



Creating for the Future

Innovating new ideas today. Becoming the norms of tomorrow.

---

## Presentation Material for Q1 FY2025

---

**SWCC Corporation**

# 1. Company profile

---

# Company Profile

As of March 31, 2025

<b>Trade Name</b>	SWCC Corporation
<b>Established</b>	May 26, 1936
<b>Line of Business</b>	Electric wires and cables, electric power equipment parts, windings, magnet wire, optical fiber cables, rollers for information equipment, etc.
<b>Head Office</b>	JMF-Bldg.Kawasaki 01 2F, 1-14, Nisshin cho,Kawasaki-Ku, Kawasaki City, KANAGAWA 210-0024 JAPAN
<b>Paid-in Capital</b>	24.2 billion yen

<b>Fiscal Year End</b>	March 31, each year
<b>Number of Employees</b>	4,944(consolidated)
<b>Number of Shareholders</b>	11,745
<b>Stock Listing</b>	Tokyo Stock Exchange, Inc. (TSE Prime Market) "SWCC Corporation (5805.T)"
<b>Share Unit</b>	100 shares

# SWCC Group History

**1938**



Production and sale of cables commences

**1969**



Dip forming system commences

**1979**



Production and sale of heat rollers for electronic copier commences

**1986**



First delivery of seismic isolation devices

**2006**



SICONEX® Brand Launch

**2017**



MIDIP® Brand Launch

**2021**



FLANTEC® Brand Launch

2,600  
245

Unit : 100 million yen

■ Sales — Operating profit

Established

Consolidated accounting begins

Stock Listing

Since the Company adopted consolidated accounting from FY1977, sales and operating income are omitted.



**1936**

SHOWA ELECTRIC WIRE AND CABLE CO., LTD. is established

**1949**

Listed on the Tokyo Stock Exchange

**1951**

Technical Assistance Agreement is concluded with GE, USA

**2006**

Corporate separation  
Shift to a holding company structure

**2019**

The SWCC Group changes its status from "a company with a board of statutory auditors" to "a company with an audit and supervisory committee" Business segments are reviewed and group governance is strengthened

**2023**

Our company moved from a holding company structure to an operating company. The trade name is changed to SWCC and the 'SWCC Purpose' is formulated

**2025**

Acquires shares of TOTOKU INC. through Co-investment

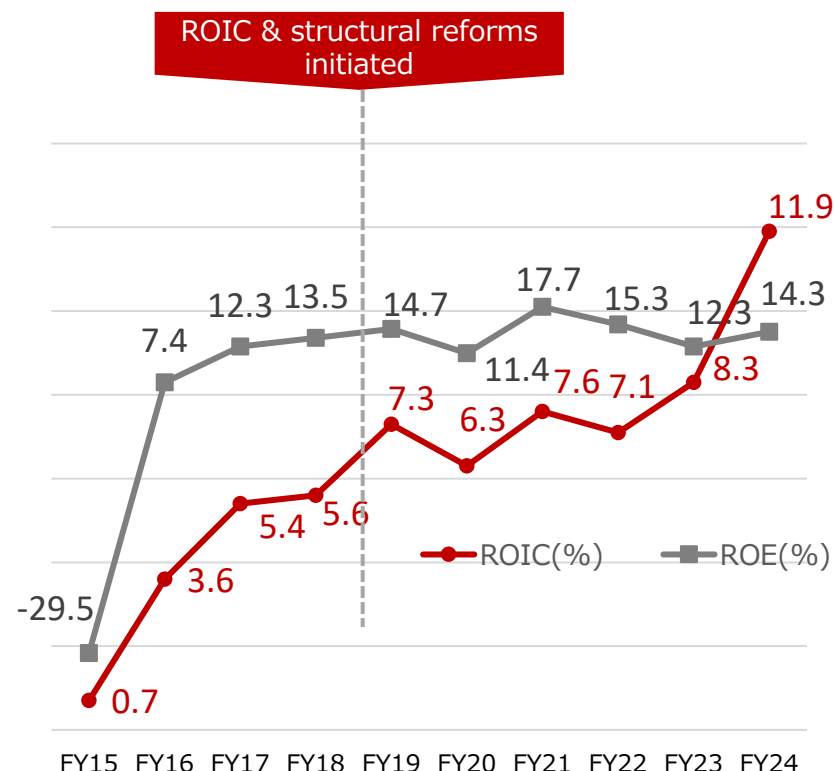
# Structural Reforms Since 2018: Initiatives and Outcomes

## Past Initiatives

- ① Strengthen monitoring by outside directors
- ② Introduction of segmentation system
- ③ Promote structural reforms using ROIC as an indicator
- ④ Shift portfolio to high value-added products
- ⑤ Personnel system reform  
(Introduction of a performance-based system)



## Profitability Improvement Transition

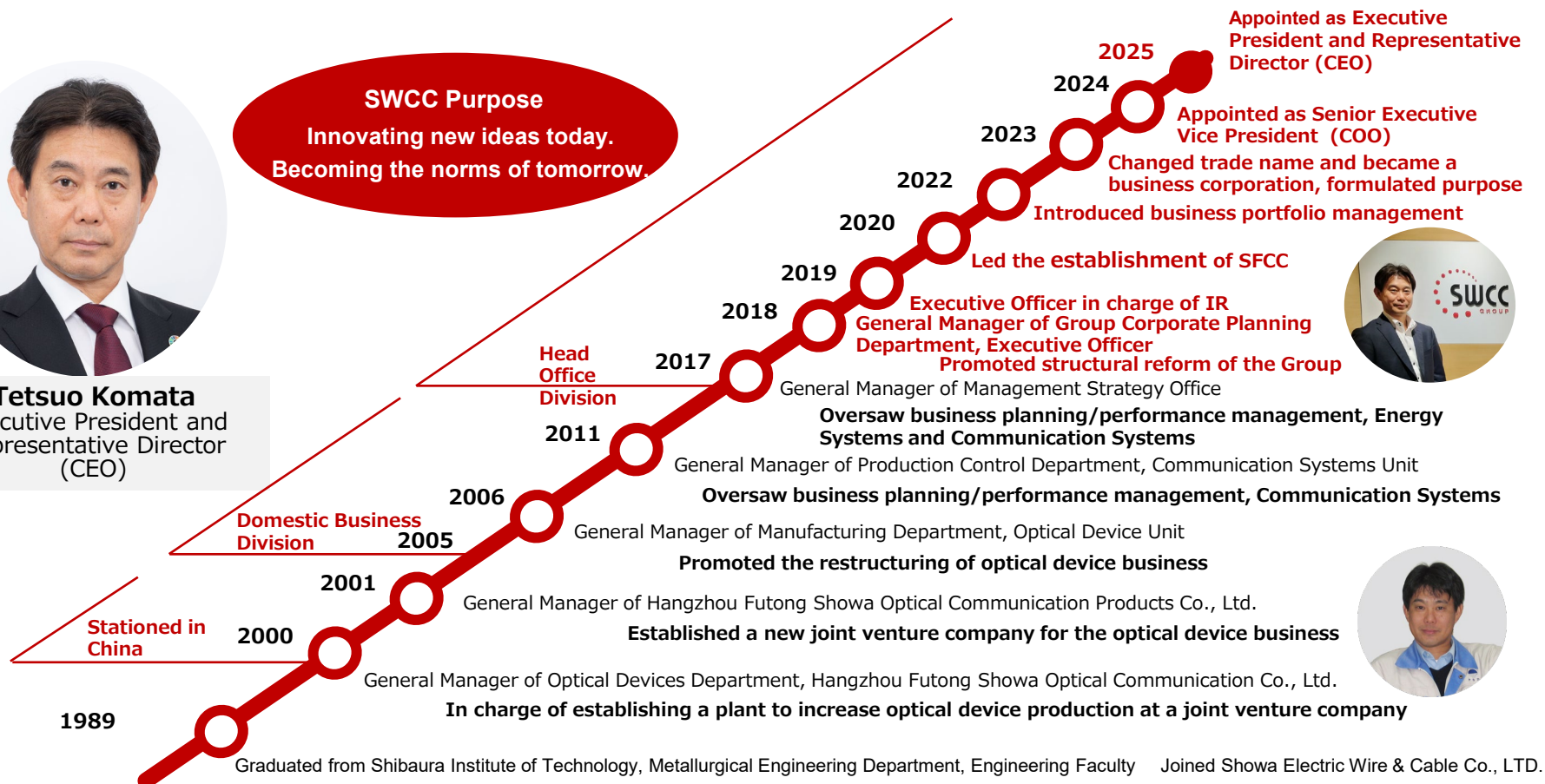


# Executive President and Representative Director (CEO) Profile



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

**SWCC Purpose**  
Innovating new ideas today.  
Becoming the norms of tomorrow.



# Towards a New Growth Phase

Under the leadership of former CEO Takayo Hasegawa, our group has promoted a new wave of management reform under the slogan **"Change & Growth"** with a strong focus on **ROIC-based management**. As a result, our **profitability has significantly improved**, and our **financial foundation has been greatly strengthened**.

The baton I have received is to **vigorously drive the next stage of "Growth"**. While **continuing to pursue ROIC-based management and decisive structural reforms as part of "Change"**, I am committed to leading the **SWCC Group into a new phase of growth**.

We will begin formulating a **new medium-term management plan** aimed at realizing **"SWCC VISION 2030"**. Under the **new management structure**, we will embody the initiatives of **"Change & Growth"** as a **new strategy**, which we **plan to announce in February 2026**. In addition, we also **plan to disclose the numerical targets for fiscal year 2026**, which will incorporate the performance of **TOTOKU**, newly integrated into our group from this fiscal year.

**Please look forward to the start of the SWCC Group's new growth phase.**



Executive President and  
Representative Director (CEO)

**Tetsuo Komata**

## Key Initiatives of "Change & Growth" Driven by the New Management

### I. Further strengthening of growth driver businesses

Further strengthening of Energy and Infrastructure Business

### II. Establishment of second growth pillar

Establishment of Communication and Components Business as new segment alongside Energy and Infrastructure Business




### III. Acceleration of DX Management

Rollout off SWCC Group IT Strategy

# Med-term Plan "Change & Growth SWCC 2026" Rolling Plan

## Revision to Plan for FY2026 (consolidated)

Take into consideration the changes in business circumstances, we **revised upwards** some target figures for the final fiscal year of the Rolling Plan of the Medium-term Management Plan from those announced in May 2024.

		Announced in May 2024		Latest revision	+	February 2026: Planned announcement incorporating Totoku performance
		FY2026 (Targets)		FY2026 (Targets)		
Profitability	Operating profit	17.0 billion yen	+7.0 billion yen	24.0 billion yen		<div>TOTOKU</div> <div>Mobility</div> <div>xEV market Autonomous driving market</div> <div>Semiconductors</div> <div>Semiconduct or inspection equipment market</div> <div>AI servers</div> <div>AI server market</div>
	ROE	14% or more		14% or more		
Capital efficiency	ROIC	10% or more		10% or more		
	Dividends (dividend payout ratio/DOE)	150 yen or more (35% or higher /4% or higher)	+30 yen	180 yen (35% or higher /4% or higher)		
Shareholder returns	D/E ratio	30-50%		30-50%		
	Net assets	93.0 billion yen	+7.0 billion yen	100.0 billion yen		
Stability						



## 2. Growth Strategy by Segment

---

# FY2025 Full Year Forecasts

## Energy and Infrastructure Business Communication and Components Business

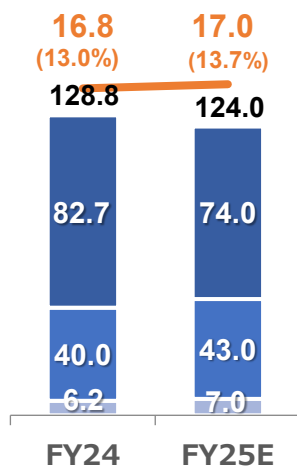
Construction Cables  
Seismic Isolation/Others

Power Infrastructure  
Operating profit  
( ) Operating profit margin

Communication Cables  
Industrial Applications

Mobility and Semiconductor Applications  
Operating profit  
( ) Operating profit margin

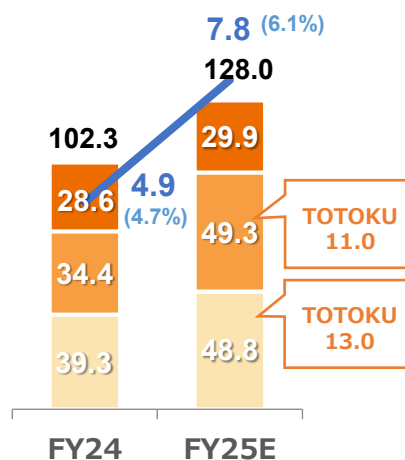
(Unit: billion yen)



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

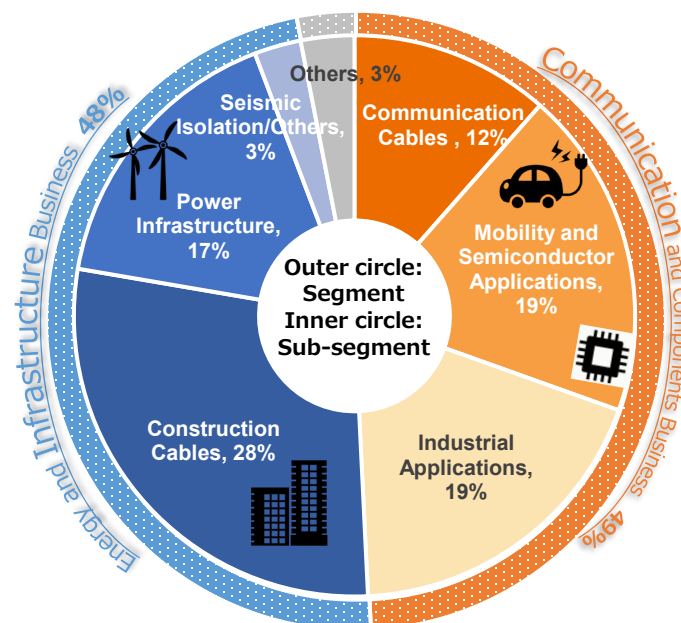
(Unit: billion yen)



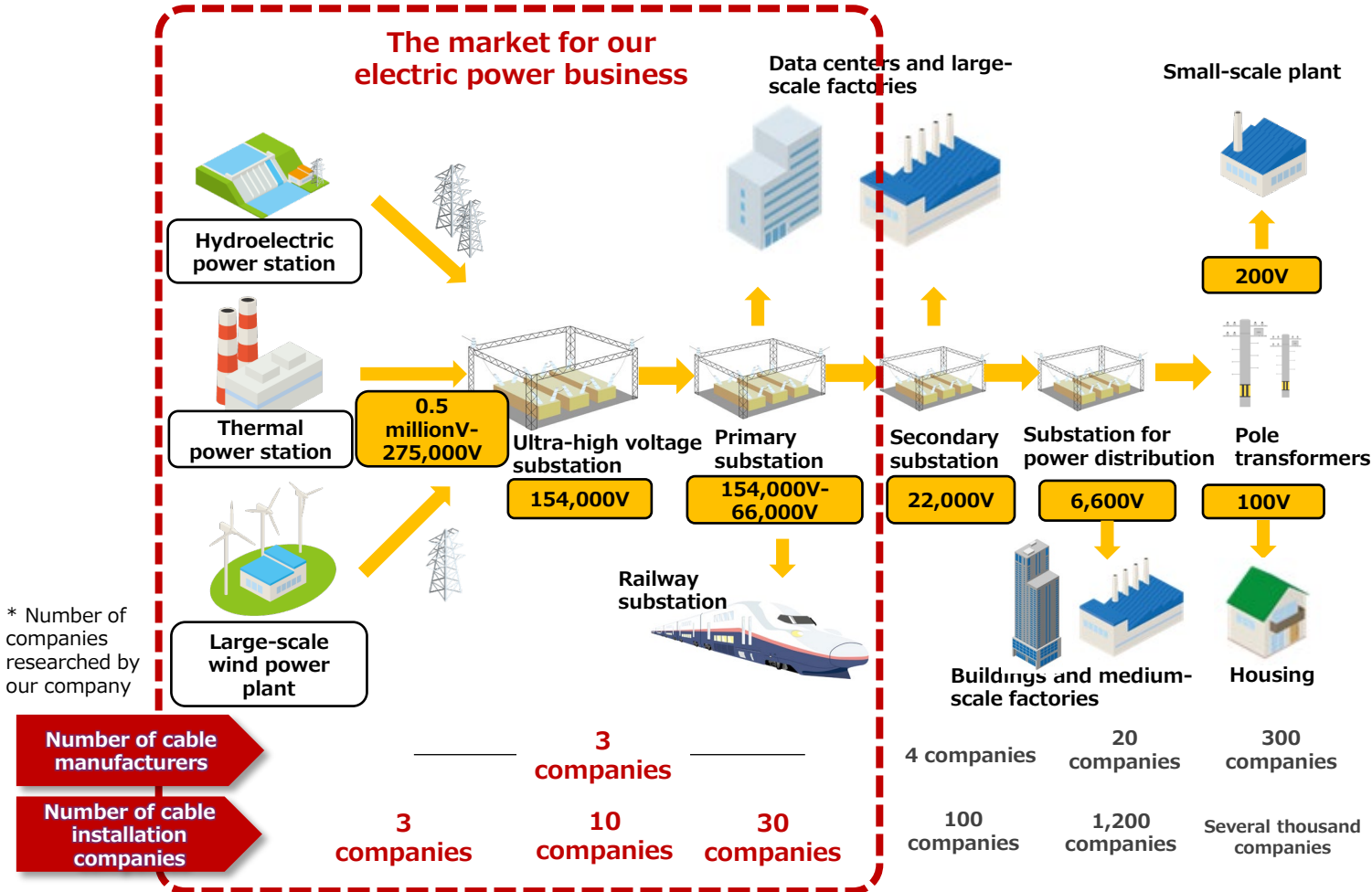
Copper price impact: Net sales down 0.6 billion yen

- 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



# Market of Electric Power Infrastructure Business and Growth Strategy by Voltage Class



## Strategy by voltage class

**275,000V**

Building an optimal production system in response to supply and demand

**154,000V**

Promote shift to 154kV class or higher (blue ocean market)

**66,000V**

Further shift to cloud computing with SICOPLUS 66kV-class installation services

# Our Strength: SICONEX® Series

SICONEX® solves various power infrastructure challenges with new technologies and ideas

## SICONEX

Environment-friendly, compact connector for high-voltage electric power cables using innovative isolation techniques.

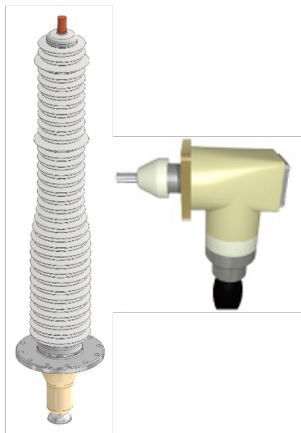
This product achieves differentiation with a unique design that innovates environmental performance, seismic resistance, and constructability.

Overwhelmingly compact

Environmentally friendly

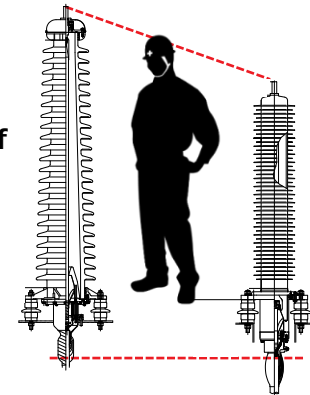
Shortens construction time

Labor saving

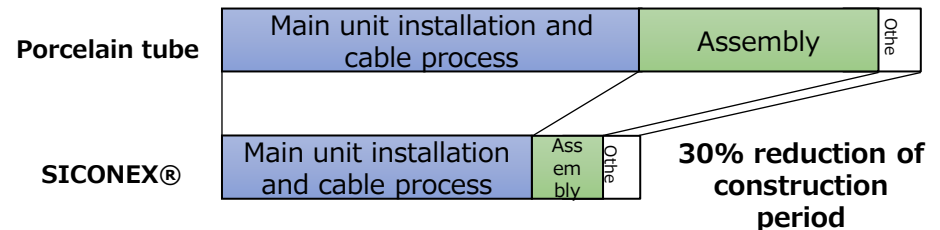


Substations and power stations

[Comparison of size]



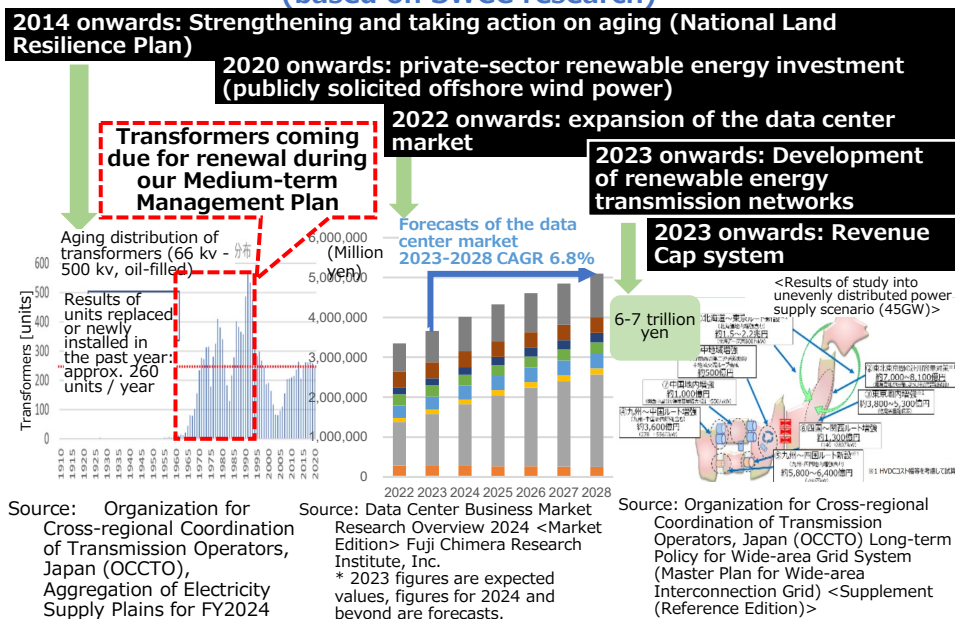
[Comparison of work processes]



# Growth Strategy for the Power Infrastructure Business

Enhancement of our strategic products and solutions (**SICONEX®/SICOPLUS®**) to meet growing demand for electric power driven by national policies

## Forecast of the domestic electricity market (based on SWCC research)



**FY2023-FY2026 Transformer market CAGR: 11%, SWCC CAGR: 18% \*Based on SWCC research**

		FY23	FY24	FY26	FY30
SWCC's share	Electric power company demand	51%	58%	71%	88%
	Private sector company demand	93%	93%	94%	95%

## Three measures for the electricity market



Products

- Made into the de facto standard
- Enhancement of ultra-high voltage SICONEX®
- Consideration of further investments in increased production



People

- Construction human resources center
- Expanded alliances with construction companies
- Transitioning internally-trained employees to work on ultra-high voltage



DX

- Educational support through use of AVR
- Remote support, management solutions

# Second-Phase Capacity Expansion Investment for SICONEX®

May 13 News Release

Amid growing demand for aging equipment replacement and grid upgrades driven by the shift to a decarbonized society, we are **making a new ¥2 billion investment** (Phase 2). **Sales are targeted to reach 220% of FY2023 levels by FY2026.**

## Background & Objective

With the progress toward a decarbonized society, demand for power grid upgrades and renewable energy is rising.

→ Strengthening efforts to expand substation market share.

## Investment Details

¥2B investment in expanding SICONEX® production at the Sagamihara site.

## Impact

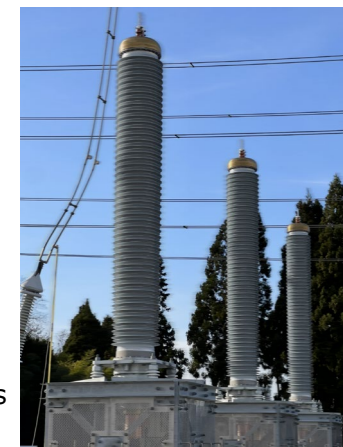
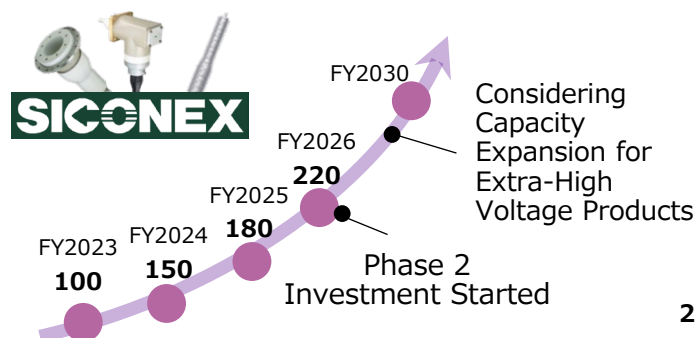
Sales target: 220% of FY2023 levels by FY2026.

## Schedule

Factory upgrades and line expansion starting FY2025, with sales contribution from FY2026 (completion expected FY2026–2027).

## SICONEX® Sales Growth Plan

\*When FY2023 results are indexed to 100



275kV Overhead Termination

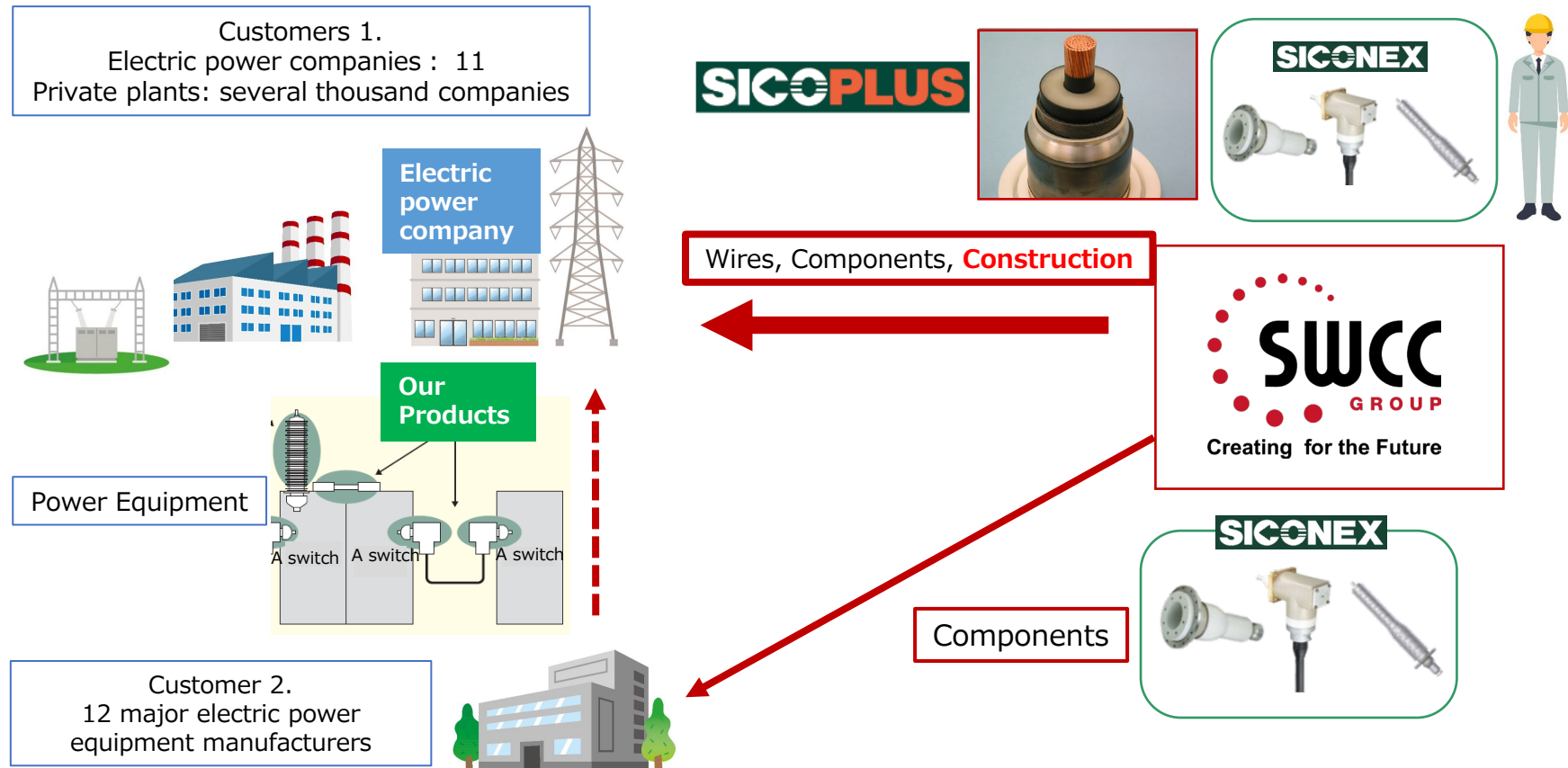
Phase 1 Investment – Completed FY2023

## SWCC's share in substations

	FY23	FY24	FY25E	FY26E	FY30E
Electric power company demand	51%	58%	63%	71%	88%
Private sector company demand	93%	93%	93%	94%	95%

## Target Customers and Sales Channels for Power Infrastructure Business

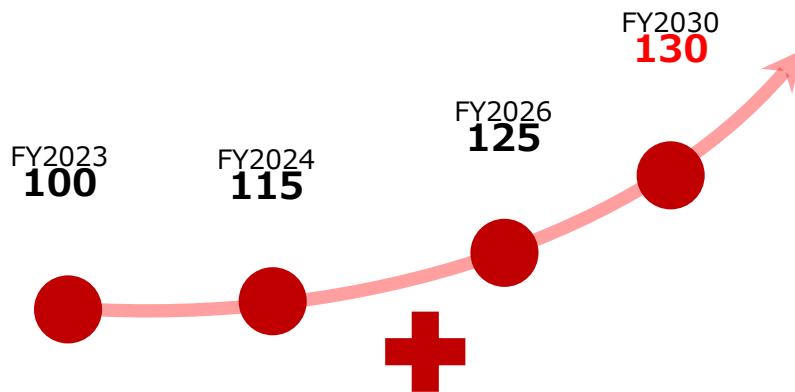
We have two sales routes: 1) direct delivery of wires, components, and installation to electric power companies and private plants with substation facilities, and 2) indirect delivery of power components to electric power companies and private plants with substation facilities through electric power equipment manufacturers.



# Elimination of Bottlenecks in the Electric Power Infrastructure Business (Securing Human Resources)

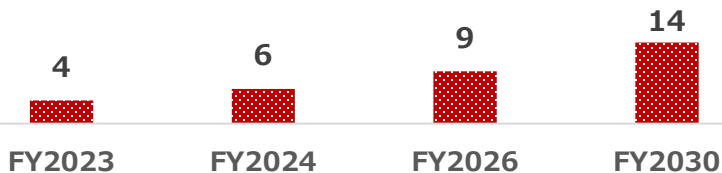
## Construction personnel plan

\* FY2023 results are set at 100



## Cooperation from construction companies nationwide

Changes in the number of construction partner companies and forecast (Unit: company)



## SICOPUS

Ultra-high voltage area  
275kV

Our company  
Construction personnel



Shift of our construction personnel to ultra-high-voltage area

154kV-

Construction personnel from partner companies

Collaborating partners nationwide



Extra-high voltage area  
66/77kV



# Efforts to resolve labor shortages in anticipation of the 2024 problem

With the "2024 problem" of the application of overtime work hour caps looming on the horizon, the Company is **promoting labor-saving, manpower-saving, and work efficiency improvements.**

Product

## Universal Design Promotion

### Skill-less connection method

Free-stripping outer conductor



The introduction of universal design has made cable processing, which conventionally required skilled techniques, a **skill-less process**.

Provide products that are easy to handle for the elderly and women

Lowering of product weight

We were the **first in the industry** to review product weights based on the weight reduction needs highlighted in a survey.

Persons

## Sustainable Human Resource Education

### Establishment of Construction Human Resource Development Center



**Secured excellent human resources** by establishing an early training program for engineers (utilization of DX materials, simulated facility training, knowledge acquisition and on-the-job training).

### Local consumption market model cloud human resource strategy

Human resources trained at the above centers are now **expanding nationwide, from Hokkaido to Okinawa**. Enables flexible receipt of orders.

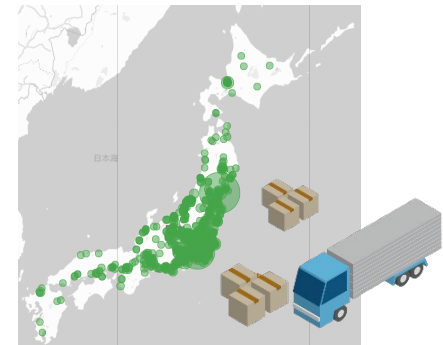
SICOPLUS® Human Resource Cloud



Logistics

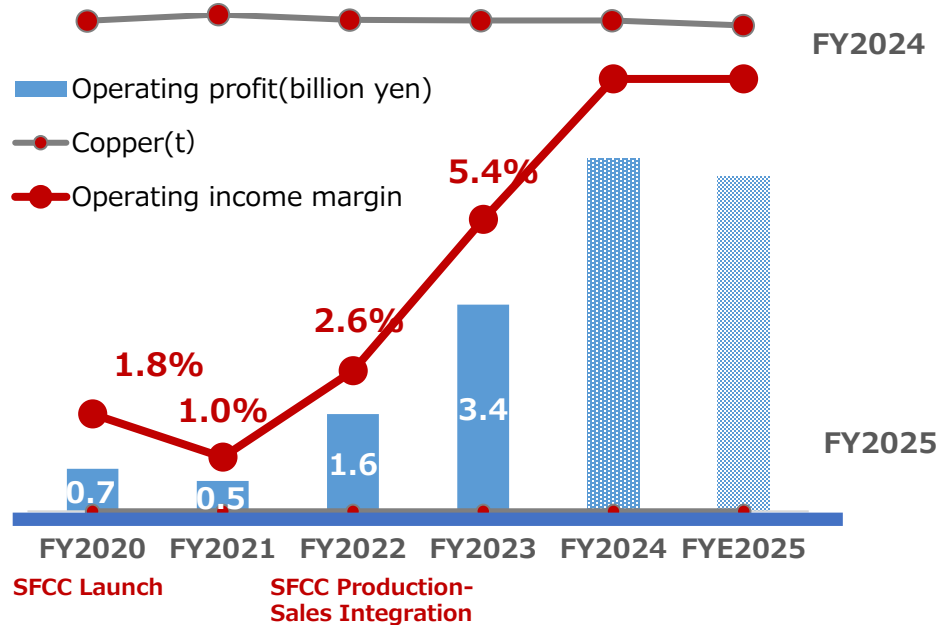
## Promotion of Logistics DX

### Visualization of optimum route and loading capacity



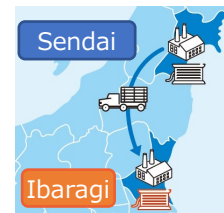
DX of logistics system centered on subsidiary LOGIS-WORKS. **Promoting operational efficiency in vehicle dispatch management** by sharing the delivery status of distribution centers nationwide via cloud computing and smartphones.

# Further Transformation of the Construction-Related Business into a Cash Cow



Profitability	FY21	FY22	FY23	FY24	FY25
Cash conversion cycle	103	82	72	73	70
Inventory turnover days	45	42	42	45	40
ROIC (%)	3.6	8.6	14.3	21.9	21.5

## Cost Reduction through Increased Production Capacity at the Ibaragi Plant



Building an Efficient Production System through Equipment Transfer from Sendai to Ibaragi and New Investments

**Cost Savings of 110 Million Yen per Year**

## Cash Flow Improvement through Logistics Reform

Aichi/Osaka/Fukuoka

Western Distribution Center



Hokkaido/Ibaragi/Kanagawa

Eastern Distribution Center

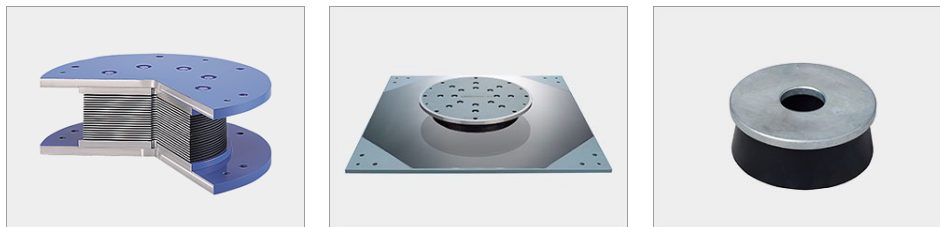
Optimizing Land Use at the Mie Facility to Reduce Inventory and Improve Turnover.

- Cash Flow Improvement
- Working Capital Reduction
- Copper Price Volatility Risk Reduction

**Copper Inventory Reduction of 14% per Year**

# End of Manufacturing and Sale of Building Seismic Isolators

## 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.

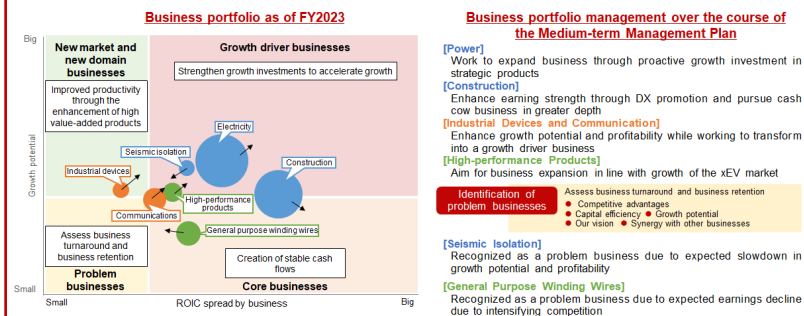
◆ News release dated July 18

[https://www.swcc.co.jp/jpn/news/images/20250718A\\_PRESS\\_RELEASE.pdf](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]

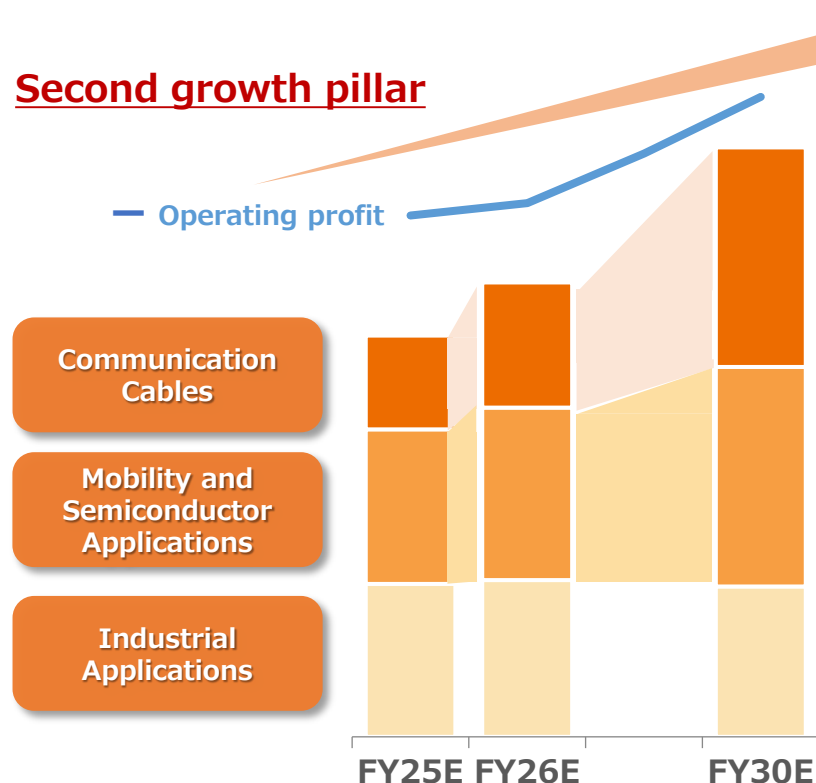


Net sales of the building seismic isolator business in the fiscal year **ended March 2025 were approx. 2.4 billion yen**, accounting for only several percent of consolidated net sales. The impact on business performance is therefore minor. We will use the vacant lot, human resources for increasing respond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

# 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®.



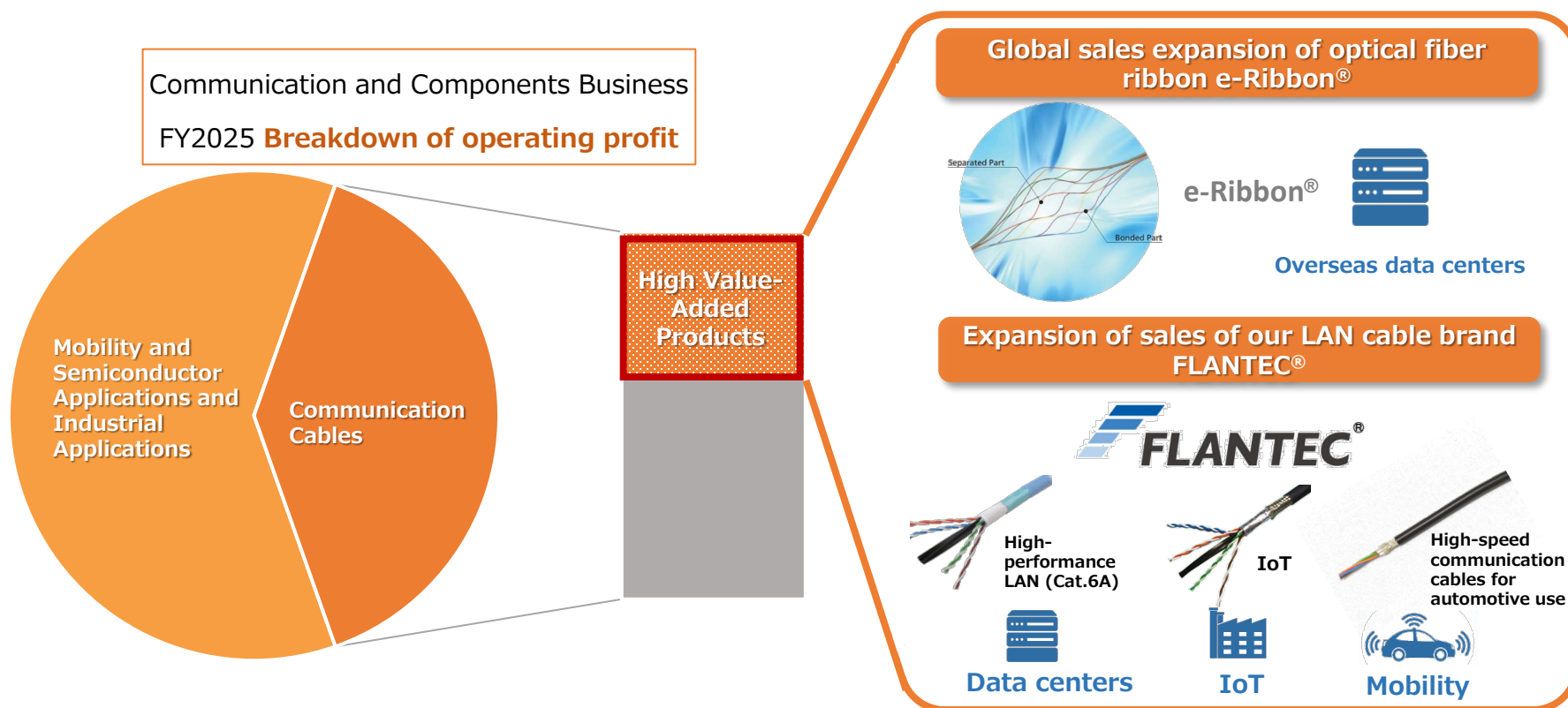
Improve profit margin by maximizing synergies from the integration of the TOTOKU Group.



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.

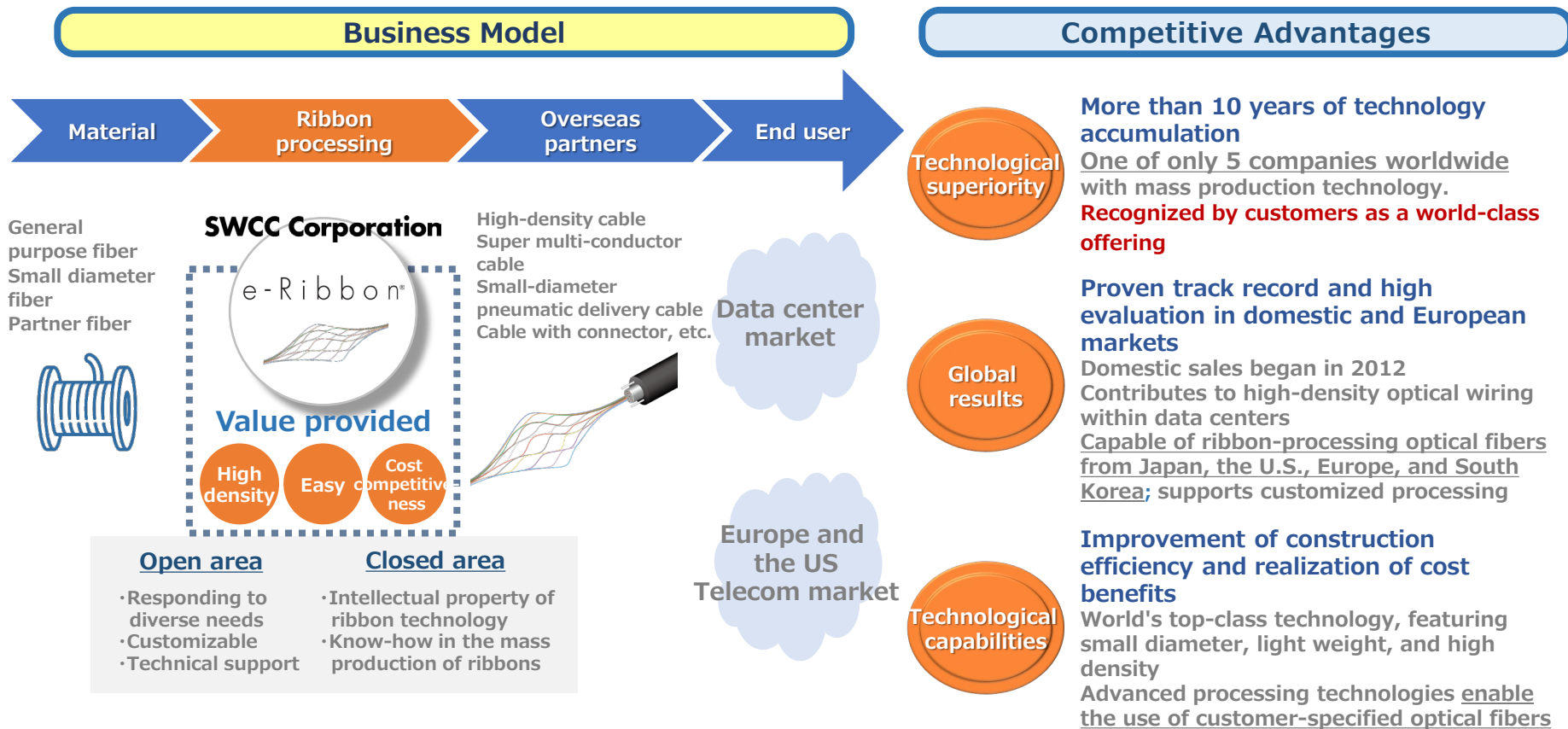
## Growth Strategy for the Communication and Components Business

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.**



# 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.**



# 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

Improved connection efficiency

Higher cable density and reduced diameter

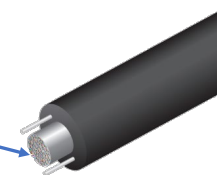
Driven by labor shortages, the need to reduce installation workload, and the expansion of optical line counts, **The demand for high-function cables is increasing.** We can address the diversification of market needs, such as higher core counts, higher density, and smaller diameters.



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®



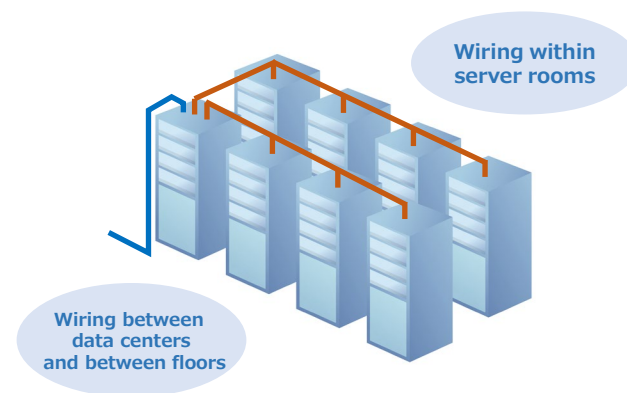
Ultra Multi-core, Small-diameter, High-density Cable

Meet the demand for high-density wiring in generative AI data centers and the telecom markets in Europe and the U.S. In addition to 4-core, 8-core, and 12-core, we have developed a 16-core e-Ribbon®.

Sample shipments have begun in July 2025, with sales scheduled to start in Q3 FY2025.

[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](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.**

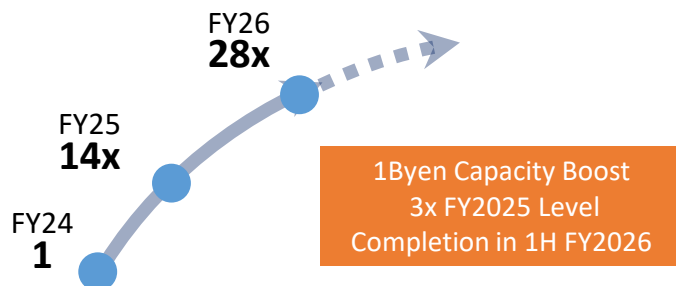
### Market Change Drivers for Business Growth

**Global expansion of the data center market** driven by rising demand for generative AI  
**Rapidly increasing demand in the optical fiber ribbon market**



### Net Sales Trend Image

\* Indexed to FY2024 actual results = 1



■ FY25 Net Sales (Plan)

■ FY26 Net Sales (Forecast)

### Assumed partner companies

FY24	FY25E	FY26E
4 (companies)	7 (companies)	8 (companies)

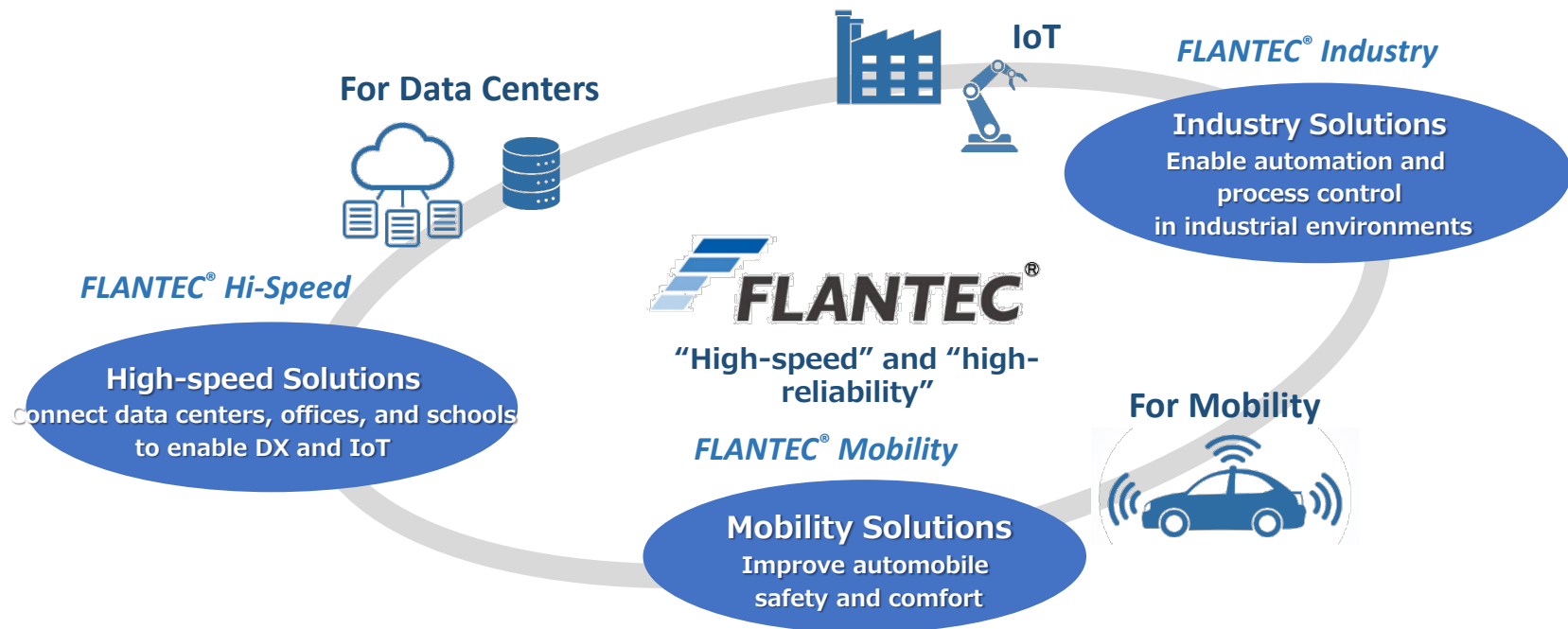
**By concluding long-term contracts with overseas partners, we will accelerate the expansion of net sales.**



## 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



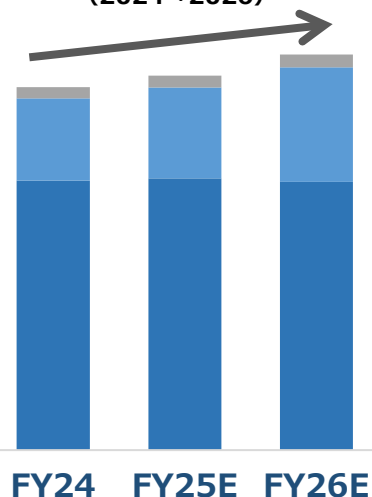
Hi-Speed, Industry

Cat.6A  
net sales CAGR 18%  
(2024→2026)

Industrial Applications LAN

High-performance LAN (Cat.6A)

General-purpose LAN (Cat.5E and others)



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



Ten times faster speed



Multi-purpose

## Competitive Advantages

High-performance LAN (Cat.6A)  
General-purpose LAN (Cat.5e)

Ten times faster than conventional speed



\* Supports increasing communication volume driven by AI and IoT utilization

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

# Growth Strategy of FLANTEC® : Mobility

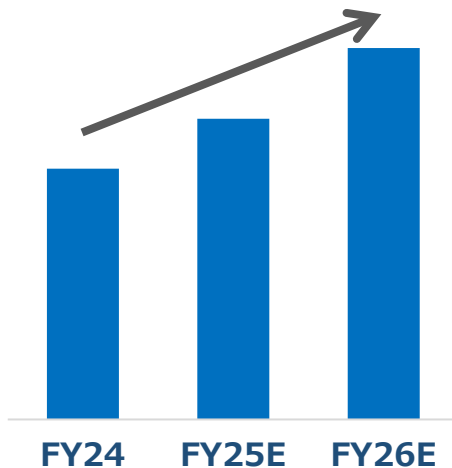


## Mobility

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**.

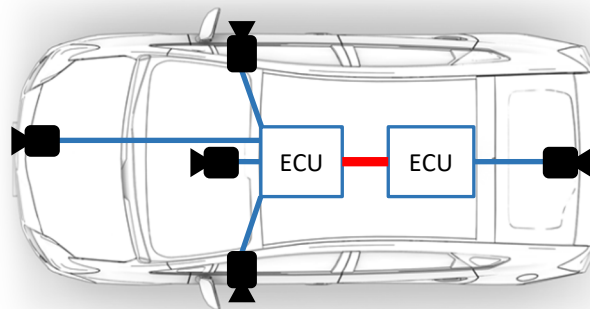
### Market Tailwinds




Revision of road vehicle safety standards  
Standard installation of all-around monitors

Mandatory installation of automatic braking systems and rear-view cameras  
Enhanced mobility safety

### Automotive Network Wiring

### Competitive Advantages



-  : In-vehicle cameras
-  : Cables between in-vehicle cameras and ECUs
-  : Cables between ECUs

High-speed Communication Cables for Automotive Use

High-speed transmission and noise resistance

Environmental compatibility

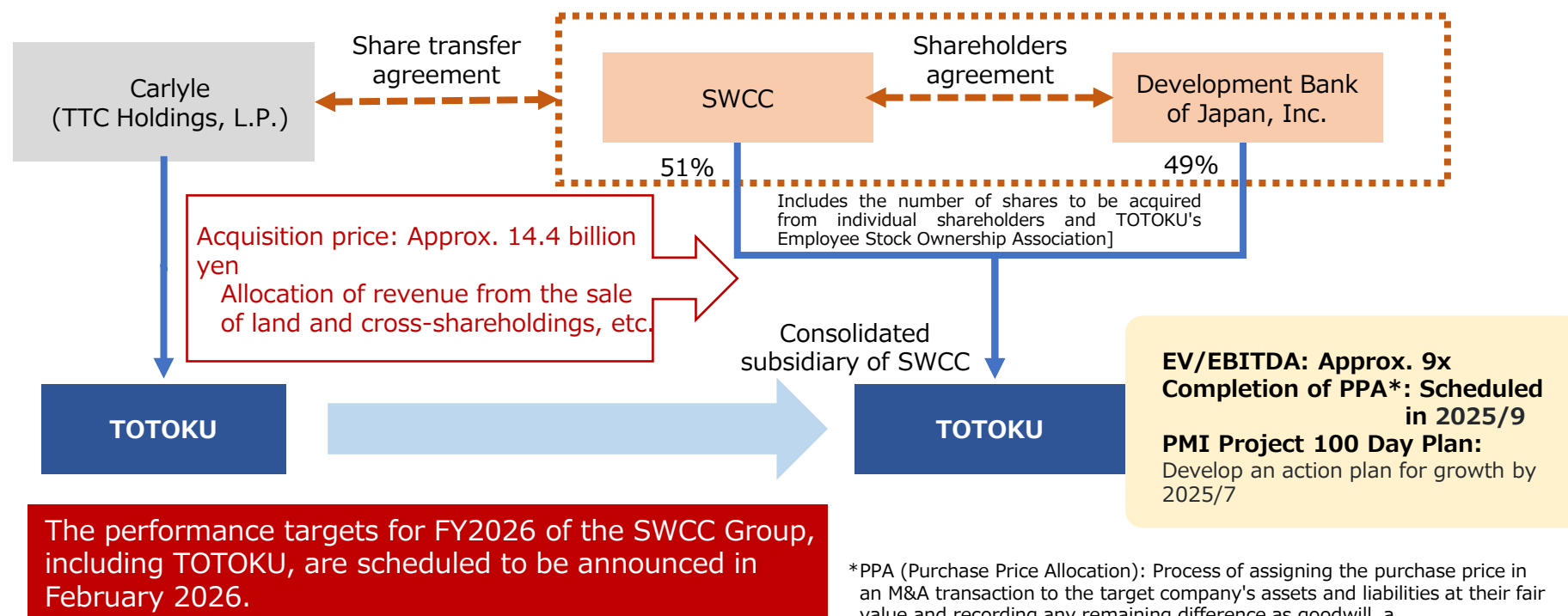
High production efficiency

\* ECU : Electronic Control Unit

# Overview of Acquisition of Shares of TOTOKU INC. Through Joint Investment

SWCC signed a share transfer agreement regarding the acquisition of shares of TOTOKU INC with TTC Holdings, L.P., which is wholly owned and managed by firm Carlyle.

The SWCC Group judged that joint investment with the DBJ was the best way to approach the Transaction in terms of achieving active growth investment while ensuring the stability of the financial base.



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

**PMI Day100  
Completed**  
in July 2025

**Business**

Governance

Accounting &  
Finance

Human resources

IT

Sustainability

**SWCC × TOTOKU**

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

**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**

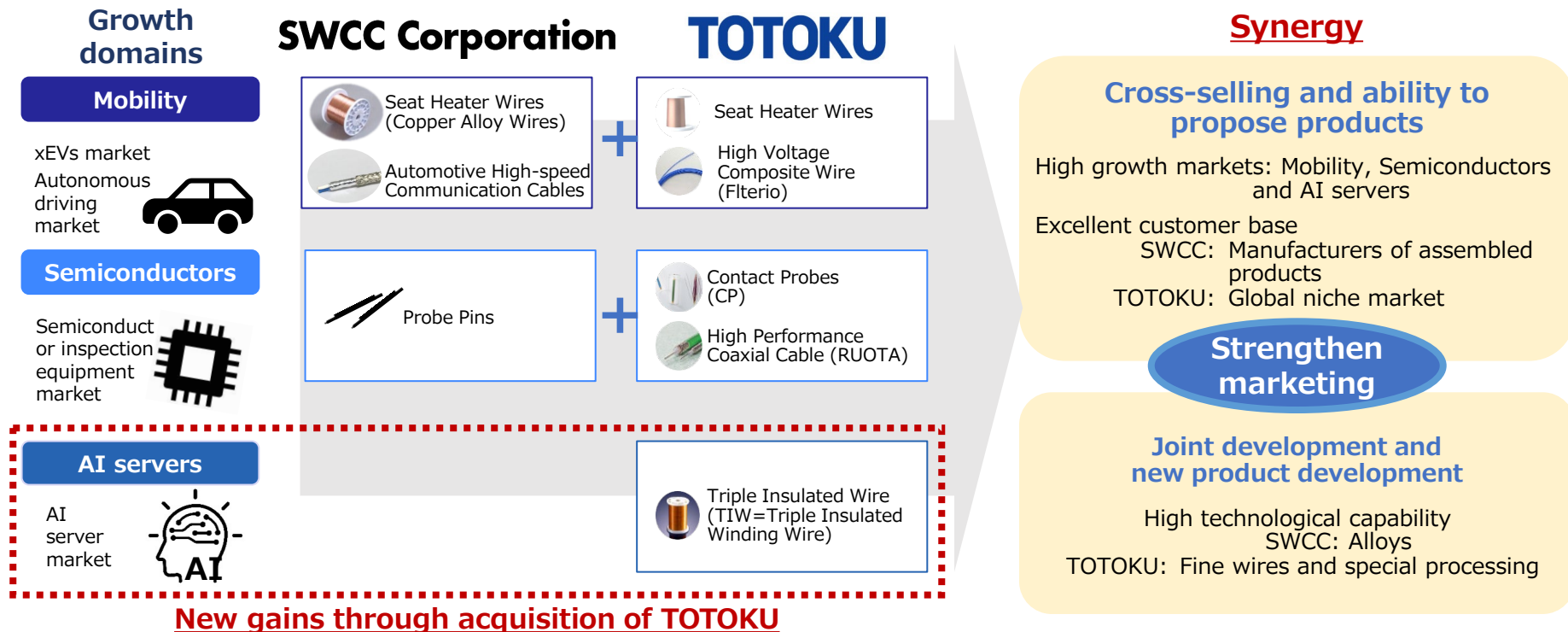


**Achieving Our  
Vision for FY2030**

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.**

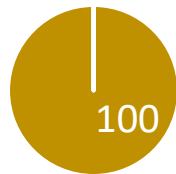


# Attractive Product Portfolio of TOTOKU: Seat Heaters for Mobility

**[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**

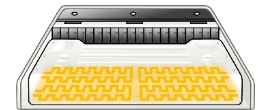
Steering wheel heaters



Seat heaters & armrests



Battery heaters



### 2. Cross-selling

SWCC  
X  
TOTOKU

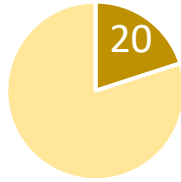


**Strong customer base**

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"> <li><b>Design capability</b> to meet high durability and heat resistance requirements</li> <li><b>Process management capability</b> that has achieved "zero claims"</li> <li><b>Integrated production capability</b> from materials to heater wires</li> </ul>
	Company B	China	
SWCC	Company C	Japan	<ul style="list-style-type: none"> <li>High-strength, high-conductivity materials</li> </ul>

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



■ Shipment Value  
○ Overall Market Size CAGR

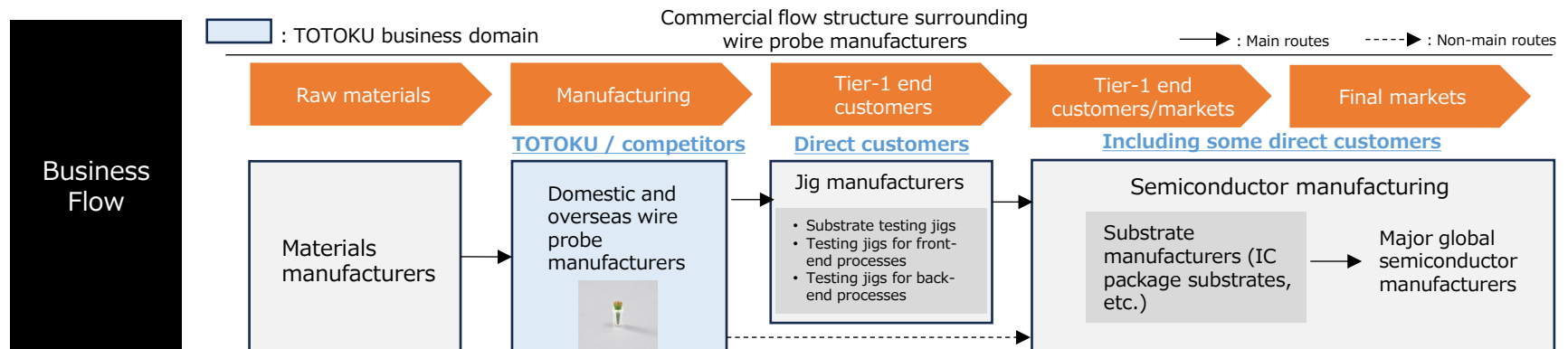
(Unit: billion yen)

Year	Shipment Value (billion yen)	Overall Market Size CAGR
2023 Result		
2024 Estimation		
2025 Forecast	356.7	
2026 Forecast	383.1	
2027 Forecast		+5.7%
2028 Forecast		
2029 Forecast		
2030 Forecast	470.4	

## 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.**








# 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

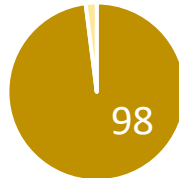
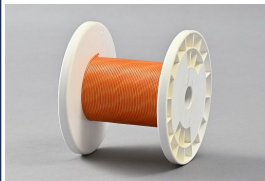
# Attractive Product Portfolio of TOTOKU: Triple Insulated Winding Wire for AI Servers

[Strengths] High product reliability/Excellent heat resistance

[Market Share] 12% global share

(FY2024) \*Assumption by our company

Ratio of overseas shipments



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"> <li>Extensive lineup of heat-resistant products</li> <li>Conductor lineup ranging from DC to high frequency</li> <li>Production capacity enabling small-lot, quick-delivery support</li> </ul>

## Advantageous Conditions / Future Market Outlook

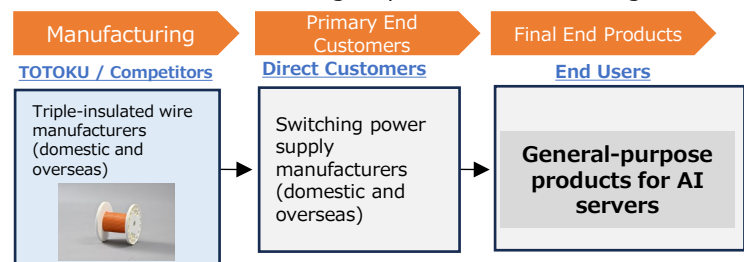
### Rapid Growth of AI Servers:

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.

### 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



### 3. FY2025 Full Year Forecasts

---

# FY2025 Full Year Forecasts

**Sales and profits are projected to increase** due to continued solid demand in the energy and infrastructure market. Plan to **increase the dividend by 44 yen** from the previous fiscal year to **180 yen for the full year**.

## Net sales

(Unit: billion yen)

Up 9.3%

237.9

260.0

FY24

FY25E

Copper price  
(yen/kg)

1,478

1,350

## Operating profit

(Unit: billion yen)

Up 17.0%

20.9

24.5

FY24

FY25E

Expected to reach a record high

## Ordinary profit

**23.5 billion yen** (YoY: 108.5% increase)

Expected to reach a record high

**Net income attributable to owners of parent**

**15.0 billion yen** (YoY: 31.6% increase)

Expected to reach a record high

**Dividend/Payout ratio**

**180 yen/35.5%** (YoY: 44 yen increase)

FY26 target will be achieved early

Interim: 80 yen

Year-end: 100 yen Total: 180 yen

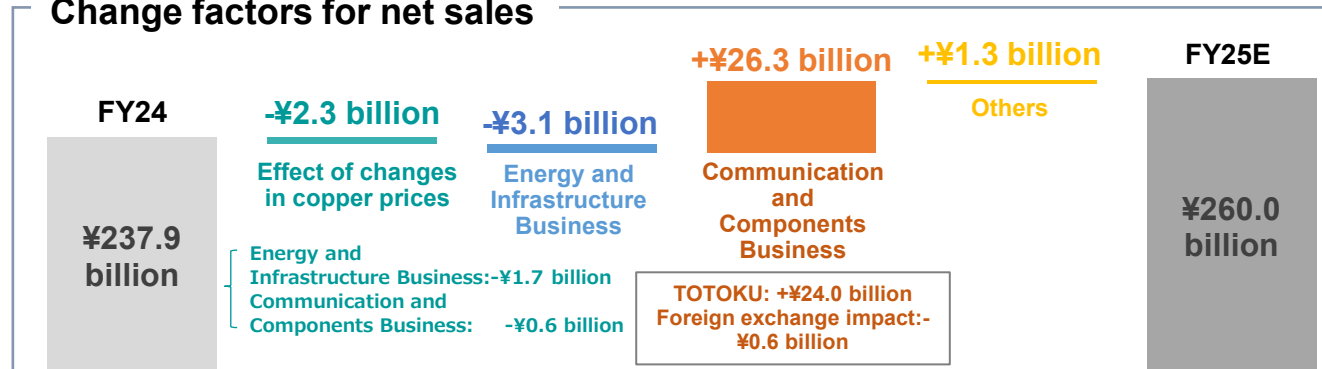
## ROIC

**12.3%** (YoY: 0.4pt increase)

FY26 target will be achieved early

# FY2025 Change Factors (YoY)

## Change factors for net sales



[Change factors]

1. Net sales

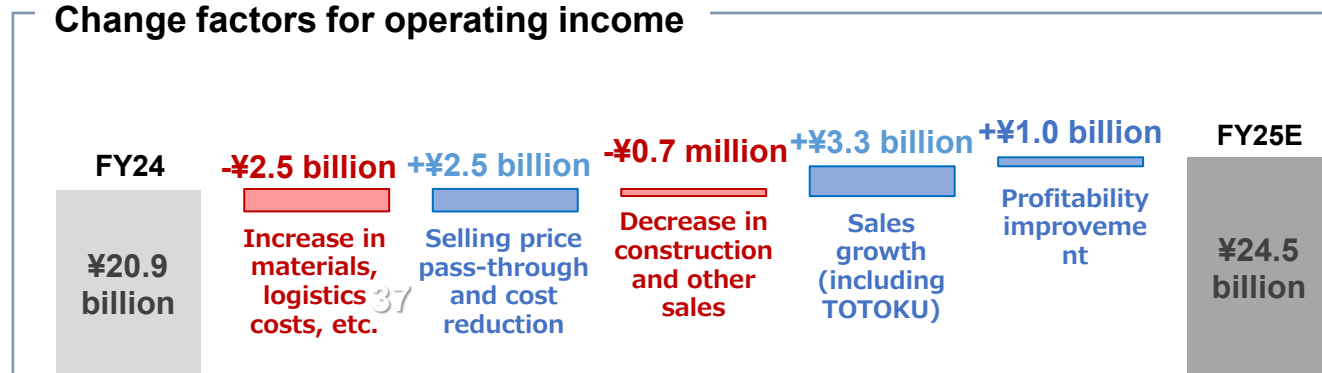
Sales are expected to increase YoY due to **solid growth in energy and infrastructure demand** as well as increased sales of communication cables and the **acquisition of TOTOKU**, offsetting expected decline in domestic demand for construction applications.

2. Operating income

Price pass-through and cost reduction are expected to offset the higher material and logistic costs.

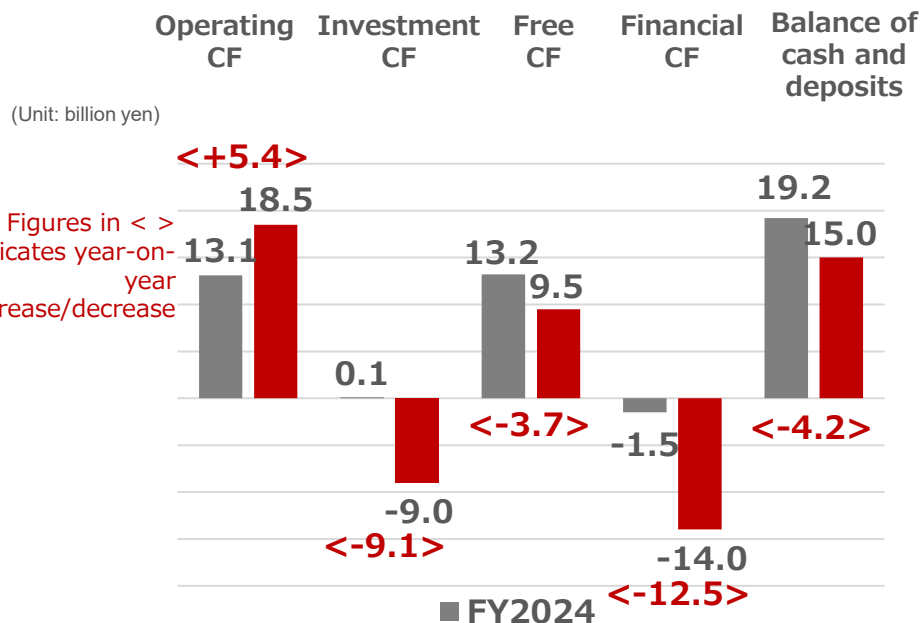
**Profits are expected to increase YoY due to sales growth, including the acquisition of TOTOKU, and improved profitability.**

## Change factors for operating income



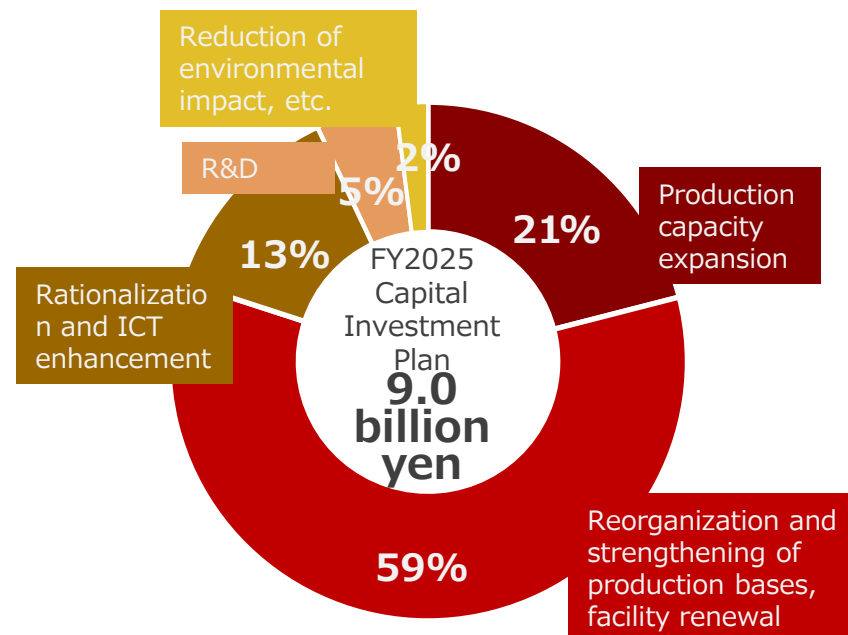
# FY2025 Forecast for Cash Flows and Capital Expenditure Plan

## <Consolidated Cash Flow>



Operating CF in FY2025 to increase due to an increase in operating profit and improvement in CCC.  
Investment CF to increase due planned capital expenditures for growth.  
Financing CF decreased due to the reduction of interest-bearing debt through improved group capital efficiency.

## <Capital Expenditure Plan>



## Breakdown by Segment

Energy and Infrastructure Business	2.5billion yen
Communication and Components Business	2.5billion yen
Others*	4.1billion yen

\*The 4.1 billion yen also covers the renewal of welfare buildings at each site.

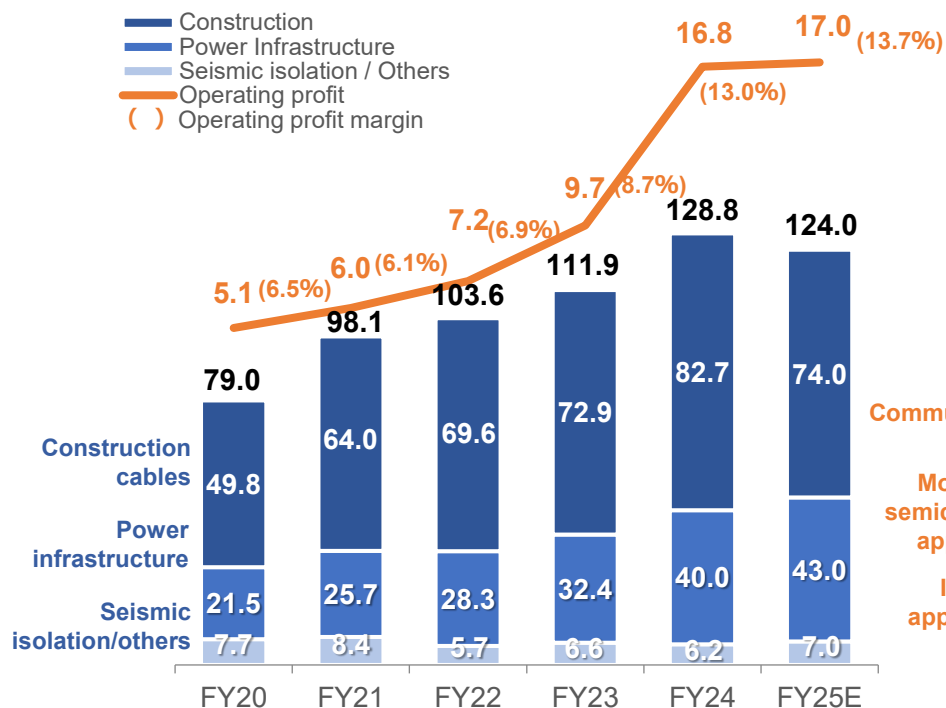
# Performance Trends by Segment

## I. Further strengthening of growth driver businesses

### Energy and Infrastructure Business

(Unit: billion yen)

- Construction
- Power Infrastructure
- Seismic isolation / Others
- Operating profit
- ( ) Operating profit margin

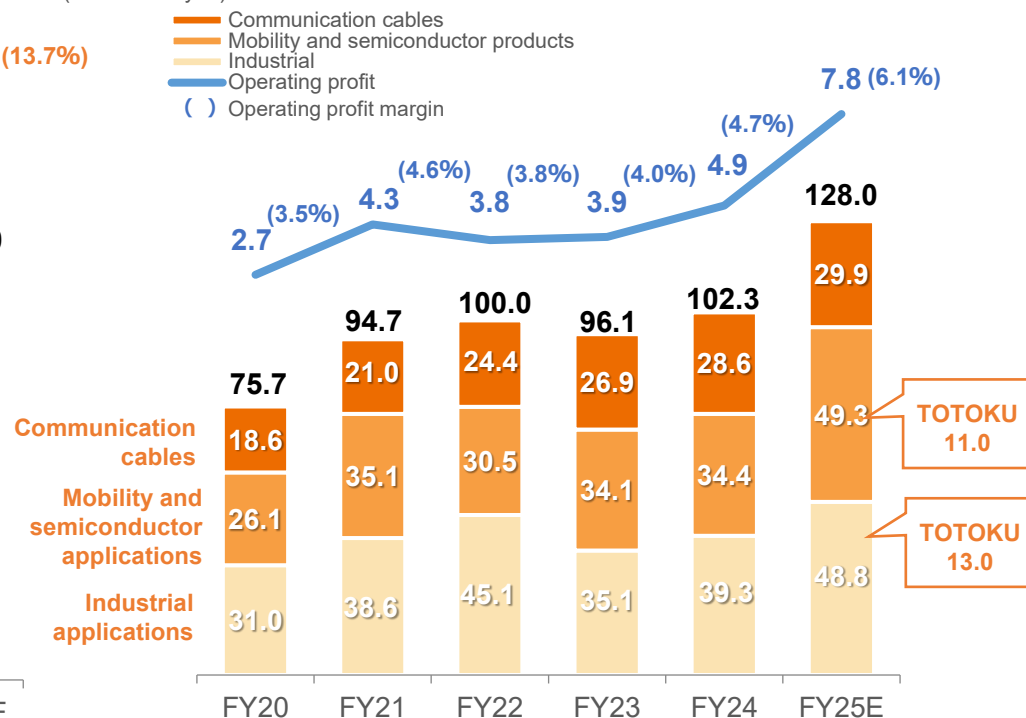


## II. Establishment of second growth pillar

### Communication and Components Business

(Unit: billion yen)

- Communication cables
- Mobility and semiconductor products
- Industrial
- Operating profit
- ( ) Operating profit margin



## 4. FY2025 Q1 Overview of Financial Results

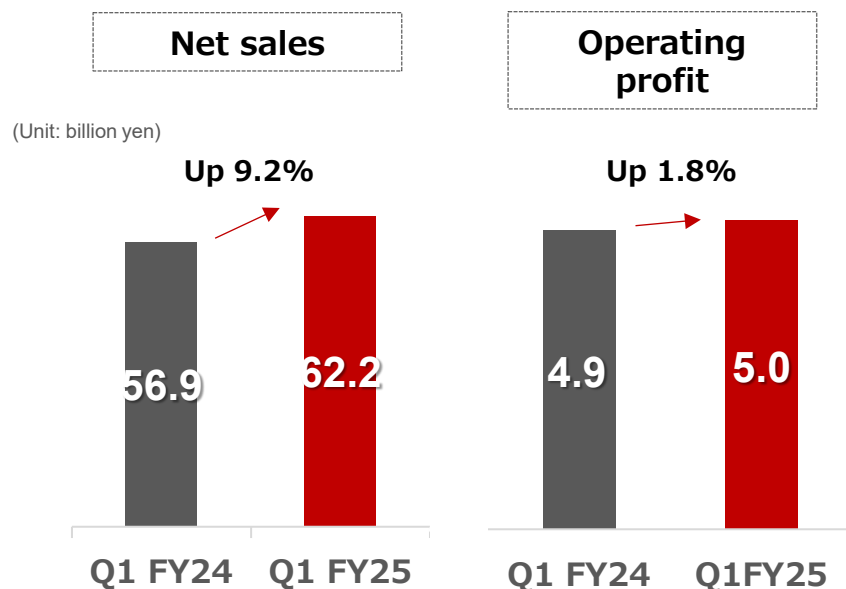
---



# 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.



## 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%

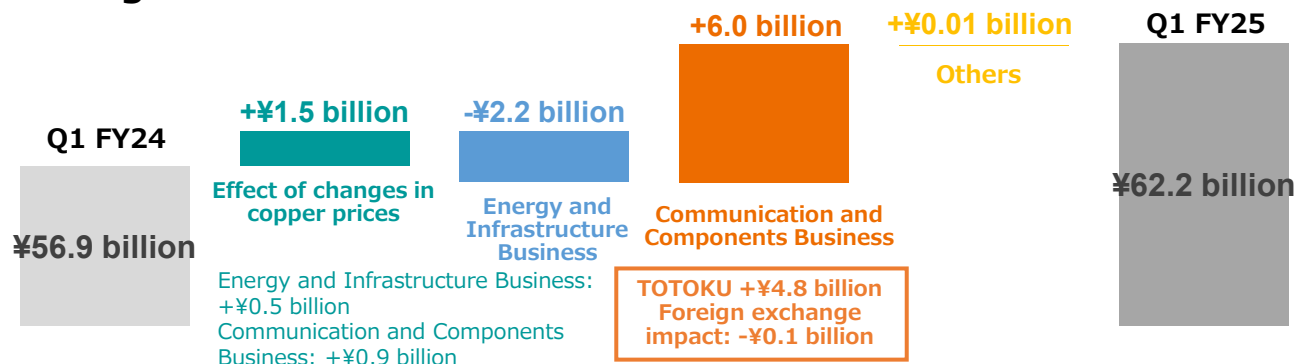
# Q1 FY2025 Consolidated Statements of Income

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)	FY24 Q1	FY25 Q1	FY25 Full-year plan	YoY %	Progress rate %
<b>Net sales</b>	<b>56.9</b>	<b>62.2</b>	<b>260.0</b>	<b>9.2%</b>	<b>23.9%</b>
<b>Operating profit</b> (excluding goodwill amortization)	<b>4.9</b> <b>(—)</b>	<b>5.0</b> <b>(5.2)</b>	<b>24.5</b>	<b>1.8%</b>	<b>20.2%</b>
<b>Operating profit</b> <b>margin (%)</b> (excluding goodwill amortization)	<b>8.5</b> <b>(—)</b>	<b>8.0</b> <b>(8.3)</b>	<b>9.4</b>	<b>—</b>	<b>—</b>
<b>Ordinary profit</b>	<b>4.6</b>	<b>5.0</b>	<b>23.5</b>	<b>6.9%</b>	<b>21.1%</b>
<b>Profit</b> <b>attributable to</b> <b>owners of parent</b>	<b>2.9</b>	<b>3.0</b>	<b>15.0</b>	<b>3.3%</b>	<b>20.2%</b>

# Q1 FY2025 Change Factors (YoY)

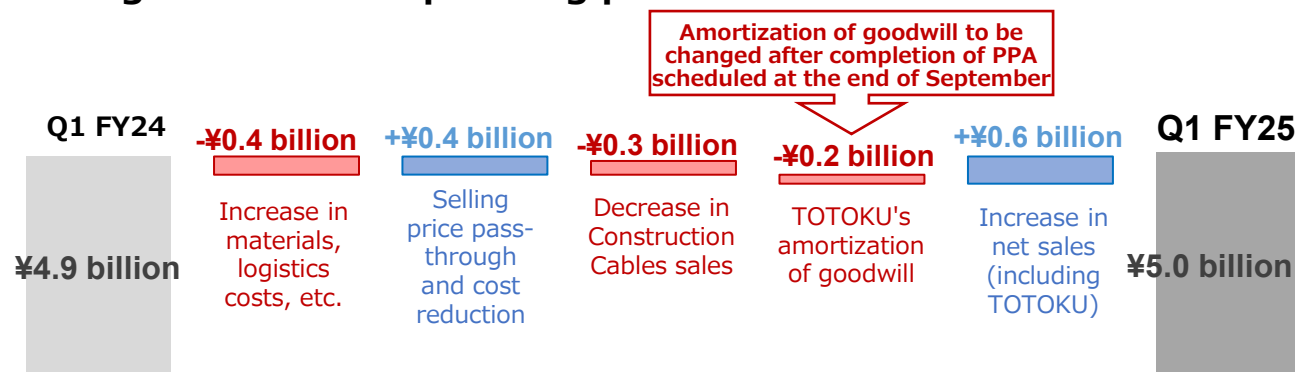
## Change factors for net sales



### [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



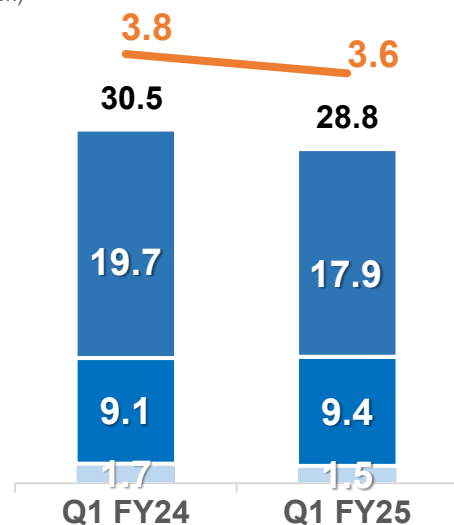
2. Operating profit  
Price pass-through and cost reduction are expected to offset the higher raw material and logistic costs. Despite a decrease in sales of Construction Cables and the amortization of goodwill of TOTOKU, **operating profit increased YoY** due to improved profitability in the Mobility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













Construction Cables      Power Infrastructure  
Seismic Isolation/Others      Operating profit

(Unit: billion yen)



Operating profit margin	12.6%	12.4%
-------------------------	-------	-------

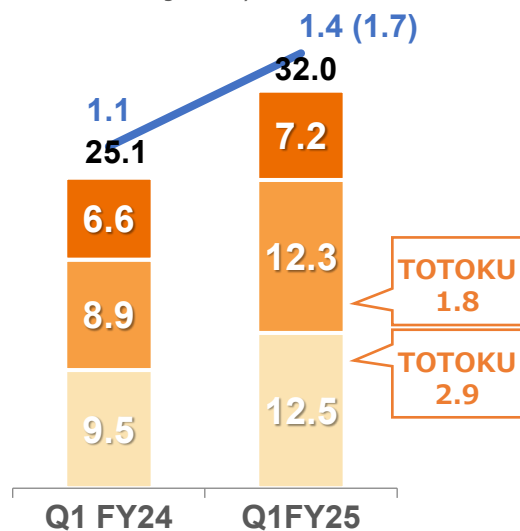
## Impacts of changes in the business environment

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> <table><tr><th colspan="4">Construction Cables</th><th colspan="4">Power Infrastructure</th></tr><tr><td colspan="2">Previous year</td><td colspan="2">Current year</td><td colspan="2">Previous year</td><td colspan="2">Current year</td></tr><tr><td colspan="2"></td><td colspan="2"></td><td colspan="2"></td><td colspan="2"></td></tr><tr><td>H1</td><td>H2</td><td>H1</td><td>H2</td><td>H1</td><td>H2</td><td>H1</td><td>H2</td></tr></table>	Construction Cables				Power Infrastructure				Previous year		Current year		Previous year		Current year										H1	H2	H1	H2	H1	H2	H1	H2
Construction Cables				Power Infrastructure																													
Previous year		Current year		Previous year		Current year																											
																																	
H1	H2	H1	H2	H1	H2	H1	H2																										

# Q1 FY2025 Results by Segment / Communication and Components Business

In Communication Cables, both FLANTEC® Mobility 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%)
---	----------	-------------

## 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	<p>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.</p> <div> <div>Image of Shipments in the Current Fiscal Year</div> <div> <div>e-Ribbon®</div> <div>Seat Heater</div> <div>Contact Probes</div> </div> <div> <div>H1 H2</div> <div>H1 H2</div> <div>H1 H2</div> </div> </div>

# FY2025 Q1 Balance Sheet (Comparison with the end of the previous year)

(Unit: billion yen)	FY2024	FY2025 Q1	Change
<b>Total assets</b>	<b>197.7</b>	<b>186.5</b>	<b>-11.2</b>
Cash and deposits	19.4	12.3	-7.1
Trade receivables	54.2	50.0	-4.3
Inventories	33.0	34.1	1.1
Non-current assets	87.2	86.3	-0.9
<b>Total liabilities</b>	<b>112.1</b>	<b>101.6</b>	<b>-10.5</b>
Trade payables	28.1	29.0	0.9
Interest-bearing debt	54.7	51.8	-2.9
<b>Total net assets</b>	<b>85.6</b>	<b>85.0</b>	<b>-0.6</b>
Equity	83.7	83.3	-0.3
Equity ratio (%)	42.3	44.7	2.4pt
<b>DE ratio (%)</b>	<b>65.4</b>	<b>62.2</b>	<b>-3.2pt</b>

**[Cash]**

Cash and deposits decreased due to the normalization of temporarily increased cash from TOTOKU's group integration at the end of the previous fiscal year, mainly through repayment of interest-bearing debt.

**[Trade receivables]**

Decreased due to a decrease in sales of construction-related products and progress in the collection of receivables.

**[Equity ratio]**

Increased 2.4pt. following the repayment of debt.

**[DE ratio]**

Decreased by 3.2pt. due to an improved financial standing that resulted from the repayment of debt. Thenet D/E ratio is 47.4%.

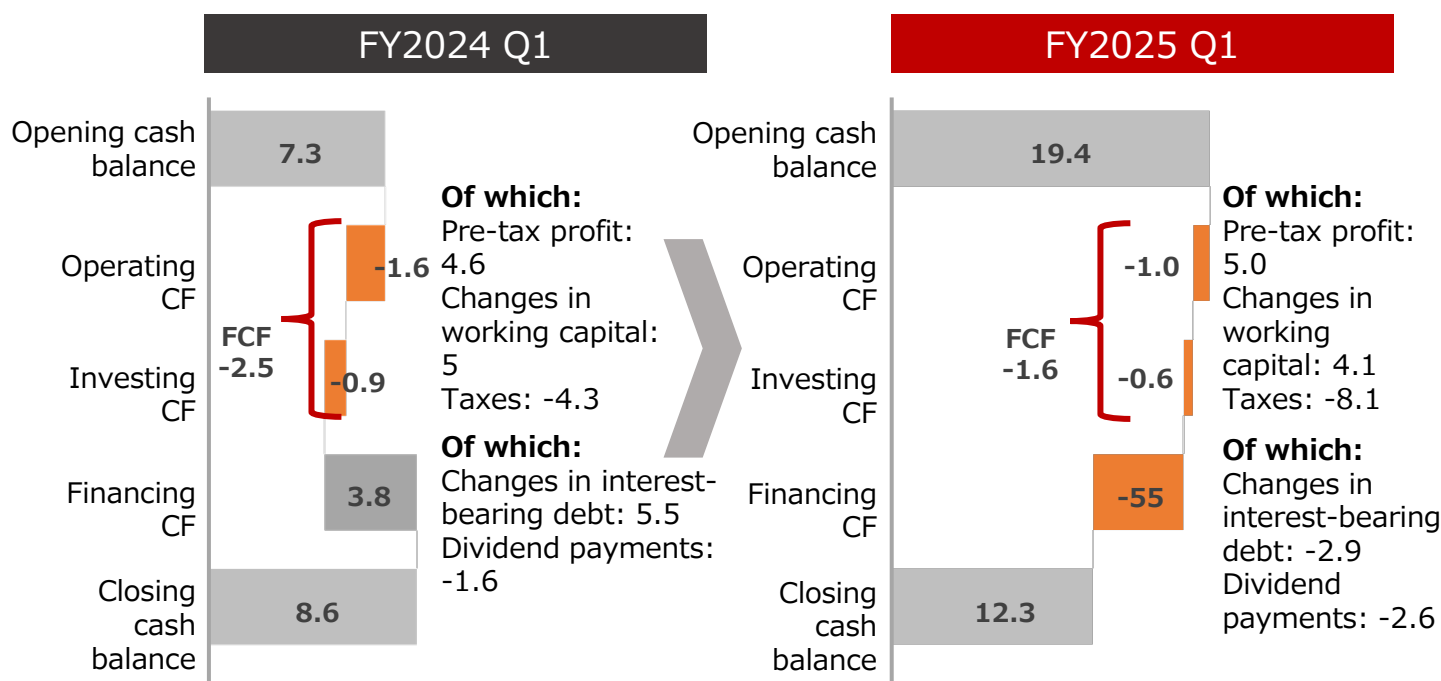
**<Recognition of current issues and future measures>**

In Q1, the collection of trade receivables made progress and working capital decreased, reflecting the ongoing implementation of measures to improve the balance sheet. In addition, interest-bearing debt decreased due to measures that were taken to ensure an appropriate level of cash and deposits, which increased temporarily at the end of the previous fiscal year with the inclusion of TOTOKU in the Group. We will continue to improve the cash conversion cycle by securing inventories at appropriate levels and shortening the debt collection period.

# FY2025 Q1 Cash Flow (Quarter-over-Quarter Comparison)

Despite higher tax payments, free cash flow improved thanks to increased profits and better receivables collection. Cash from TOTOKU's consolidation was optimized for debt repayment and dividends.

(Unit: billion yen)



Working capital improvement	FY24	FY25 Q1
DSO	82	72
DIO	50	49
DPO	42	42
CCC	90	79

FY24: TOTOKU balance sheet only consolidated.

Note: Free Cash Flow (FCF) = Operating Cash Flow + Investing Cash Flow  
The above Q1 cash flow has been prepared using a simplified method.

## 5. Appendix

---



# Approach to Financial KPIs

## FY2026 Targets

Toward a market  
capitalization of 150 billion  
yen  
Rating of A- or higher

**Improved  
corporate  
value and  
shareholder  
value**

Total shareholder return

### TSR expansion

- Increase in the share price
- Increased dividends

Outperforming TOPIX  
(including dividends)

### Expanded equity spread

- ROE of 14% or more

\* Cost of shareholders' equity assumed  
to be 9% or lower

### Enhanced shareholder returns

- Dividend payout ratio of  
35% or more  
and
- DOE of 4% or more

### Improved cash flow

- EBITDA margin of 9% or above
- Improved CCC of 80 days or less

### Improved asset efficiency

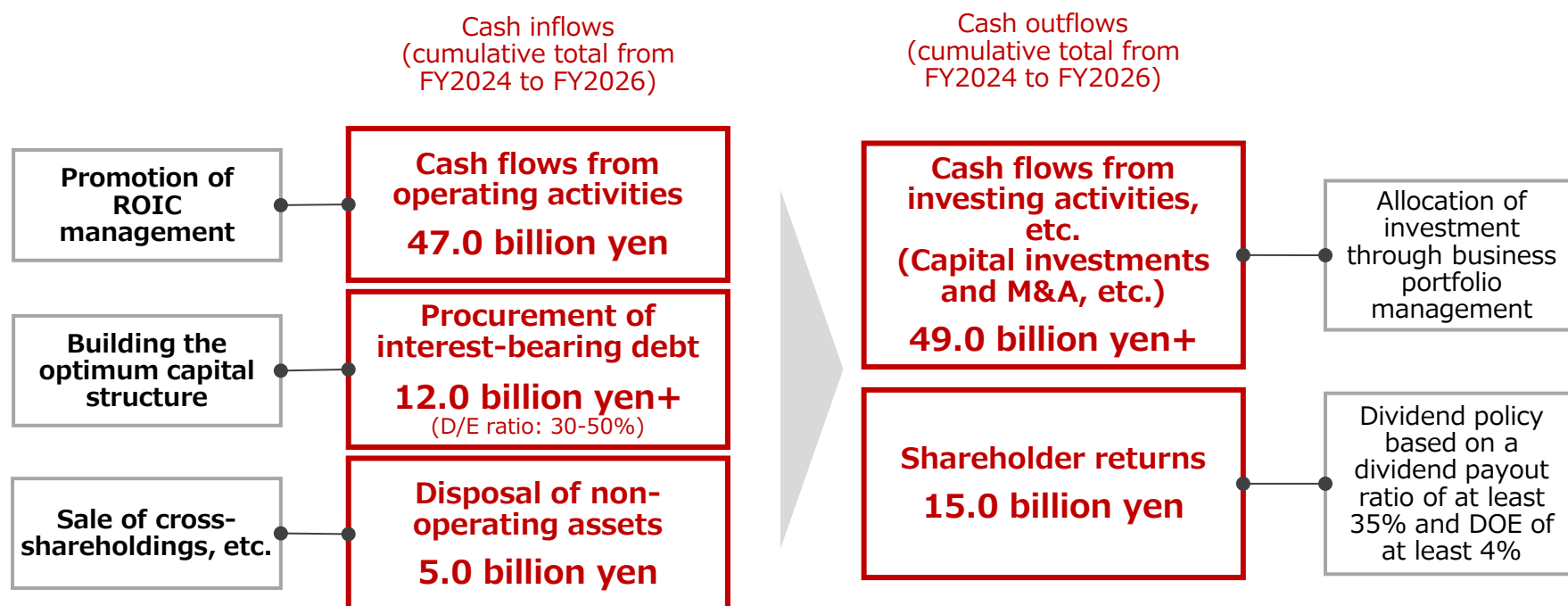
- ROIC of 10% or more
- Business portfolio management

### Optimized cost of capital

- D/E ratio between 30% and 50%
- Capital adequacy ratio of around 50%
- WACC controlled in the 6% range

# Cash Allocation

In addition to generating business revenue, we will also make progress in reducing non-operating assets in an effort to enhance growth investments and shareholder return. Additionally, for major investments such as M&A actions, we expect to apply a certain degree of leverage through debt financing from the perspective of reducing WACC.



# Reduce greenhouse gases through relentless efforts and responses

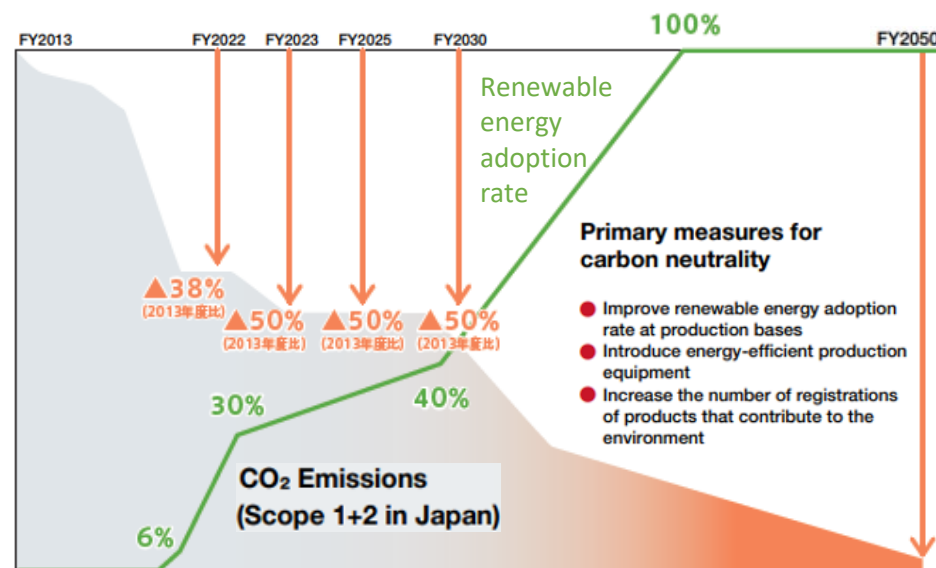
## ■ FY2024 CO2 Emissions

(Scope 1 + Scope 2 and including offset through carbon credits)

CO<sub>2</sub> at our main manufacturing bases in Japan decreased by 50% compared to FY2013 results. Through energy-saving initiatives, purchasing non-fossil fuel certificates, and installing solar power systems, we achieved greater CO<sub>2</sub> reductions than planned. As a result, we have raised our 2025 reduction target, the final year of the 7th Voluntary Environmental Action Plan, and will continue to drive these efforts.

## ■ Acquisition of third-party verification reports of greenhouse gas emissions in FY2024

We received third-party inspections in accordance to ISO14064-3 by Japan Audit and Certification Organization for Environment and Quality (JACO) with regards to greenhouse gas emissions data (Scope 1+2) at our main manufacturing bases in Japan in FY2024 (from April 1, 2024 to March 31, 2025), and received an inspection report.



FY2024 results	7th Voluntary Environmental Action Plan (Target for FY2025)	Target for FY2030	Long-term vision
Reduction of <b>50%</b> from FY2013 (Scope1+Scope2) Including offset	Reduction of at least <b>50%</b> from FY2013 (Scope1+Scope2) Including offset	Reduction of at least <b>50%</b> from FY2013 (Scope1+Scope2) Including offset	<ul style="list-style-type: none"> <li>• Realize products with reduced CO<sub>2</sub>/carbon-neutral products</li> <li>• Create products that resolve environmental issues</li> </ul>

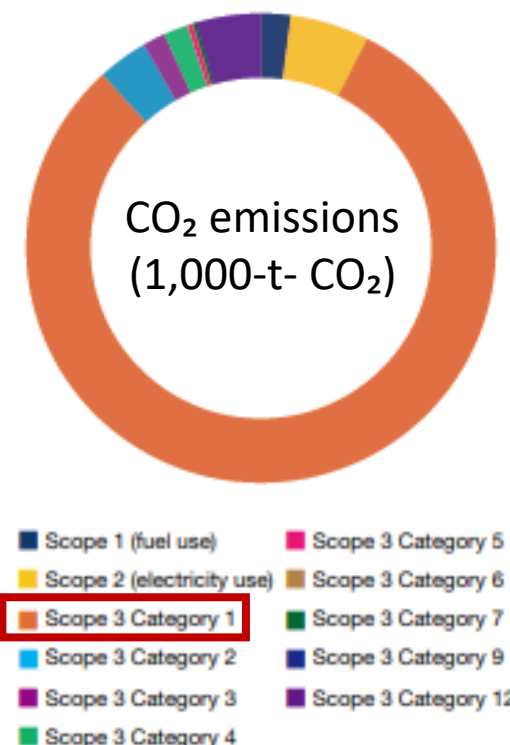
## Scope 3 emissions

Since the largest amount of emissions are associated with the purchase of materials, we are working to reduce material-derived emissions with the understanding and cooperation of our suppliers.

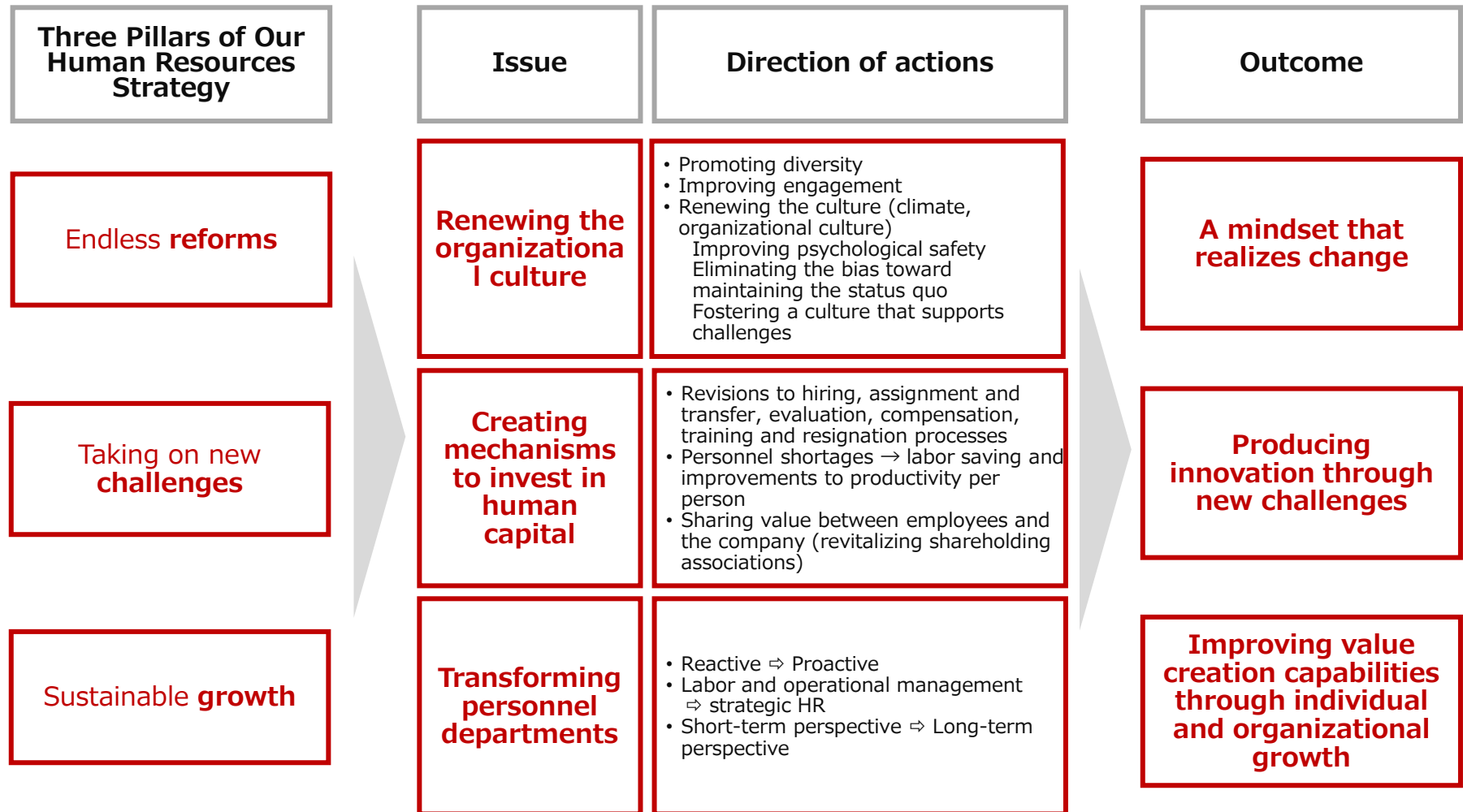
### Results of GHC emissions in FY2024

GHG Protocol Scopes for Calculation		CO <sub>2</sub> Emissions (1,000-t-CO <sub>2</sub> )	Percentage
Scope 1 (fuel use)*		11.1	2.0%
Scope 2 (electricity use)*		29.8	5.5%
Scope 3	Category 1 Purchased goods and services	440.0	80.7%
	Category 2 Capital goods	18.9	3.5%
	Category 3 Fuel and energy-related activities not included in Scope 1 and Scope 2	8.4	1.5%
	Category 4 Upstream transportation and distribution	9.1	1.7%
	Category 5 Waste generated in operations	1.9	0.4%
	Category 6 Business travel	0.4	0.1%
	Category 7 Employer commuting	1.1	0.2%
	Category 9 Downstream transportation and distribution	0.1	0.0%
	Category 12 End-of-life treatment of sold products	24.1	4.4%
Total of Scope 1, 2, 3		544.6	100.0%

\*: All bases in Japan



# Human Capital Management: Shaping an Organizational Culture in Which People Shine



# Initiatives for Strengthening Governance

Year	2018	2019	2020	2021	2022	2023	2024
Organizational design	Company with a board of statutory auditors	Company with an Audit and Supervisory Committee (from June 2019)					
Total number of directors	7	7	7	7	7	7	7
Of these, independent directors	3	3	3	3	3	4	4
Independent directors Skill			Accounting and finance	Quality control		Overseas business IT/D&I	
Of these, female	1	1	1	1	1	2	2
Total number of auditors	3	-	-	-	-	-	-
Of these, outsider auditors	2	-	-	-	-	-	-

## Composition of the Board of Directors for the FY2025

**Diversity in the Board of Directors with more than half the Board comprising independent independent directors**

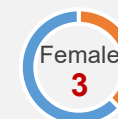
**3** executive directors

**5** independent directors



\* Male and female members are indicated in blue and orange respectively.

Ratio of female Directors **38%**      Ratio of Independent Directors **63%**



# Assessment of sustainability

## ■ Received a 'BBB' rating in the MSCI ESG Ratings



We received a "BBB" rating in the MSCI ESG Ratings, which evaluates over 10,000 companies worldwide on their environmental, social, and governance initiatives and risk management, using a seven-tier scale from AAA (highest) to CCC (lowest).

## ■ Selected as a B List company in CDP 2024



We were selected as a B List company for "Climate Change" in the 2024 assessment conducted by CDP, which evaluates over 24,800 companies and more than 1,100 local governments on their efforts related to climate change, forests, and water security, using an eight-tier scale from A (highest) to D– (lowest).



## **SWCC Corporation**

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

The forward-looking statements in this presentation are based on information available at the time of publication and involve potential risks and uncertainties.

Therefore, please be aware that a variety of factors could cause the actual results to differ materially from those projected in the statements.

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.