



# **Business Results Summary for the Second Quarter of Fiscal 2024**

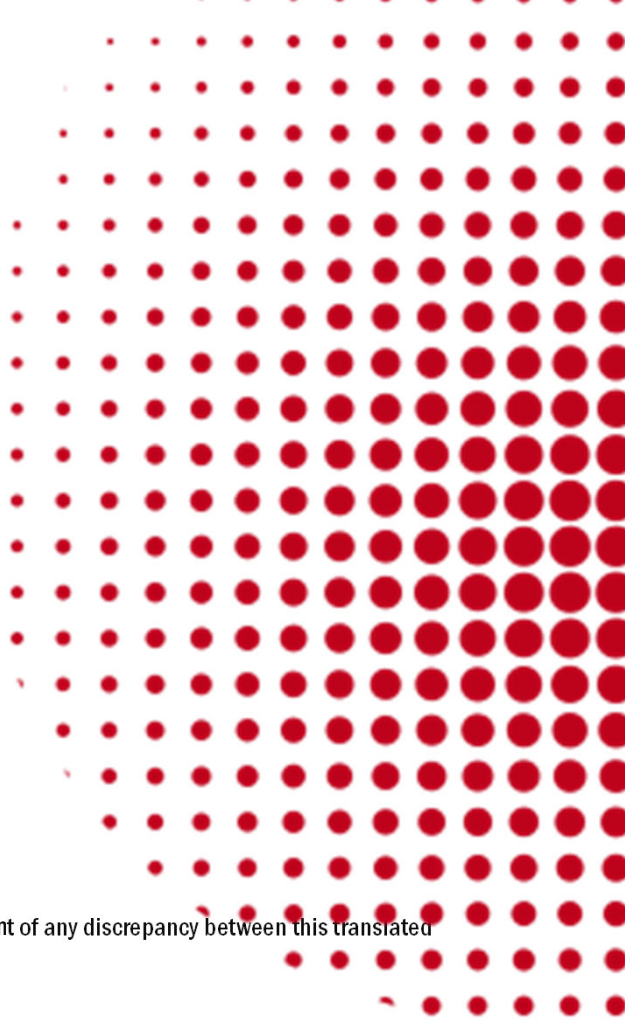
**(April 1, 2024 - September 30, 2024)**

November, 7, 2024

**SANSHA ELECTRIC MFG. CO., LTD.**

(Stock exchange code : 6882)

Note : 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.



| Unit : Million Yen                      |  |           |       |                             |                      |
|---|--|-----------|-------|-----------------------------|----------------------|
|   |  | FY2023 2Q |       | FY2024 2Q                   |                      |
|   |  |           |       | Compared to previous period |                      |
| Net sales                               |  | 13,812    |       | (2,184) (15.8%)             |                      |
| Operating profit                        |  | 8.2%      | 1,127 | 1.8%                        | 209 (917) (81.4%)    |
| Ordinary profit                         |  | 9.0%      | 1,174 |                             | 323 (850) (72.4%)    |
| Profit attributable to owners of parent |  | 5.9%      | 827   |                             | 126 (700) (84.6%)    |
| Earning per share (yen)                 |  |           | 62.19 |                             | 9.55 (52.64) (84.6%) |

| Unit : Million Yen |                  | FY2023 2Q |       | FY2024 2Q |       | Compared to previous period |         |
|--------------------|------------------|-----------|-------|-----------|-------|-----------------------------|---------|
| Semiconductor      | Net sales        |           | 4,252 |           | 2,971 | (1,280)                     | (30.1%) |
|                    | Operating profit | 9.9%      | 421   | (10.7%)   | (318) | (739)                       | -       |
| Power supply       | Net sales        |           | 9,560 |           | 8,657 | (903)                       | (9.4%)  |
|                    | Operating profit | 7.4%      | 705   | 6.1%      | 528   | (177)                       | (25.1%) |

## Segment overview

◇ good event    ◆ bad event    ➤ issue

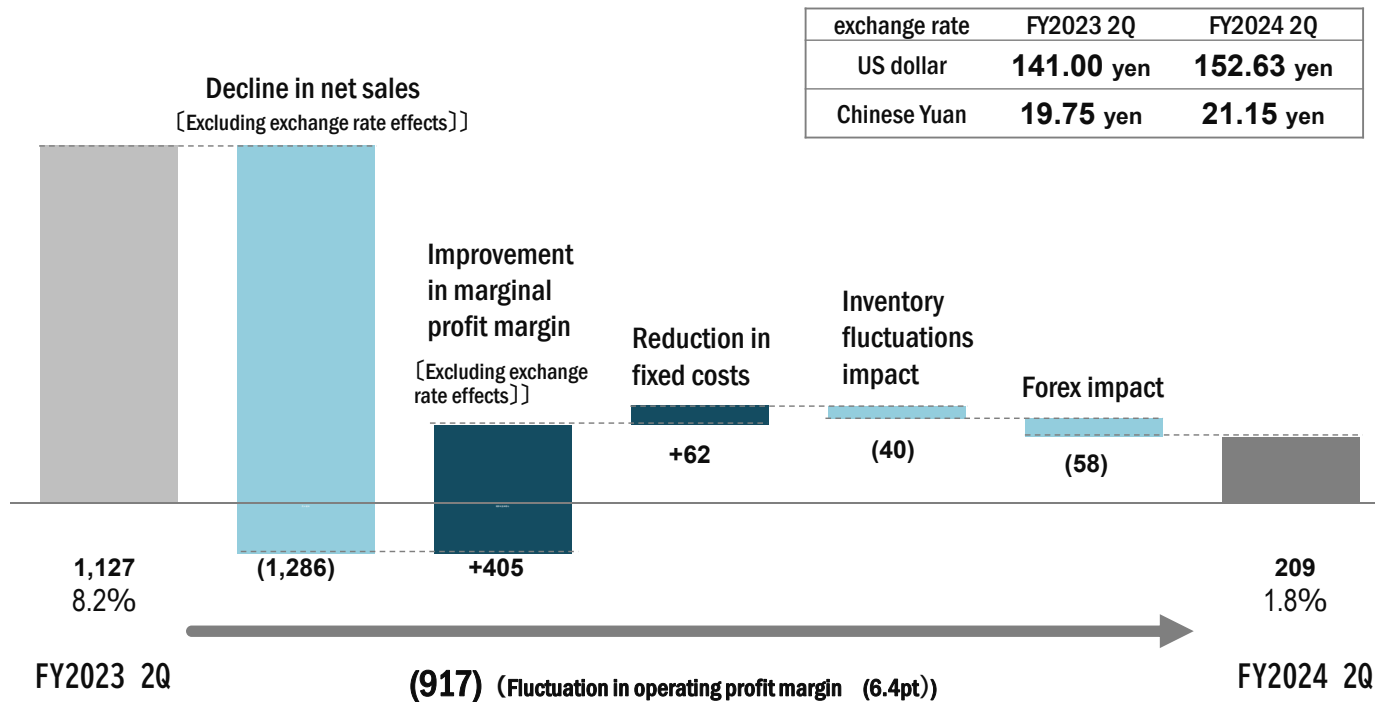
|               |   |
|---------------|---|
| Semiconductor | <p>◆ Inventory adjustments in the industrial sector, particularly in areas such as general-purpose inverters, factory automation (FA) related equipment, and welding machines, have been prolonged. Sales have not been growing significantly in Japan, China, and Europe.    ➡ Significant decrease in revenue and operating losses.</p> <p>➤ Exploring new applications in the infrastructure sector and introducing new products including SiC (Silicon Carbide).</p>                                  |
| Power supply  | <p>◇ General industrial power supplies saw sales exceed the previous period, mainly driven by materials-related sectors such as semiconductors and electronic components, as well as steel-related sectors used in construction materials.</p> <p>◆ The demand for high-precision metal surface treatment in the field of computer and smartphone-related components, which is our specialty, has decreased. Additionally, there has been a slowdown in the demand for small embedded power supplies.</p> |

# Sales by product by segment

| Unit : Million Yen |  | FY2023 2Q | FY2024 2Q | Compared to previous period |         |
|--------------------|--|-----------|-----------|-----------------------------|---------|
| Semiconductor      | Power modules  | 3,113     | 1,993     | (1,119)                     | (36.0%) |
|                    | Discrete semiconductors and others                                 | 1,139     | 977       | (161)                       | (14.2%) |
|                    | Total  | 4,252     | 2,971     | (1,280)                     | (30.1%) |
| Power supply       | For industries   | 982       | 1,334     | + 351                       | + 35.8% |
|                    | For surface treatment,<br>welding machines and<br>cutting machines | 2,411     | 2,130     | (280)                       | (11.6%) |
|                    | For light sources and dimming                                      | 413       | 400       | (12)                        | (3.1%)  |
|                    | Inverters  | 672       | 665       | (6)                         | (0.9%)  |
|                    | Small power supplies   | 3,926     | 3,035     | (890)                       | (22.7%) |
|                    | Other power supplies and services                                  | 1,155     | 1,089     | (65)                        | (5.7%)  |
|                    | Total  | 9,560     | 8,657     | (903)                       | (9.4%)  |
| Total net sales    |  | 13,812    | 11,628    | (2,184)                     | (15.8%) |

# Analysis of Changes in Consolidated Operating Profit (YoY)

Unit : Million Yen



| Unit : Million Yen        | FY2023   | FY2024 2Q | Compared to previous period |         |
|---------------------------|----------|-----------|-----------------------------|---------|
| Total assets              | 35,334   | 32,050    | (3,283)                     | (9.3%)  |
| Total liabilities         | 10,901   | 8,250     | (2,651)                     | (24.3%) |
| Total net assets          | 24,432   | 23,800    | (632)                       | (2.6%)  |
| Equity ratio              | 69.1%    | 74.3%     | + 5.2PT                     |         |
| Net assets per share(yen) | 1,837.05 | 1,789.48  | (47.57)                     | (2.6%)  |
| Net cash flow             | 4,825    | 4,713     | (111)                       | (2.3%)  |

# FY2024 Revision of full-year consolidated performance outlook.

| Unit : Million Yen                      | FY 2024 Results<br>Full Year Forecast<br>(disclosed on May 8, 2024) |        | FY 2024<br>Full Year Forecast<br>(Revised forecast) |        | Previous Forecast<br>Change<br>Amount / Percentage |         | YoY<br>increase/decrease<br>amount and rate. |         |
|---|---|--------|---|--------|--|---------|--|---------|
| Semiconductor                           | 26.7%   | 7,700  | 23.5%   | 6,000  | (1,700)  | (22.1%) | (1,902)                                      | (24.1%) |
| Power supply                            | 73.3%   | 21,100 | 76.5%   | 19,500 | (1,600)  | (7.6%)  | (3,603)                                      | (15.6%) |
| Net sales (Composition ratio)           | 100.0%  | 28,800 | 100.0%  | 25,500 | (3,300)  | (11.5%) | (5,505)                                      | (17.8%) |
| Semiconductor                           | 0.0%  | 0      | (11.7%)   | (700)  | (700)  | -       | (971)  | -       |
| Power supply                            | 6.6%  | 1,400  | 5.6%  | 1,100  | (300)  | (21.4%) | (2,035)                                      | (64.9%) |
| Operating profit                        | 4.9%  | 1,400  | 1.6%  | 400    | (1,000)  | (71.4%) | (3,007)                                      | (88.3%) |
| Ordinary profit                         | 4.9%  | 1,400  | 2.0%  | 500    | (900)  | (64.3%) | (2,973)                                      | (85.6%) |
| Profit attributable to owners of parent | 3.4%  | 980    | 1.4%  | 350    | (630)  | (64.3%) | (2,605)                                      | (88.2%) |
| Operating profit/net sales (yen)        |   | 73.68  |   | 26.32  | (47.36)  | (64.3%) | (195.87)                                     | (88.2%) |
| Annual dividends(yen)                   |   | 40     |   | 40     | 0  | -       | (10)   | (20.0%) |
| Dividend payout ratio                   |   | 54.3%  |   | 152.0% | +97.7PT  |         | +129.5PT                                     |         |