



Creating for the Future

Innovating new ideas today. Becoming the norms of tomorrow.

FY2025 Q3 Small Meeting

March 16, 2026

SWCC Corporation

TSE PRIME: 5805

Today's Agenda and Speakers

1. Medium-term Management Plan



**Executive President
and Representative
Director (CEO)**

Tetsuo Komata

2. Strategy for Growth Businesses



**Senior Executive Officer,
Supervising Business
Segments**

Yukio Kawase

3. Financial and Capital Policies



**Senior Executive Officer,
Supervising Corporate
Management, financial strategy**

Toshiharu Kamijo

1 . Medium-term Management Plan

Medium-term Management Plan 2030 and a Vision for 2036

Executing the **Medium-term Management Plan 2030** is a significant milestone. The **SWCC Group** will continue to **transform and grow** in order to achieve its vision for 2036: becoming a centennial company that embraces global challenges.

SWCC VISION 2036

Aims to become a global solutions company that develops future energy and digital technologies and a centennial company that embraces global challenges

Medium-term Management Plan: Transformation for Growth SWCC 2030

FY2026

90th

Strategy I

Business shift to growth areas

Strategy II

Strengthening global operations

Operating profit
40.0 billion yen or more

Operating profit margin
12% or higher

ROIC **15% or higher**

Operating CF *
150 billion yen or more

* For the five years

FY2036

100th

Operating profit
80.0 billion yen or more

Operating profit margin
15% or higher

ROIC **18% or higher**

Medium-term Management Plan 2030 Target Financial Figures

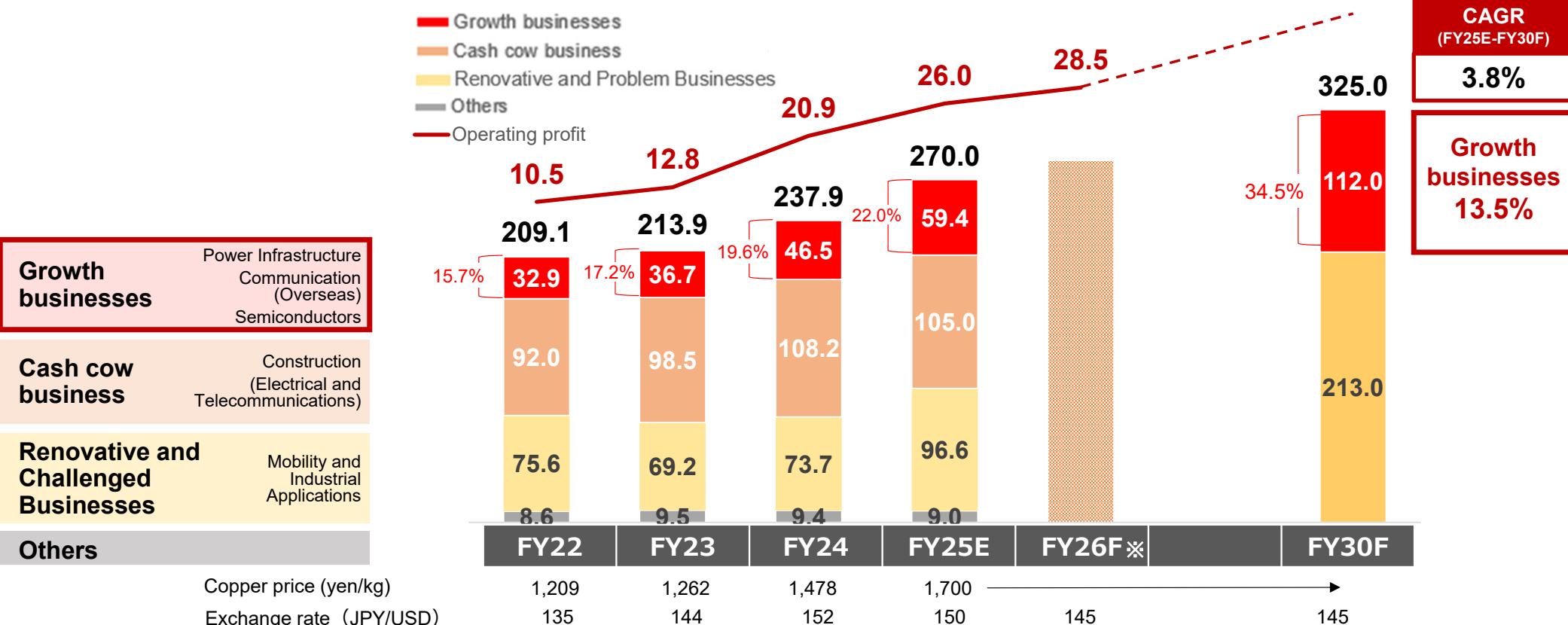
		FY2024 (Results)	FY2025 (Plan)	FY2030 (Medium-term management plan)
Profitability	Operating profit	20.9 billion yen	26.0 billion yen	40.0 billion yen or more* * Excluding inorganic growth
Capital efficiency	ROE	14.3%	Expected to be 14% or higher	20% or higher
	ROIC	11.9%	12.3%	15% or more
Shareholder returns	Dividends (Consolidated payout ratio/ DOE)	136 yen (35%/5%)	200 yen (37%/6.3%)	380 yen or more (40% or higher/ 5% or higher)
Stability	D/E ratio	65.4%	Expected to be 30-50%	40%-60%
	Net assets	85.6 billion yen	100.6 billion yen* * Q3 Actual	150.0 billion yen or above
	External ratings	A-	A-	A

Business Plan

Improve profitability through bold business portfolio transformation accompanied by deeper ROIC-oriented management



Trends in net sales and profit (billion yen)

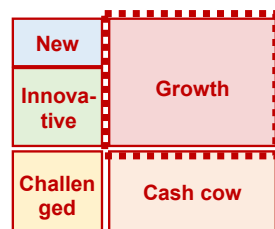


* For fiscal year 2026, disclosure is scheduled to be made based on copper market conditions and other factors at the time of the fiscal year 2025 final settlement announcement.

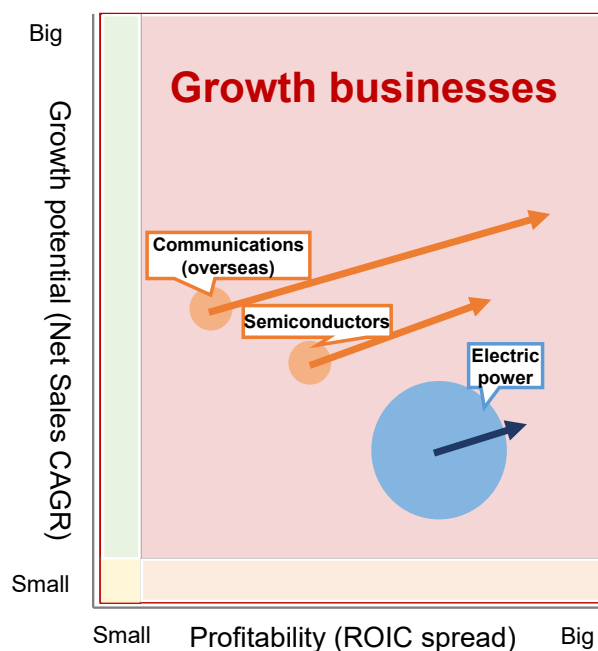
Net sales CAGR (FY25E-FY30F)
3.8%

Growth businesses 13.5%

Business Portfolio Strategies Growth Businesses



Business portfolio as of FY2025*



* Circle size: Operating profit

We will focus our investment on growth businesses that are expected to generate high profits, to **expand** their business scale.

Tailwind	Strategic Products	Strategic
----------	--------------------	-----------

Electric power

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> - Global electric power Market expansion - Expansion of the DC market - Renewable energy demand - Replacement of aging equipment | <ul style="list-style-type: none"> - SICONEX - e-Cable - Smart Stream | <ul style="list-style-type: none"> - Establishing de facto standards in the domestic transformer market - Generating new demand in both domestic power transmission and international markets - Proposing solutions for electric power companies |
|---|--|---|

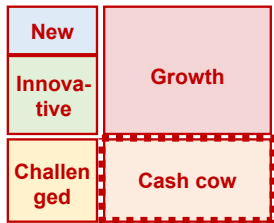
Communications

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> - The spread of AI - An Increase in the construction of HSDC - Increased telecommunications traffic | <ul style="list-style-type: none"> - e-Ribbon - FLANTEC | <ul style="list-style-type: none"> - Global expansion of the e-Ribbon business - Increasing sales of e-Ribbon applied products |
|---|---|--|

Semiconductors

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> - Increased investment in AI - Technological innovation - Expansion of the market due to decoupling in the industry | <ul style="list-style-type: none"> - Contact Probes - RUOTA - Active vibration removal board | <ul style="list-style-type: none"> - Comprehensive development utilizing combinations of raw materials and processing technologies - Promoting the sales of the Group's products related to inspection equipment - Expanding business areas in the semiconductor inspection equipment market |
|---|---|---|

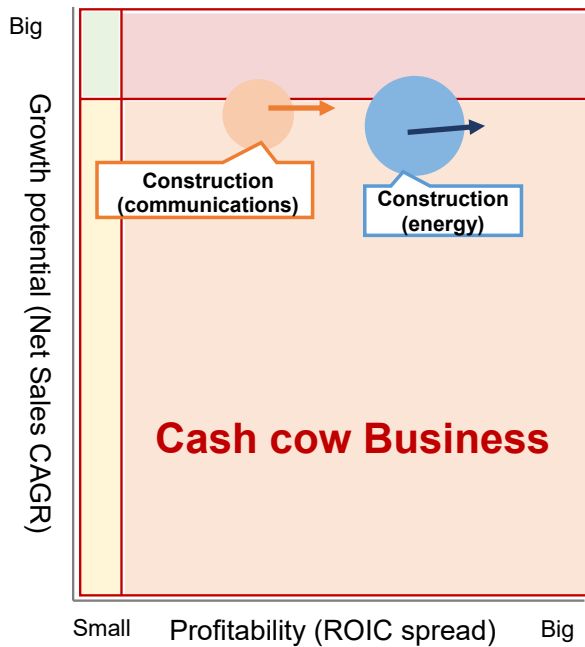
Business Portfolio Strategies Cash cow Businesses



Transform the construction-related business in mature markets into a stable cash-generating model and **deploy the resulting cash into growth businesses**.



Business portfolio as of FY2025*



* Circle size: Operating profit

Construction (energy)

Domestic
Construction Market
Flat in the Mid Term

• General-Purpose
Construction Wires

Construction (communications)

Domestic
Construction Market
Flat in the Mid Term

• General-Purpose
Optical Fiber Cables
• LAN Cables
• Fire-Resistant Cables

Boosting Cash Generation via
Efficient Use of Group
Resources

2 . Strategy for Growth Businesses

Business Plan for Power Infrastructure Business

Market Forecast FY2026-FY2030

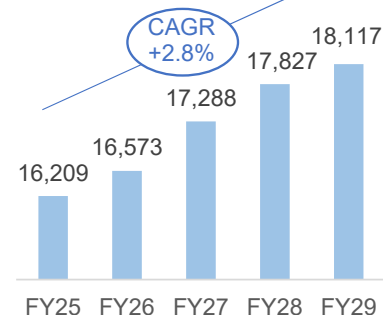
Opportunities

Expansion of power demand associated with expansion of data centers and renewable energy sources, replacement of aging power cables (oil-filled insulating cables)

Risk

Insufficient construction capability due to labor shortages and difficulties transferring technology, entry to domestic power transmission and distribution market by overseas manufacturers

Market growth forecast (10,000 kw)
Applications for extra-high voltage lines (nationwide)

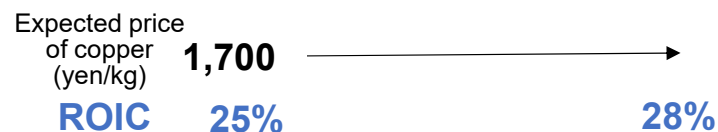
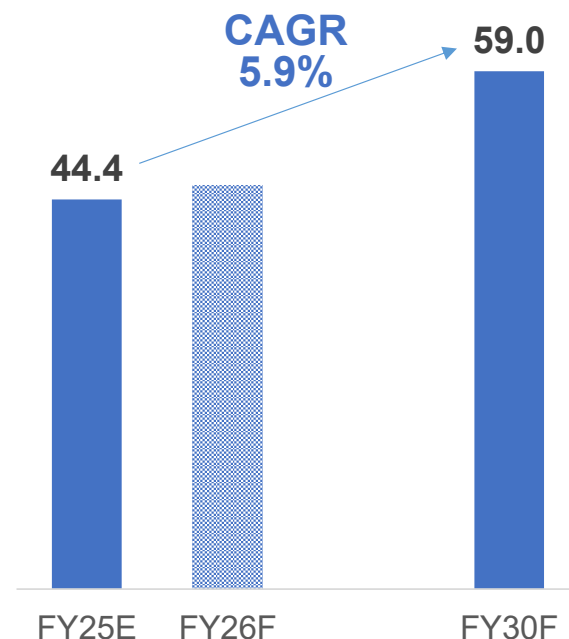


Source: Produced by SWCC based on data published by the Transmission and Distribution Grid Council about demand for extra-high-voltage lines based on applications being accepted (as of end of September 2025)

Basic Strategy

- Strategy I.** Establishing de facto standards in the domestic transformer distribution market
- Strategy II.** Tapping into new demand in the domestic power transmission and overseas markets
- Strategy III.** Proposing solutions to issues faced by electric power market

Net sales target under Medium-term Management Plan (billion yen)



Capital investment plan

FY26F-30F
Total investment:
10 billion yen

(Reference)
FY22-25E
Total 5.1 billion yen

Growth Strategies for the Power Infrastructure Business

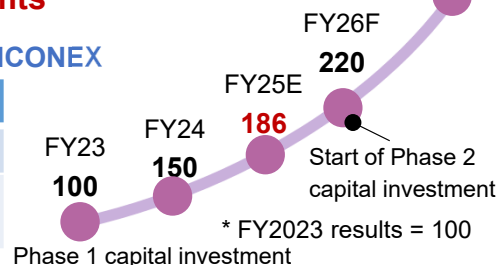
Strategy I Establishing de facto standards in the domestic transformer market

I. Further expansion in market share of SICONEX

- ✓ Completion of establishment of system for increased production (FY2026) and start of increased production FY30F 280
- ✓ Adoption of SICONEX for retrofits

Expected Trend in Market Share of SICONEX

	FY25	FY30
Substations	68%	90%
Transformers for private demand	93%	95%



II. Development of new products

- ✓ Provision of monitoring services using SICONEX with sensors
- ✓ Strengthening of price competitiveness through the development and introduction of next-generation SICONEX

III. Solutions for insufficient construction capability

- ✓ Widespread adoption of e-Cable
- ✓ Enhancement of SICOPLUS

Strategy II Tapping into new demand in the domestic power transmission market

i. Capture of demand for replacement of aging equipment (OF ⇒ CV)

- ✓ Meeting of demand for replacement of 66–54 kV transmission systems
- ✓ Proposal of shortened construction period through adoption of new construction method
- ✓ Proposal of shortened construction period through adoption of products developed in collaboration with overseas manufacturers

II. Introduction of new services to win data center, renewable energy and battery storage projects

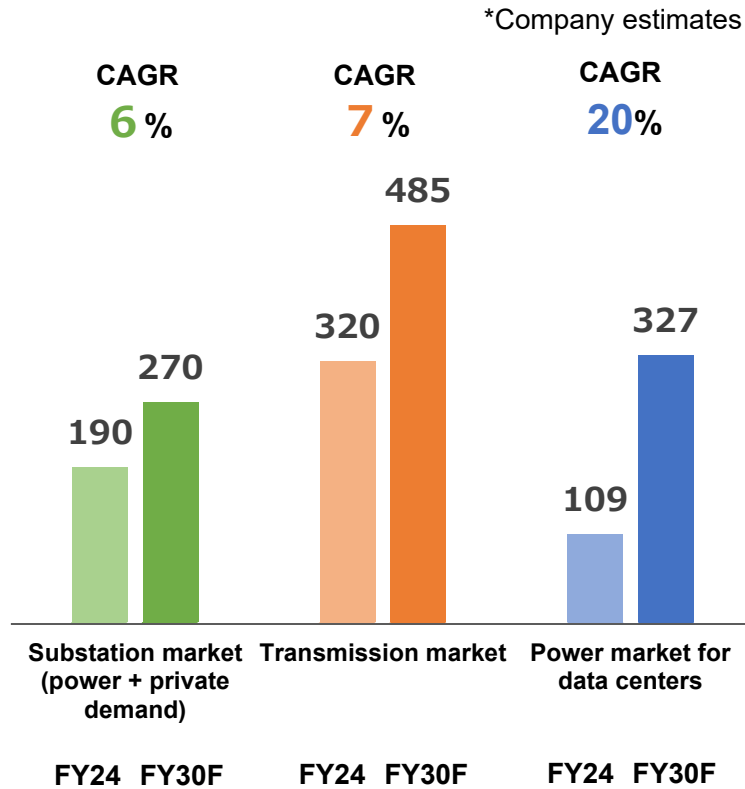
- ✓ Proposal of shortened production period through 154kV Y branch connectors
- ✓ Widespread adoption of e-Cable

III. Expansion into overseas markets

- ✓ Sales expansion through the development and introduction of next-generation SICONEX

Growing Demand for Data Centers (DCs) and Required Power Capacity

Projected market size trends (100 million yen)

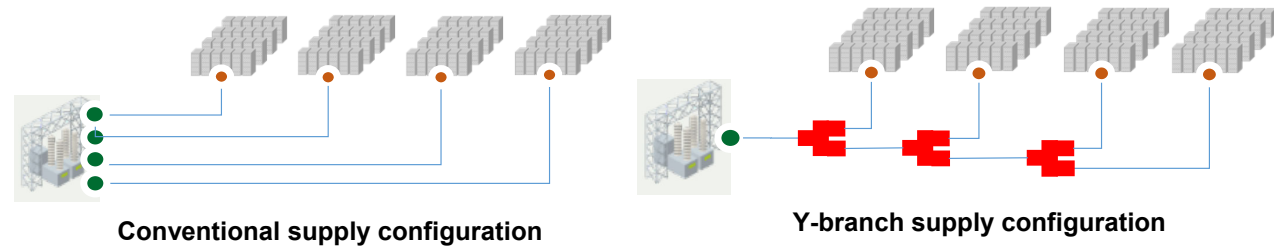


Response to increasing power demand for DCs

Increase in hyperscale data centers (HSDCs)

	Current: Conventional DCs	Future: HSDCs
Required power capacity ratio *Current level as 1	1	4-5
Receiving voltage class	66kV	154kV

Acceleration of HSDC construction



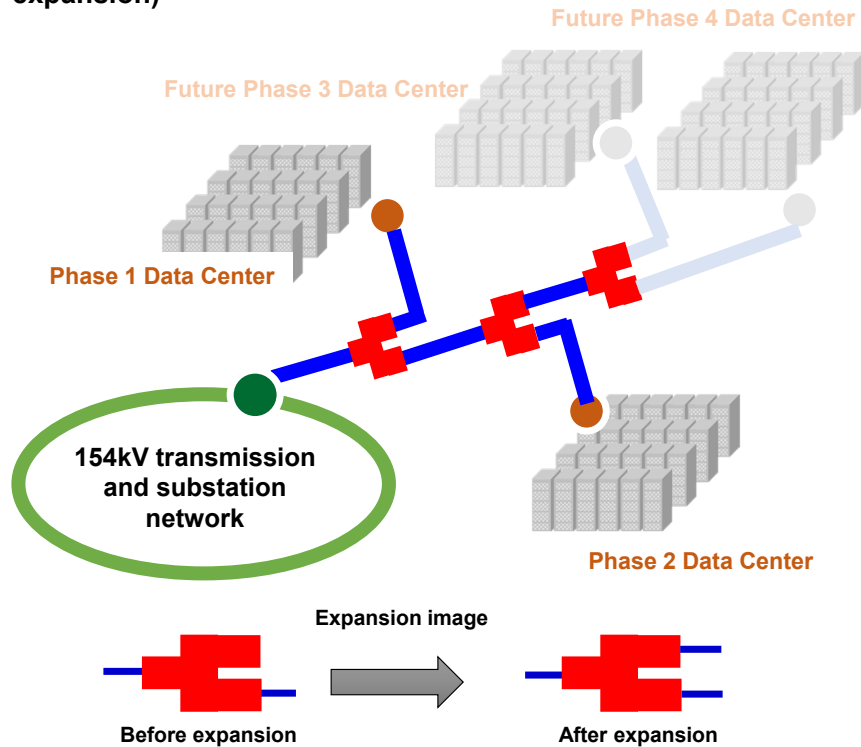
Shortened construction period for power supply

Target market share for FY2030	90% or over	20% or over	25% or over

Our Solution Using 154kv Y-branch Connection Technology

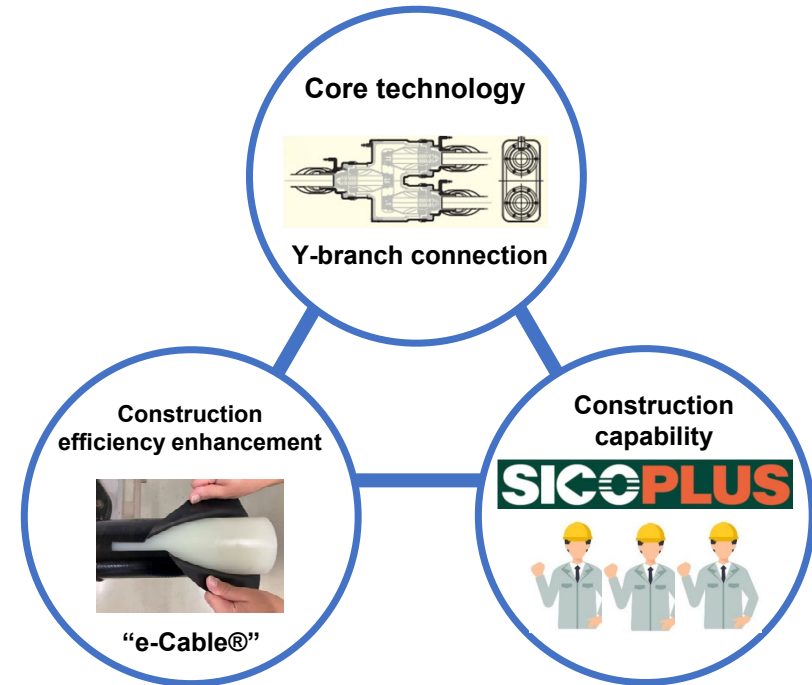
Supply configuration for HSDCs

- Y-branch configuration (shortened construction period and easy expansion)



Competitive advantages

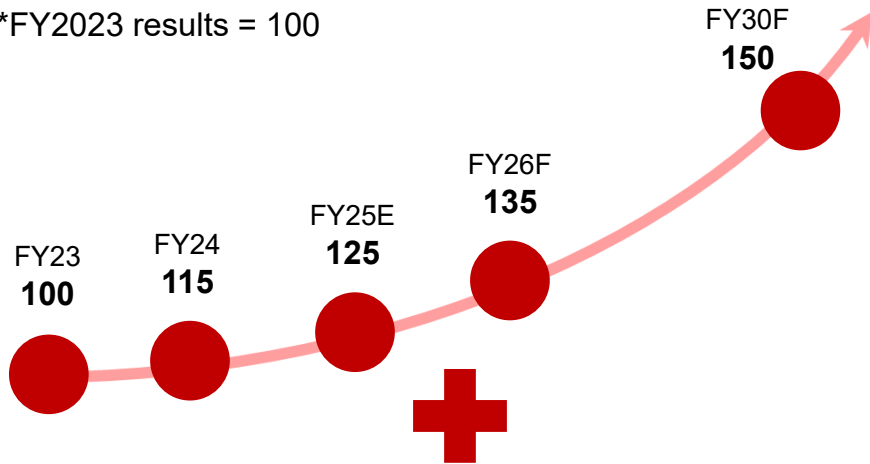
- 66kV Y-branch track record: high domestic market share (approx. 90%)
- e-Cable® and secured construction workforce enabling shorter construction periods



Growth Strategy for the Power Infrastructure Business: Strengthening Installation Capabilities: SICOPUS

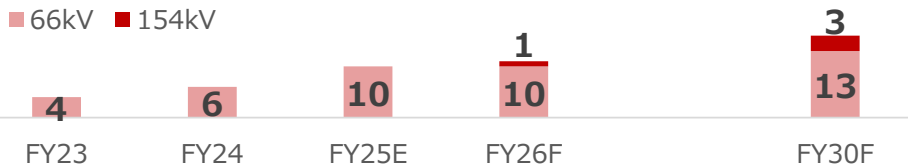
Installation Workforce Plan

*FY2023 results = 100

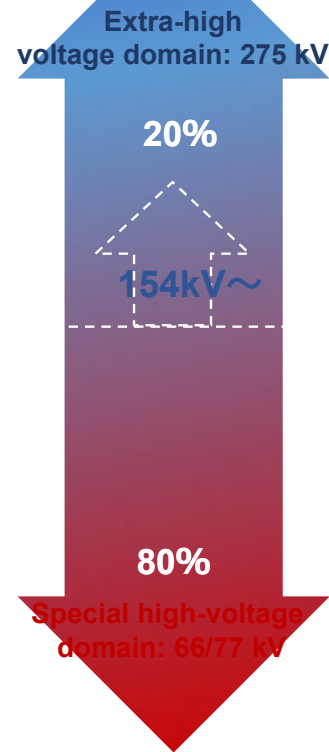


Nationwide cooperation with installation companies

Trend and Forecast of the Number of Installation Partner Companies
(Unit: companies)



Sales by voltage in the Power Infrastructure domain



SICOPUS

In-house installation workforce



Shift of in-house installation workforce toward extra-high voltage

Partner company installation workforce

Nationwide partner network



Business Plan of the Semiconductor Business

Market Forecast FY2026-FY2030

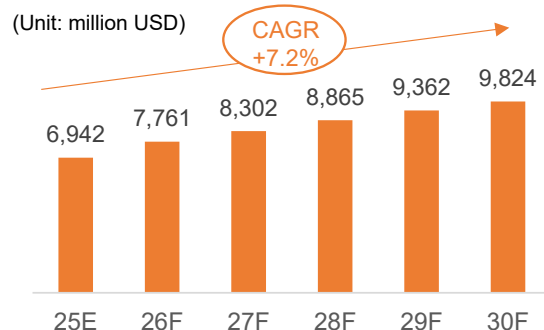
Opportunities

Expansion in semiconductor demand for AI-related applications, expansion of Chinese semiconductor market, shift towards miniaturized chiplet architectures with the development of high-performance, multifunctional semiconductors

Risk

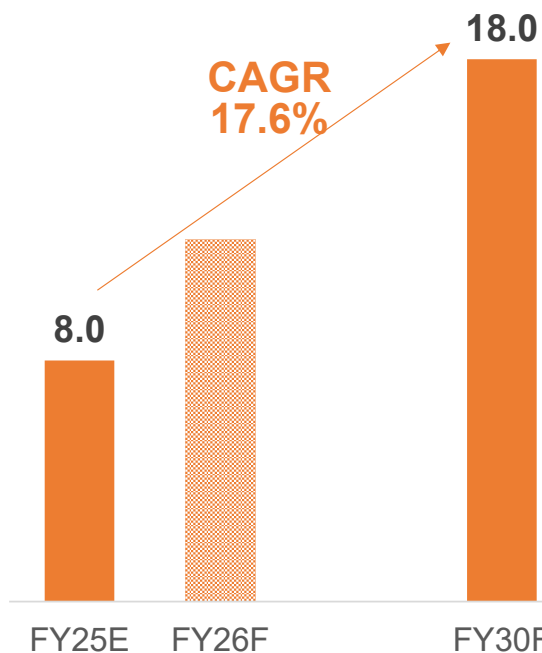
Substitution with other methods (Si-MEMS), intensification of cost competition, excessive capital investment

Sales forecast for semiconductor inspection equipment (worldwide)



Source: Produced by SWCC based on Global Semiconductor Inspection Equipment Sales and Growth Rates 2020-2031 in the "Semiconductor Inspection Equipment Market Report Global Market Shares and Rankings" (2025-2031 Market Outlook).

Net sales target under Medium-term Management Plan (billion yen)



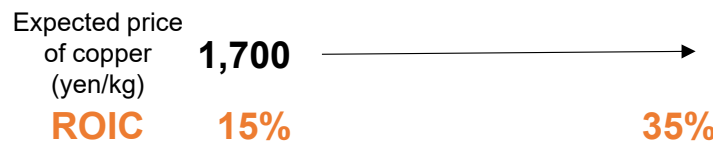
Capital investment plan

FY26F-30F
Total investment:
2.5 billion yen

(Reference)
FY22-25E
Total 0.4 billion yen

Basic Strategy

- Strategy I.** Comprehensive development utilizing combinations of raw unique materials and processing technologies
- Strategy II.** Promoting the sales of the Group's products related to inspection equipment
- Strategy III.** Expanding business areas in the semiconductor inspection equipment market



Growth Strategies for the Semiconductor Business

Strategy I Contact probes business domain

i. Comprehensive strategies for contact probes

- ✓ **Pre-process domain**
 - Sales expansion of MEMS, cantilevers and cobra probes
- ✓ **Post-process domain**
 - Mass production of semiconductor products in line with shift to miniaturized chiplet architectures

ii. Create framework for increasing production

- ✓ **Investment to increase production of high performance products of 1.3 billion yen**
 - 2.5-fold increase in production capacity from FY2025
- ✓ **Expansion of local production and local consumption in China**

iii. Sales expansion strategy

- ✓ **Expansion of business flows with leading inspection equipment manufacturers**

Strategy II Promoting the sales of other inspection equipment

i. Production and sales expansion strategies for high frequency cables

- ✓ **Continued sales expansion leveraging track record of adoption by leading semiconductor inspection equipment manufacturers**
- ✓ **Investment to increase production of 0.2 billion yen**
 - 2-fold increase in production capacity from FY2025

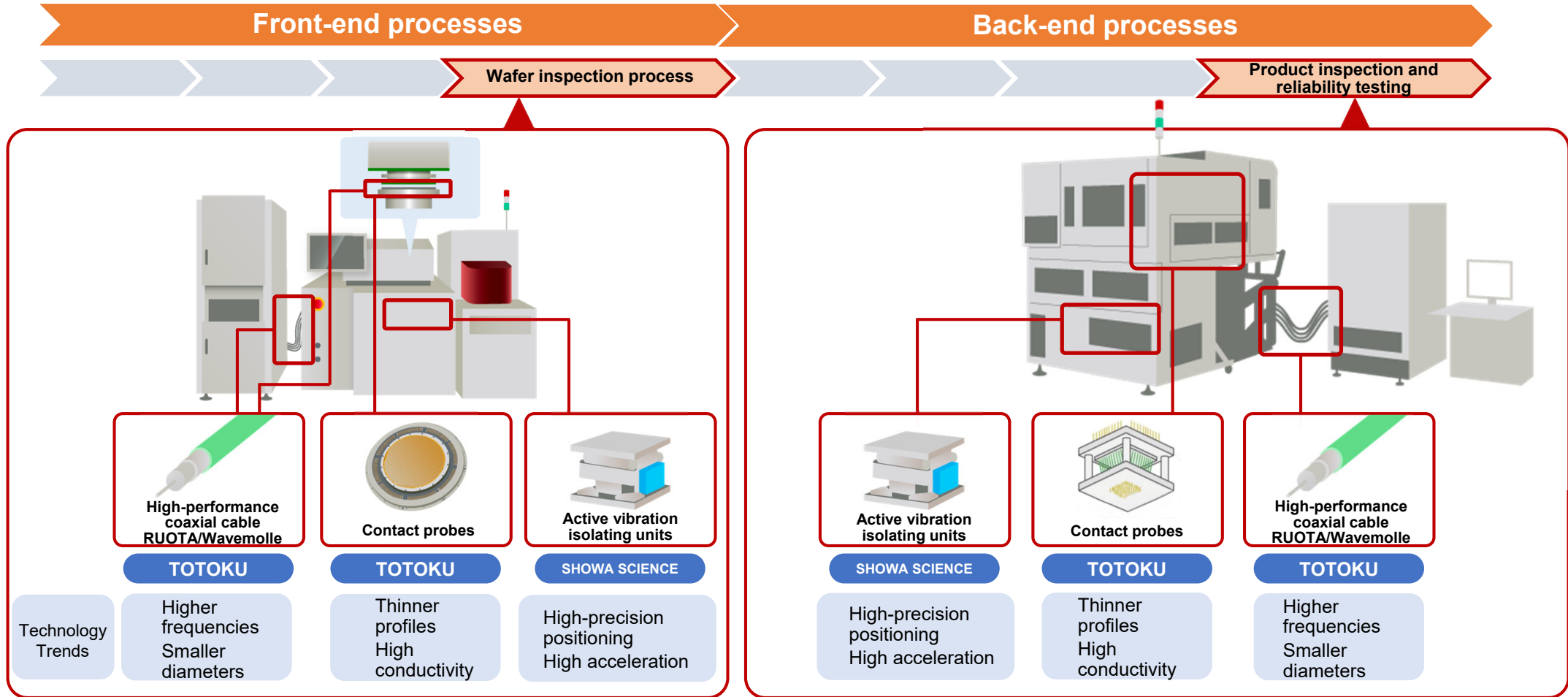
ii. Development, production and sales expansion strategies for vibration isolation platforms

- ✓ **Development of next-generation vibration isolation platforms in line with semiconductor miniaturization**
- ✓ **Expansion of sales to semiconductor equipment manufacturers and semiconductor fabs in Japan, China and Taiwan**

Strategy III Expanding business areas in the semiconductor inspection equipment market

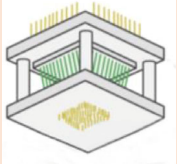
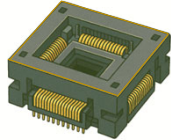
- ✓ **Implementing BD strategy**

Our Product Portfolio and Technology Trends in Semiconductor Inspection

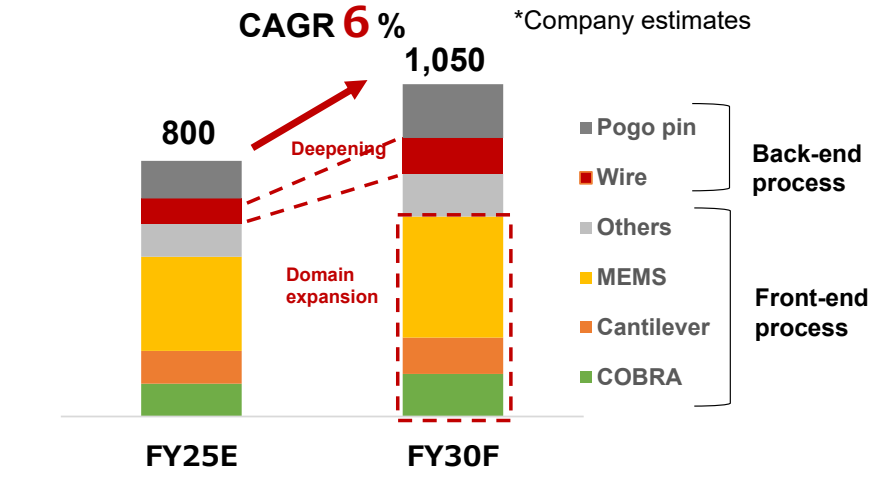


Strategy I All-around development utilizing materials and processing technologies

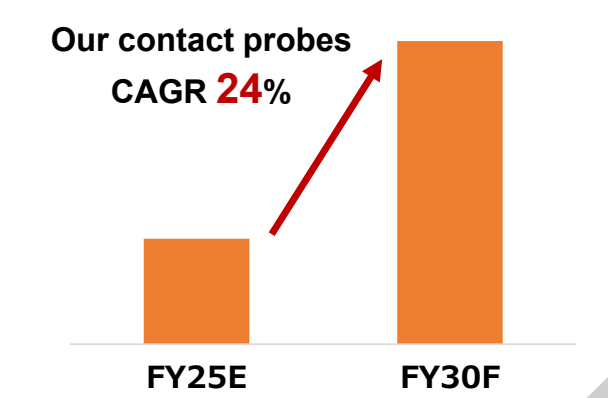
Expansion of contact probe demand driven by inspection automation for AI semiconductors and increasing sophistication due to miniaturization and higher pin counts.
 Plan to deepen presence in back-end processes and expand into front-end processes by leveraging our competitive advantages.

	← Expansion	Current core domain	
	Front-end process	Back-end process	
Inspection target	Silicon wafer	Package substrate	Finished semiconductor devices
Inspection unit	 Probe card	 Probe Jig	 Test socket
Probe used	 COBRA Cantilever MEMS	 Wire probe	 Pogo pin
Pin diameter	Φ0.030-0.1mm	Φ0.015-0.110mm	Φ0.110-0.5mm
Number of pins / unit	Up to 60,000 pins	Up to 20,000 pins	Up to 1,000 pins

Market size by type (100 million yen)



Net sales CAGR (2025–2030)



Key Features of Our Group Products

Net sales CAGR (2025–2030)

■ High-performance coaxial cables

RUOTA
Wavemolle

TOTOKU



- **Reduced diameter and weight through hollow structure**
 - Suitable for wiring in confined areas with high wiring density
- **High-frequency compatibility**
 - Supports high-speed transmission of large-volume data

■ Vibration isolation tables

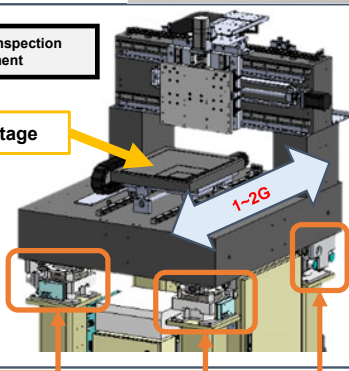
SSC
SHOWA

Active vibration isolation unit

Example of inspection equipment

Stage

1~2G



- **High precision and high acceleration enabled by linear motors**
 - Supports up to 2.0G
- **Vibration monitoring function**
 - Enables vibration environment management and predictive maintenance
- **Auto-tuning function for control parameters**

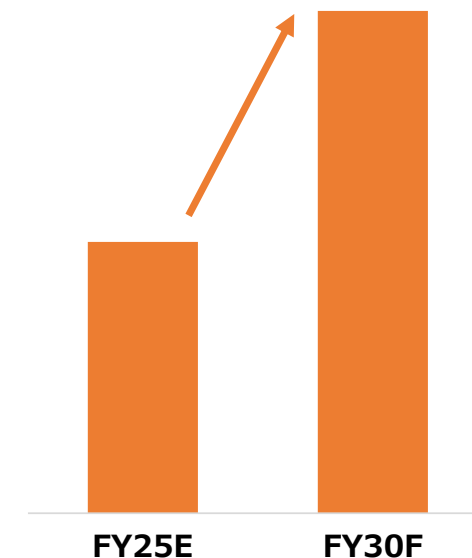
■ Burn-in sockets

株式会社 SDS



- **Advanced technology and high reliability**
 - Used for burn-in testing of semiconductor devices
- **Proven track record with major semiconductor manufacturers**

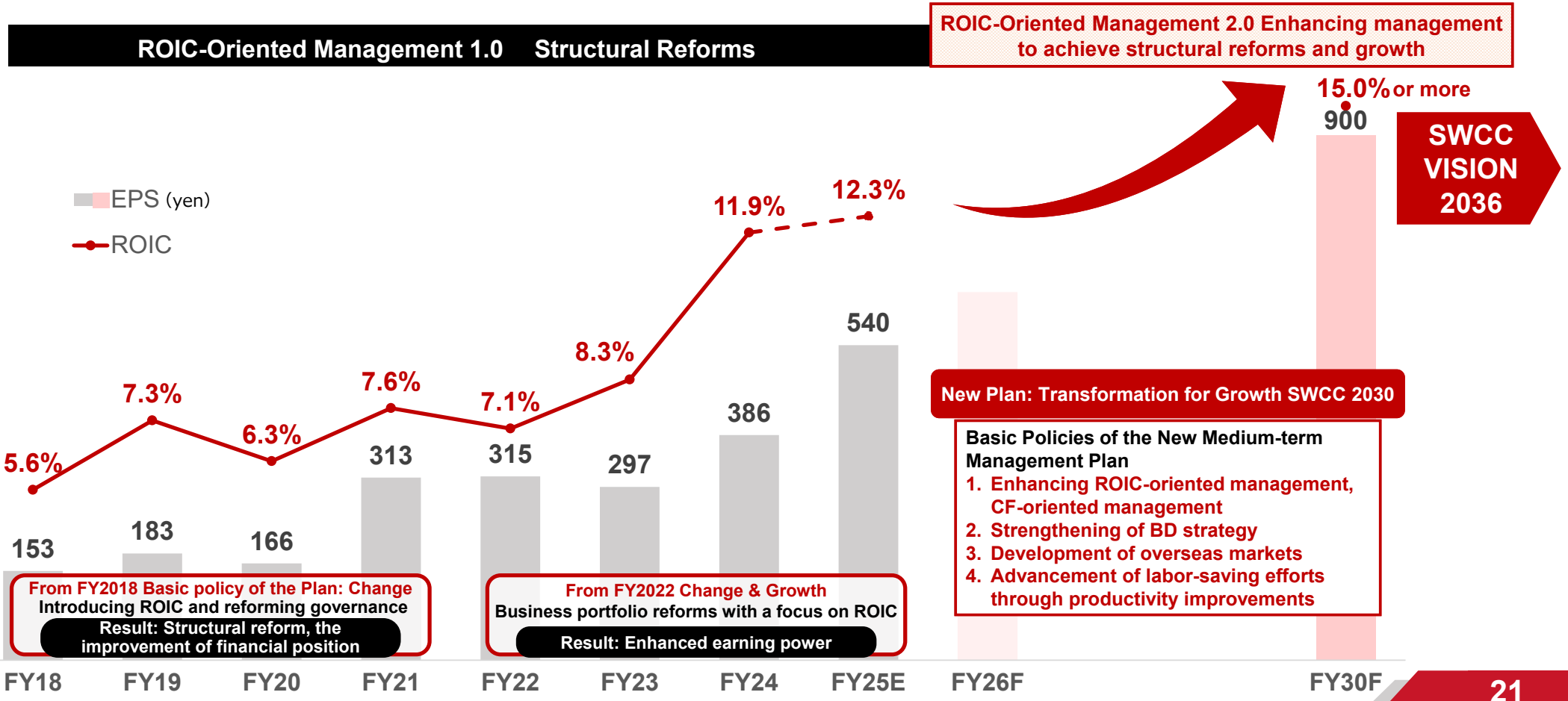
Semiconductor-related group products (excluding CP)
CAGR 13%



3. Financial and Capital Policies

Changes in Medium-term Management Plans: Transitioning from "Change" to "Transformation for Growth"

Under the new medium-term management plan, SWCC aims to **enhance its ROIC-oriented management** to accelerate growth and **become a global company with a strong capacity for generating cash.**



Transitioning from ROIC-Oriented Management 1.0 to ROIC-Oriented Management 2.0

We will deepen our management practices and transition to ROIC-Oriented Management 2.0 to accelerate structural reforms and growth, maximize cash flow, and enter a growth stage.

Medium-term management plan
from FY2018

Medium-term management plan
from FY2022

From FY2026 Transformation for Growth SWCC 2030

ROIC-Oriented Management 1.0: Structural reforms

ROIC-oriented management practices for improvements
(Liquidate and withdraw unprofitable businesses)



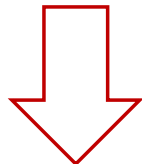
Improvement of capital efficiency
Improve financial condition

Operating profit
(After tax)



Increasing the numerator
(Improve profitability)

Investment capital



Decreasing the denominator
(Asset reduction)

ROIC spread ↑ × Invested capital ↓ = Corporate value ↑

ROIC-Oriented Management 2.0: Structural reforms and enhancements for growth

ROIC-oriented management practices for growth
(Strategic investments in growth areas)



Continuous revenue growth
Expanded ability to generate cash

Operating profit
(After tax)

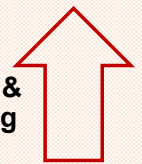


Increasing the numerator significantly
(Improve profitability & Business growth)

Investment capital



Increasing the denominator
(Asset reduction & Invest in growing businesses)



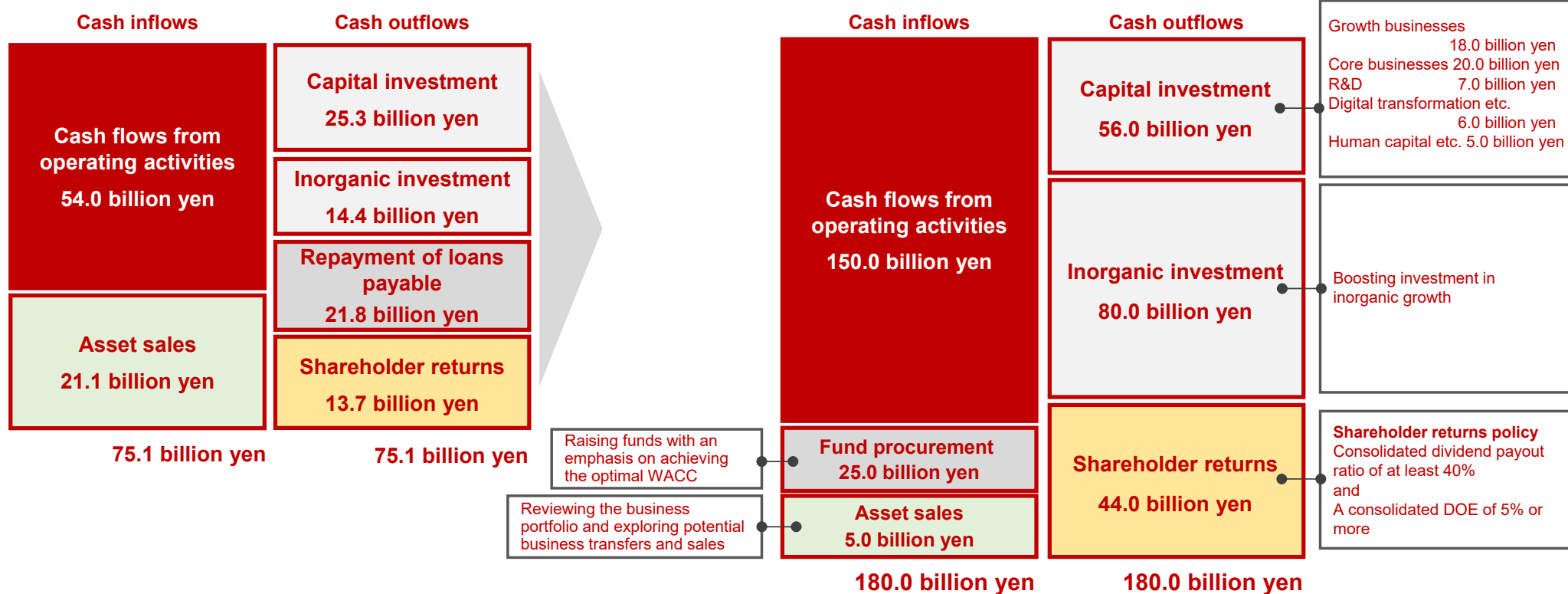
ROIC spread ↑ × Invested capital ↓ ↑ = Corporate value ↑

Cash Allocation

Creating cash flow by increasing profits and enhancing the efficiency of the balance sheet
Accelerating value creation and increasing shareholder returns through sufficient investments in human capital, research and development, and digital transformation.

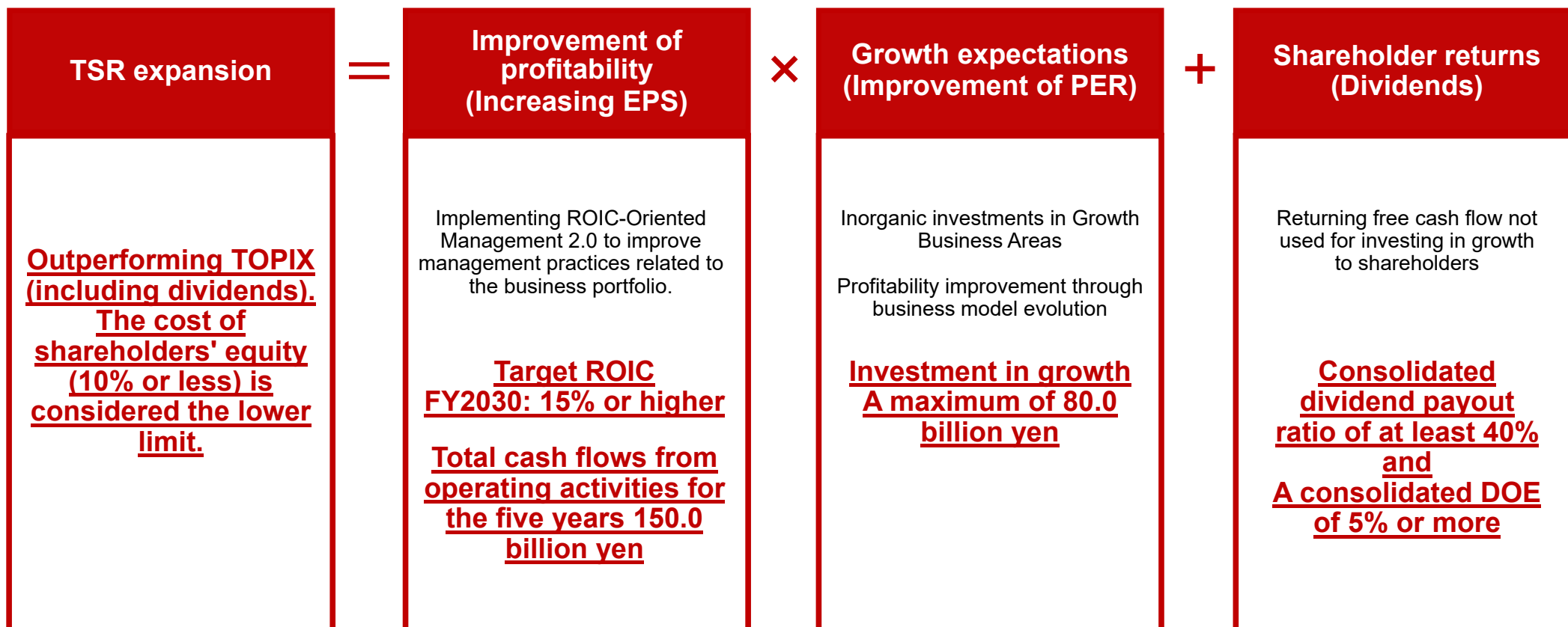
Total investments from FY2022 to FY2025 (four years)

Total investments from FY2026 to FY2030 (five years)



Policy to Increase TSR and Quantitative Targets

We will implement ROIC-Oriented Management 2.0 practices and establish a **TSR expansion model**.



Appendix

Key Points of the Financial Results for Q3

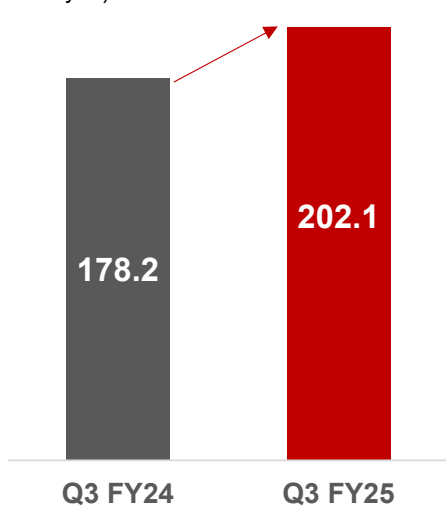
Q3 YoY Change

Both sales and profit increased, driven by strong performance in the Power Infrastructure and Communication Cables businesses.

Net sales

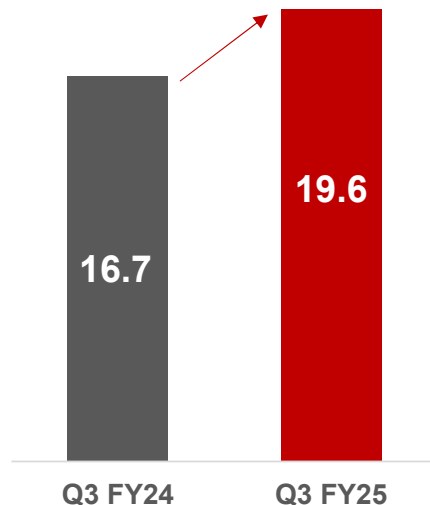
Up 13.4%

(Unit: Billion yen)



Operating profit

Up 17.4%



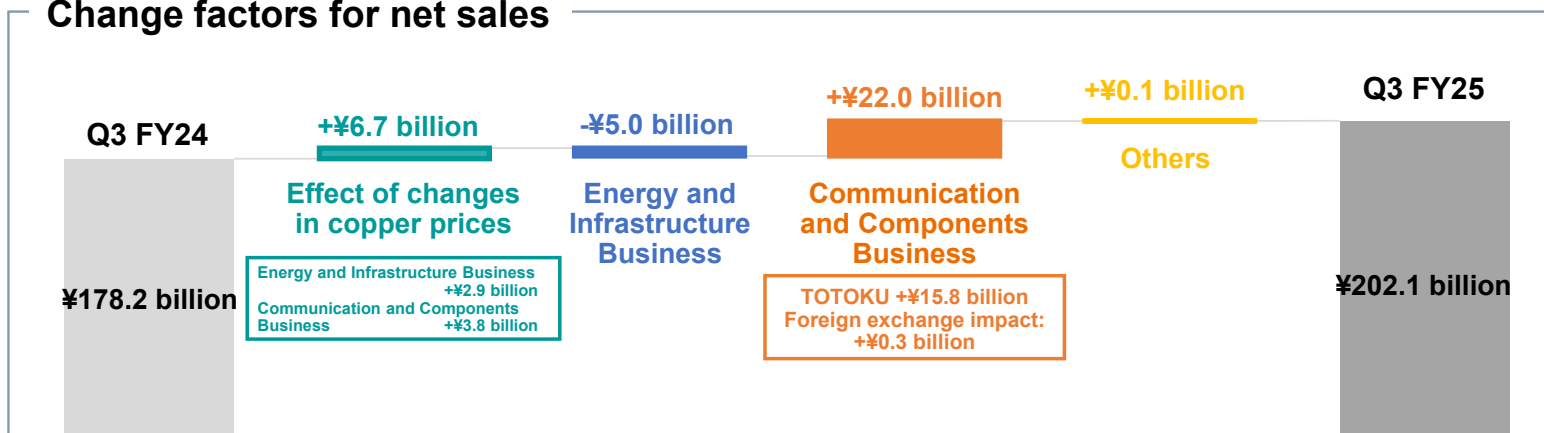
Q3 Progress rate

Both sales and operating profit have proceeded **at the usual pace**.

(Unit: Billion yen)	Full-year plan	FY20-24 Avg. progress rate	Q3 Progress rate
Net sales	270.0	74.0%	74.8%
Operating profit	26.0	73.8%	75.2%

FY2025 Q3 Change Factors (YoY)

Change factors for net sales



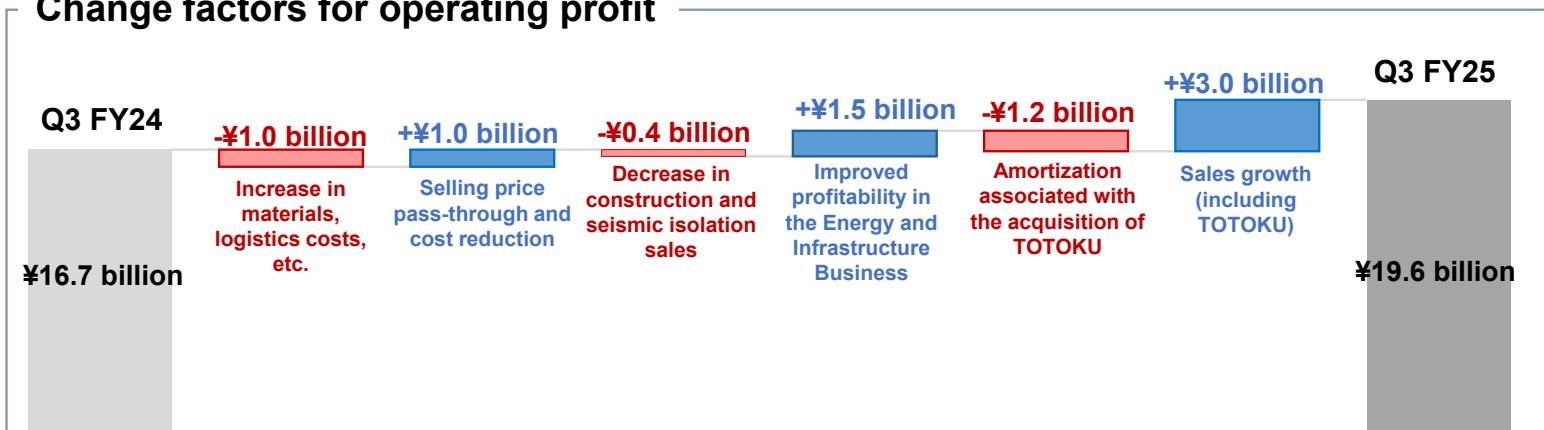
[Change factors]

1. Net sales
 Copper prices rose and sales in the Communication and Components Business, which is a second growth pillar, increased, resulting in a **YoY increase in net sales**.

2. Operating profit
 Higher costs were offset by price pass-through and cost reduction.

The decline in construction cables was also smaller than initially anticipated. Amortization associated with the acquisition of TOTOKU fell within initial forecasts. The profitability of the Energy and Infrastructure Business improved and overall net sales, including TOTOKU, increased, resulting in a **YoY increase in net sales**.

Change factors for operating profit



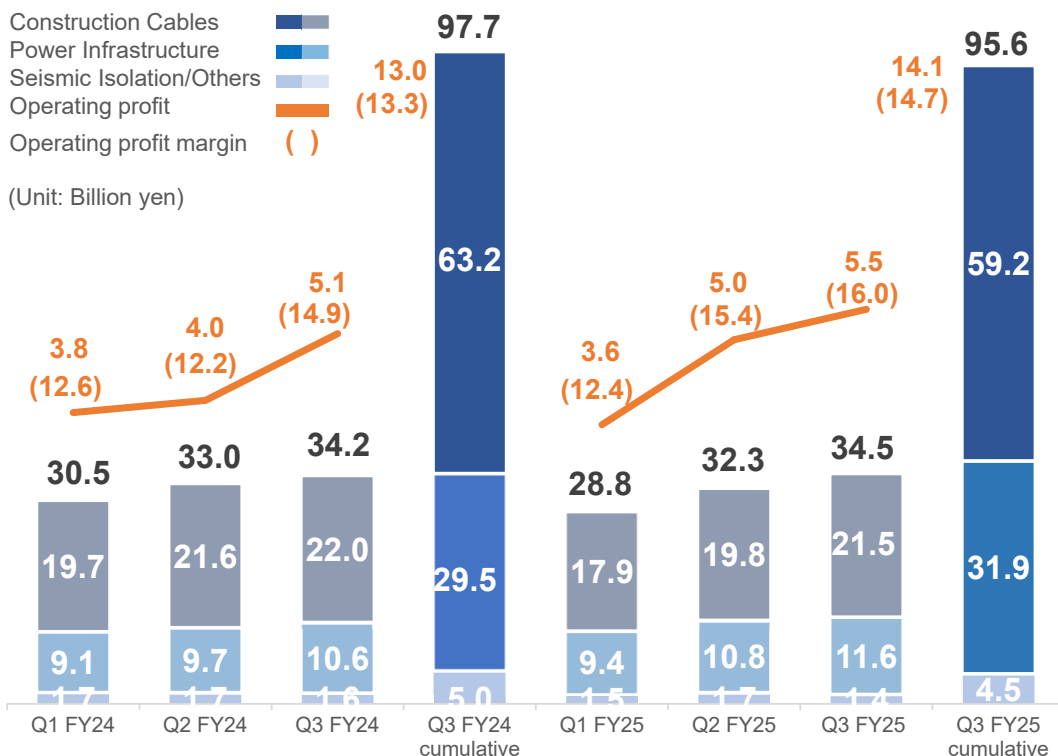
FY2025 Q3 Statements of Income by Segment



		Q3 FY24 Results	Q3 FY25 Results	YoY %	FY25 Full-year plan	Progress rate %
(Unit: Billion yen)						
Energy and Infrastructure Business	Net sales	97.7	95.6	-2.1%	130.0	73.6%
	Construction Cables	63.2	59.2	-6.3%	79.0	74.9%
	Power Infrastructure	29.5	31.9	8.2%	44.4	71.8%
	Seismic Isolation/Others	5.0	4.5	-9.8%	6.6	68.5%
	Operating profit	13.0	14.1	8.5%	18.2	77.4%
	Operating profit margin %	13.3%	14.7%	—	14.0%	—
Communication and Components Business	Net sales	75.9	101.7	34.0%	132.5	76.7%
	Communication Cables	21.3	25.1	17.7%	33.0	76.0%
	Mobility and Semiconductor Applications	26.0	37.6	44.4%	49.0	76.7%
	Industrial Applications	28.5	39.0	36.7%	50.5	77.3%
	Operating profit	3.9	5.5	39.9%	7.8	70.4%
	Operating profit margin %	5.2%	5.4%	—	5.9%	—
	EBITDA margin %	7.4%	9.2%	—	9.8%	—

FY2025 Q3 Results by Segment / Energy and Infrastructure Business

Demand for construction cables in the domestic market showed signs of recovery in Q3. Sales of products for power infrastructure fell due to the withdrawal from aluminum overhead cables, but construction work increased and added value improved across the business as a whole, with operating profit margin improving as a result. **Sales decreased YoY (down 2.1%) and profit also rose (up 8.5%).**



Q3 Results: Factors Behind Strong and Weak Performance

Construction

- Q3 showed its usual pattern of recovery despite reduced demand from longer construction periods due to restrictions on working hours and the ongoing impact of soaring material prices
- Profit increased as a result of improved production efficiency.

Q4 Forecast Q4 is expected to follow the regular pattern of lower demand

Electric power

- Operating profit margin improved, reflecting an increase in the number of construction projects, the effects of investments to increase production of SICONEX, and improved added value across the electric power business

Q4 Forecast Demand remains strong.

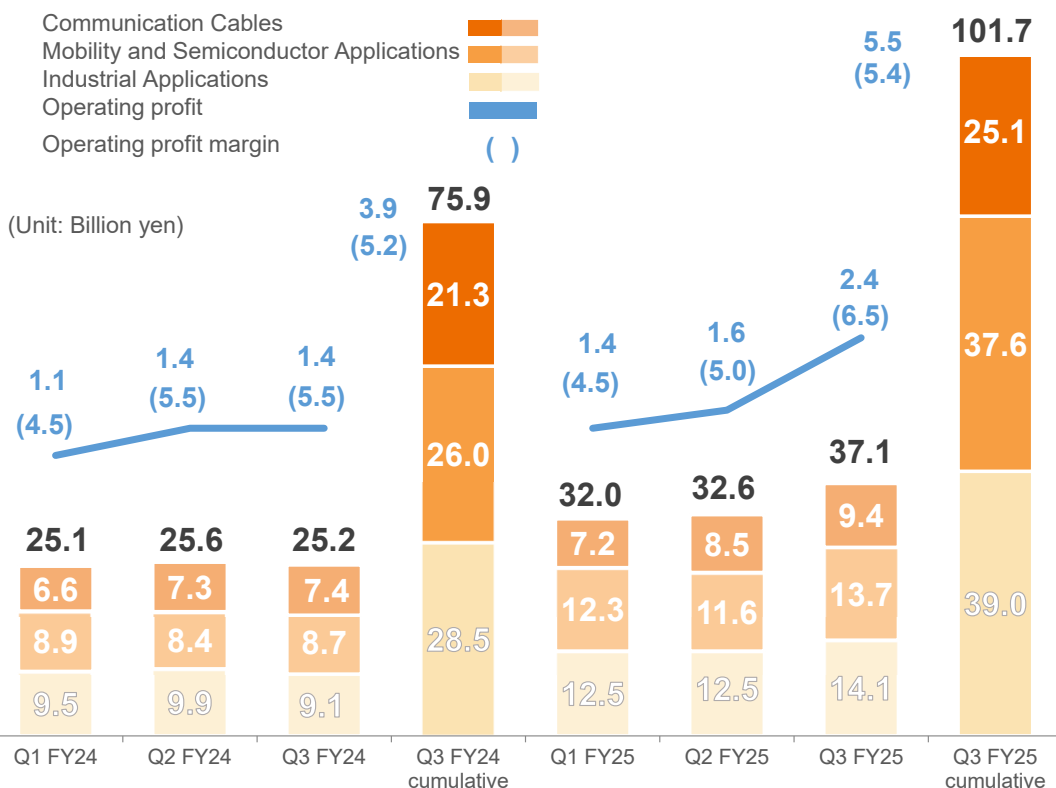
Seismic Isolation/ Others

- Both sales and operating profit declined due to the withdrawal from the seismic isolation business.

Q4 Forecast Revenue and profit continue to decline

FY2025 Q3 Results by Segment / Communication and Components Business

In Communication Cables, demand for e-Ribbon for U.S. data centers rapidly expanded toward H2. Despite an increase in net sales with the performance integration of TOTOKU, Industrial Applications struggled. **Sales increased YoY (up 34.0%) and profit also rose (up 39.9%).**



Q3 Results: Factors Behind Strong and Weak Performance

Communications

- Due to booming hyperscaler demand, some customers requested increased e-Ribbon production, driving steady performance
- The number of vehicles equipped with ADAS as standard expanded, leading to strong performance for automotive applications, particularly in North America

Q4 Forecast Strong demand for e-Ribbon is expected to further expand

Mobility and Semiconductor Applications

- Strong performance continued in the Chinese semiconductor inspection equipment market. Production volume of contact probes increased from H2.
- The seat heater market is on an expansionary track but customers made inventory adjustments

Q4 Forecast Product demand will accelerate due to increased semiconductor inspections

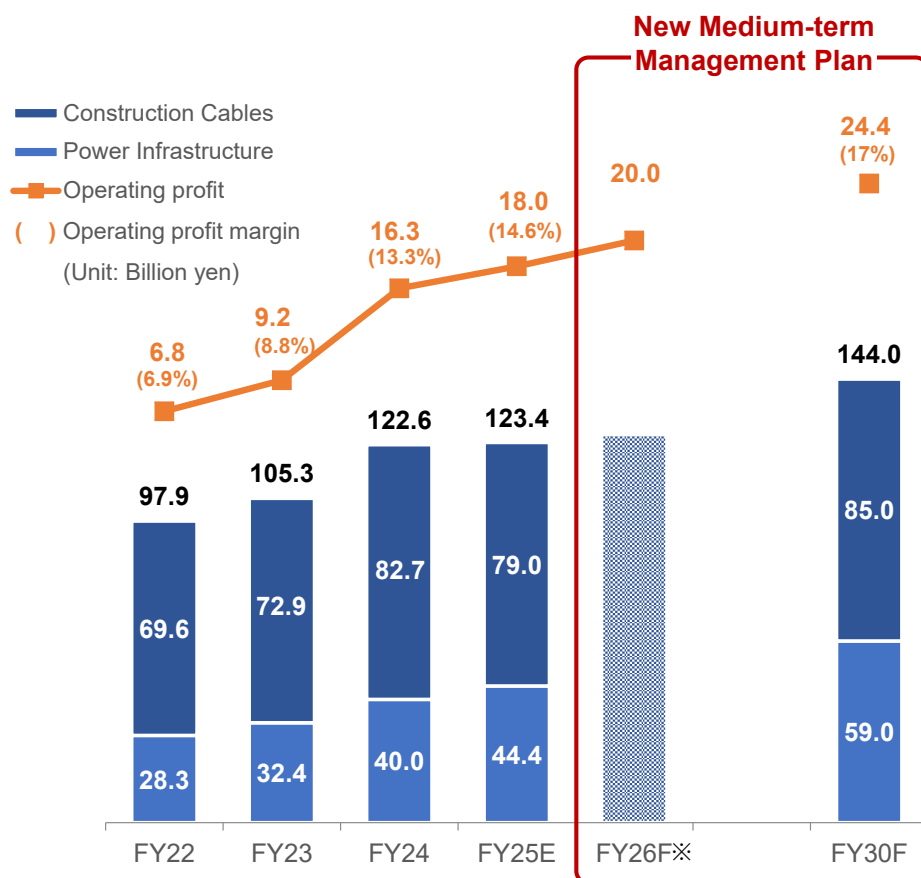
Industrial Applications

- Demand for wire harnesses slowed due to the effects of subsidy policies for home appliances in the Chinese market ending.
- The market for general purpose winding wires continued to slow

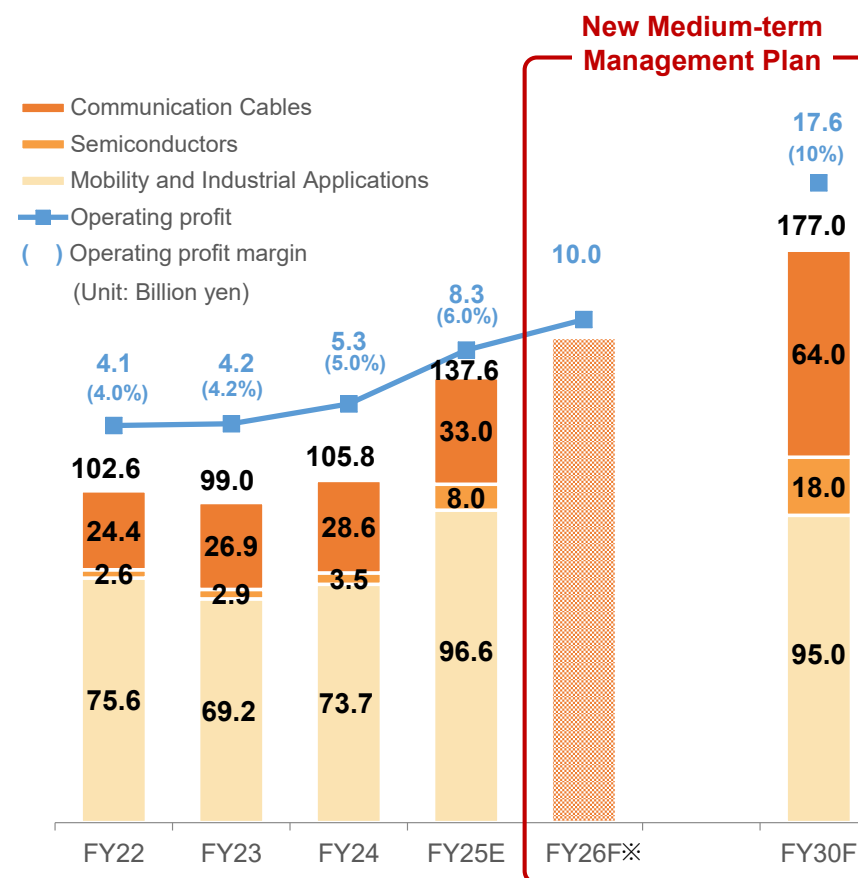
Q4 Forecast Production sites for general purpose winding wires will be reorganized heading into next year

Business Results and Plan by Subsegment

Energy and Infrastructure Business



Communication and Components Business



※ For fiscal year 2026, disclosure is scheduled to be made based on copper market conditions and other factors at the time of the fiscal year 2025 final settlement announcement.

Cash cow business

Business Plan of Construction Cables (Energy and Communication) Business

Market Forecast FY2026-FY2030

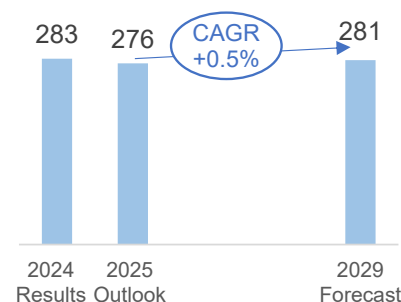
Opportunities

- Total demand will remain mostly unchanged in the medium term.
- Reassessment of value of electric wires and cables in the construction and electrical equipment markets

Risk

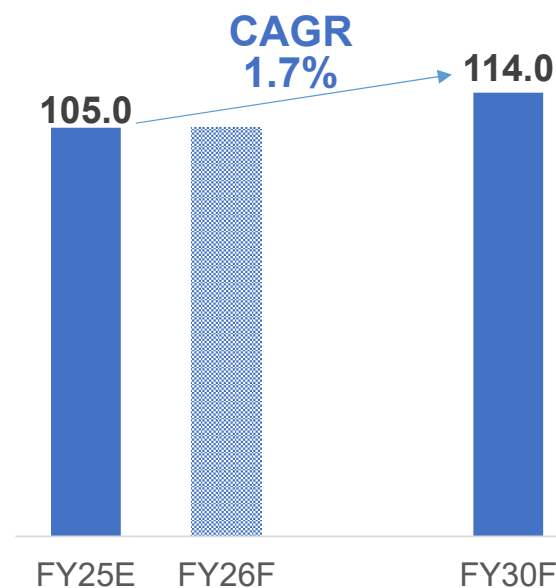
Suspension and postponement of construction projects and falling distribution efficiency due to labor shortages

Medium-term outlook for electric wire and cable demand (Japan)
(Units: 1,000 t)



Source: Prepared by SWCC based on Medium-Term Electric Wire and Cable Demand Forecast (Shipment Basis) in "FY2025 Electric Wire and Cable Forecast Revision Summary" published by The Japanese Electric Wire & Cable Makers' Association in September 2025

Net sales target under Medium-term Management Plan (billion yen)



Capital investment plan

FY26F-30F
Total investment:
6.5 billion yen

(Reference)
FY22-25E
Total 4.9 billion yen

Basic Strategy

Improving ability to generate cash by increasing efficiency of Group assets

Expected price of copper (yen/kg)

1,700 →

ROIC

20%

24%

CCC

72 days

62 days

Number of days for inventory turnover

49 days

35 days

Cash cow business

Strategies for Improving CF in Construction-related Business

Pursue **higher efficiency, labor-savings and increased supply capacity** in construction-related business, which is positioned as a growth market, through **DX-driven structural reforms**, and **strive for business model capable of generating stable CF**.

Roadmap to vision

FY2025	Termination of the joint venture agreement (Acceleration of management decisions through conversion of SFCC into wholly owned subsidiary)
Productivity enhancement	Strengthening of integrated manufacturing system (Integration of Group's electricity and communication businesses)
Improvement of business efficiency	Use of DX technologies (Improvement of production efficiency)
Strengthening of delivery capabilities	Optimized delivery systems
Strengthen selling ability	Improvement of CF in construction sales business

FY2026-
FY2030

Increasing resilience of SWCC Group's construction sales business

Measures to improve ability to generate stable CF

I. Reduce inventory assets and shorten lead times through logistics reforms

Reorganization of Group sites and distribution centers

Labor-saving and efficiency improvement at distribution centers

Inventory reduction



II. Improvement of customer convenience through EC site



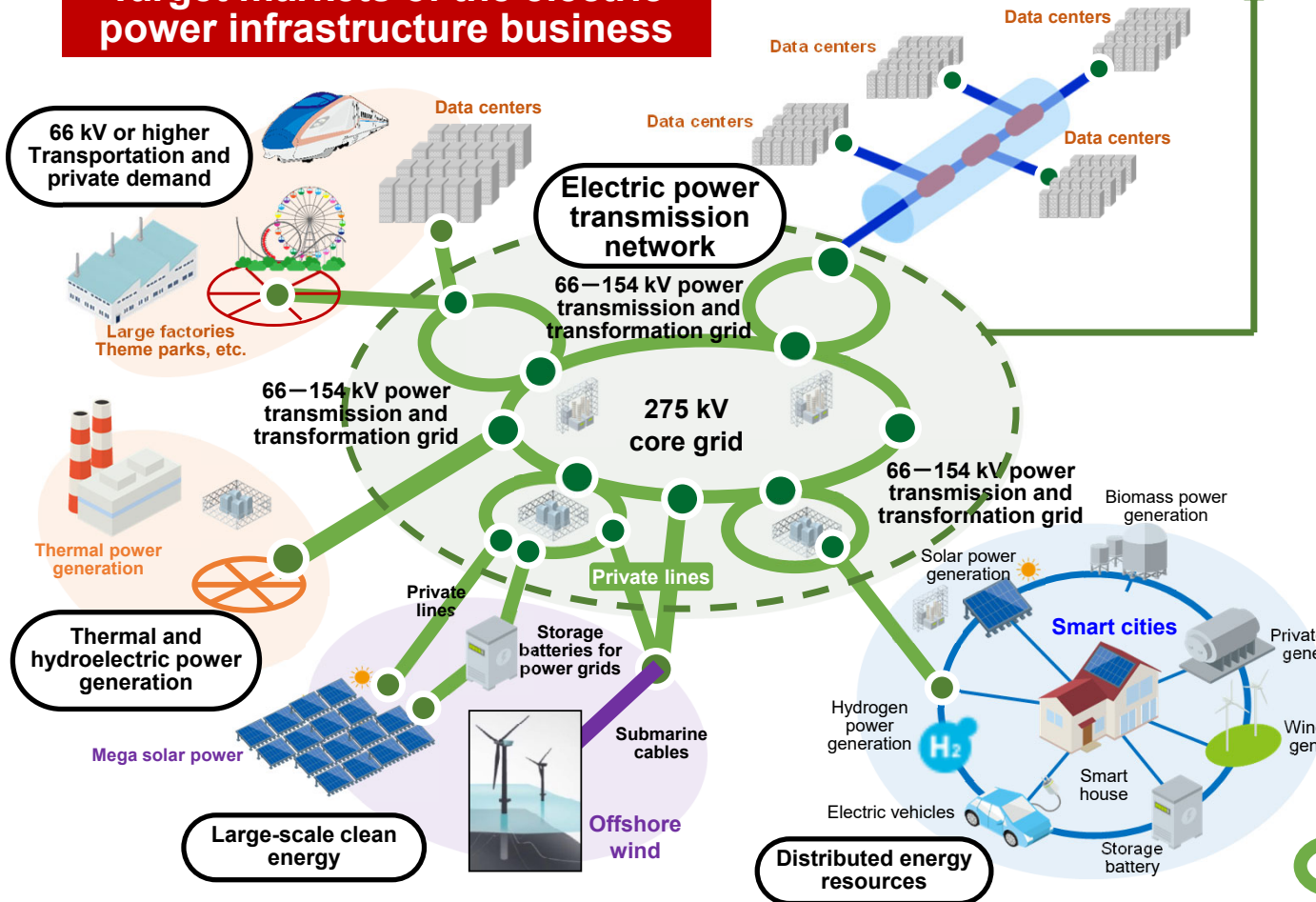
<Effects>

- Increased sales through the creation of opportunities
- Reduction in inquiry times

Growth Strategies for the Power Infrastructure Business

**Replacement Demand for Aging Power Cables
Market Size Through 2045: Approximately 400 billion yen in cumulative value**

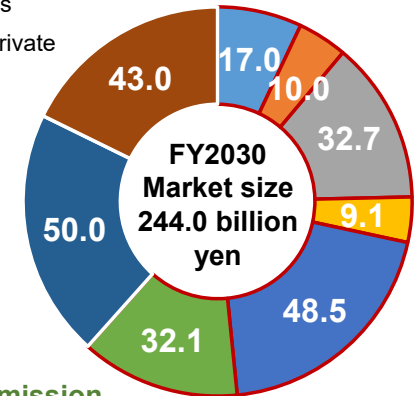
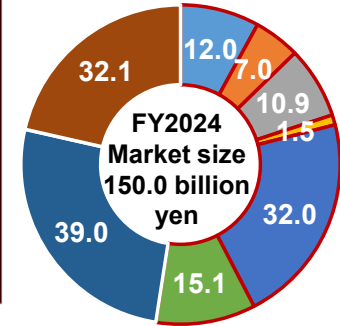
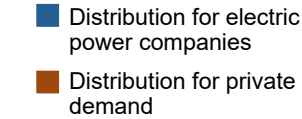
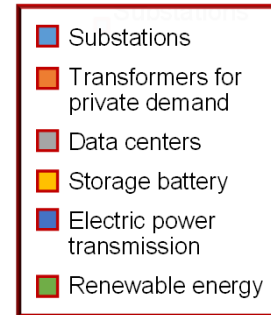
Target markets of the electric power infrastructure business



Trend in expected market size

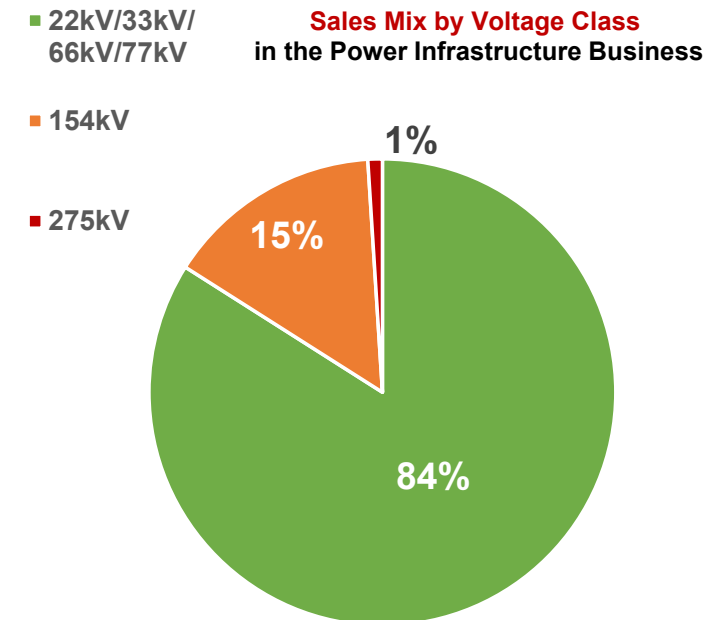
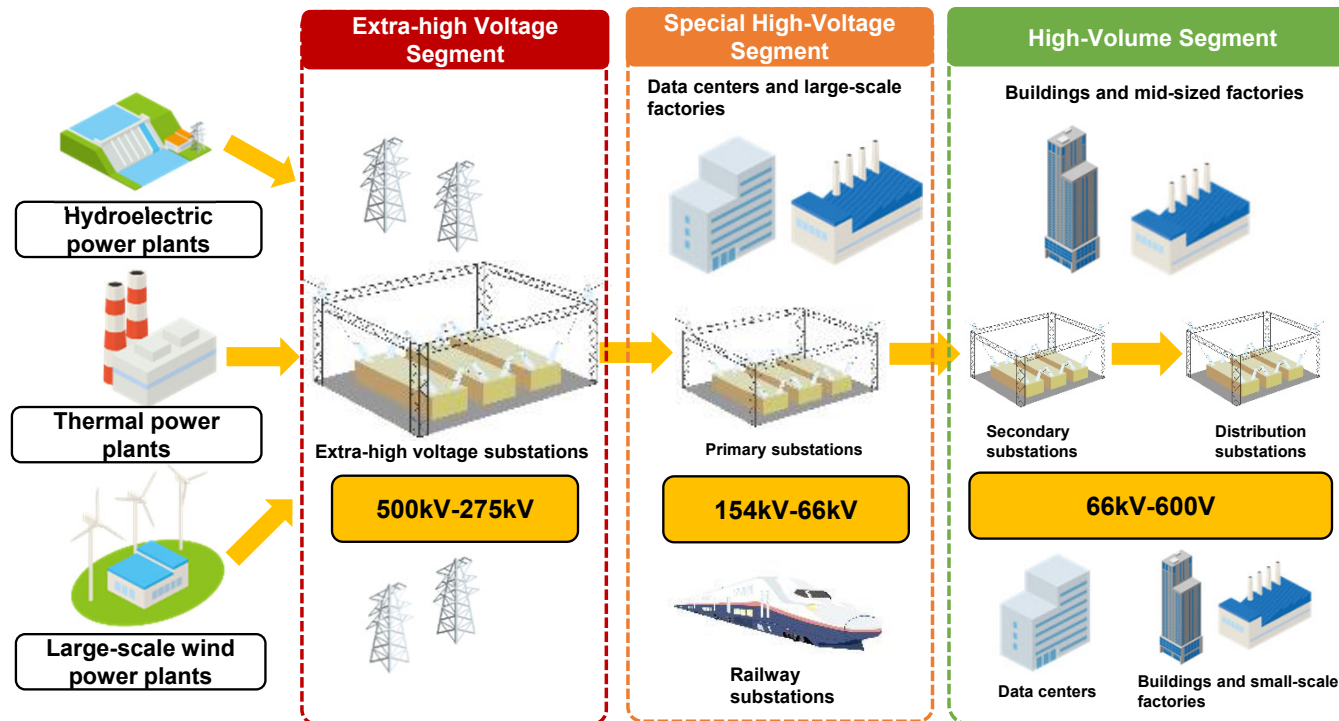
* SWCC estimate

Total domestic demand



Growth Strategy for the Power Infrastructure Business: Sales and Market Share by Voltage Class

Across voltage classes, we cover a wide range from extra-high voltage to the high-demand 600V segment. **Our estimated share of the substation market in FY2025E is 63% for utility substations and 93% for private-sector substations. However, much of this share is concentrated in the 66 kV segment. Going forward, we aim to improve profitability by capturing scarce share in the extra-high voltage segment (500–275 kV) and the special high-voltage segment (154–66 kV).**



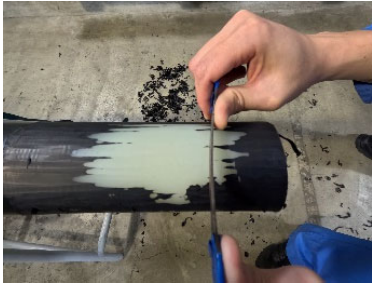
Growth Strategy for the Power Infrastructure Business: Easy-install Cable “e-Cable™”

As demand expands due to replacement of aging facilities and reinforcement of transmission and distribution networks, **labor shortages have become a major challenge.**

By leveraging the SICOPLUS training program and expanding our easy-install cable lineup, we enable labor savings and reduced skill dependency even at higher voltage classes.

Key Features of Easy-stripping cable “e-Cable™”

Conventional power cables of 66 kV and above



Previously, highly advanced processing skills were required, involving precise circular stripping using sharp tools.

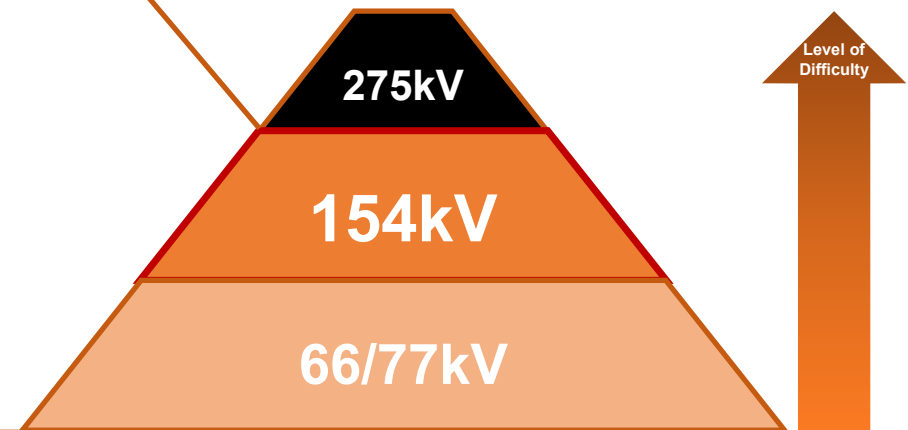
“e-Cable™”



- Simplified work processes **significantly shorten the skill acquisition period (training period reduced from three years to three months).**
- Work time reduced to **approximately one-quarter** of the conventional process

November 2025
New Brand Strategy: e-Cable™

Expansion of the easy-install power cable lineup from the conventional 66 kV class to 154 kV



Growth businesses

Business Plan for Overseas Communication Business



Market Forecast FY2026-FY2030

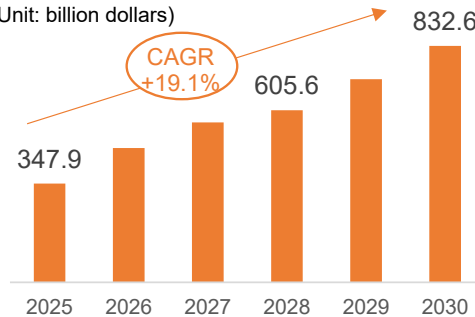
Opportunities

Continued expansion in the construction of hyperscale data centers due to big data and continued growth in telecom traffic, a shift of the market away from Europe and the US toward APAC

Risk

Commoditization due to growth of the IBR cable market, falling demand for super-multi-core cable due to low-price WDM solutions

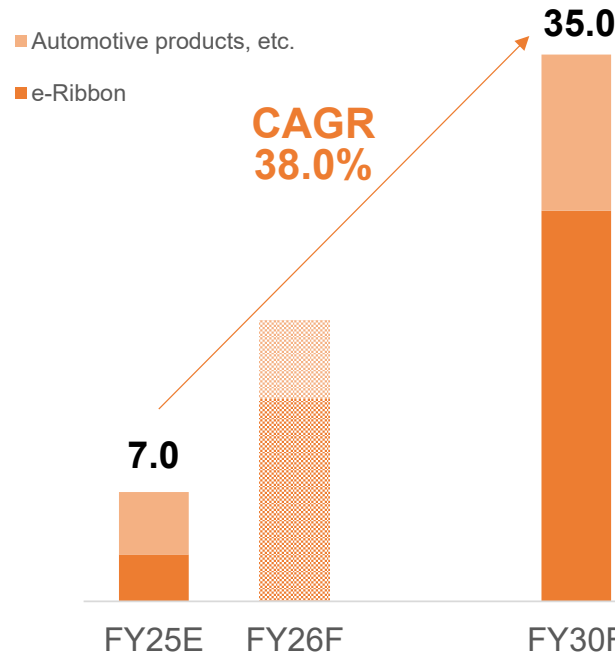
Outlook for data center server market (global)
(Unit: billion dollars)



Source: Prepared by SWCC based on server-related data in forecasts for data center-related products market (worldwide) in "Trends Survey of Focused Areas 2025" published in December 2025 by Japan Electronics and Information Technology Industries Association [JEITA]

Note: Servers means general-purpose servers and AI servers with GPU acceleration

Net sales target under Medium-term Management Plan (billion yen)



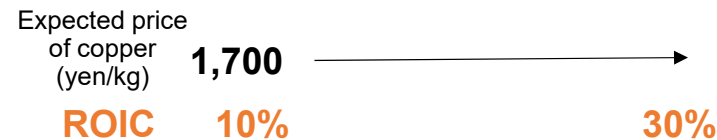
Capital investment plan

**FY26F-30F
Total investment:
3.0 billion yen**

(Reference)
FY22-25E
Total 0.6 billion yen

Basic Strategy

- Strategy I.** Global expansion of the e-Ribbon business
- Strategy II.** Increasing sales of e-Ribbon cable and applied products



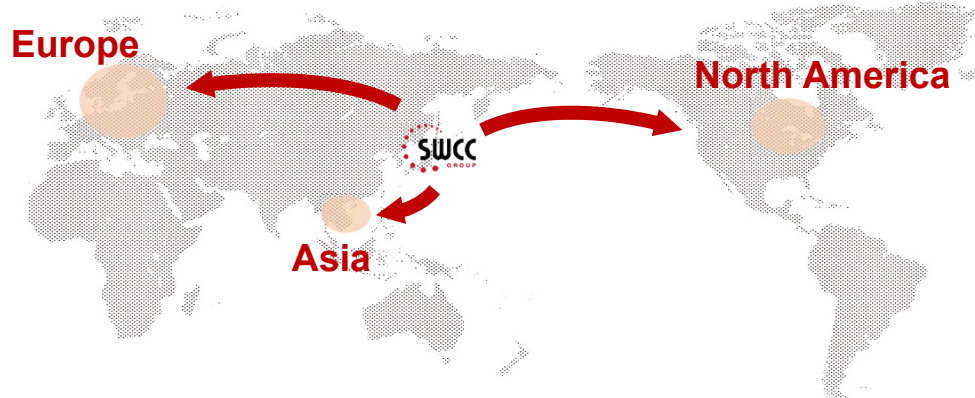
Growth businesses

Growth Strategies for the Overseas Communication Business (e-Ribbon)



The global generative AI market is seeing explosive growth. Due to a surge in the construction of hyperscale data centers, the adoption of e-Ribbon for high density cabling within data centers and linking data center is increasing. We will capture this strong demand by stepping up two strategies.

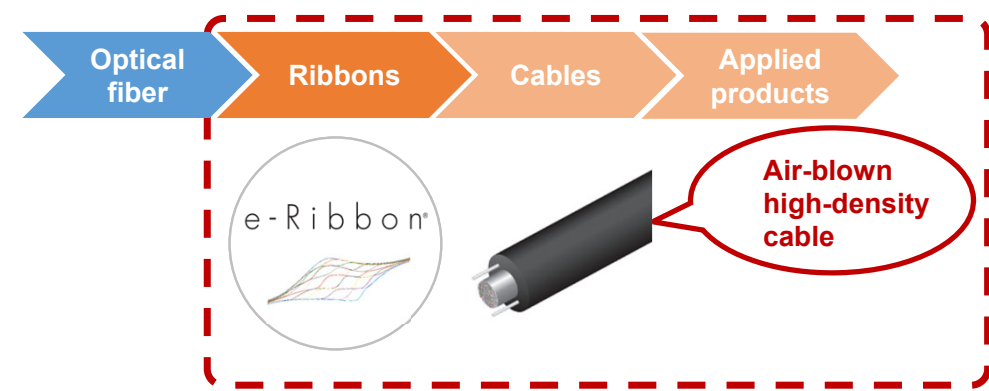
Strategy I Global expansion of e-Ribbon business



- ✓ Conclusion of long-term contracts with global manufacturers (Stable supply of optical fiber through partners)
- ✓ Investment to increase production in Japan and overseas 2.0 billion yen (Around 7-fold increase in production capacity from FY2025)

Realization of high capital efficiency (ROIC of 30% or higher) through concentrated investment in e-Ribbon production

Strategy II Increasing sales of e-Ribbon cables and applied products




- ✓ Global production and sales expansion of high value added products for data centers
- ✓ Sales expansion of e-Ribbon cable applied products

Improvement in profitability through downstream strategies

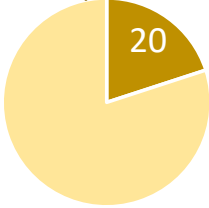
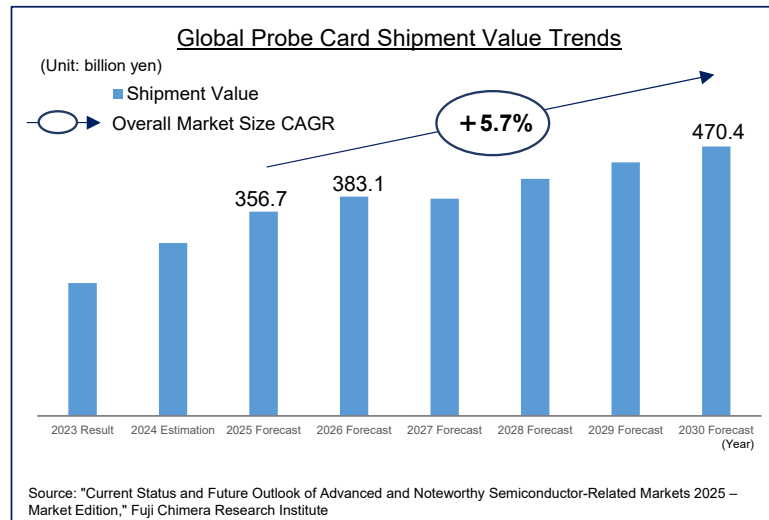
Attractive Product Portfolio of TOTOKU: Contact Probes for Semiconductor Testing Processes

[Strengths] Advanced processing technology/Large production capacity
[Market Share] 35% global share (FY2024)

*Assumption by our company



Ratio of overseas shipments

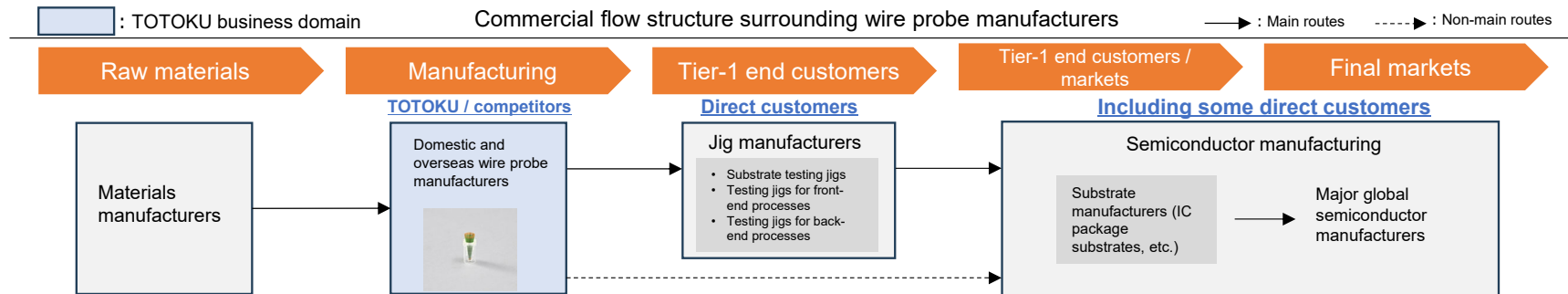



Advantageous Conditions / Future Market Outlook

With the expansion of AI demand, the semiconductor market is expected to grow. The "larger GPU" trend and "HBM stacking" are expected to drive demand for testing equipment.

As **semiconductors become smaller**, the wiring of test targets becomes thinner and finer. This shift is accelerating the move from the conventional two-terminal method to the four-terminal method. **With increased adoption of the four-terminal method, the number of probes used is also expected to rise.**

Business Flow

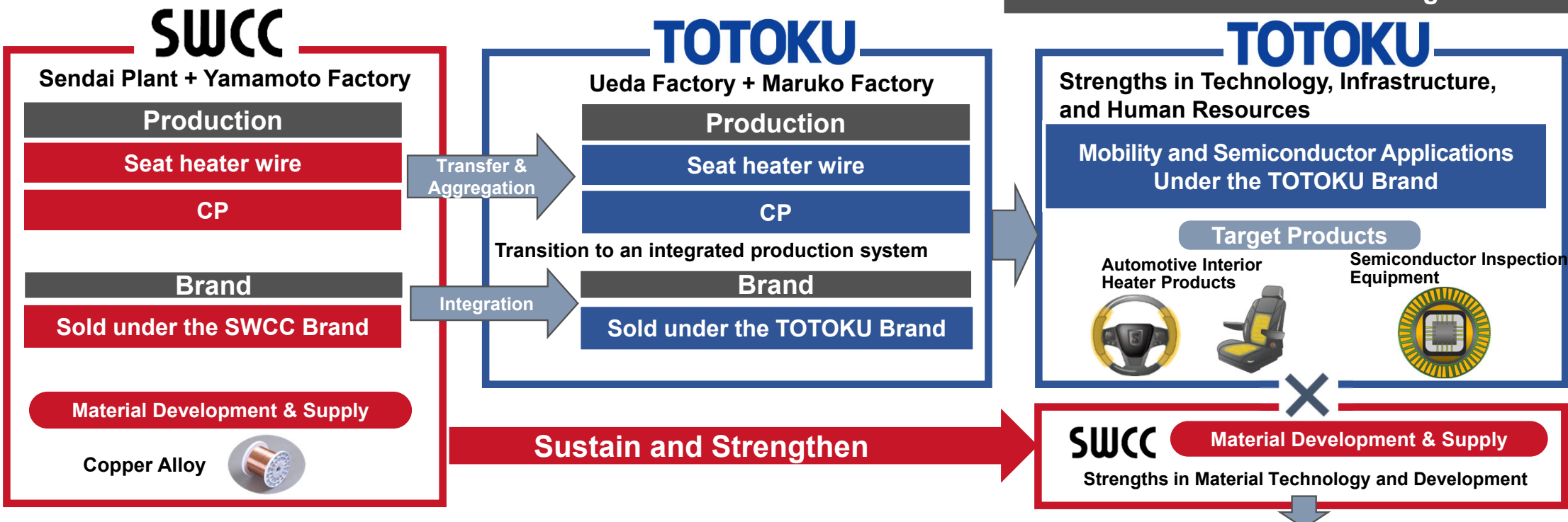


Improvement of Business Efficiency and Acceleration of Growth through Integration of Sites

News release dated November 12



To accelerate growth in heater wire and semiconductor probe businesses and optimize the production system, part of SWCC Sendai's production will be transferred to TOTOKU's Ueda and Maruko sites. Sendai will focus on its strengths in material development and supply, boosting group-wide synergies.



◆ 11/12 Press Release https://www.swcc.co.jp/jpn/news/images/20251112B_PRESS_RELEASE

Consolidation and Integration effects expected to be approx. 200 million yen



SWCC Corporation

<https://www.swcc.co.jp/eng>

Forward-looking statements in this document are based on information available at the time of publication and contain potential risks and uncertainties.

Therefore, actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Such factors that may affect actual results include economic conditions, demand trends, and fluctuations in raw material prices and exchange rates.

Factors that may affect business performance include, but are not limited to, the above.