



Innovating new ideas today. Becoming the norms of tomorrow.

Q1 FY2025 Small Meeting

August 22, 2025

SWCC Corporation

TSE PRIME: 5805

Today's Agenda and Speakers

1. Q1 FY2025 Overview of Financial Results



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

Tetsuo Komata

2. Growth Strategy for the Communication Cables Business



**Segment Officer, Communication
and Components Business,
General Manager, Communication
and Devices Sales Division**

Tomotaka Murase

3. Growth Strategy for the Mobility and Semiconductor Applications Business



**Executive Officer,
In charge of TOTOKU Business,
President and CEO,
TOTOKU INC.**

Ken Maki

* Yukio Kawase, Senior Executive Officer, Head of Business Segments (former Chief of the Energy and Infrastructure Business Segment), and Kazuhiko Inoue, Managing Executive Officer, Chief of the Communication and Components Business Segment; President and Representative Director, FUJI ELECTRIC CABLE CO., LTD. also attended the Q&A session.

1. Q1 FY2025 Overview of Financial Results

Key Points of the Financial Results for Q1 FY2025

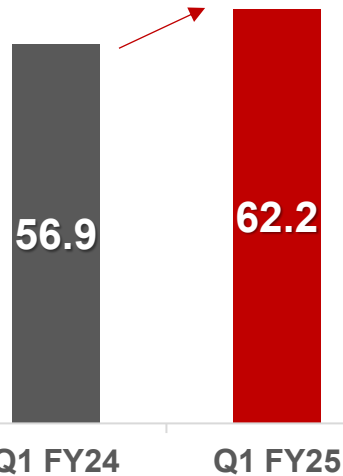
Q1 YoY Change

Demand for Construction Cables in the domestic market declined, but both sales and profit increased, driven by the Power Infrastructure and Mobility and Semiconductor Applications businesses.

Net sales

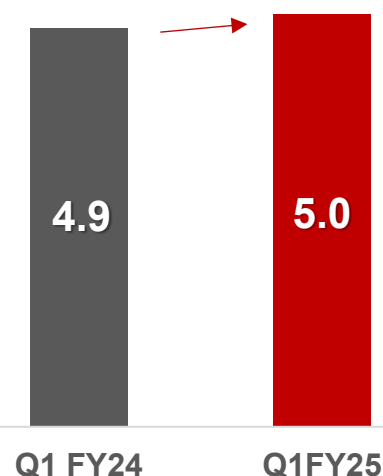
(Unit: Billion yen)

Up 9.2%



Operating profit

Up 1.8%



Q1 Progress rate

Both net sales and operating profit remained in line with projections made at the beginning of the fiscal year.

(Unit: Billion yen)	Full-year plan	FY20-24 Avg. progress rate	Q1 Progress rate
Net sales	260.0	22.8%	23.9%
Operating profit	24.5	18.0%	20.2%

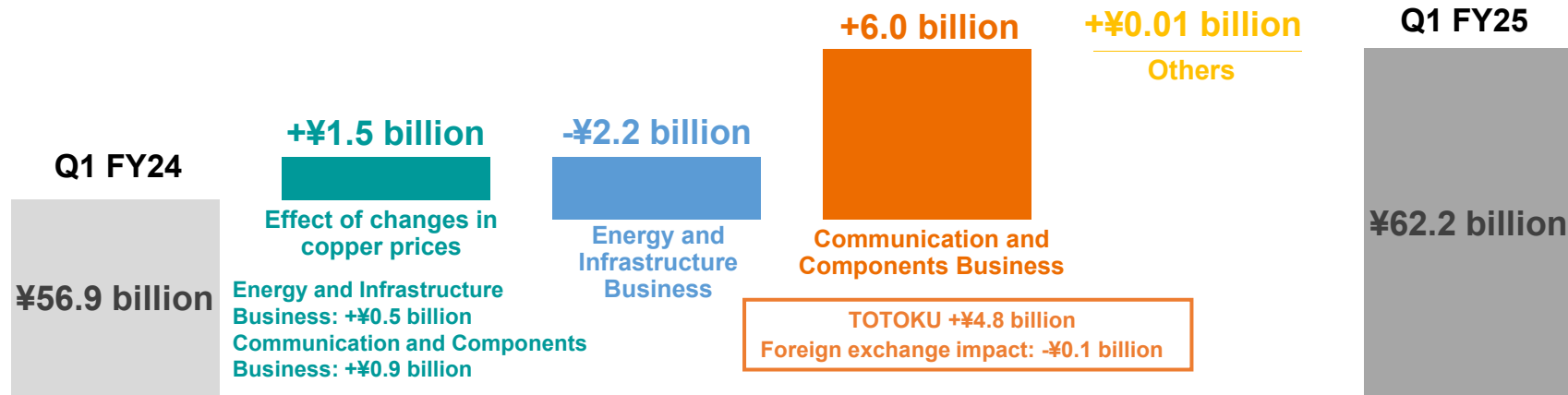
Q1 FY2025 Consolidated Statements of Income

Net sales increased due to an increase in sales in the Communication and Components Business. However, demand for Construction Cables in the domestic market decreased given an extension of construction periods due to labor shortages. Operating profit increased slightly, partly reflecting the effect of the amortization of goodwill.

(Unit: Billion yen)	FY2024 Q1	FY25 Q1	FY25 Full-year plan	YoY %	Progress rate %
Net sales	56.9	62.2	260.0	9.2%	23.9%
Operating profit (excluding goodwill amortization)	4.9 (—)	5.0 (5.2)	24.5	1.8%	20.2%
Operating profit margin (%) (excluding goodwill amortization)	8.5 (—)	8.0 (8.3)	9.4	—	—
Ordinary profit	4.6	5.0	23.5	6.9%	21.1%
Profit attributable to owners of parent	2.9	3.0	15.0	3.3%	20.2%

Q1 FY2025 Change Factors (YoY)

Change factors for net sales

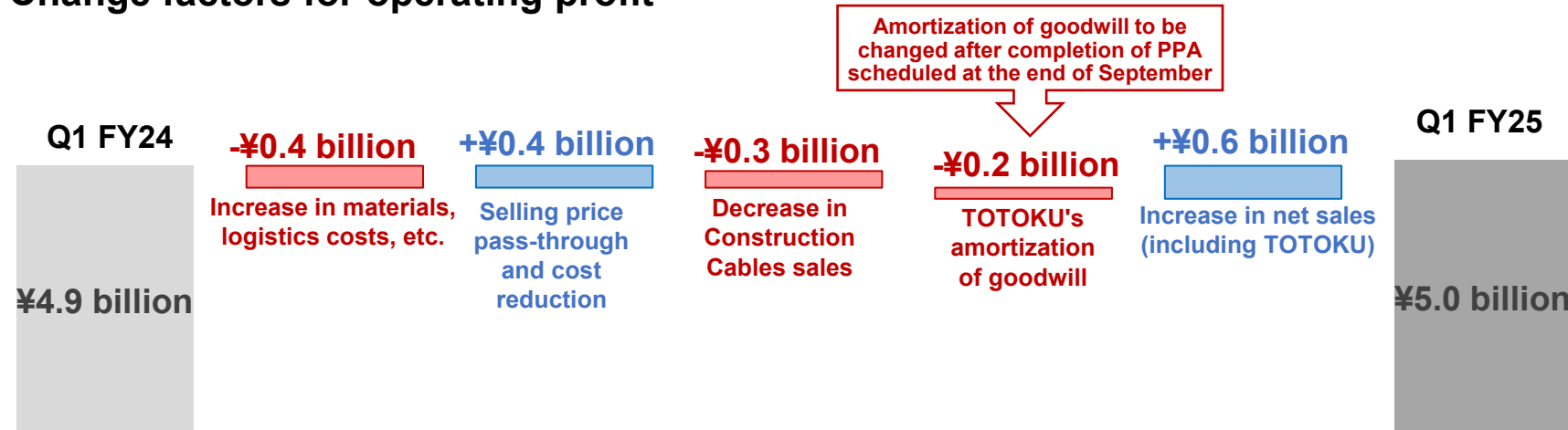


[Change factors]

1. Net sales

As forecast at the beginning of the fiscal year, demand for Construction Cables in the domestic market declined, but sales in the Communication and Components Business increased, resulting in **a YoY increase in net sales.**

Change factors for operating profit

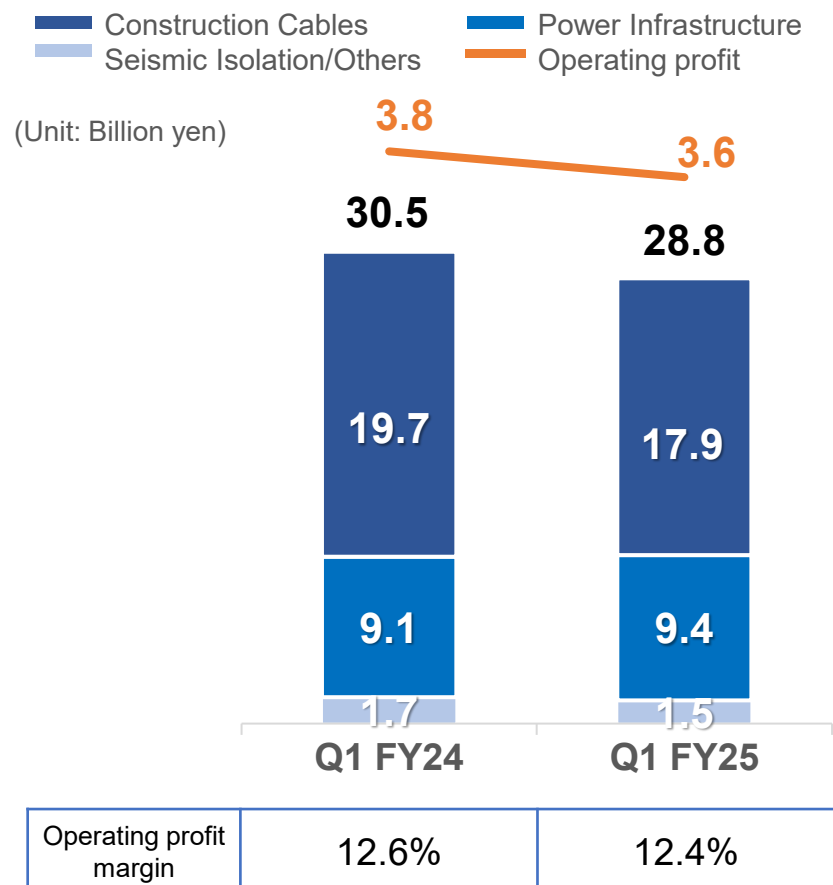


2. Operating profit

Price pass-through and cost reduction are expected to offset the higher raw material and logistic costs. Despite a decrease in sales of Construction Cables and the amortization of goodwill of TOTOKU, **operating profit increased YoY** due to improved profitability in the Mobility and Semiconductor Applications business.

Q1 FY2025 Results by Segment / Energy and Infrastructure Business

Demand for Construction Cables in the domestic market declined mainly due to the extension of construction periods reflecting the labor shortages, as projected at the beginning of the fiscal year. Products for Power Infrastructure made a good start, but net sales increased only slightly due to the withdrawal from aluminum overhead cables, resulting in a **YoY decrease in sales (down 5.5%) and profit (down 7.0%)**.



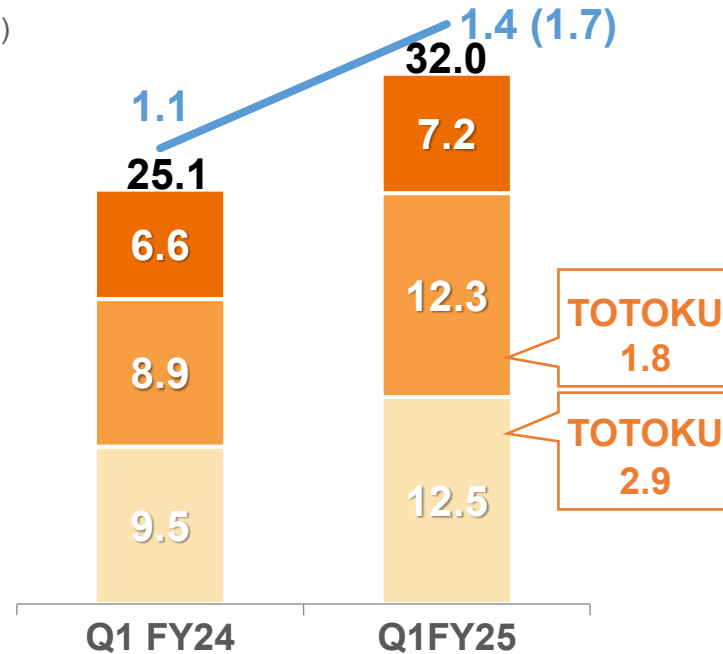
Impacts of changes in the business environment	
Effect of changes in copper prices	+0.5 billion yen (reflecting Q1 sales)
Impact of the U.S. tariff policies	No direct impact was seen in Q1 because the main target of the business is the domestic market.
Foreign exchange impact	None applicable
Full-year demand outlook	<p>In Construction Cables, copper shipments are projected to decline YoY in the first half but demand is expected to recover from Q3 onward. In products for Power Infrastructure, we will maximize the effect of investment to increase the production of the strategic product SICONEX® to prepare for growth in demand in the second half.</p> <div> <div> <div>Construction Cables</div> <div> <div>Previous year</div> <div>Current year</div> </div> <div> <div>H1</div> <div>H2</div> </div> </div> <div> <div>Electric Power Construction</div> <div> <div>Previous year</div> <div>Current year</div> </div> <div> <div>H1</div> <div>H2</div> </div> </div> </div>

Q1 FY2025 Results by Segment / Communication and Components Business

In Communication Cables, both products for automotive applications and e-Ribbon® for U.S. data centers were strong. In Mobility and Semiconductor Applications, sales expanded due to the inclusion of TOTOKU in the Group, resulting in **a YoY increase in sales (up 27.4%) and profit (up 26.2%)**.

■ Communication Cables
 ■ Mobility and Semiconductor Applications
■ Industrial Applications
 ■ Operating profit (operating profit before amortization of goodwill)

(Unit: Billion yen)



Operating profit margin (excluding goodwill amortization)	4.5% (—)	4.5% (5.2%)
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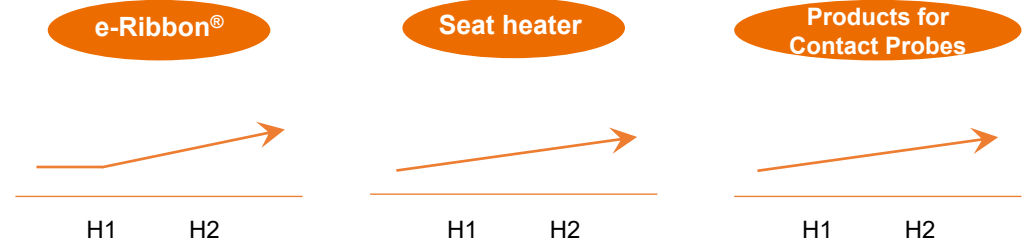
Impacts of changes in the business environment

Effect of changes in copper prices	+0.9 billion yen (reflecting Q1 sales)
Impact of the U.S. tariff policies	Direct sales of products for the U.S. were not affected because the scale was small as of Q1.
Foreign exchange impact	-0.1 billion yen (reflecting Q1 sales)

Full-year demand outlook

Sales of e-Ribbon® increased rapidly following the signing of long-term contracts. The number of overseas partners also increased. A recovery in automobile production is assumed for seat heaters. Shipments of products for AI and semiconductors are expected to increase with customer expansion.

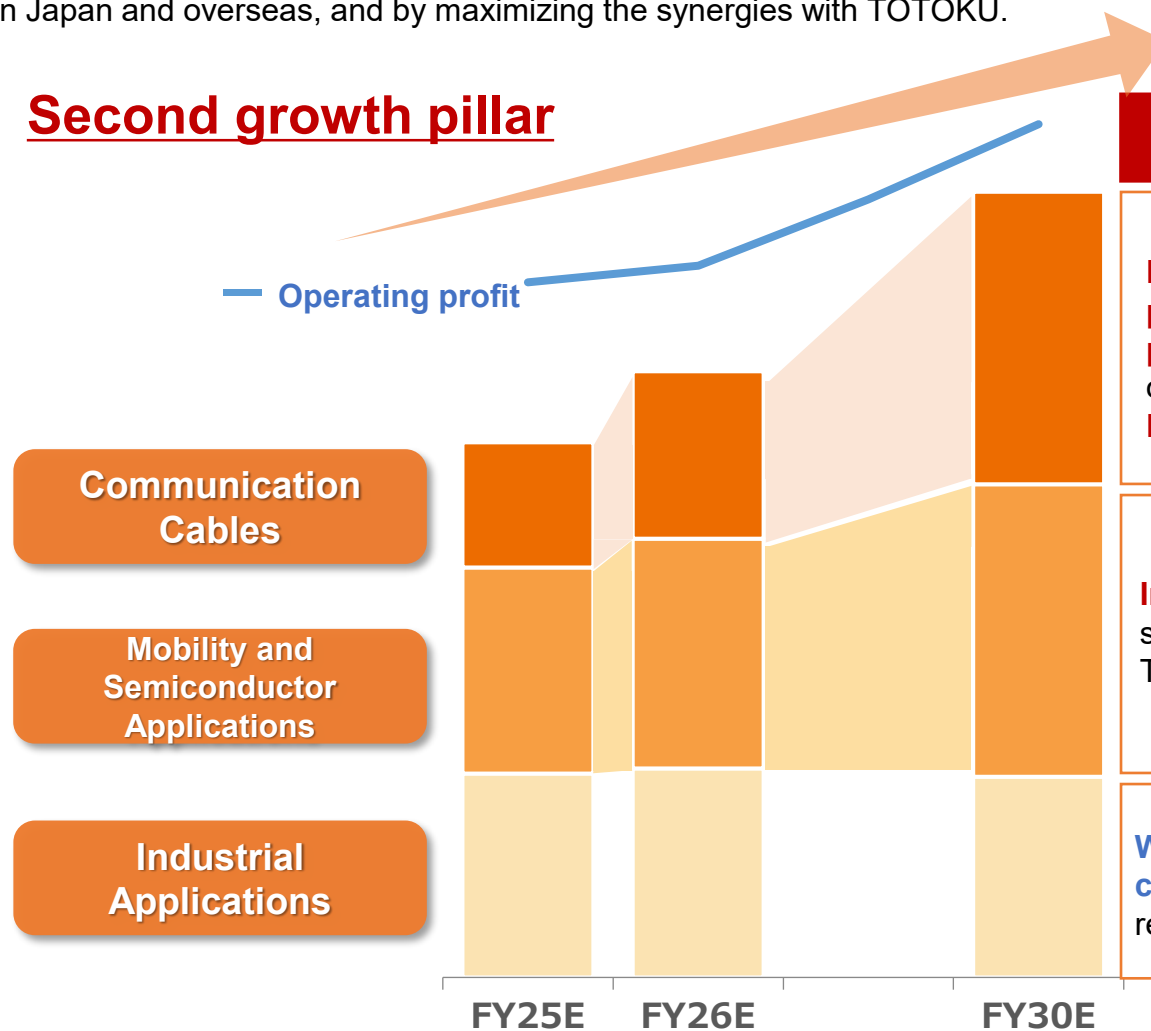
Image of Shipments in the Current Fiscal Year



Communication and Components Business: Business Portfolio Shift Toward 2030

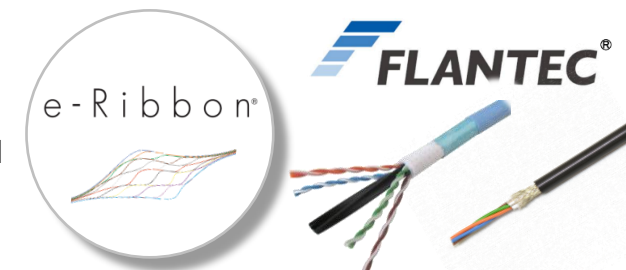
We aim to firmly establish the **Communication and Components Business** as the **second pillar of growth** by expanding sales of high value-added products both in Japan and overseas, and by maximizing the synergies with TOTOKU.

Second growth pillar



Concept of the Business Portfolio Shift

Expand both sales and profit by **promoting high value-added products** for data centers in Japan and overseas, such as **e-Ribbon®** and **FLANTEC®**.



Improve profit margin by maximizing synergies from the integration of the TOTOKU Group.

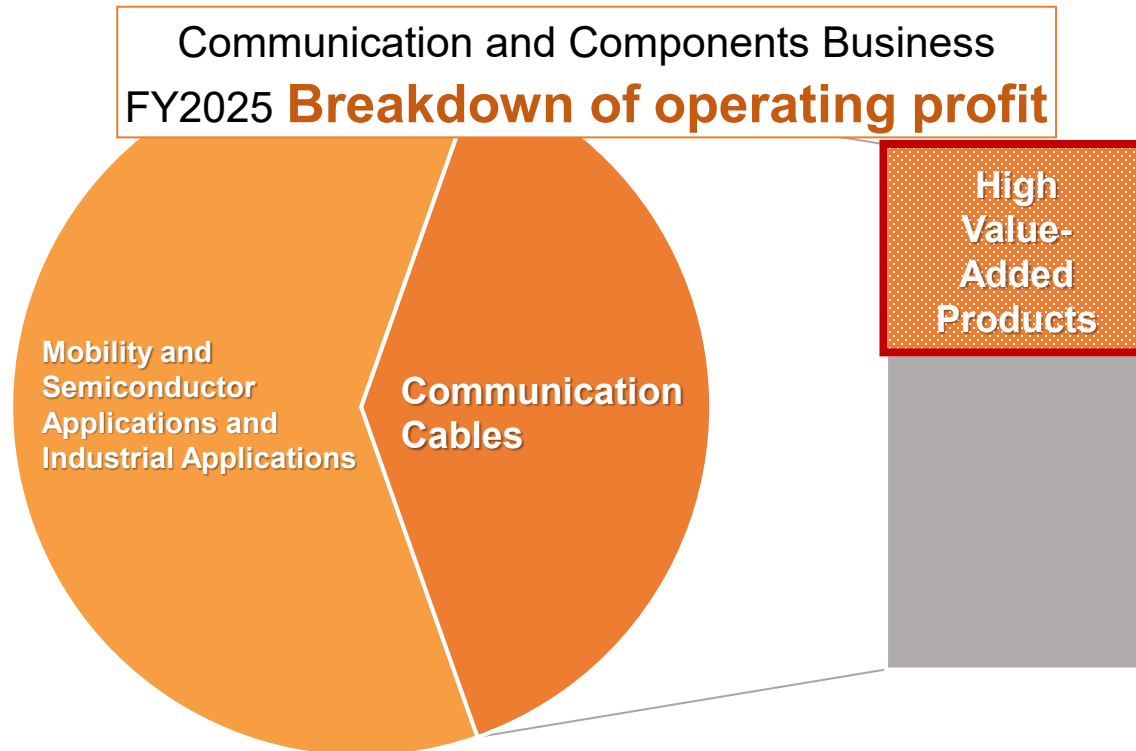


While the business will continue as long as it contributes to earnings as a cash cow business, we will not pursue a sales expansion strategy and will consider restructuring as appropriate.

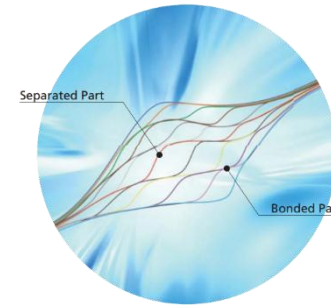
2. Growth Strategy for the Communication Cables Business

Growth Strategy for the Communication and Components Business

With **high value-added products** for generative AI, IoT, and ADAS/automated driving as strengths, **the Communication Cables Business will drive the profitability growth of the Communication and Components Business.**

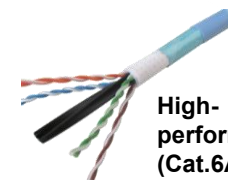


Global sales expansion of optical fiber ribbon e-Ribbon®



Overseas data centers

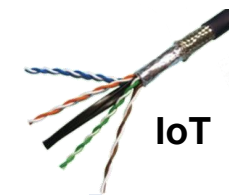
Expansion of sales of our LAN cable brand FLANTEC®



High-performance LAN (Cat.6A)



Data centers



IoT



IoT



Mobility

Growth Strategy of e-Ribbon®: Differentiation Strategy from Competitors

Leveraging our top-class technology and productivity, we are building a business model that allows us to form partnerships worldwide. By fully utilizing our open-close strategy, **we will implement a flexible investment approach with partners to accelerate profit growth.**

Business Model

Material

Ribbon processing

Overseas partners

End user

General purpose fiber
Small diameter fiber
Partner fiber

SWCC Corporation

e-Ribbon®

Value provided

High density

Easy

Cost competitive-ness

High-density cable
Super multi-conductor cable
Small-diameter pneumatic delivery cable
Cable with connector, etc.

Data center market

Europe and the US
Telecom market

Open area

- Responding to diverse needs
- Customizable
- Technical support

Closed area

- Intellectual property of ribbon technology
- Know-how in the mass production of ribbons

Competitive Advantages

Technological superiority

More than 10 years of technology accumulation
One of only 5 companies worldwide with mass production technology.
Recognized by customers as a world-class offering

Global results

Proven track record and high evaluation in domestic and European markets
Domestic sales began in 2012
Contributes to high-density optical wiring within data centers
Capable of ribbon-processing optical fibers from Japan, the U.S., Europe, and South Korea; supports customized processing

Technological capabilities

Improvement of construction efficiency and realization of cost benefits
World's top-class technology, featuring small diameter, light weight, and high density
Advanced processing technologies enable the use of customer-specified optical fibers

Growth Strategy of e-Ribbon®: Launch of New Products to Meet Market Needs

With the spread of generative AI technology, the increase in data volume, and **the evolution of physical layer infrastructure within limited spaces, demand for high-density optical cable wiring has surged.** Our new e-Ribbon® products will swiftly address these challenges.

Features of the New 16-core e-Ribbon®

High flexibility

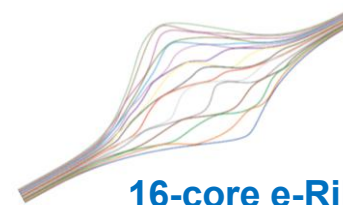
Driven by labor shortages, the need to reduce installation workload, and the expansion of optical line counts, **The demand for high-function cables is increasing.** We can address the diversification of market needs, such as higher core counts, higher density, and smaller diameters.

Improved connection efficiency

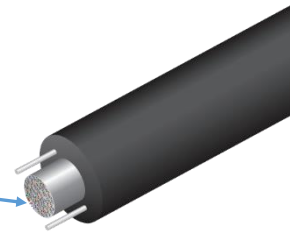
Higher cable density and reduced diameter



The wiring density within data centers is increasing rapidly. There is a growing need to simultaneously achieve space saving and high-efficiency wiring.



16-core e-Ribbon®



Ultra Multi-core, Small-diameter, High-density Cable

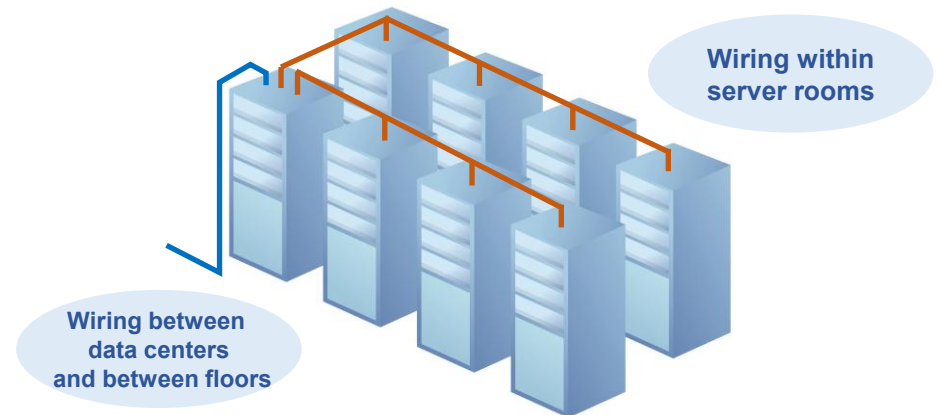
Meet the demand for high-density wiring in generative AI data centers and the telecom markets in Europe and the U.S.

addition to 4-core, 8-core, and 12-core, we have developed a 16-core e-Ribbon®.

Sample shipments has begun in July 2025, with sales scheduled to start in Q3 FY3/26.

[Press Release] “New Development of 16-core Type for Ribbon-shaped Optical Fiber Cable e-Ribbon® Series” (August 20, 2025)

https://www.swcc.co.jp/jpn/news/images/20250820B_PRESS_RELEASE.pdf



Growth Strategy of e-Ribbon®: Expansion of Overseas Partnerships

With the evolution and wider use of generative AI, **expectations are rising for e-Ribbon® technology, which is among the world’s top-class solutions**, in the growing data center market.


We will promote the market by leveraging our world-class technology and productivity, together with overseas partners, in response to the expanding demand for optical communication infrastructure.

Market Change Drivers for Business Growth

Global expansion of the data center market

driven by rising demand for generative AI

Rapidly increasing demand in the optical fiber ribbon market





 FY25 Net Sales (Plan)  FY26 Net Sales (Forecast)

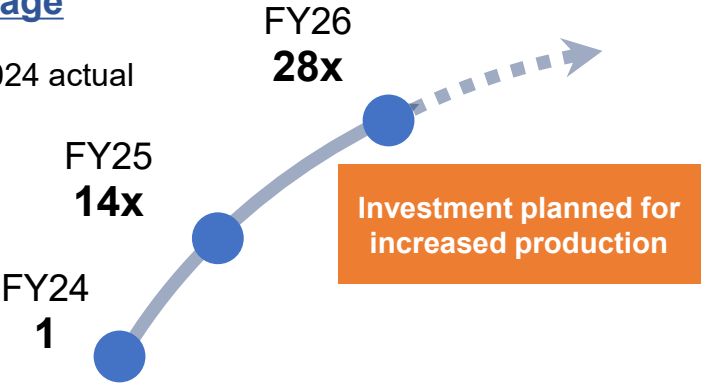
Assumed partner companies

FY2024	FY25E	FY26E
4 companies	7 companies	8 companies

By concluding long-term contracts with overseas partners, we will accelerate the expansion of net sales.

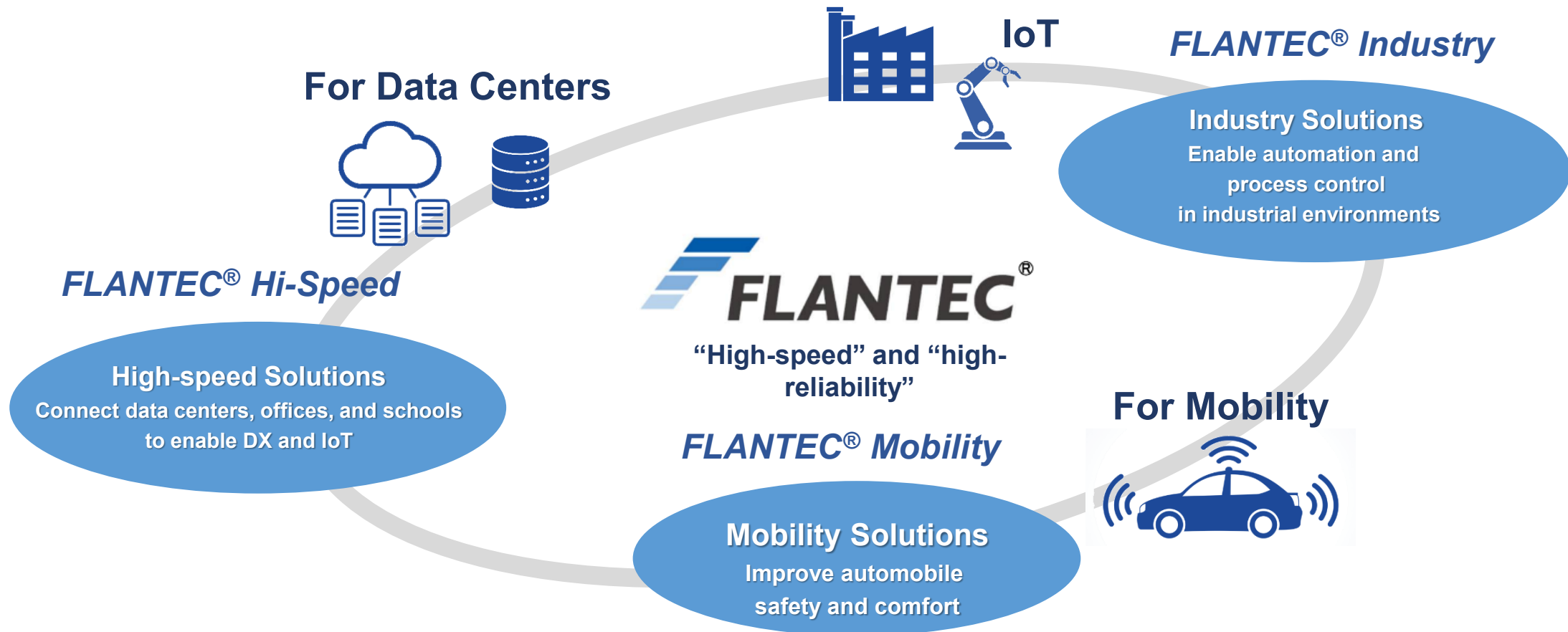
Net Sales Trend Image

* Indexed to FY2024 actual results = 1



Communication Cables Business: Growth Strategy of FLANTEC®

FLANTEC®, with about a 40% domestic market share and a net sales CAGR of 8% (FY2024–FY2026 outlook), is achieving strong growth. To support the development of digital infrastructure that enables **generative AI, IoT, and ADAS/autonomous driving**, we are expanding our **solution-proposal capabilities**.

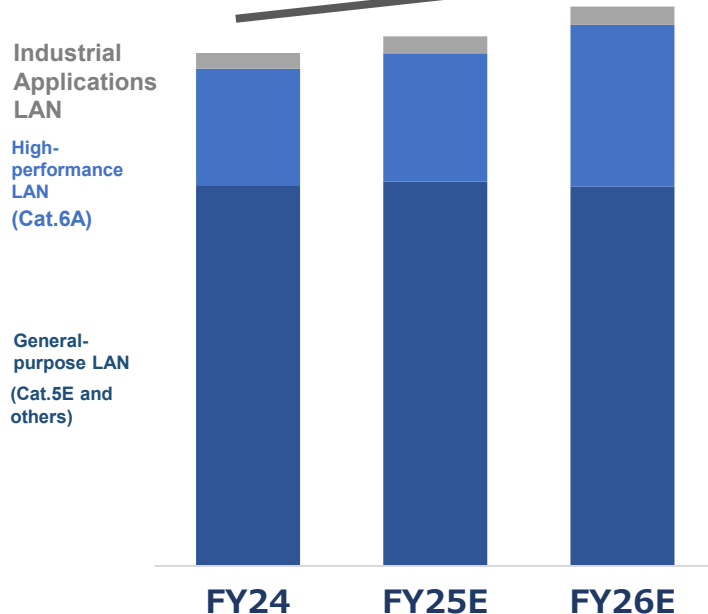


Growth Strategy of FLANTEC®: Hi-Speed, Industry



Cat.6A


net sales CAGR **18%**
(2024→2026)




With brand strength and technological capabilities as our advantages, **we will capture the demand for higher speed and expand our market share.** Furthermore, we will **respond to the need for higher performance** and **increase sales of high value-added products.**

Market Tailwinds	Expansion of the data center market	Rising cloud demand and faster next-generation wireless communication
	Expansion of IoT smart factories	Broader use of IoT, M2M, and image sensing

Use Cases



(Cat.6A)
Data center equipment wiring



IoT

Competitive Advantages

Ten times faster speed

High-performance LAN (Cat.6A)

General-purpose LAN (Cat.5e)

Ten times faster than conventional speed

10Gbps

1Gbps

* Supports increasing communication volume driven by AI and IoT utilization

Multi-purpose

Active in a wide range of areas from offices to data centers and factories

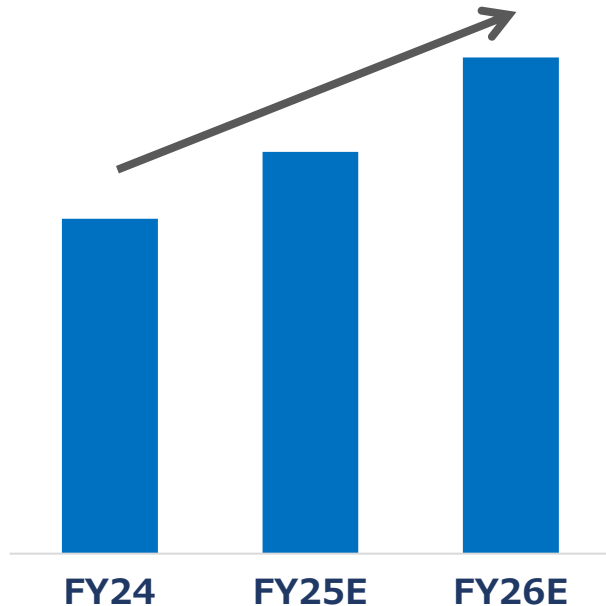
Growth Strategy of FLANTEC®: Mobility



Communication Cables High-speed

Communication Cables for Automotive Use

Net sales CAGR: 22%
(2024 → 2026)

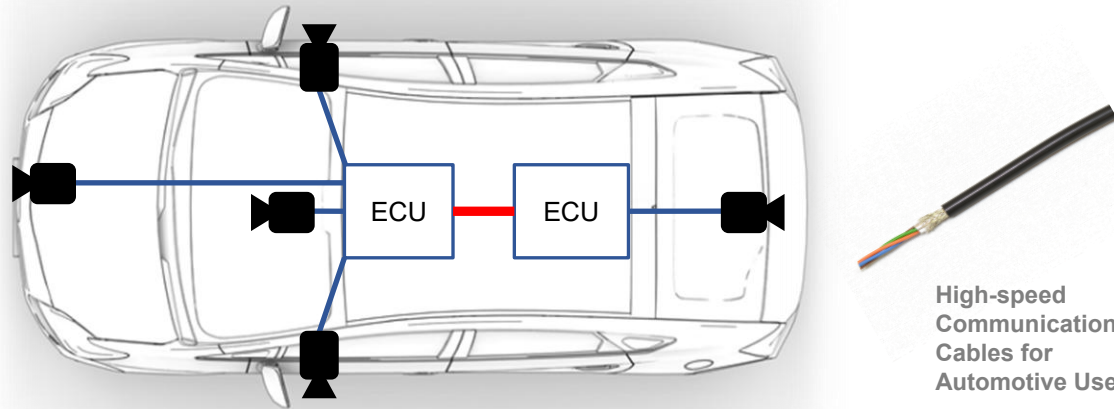





By collaborating with connector manufacturers, we will expand the product lineup of high-speed in-vehicle transmission cables.
In addition, through horizontal deployment to multiple customers, we will capture robust demand in the growing ADAS market.

Market Tailwinds	Revision of road vehicle safety standards	Mandatory installation of automatic braking systems and rear-view cameras
	Standard installation of all-around monitors	Enhanced mobility safety

Automotive Network Wiring

Competitive Advantages



 : In-vehicle cameras
 : Cables between in-vehicle cameras and ECUs
 : Cables between ECUs * ECU : Electronic Control Unit

- High-speed transmission and noise resistance
- Environmental compatibility
- High production efficiency

3. Growth Strategy for the Mobility and Semiconductor Applications Business

- Synergies from TOTOKU Group Integration

Progress in the PMI Project 100 Day Plan Reflecting the Inclusion of TOTOKU in the Group

SWCC × TOTOKU

Identifying specific action items and reflecting them in the medium-term management plan to be announced in February

PMI Day100
Completed

in July 2025

Business

Governance

Accounting &
Finance

Human resources

IT

Sustainability

Increasing synergy by enhancing sales capabilities with a focus on cross-selling

- ◆ Cross-selling (Making full use of each other's excellent customer base)
- ◆ Strengthen marketing (Agile marketing through the integration of the two companies' information about markets and customers)
- ◆ Cultivation of new markets
(The combination of each other's products will enable us to capture new markets.)
- ◆ Enhancing the product lineup (Joint development of new products leveraging each company's technological strengths)
- ◆ Mutual use of manufacturing sites and equipment
(High compatibility that is possible only among electric wire companies)
- ◆ Acceleration of overseas expansion (Accelerating expansion by leveraging locations of the two companies' overseas bases)
- ◆ Strengthening staff and human resources
(Use of human resources for sales, research, production sites, etc.)

Next medium-term
management plan
to be announced in
February 2026

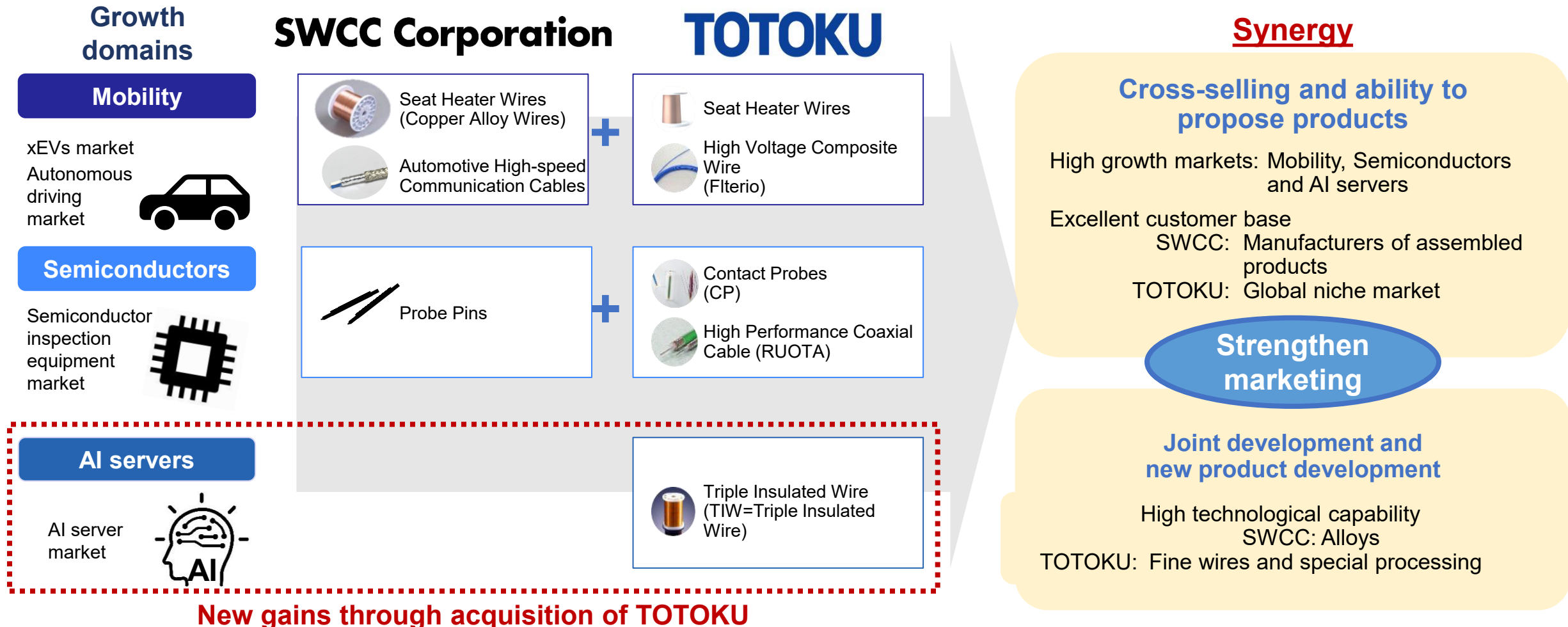


Achieving Our
Vision for FY2030

We expect
synergies
beyond the
acquisition
valuation.

Strategic Significance and Synergistic Effects of TOTOKU Acquisition

Further accelerate expansion into growing business areas and overseas business expansion, and **turn the Communication and Components Business into a core business alongside the Energy and Infrastructure Business.**



Attractive Product Portfolio of TOTOKU: Seat Heaters for Mobility

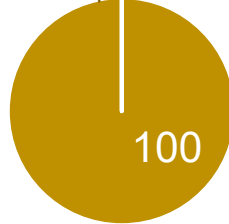
[Strengths] High durability/ Strong price competitiveness

[Market Share] 30% global share (FY2024)

*Assumption by our company



Ratio of overseas shipments



Advantageous Conditions / Future Market Outlook

Increase in Global Automobile Sales:

According to various reports, global automobile production is expected to increase from 2024 to 2030.

Expansion of Demand for Heaters:

Driven by growing consumer support in cold regions and increasing demand for improved livability, the adoption of seat heaters is on the rise.

Synergy Points with SWCC

1. Expansion into Interior Heater Products

Leverage SWCC's copper alloy materials for **new interior heater products**

Steering wheel heaters



Seat heaters & armrests



Battery heaters



2. Cross-selling

SWCC
X
TOTOKU



Strong customer base
Assembled product manufacturers/ global niche markets

	Primary customer	Customer's base(s)	Strengths
TOTOKU	Company A (Global top share)	North America, Europe, Asia	<ul style="list-style-type: none"> Design capability to meet high durability and heat resistance requirements Process management capability that has achieved "zero claims" Integrated production capability from materials to heater wires
	Company B	China	
SWCC	Company C	Japan	<ul style="list-style-type: none"> High-strength, high-conductivity materials

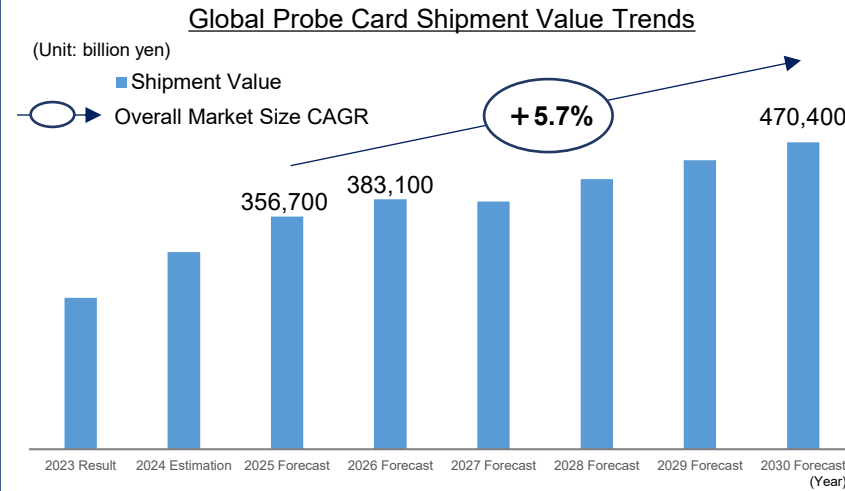
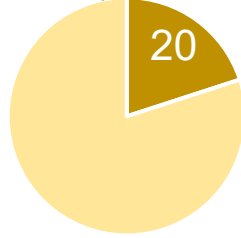
Attractive Product Portfolio of TOTOKU: Contact Probes for Semiconductor Testing Processes

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

*Assumption by our company



Ratio of overseas shipments

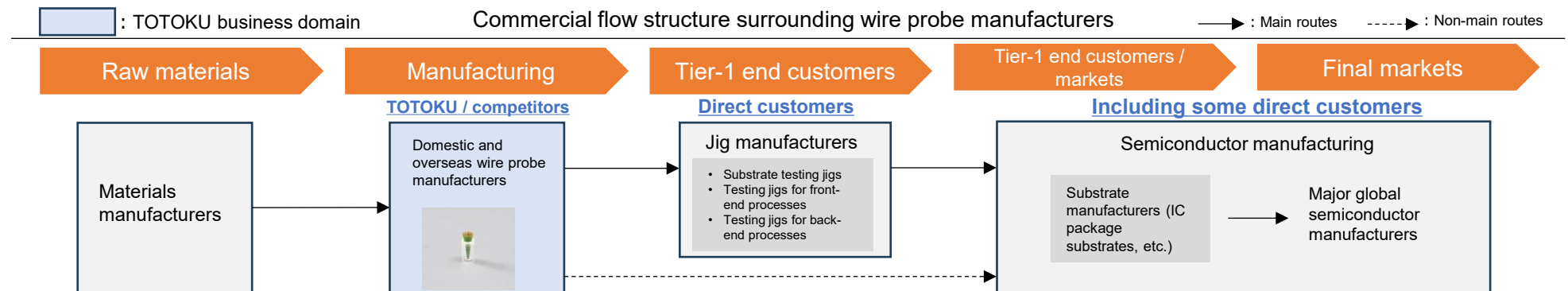


Advantageous Conditions / Future Market Outlook

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






Synergy Points with SWCC: Products for Semiconductor Testing Processes

Due to their use in semiconductor testing, **this is a field with high entry barriers in terms of both customer quality requirements and technology.**

Centered on substrate testing applications, our product lineup has strengths in both front-end and back-end processes. By leveraging group synergies, we expect further expansion in sales.

Products for Semiconductor Testing Processes

Applications	Process	Key Probe Types	Application Fields
Probe Pins	front-end	MEMS probes	  Synergy areas through group integration
		Cobra probes	
		Cantilever probes	
	back-end	Wire probes	
		Spring probes	
Testing equipment	High-density wiring	Ultra-fine high-frequency coaxial cable RUOTA	

Synergy 1

Strengthen development systems through collaboration

Synergy 2

Improve profitability through an efficient mass-production structure

Synergy 3

Strengthen sales and marketing by utilizing overseas bases

Synergy 4

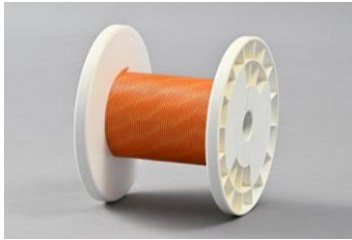
Joint product development and sales synergies

Synergy 5

Comprehensive marketing in the semiconductor testing field

Attractive Product Portfolio of TOTOKU: Triple Insulated Winding Wire for AI Servers

[Strengths] High product reliability/Excellent heat resistance
[Market Share] 12% global share (FY2024)
*Assumption by our company



TOTOKU has a customer base that includes leading switching power supply manufacturers, including companies with the top global market share.

For AI servers, it will capture the expanding market with **products that leverage our high heat resistance and miniaturization technologies.**

	Main customers	Customer's base(s)	Customer position	Strengths
TOTOKU	Switching power supply manufacturer	Taiwan, Japan	Global top Manufacturer etc.	<ul style="list-style-type: none"> Extensive lineup of heat-resistant products Conductor lineup ranging from DC to high frequency Production capacity enabling small-lot, quick-delivery support

Advantageous Conditions / Future Market Outlook

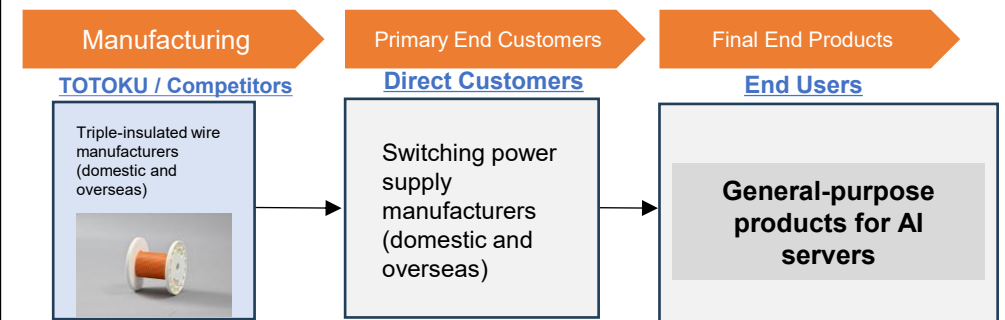
Rapid Growth of AI Servers:

With the widespread adoption of new digital technologies, strong growth is expected. Recently, with a focus on investment in AI servers, the market is anticipated to accelerate, particularly in server applications. Expecting CAGR of 5.6% from FY2025 to FY2030.

Steady Market with the Growth of the Sub-Industry:

Triple Insulated Winding Wires have a broad end-market and end-use industry base, including servers, communication devices, and semiconductor equipment.

Business Flow Surrounding Triple Insulated Winding Wire



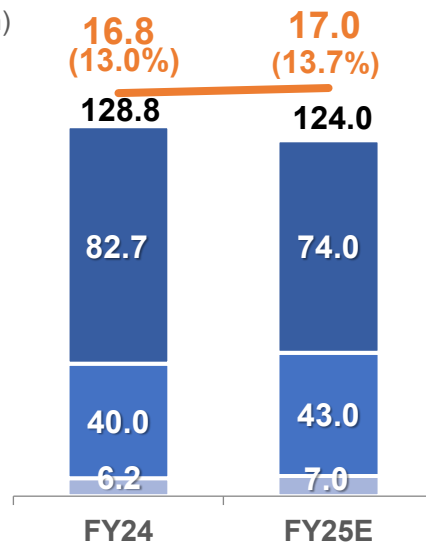
4. Appendix

FY2025 Full Year Forecasts

Energy and Infrastructure Business

■ Construction Cables ■ Power Infrastructure
■ Seismic Isolation/Others ■ Operating profit
() Operating profit margin

(Unit: Billion yen)



Copper price impact: Net sales down 1.7 billion yen

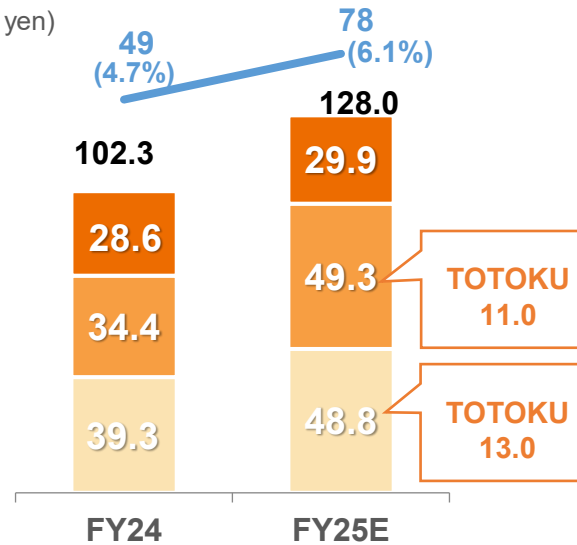
Positive factors ● Continued strong demand in the power infrastructure market
● Expansion of sales through full use of SICONEX® production capacity

Negative factors ● Demand adjustments for Construction Cables due to work style reforms and rising material prices

Communication and Components Business

■ Communication Cables ■ Mobility and Semiconductor Applications
■ Industrial Applications ■ Operating profit
() Operating profit margin

(Unit: Billion yen)

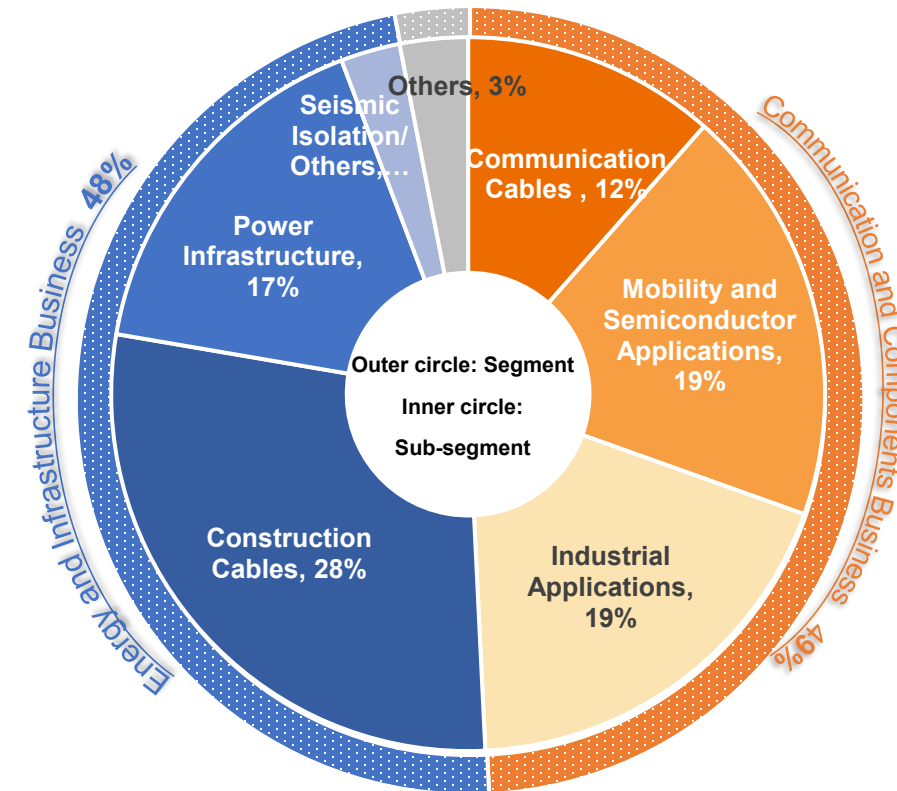


Copper price impact: Net sales down 0.6 billion yen

Positive factors ● Global sales expansion of optical fiber ribbon e-Ribbon®
● Effect of increased sales and profit from the acquisition of TOTOKU

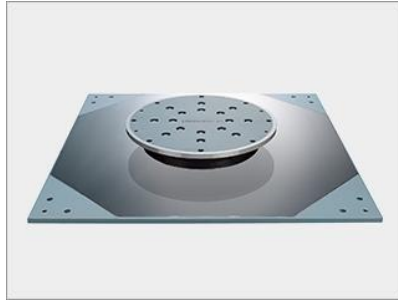
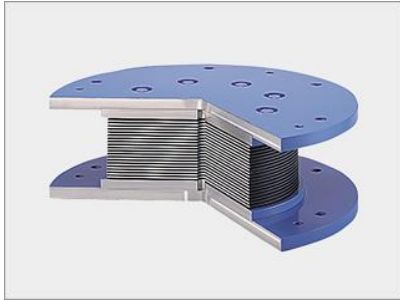
Negative factors ● Possibility of reassessment of supply chains due to U.S. tariffs
● Continued lackluster demand for Industrial Applications used in white goods and office equipment applications

FY2025 Full Year Forecasts Segment sales ratio



End of Manufacturing and Sale of Building Seismic Isolators (News Release Dated July 18)

Products that we will end manufacturing and selling



- Laminated rubber based on natural rubber
- Elastic sliding bearing (high, medium, and low friction)
- Seismic isolator for light-weight objects
- SWCC ring

* Manufactured and sold at present at our Sagami-hara Plant (Chuo-ku, Sagami-hara City) in the building seismic isolator business of the Energy and Infrastructure Business segment

[Schedule]

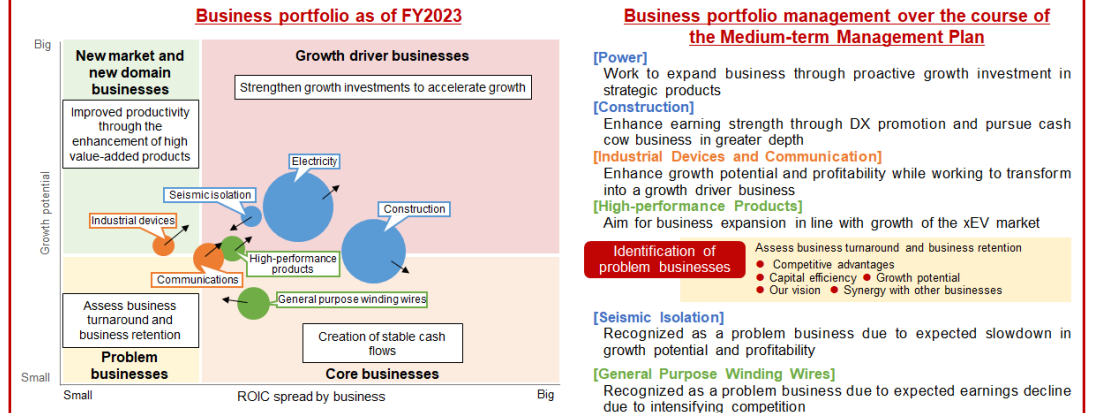
We plan to continue manufacturing the products at Sagami-hara Plant until March 2027. We will continue to warrant products before the expiration of the warranty period as before.

◆ News release dated July 18

https://www.swcc.co.jp/jpn/news/images/20250718A_PRESS_RELEASE.pdf

[Objective: Driving ROIC-based management]
In reforming the business structure, we will allocate management resources to businesses with higher growth potential and profitability.

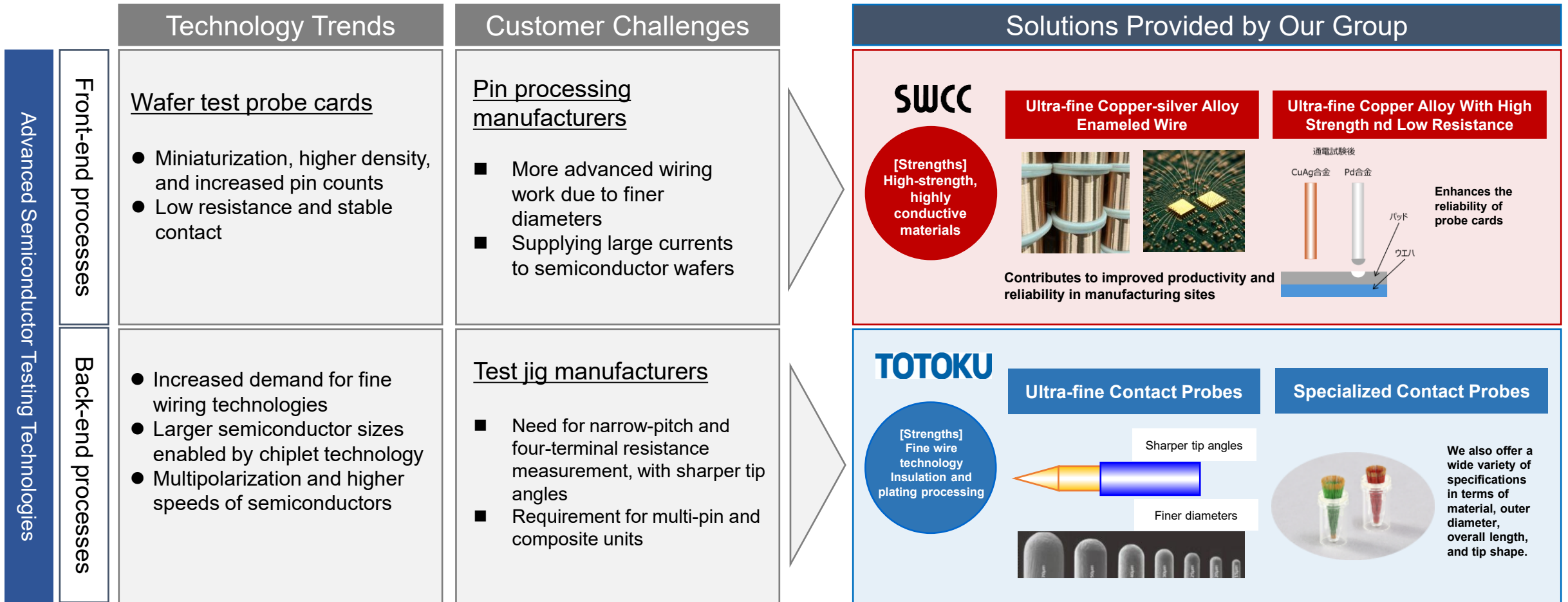
[Current medium-term management plan with the target year being FY2026]



Net sales of the building seismic isolator business in the fiscal year ended March 2025 were approx. ¥2.4 billion, accounting for only several percent of consolidated net sales. The impact on business performance is therefore minor. We will use the vacant lot, human resources for increasing respond to the brisk demand for electric power.

Contact Probes for Semiconductor Testing Processes (Front-end + Back-end Processes)

Next-generation Contact Probes and High Performance Coaxial Cables contribute to the miniaturization and higher speeds of cutting-edge semiconductors.





SWCC Corporation

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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.