporate value.

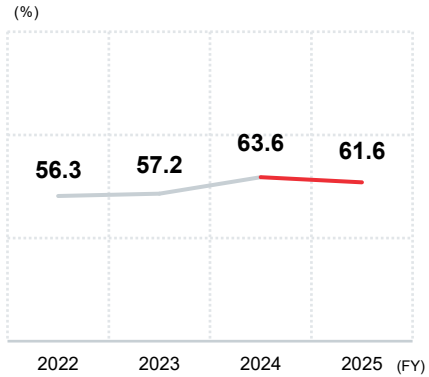
Net sales by product



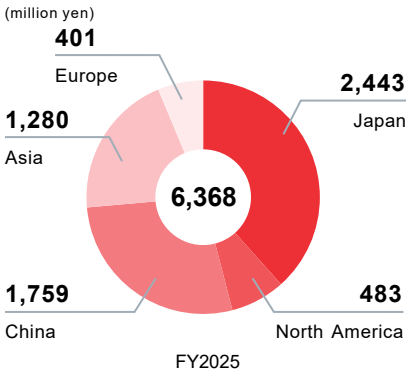
Segment profit



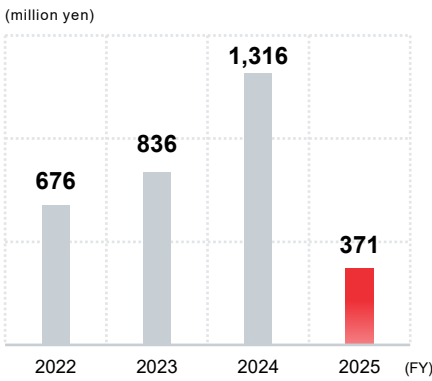
Overseas Sales Ratio



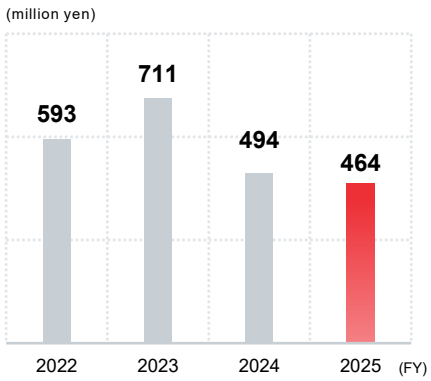
Net sales by region (by location of sales destination)



Capital investment

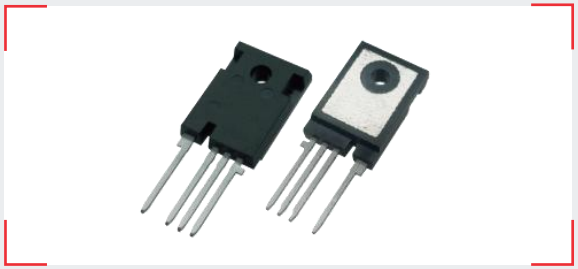


Research and development expenses



FY2025 Highlights

Meeting Energy-Saving Needs through the Development of High-Voltage SiC Devices



1700 V SiC MOSFET Discrete Device

In May 2025, we developed a 1700 V SiC MOSFET discrete device. Demand for SiC power devices is growing as key devices for improving energy efficiency in high-current, high-voltage applications such as automotive and industrial equipment, as they offer lower power loss and faster switching than conventional silicon devices.

The new product uses a SiC MOSFET chip with an integrated freewheeling diode function and features a four-pin configuration that enables high-speed, low-loss, and low-noise operation. It delivers excellent performance in power conversion equipment, where demand for higher efficiency and more compact designs continues to grow. With the addition of the new 1700 V product to our existing 1200 V lineup, we can now address higher-power applications and meet a broader range of customer needs. Going forward, we will seek to expand adoption, particularly in industrial equipment and power infrastructure applications, and drive business growth.

Semiconductor Business



Director and Managing Operating Officer
Executive General Manager of
Semiconductor Business Division, In charge of Quality Assurance and Environment

Hajime Katsushima

Leveraging 60 Years of Power Semiconductor Expertise in Growth Markets

Since its founding as a rectifier manufacturer, the Group has been among the first in the industry to undertake in-house production of power semiconductors, key components of rectifiers, and has accumulated technological expertise for more than 60 years. The device technologies and power conversion technologies cultivated over this period form the foundation for highly efficient and stable power control and are at the core of our business.

In recent years, the importance of power conversion technologies and power semiconductors has grown further, driven by the increasing adoption of renewable energy, the expansion of electric vehicles, and the development of new data centers. Leveraging the technologies and reliability we have built over many years, particularly in rectifier devices that support the electrification of society, we will expand our presence in markets with strong growth potential.

Message from the General Manager, Semiconductor Business Division

By integrating device and power conversion technologies, we will strengthen our competitiveness in second-generation SiC devices and high-power applications. Leveraging our strengths in quality and stable supply, we will rebuild a solid earnings base that supports social infrastructure.

Accelerating Expansion into High-Value-Added Areas under the “CF26” Medium-term Management Plan

Under the “CF26” Medium-term Management Plan, we have worked to further advance our packaging technologies, known for their high reliability, and our wafer process technologies, while strengthening our competitive advantage through the integration of these technologies. We have expanded our presence in markets where quality and stable supply are highly valued, including industrial equipment and energy-related applications, while developing products for high-power applications with the aim of expanding our business in high-value-added markets. For SiC products, we have also advanced the development and market introduction of second-generation devices, laying the groundwork for SiC to serve as a future growth driver.

A key strength of the Group is our ability to incorporate the SiC devices we develop into our own power supply equipment and enhance their performance and reliability through the development process. Our unique capability to develop both power semiconductors and power supply equipment contributes to strengthening the competitiveness of our products.

In global markets, we have strengthened our marketing capabilities in each region and expanded our field engineering capabilities to leverage our business base, with overseas sales accounting for approximately 60% of total sales. By accurately identifying the specific needs and challenges of each region and enhancing our ability to provide customer-focused solutions, we will deepen relationships of trust with our customers and deliver value through the integrated efforts of development, manufacturing, and sales, thereby further expanding our business in overseas markets.

Strengthening Our Earnings Base through Next-Generation Technologies and Manufacturing Innovation

Going forward, we will further enhance the reliability and performance of our products for high-voltage and high-power applications, while actively pursuing R&D in new bonding technologies and next-generation semiconductors. We will also advance our distinctive manufacturing capabilities and build a supply system that can respond flexibly to fluctuations in demand. In addition, we will leverage AI and DX to advance our development and production processes and shorten lead times, thereby improving profitability and competitiveness.

The Group will continue to contribute to the development of social infrastructure and industry through both our semiconductor and power supply businesses, with power semiconductor technologies and power conversion technologies at the core. As a trusted technology partner that customers continue to choose, we will pursue sustainable growth and enhance corporate value.

Medium-term Strategy

- Strengthening SiC Competitiveness (Launch of Second-Generation Products)
- Development of High-Power Devices
- Advancing Development and Production through AI and DX
- Expanding Market Share in Global Markets

Aspiration

Transforming the Earnings Structure for Sustainable Growth

Driving sustainable growth by contributing to the development of social infrastructure and industry through our Semiconductor and Power Supply Businesses, with power conversion technologies at the core.