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Supplementary Material for the Fiscal Year ended March 2024

May 13, 2024

SWCC Corporation

TSE PRIME : 5805

1. FY2023 Overview of Financial Results

2. FY2024 Full Year Forecasts

1. FY2023 Overview of Financial Results

Overview of Financial Results for FY2023

Results: Sales and profits increased YoY, driven by the Energy and Infrastructure Business, despite the impact of external factors.

- **Energy and Infrastructure Business**
- **Electronic Equipment and Components Business**
- **Communication and Industrial Devices Business**

In construction-related products, we revised sales prices and improved profitability to capture stable demand.

In products for electric power infrastructure, demand related to special high voltage was firm, and the number of electric power projects increased from the 2H.

Sales and profits increased YoY.

Sales of high-performance products for EV recovered, but demand for industrial machinery in general-purpose products was sluggish.

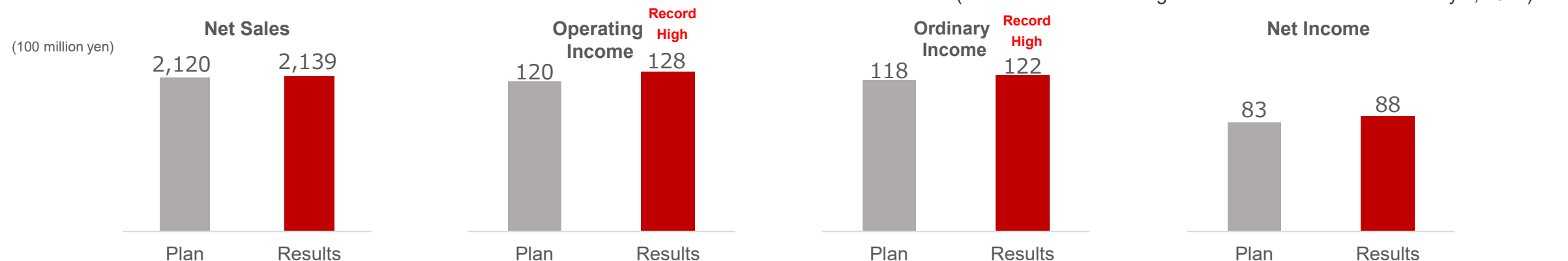
Sales and profits decreased YoY.

In telecommunications products, sales of construction-related products were firm, while sales of products for automotive applications started full-scale operations. In industrial devices, demand for office products recovered in part, but demand for wire harnesses for domestic home appliances was sluggish.

Sales and profits decreased YoY.

Progress Rate to the Plan

(Net Sales/Operating Income/Ordinary Income/Net Income)



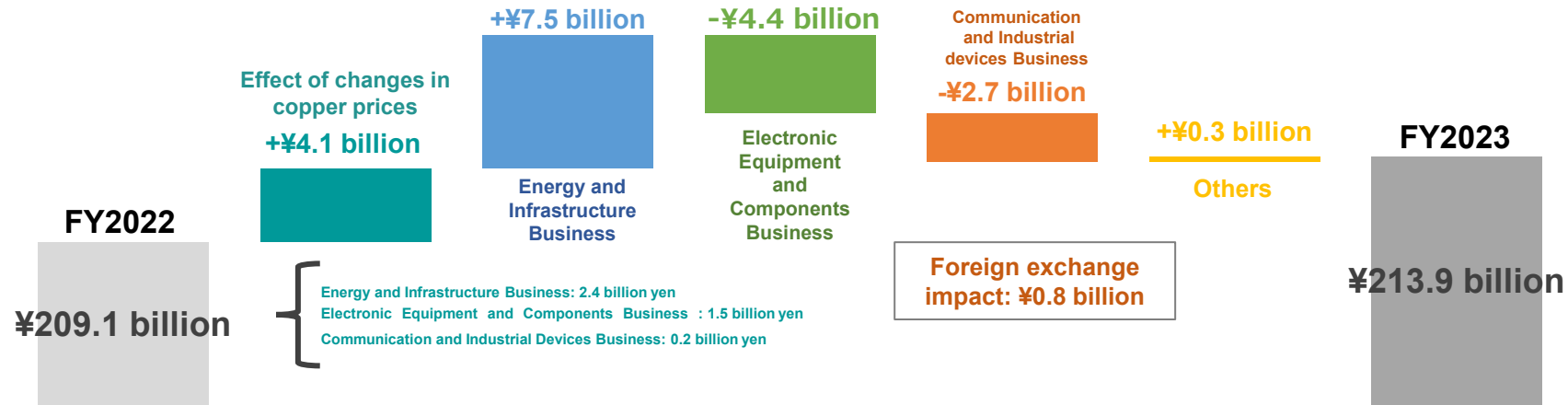
FY2023 Consolidated Statements of Income

Sales and profits increased YoY. Profits exceeded the revised plan, with **both operating income and ordinary income reaching record highs.** Plan to **increase year-end dividends.**

(Unit: 100 million yen)	FY2022 Actual	FY2023 Actual	YoY (%)
Net Sales	2,091	2,139	2.3
Operating Income	105	Record High 128	22.4
Operating Income Margin (%)	5.0	6.0	+1.0pt
Ordinary Income	104	Record High 122	17.5
Net income attributable to owners of parent	94	88	▲6.1
Dividend per share (Yen)	60	¥5 increase from 3Q results announcement 90	30
ROE (%)	15.0	12.3	▲2.7pt
ROIC (%)	7.1	8.3	+1.2pt

FY2023 Change Factors (YoY)

Change factors for net sales

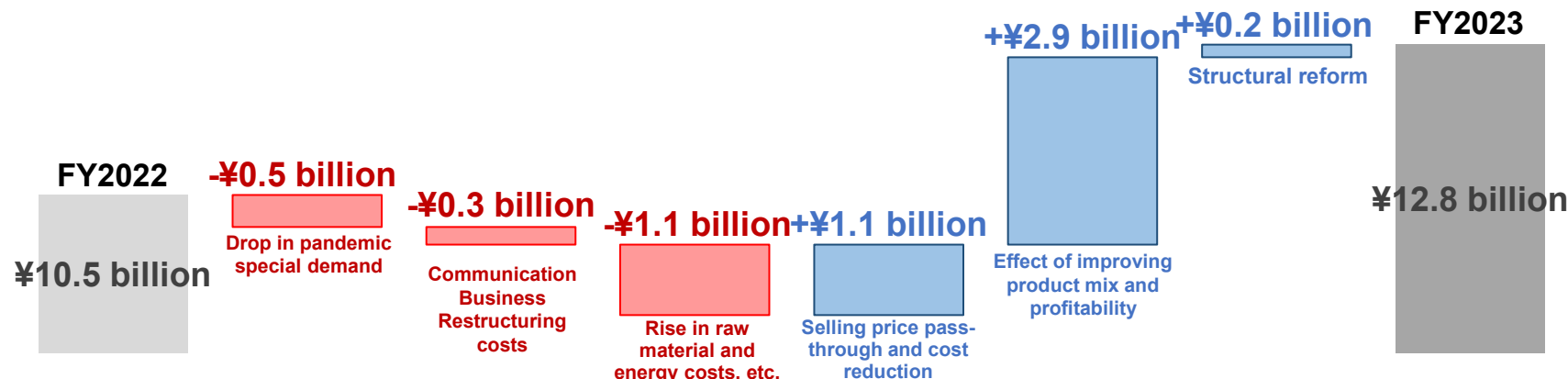


[Change factors]

1. Net Sales

Despite sluggish demand for industrial machinery and home appliances, **sales increased YoY** thanks to the **strong Energy and Infrastructure Business**.

Change factors for operating income



2. Operating Income

Despite a one-time loss from the restructuring of the telecommunications business and a delay in making profits from the ICT business, **operating income increased YoY** due to **various efforts to improve profitability**.

FY2023 Results by Segment

Despite the impact of sluggish demand for industrial machinery and the economic downturn in China/Vietnam, company-wide profits reached record highs due to the strong Energy and Infrastructure Business with its firm sales from construction and electric power-related projects.

(Unit: 100 million yen)		FY2022 Actual	FY2023 Actual	YoY (%)	FY2023 ROIC (%)
Energy and Infrastructure Business	Net Sales	1,133	1,232	8.7	12.3
	Operating Income	77	107	39.6	
	Operating income margin (%)	6.8	8.7	+1.9pt	
Electronic Equipment and Components Business	Net Sales	581	553	▲4.9	6.4
	Operating Income	17	16	▲3.7	
	Operating income margin (%)	2.9	2.9	+0.0pt	
Communication and Industrial Devices Business	Net Sales	333	307	▲7.6	4.4
	Operating Income	18	14	▲22.1	
	Operating income margin (%)	5.3	4.5	▲0.8pt	

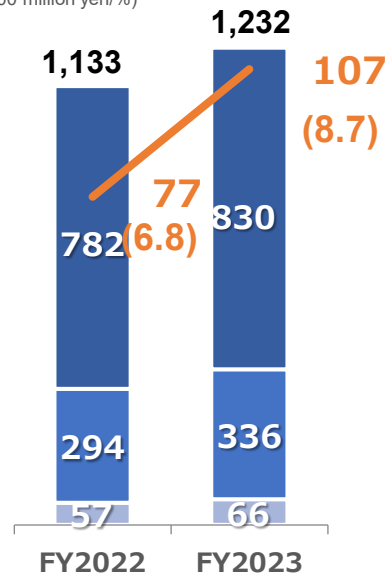
FY2023 Results by Segment

Despite sluggish demand for products for industrial machinery and domestic home appliances, **strong construction and electric power-related sales** drove overall performance. **Demand recovered in some EV related products.**

Energy and Infrastructure Business

Construction
Power infrastructure
Seismic isolation / Others
Operating income
Operating income margin

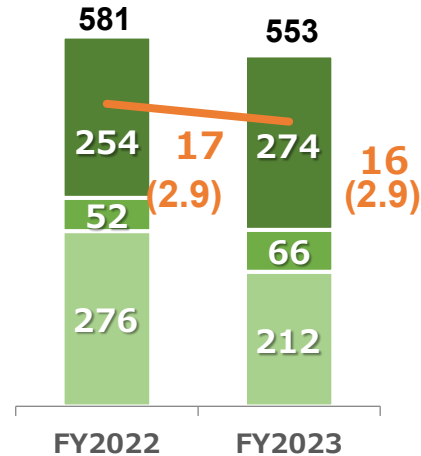
(Unit: 100 million yen/%)



Electronic Equipment and Components Business

High performance product oxygen-free copper
General-purpose products
Other high-performance products
Operating income
Operating income margin

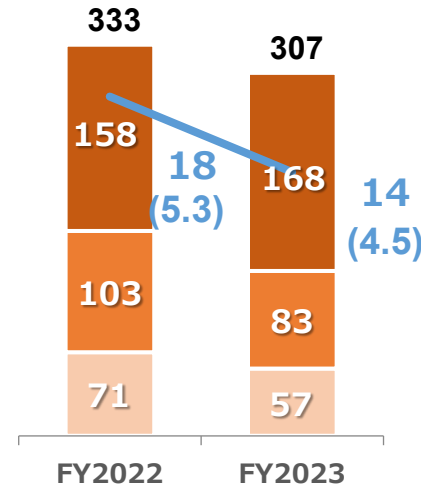
(Unit: 100 million yen/%)



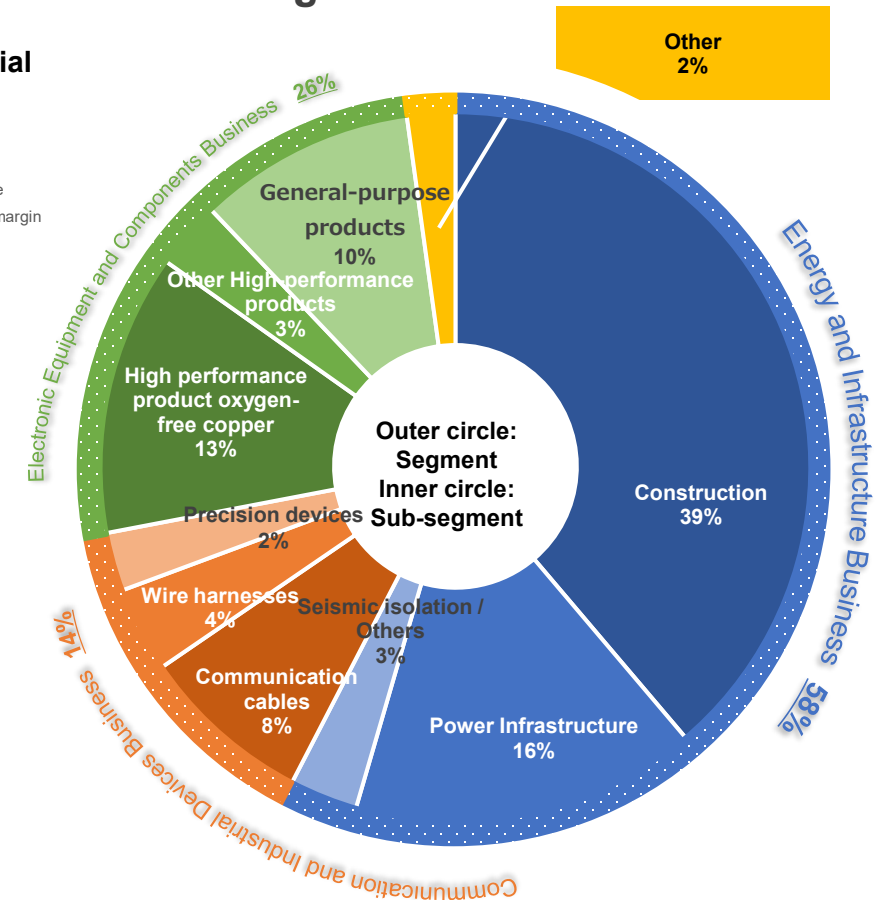
Communication and Industrial Devices Business

Communication cables
Wire harnesses
Precision devices
Operating income
Operating income margin

(Unit: 100 million yen/%)



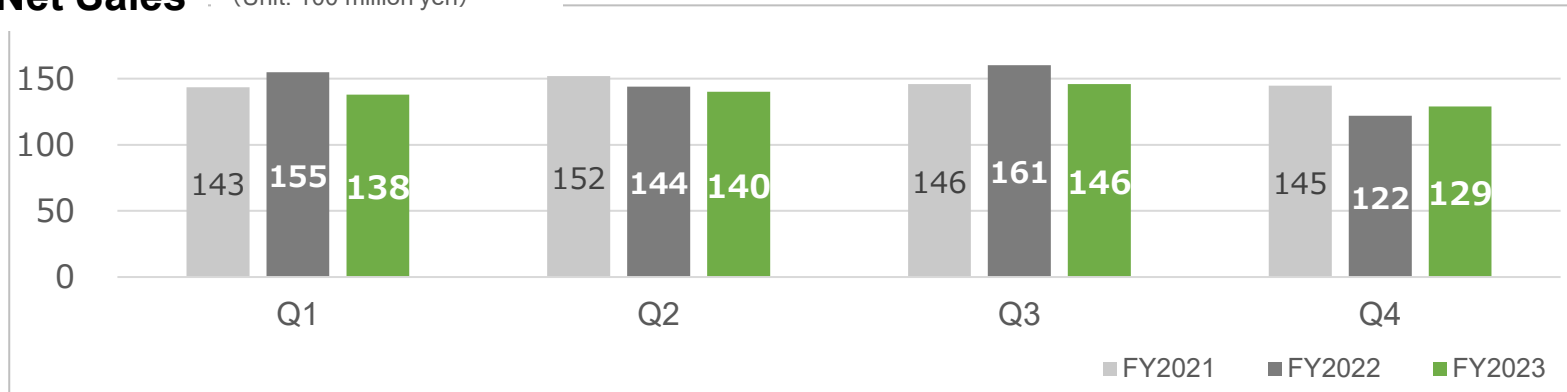
FY2023 Results Segment sales ratio



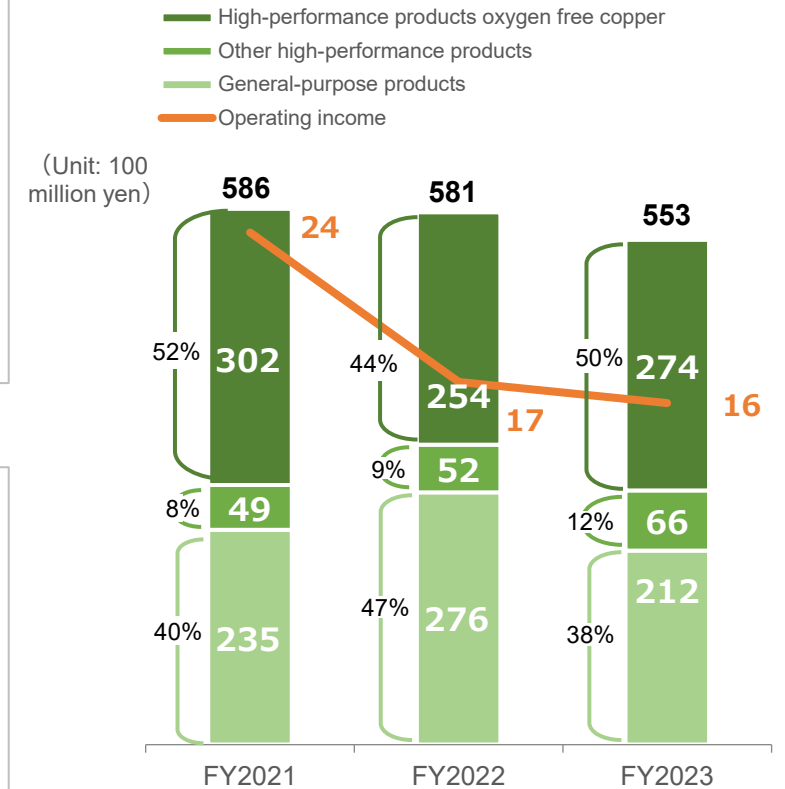
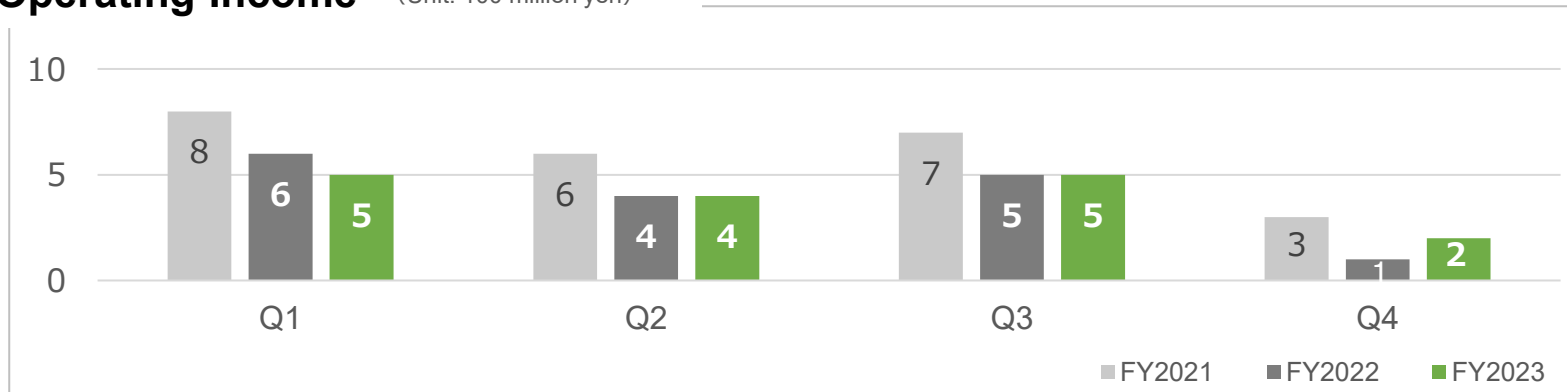
FY2023 Results by Segment / Electronic Equipment and Components Business

Although demand recovered for some products for EV, **sales and profits decreased YoY** due to sluggish demand for products for industrial machinery.

Net Sales (Unit: 100 million yen)



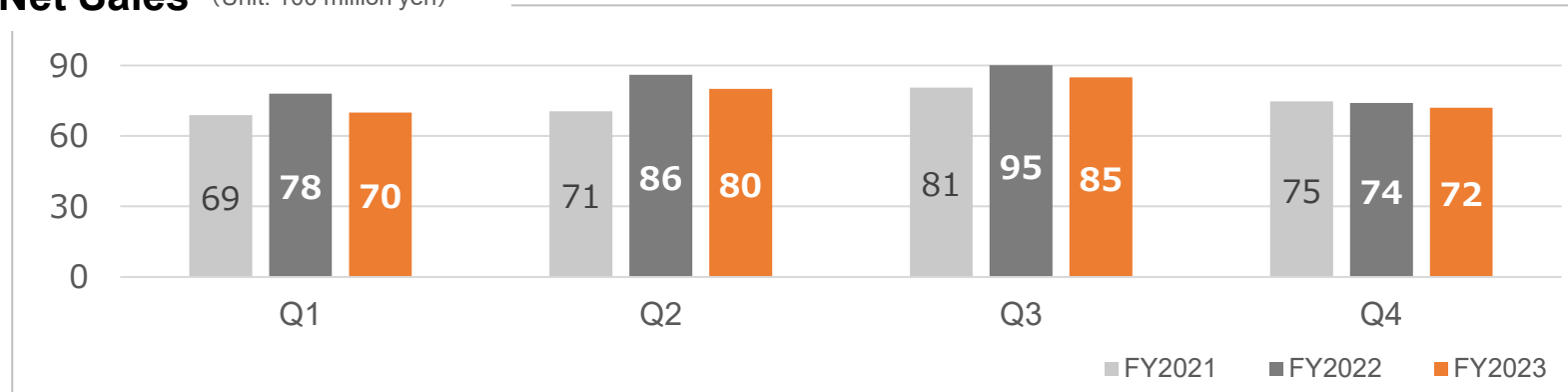
Operating Income (Unit: 100 million yen)



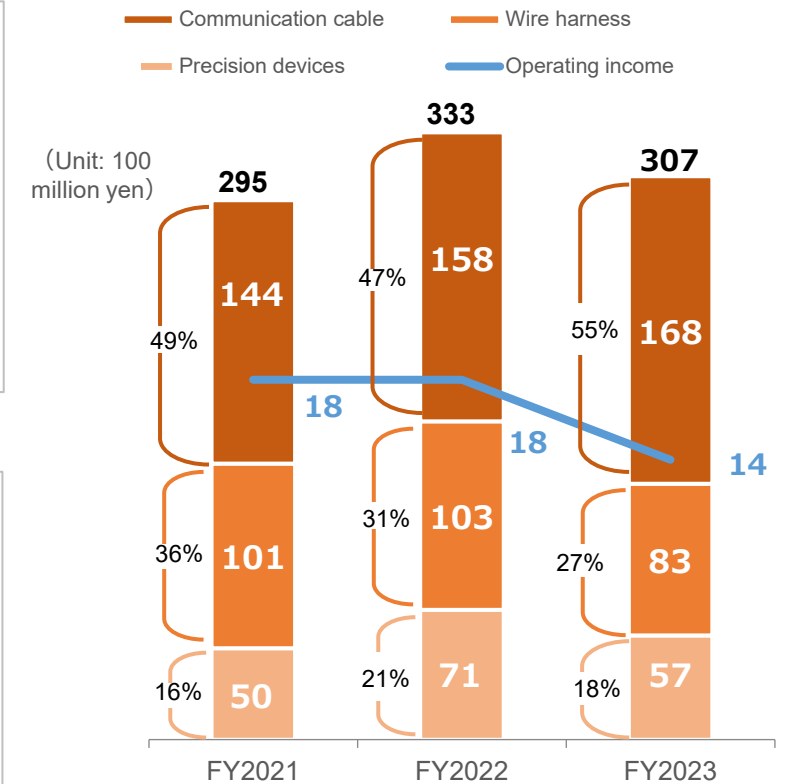
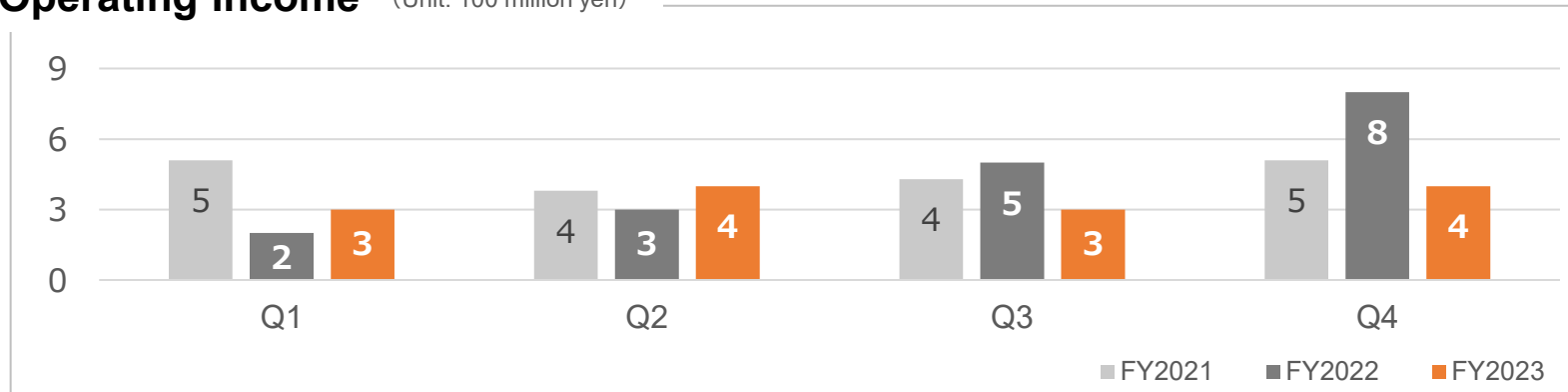
FY2023 Results by Segment / Communication and Industrial Devices Business

Sales of construction-related products and communication cables for automotive applications were firm, but **sales and profits decreased YoY** due to sluggish demand for wire harnesses for home appliances and restructuring expenses recorded in Q3.

Net Sales (Unit: 100 million yen)



Operating Income (Unit: 100 million yen)



FY2023 Balance Sheet (YoY)

(Unit: 100 million yen)	End-FY2022	End-FY2023	Change
Total assets	1,567	1,616	49
Trade receivables	527	515	▲12
Inventories	282	290	9
Non-current assets	646	672	25
Total liabilities	883	845	▲38
Trade payables	249	260	11
Interest-bearing debt	412	303	▲109
Total net assets	684	771	87
Equity	675	759	84
Equity ratio (%)	43.1	47.0	+3.9pt
DE ratio (%)	61	40	▲21pt

[Trade receivables]

Trade receivables were reduced more than the increase in sales due to the securitization of receivables, etc.

[Non-current assets]

Non-current assets increased mainly due to an increase in capital expenditures for increased production of SICONEX® and an increase in assets related to retirement benefits as a result of an increase in pension assets, despite a decrease in investment securities due to sales in accordance with the cross-shareholding policy.

[Interest-bearing debt]

Interest-bearing debt decreased due to a decrease in working capital from liquidation of receivables and sales of investment securities.

[Equity ratio]

Equity ratio increased by 3.9pt compared to the end of the previous fiscal year as the increase in shareholders' equity, including retained earnings, was higher than the growth in total assets.

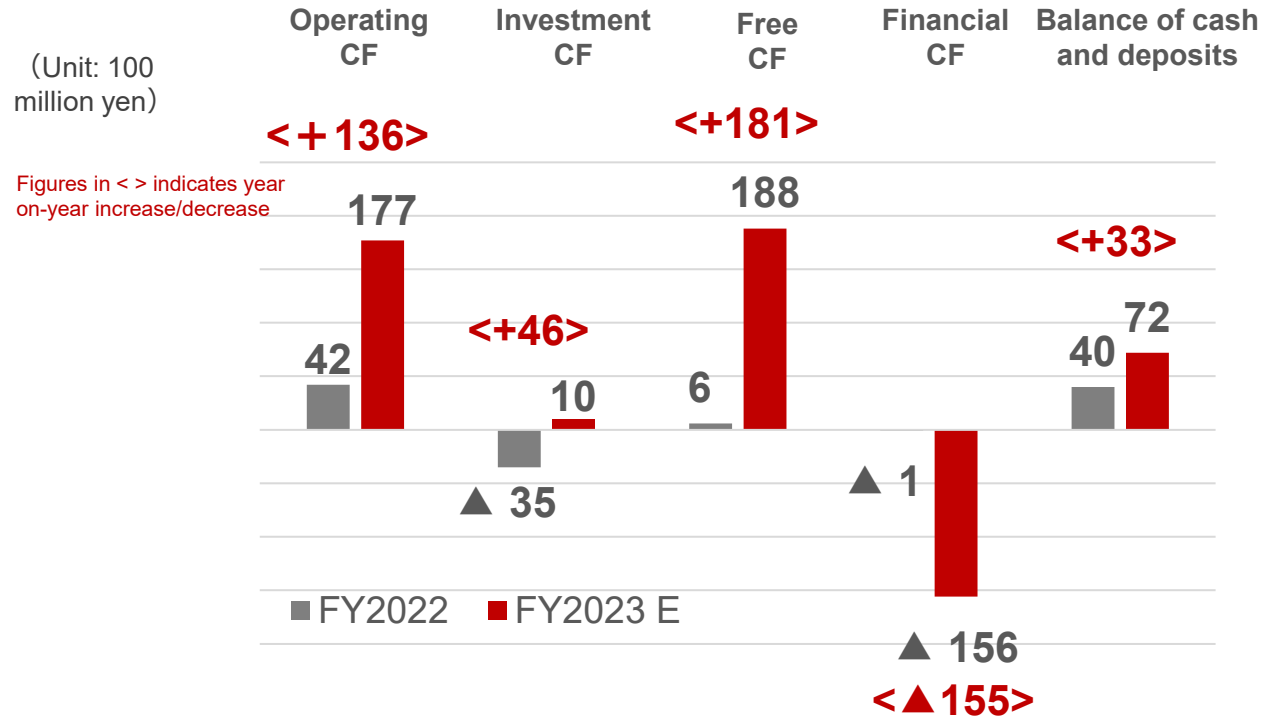
[DE ratio]

DE ratio decreased by 21pt from the end of the previous fiscal year due to a decline in interest-bearing debt and an increase in shareholders' equity.

<Recognition of current issues and future measures>
Various measures have led to an improvement in the balance sheet. We will continue to enhance this improvement by ensuring a proper level of inventory and shortening the accounts receivable collection period.

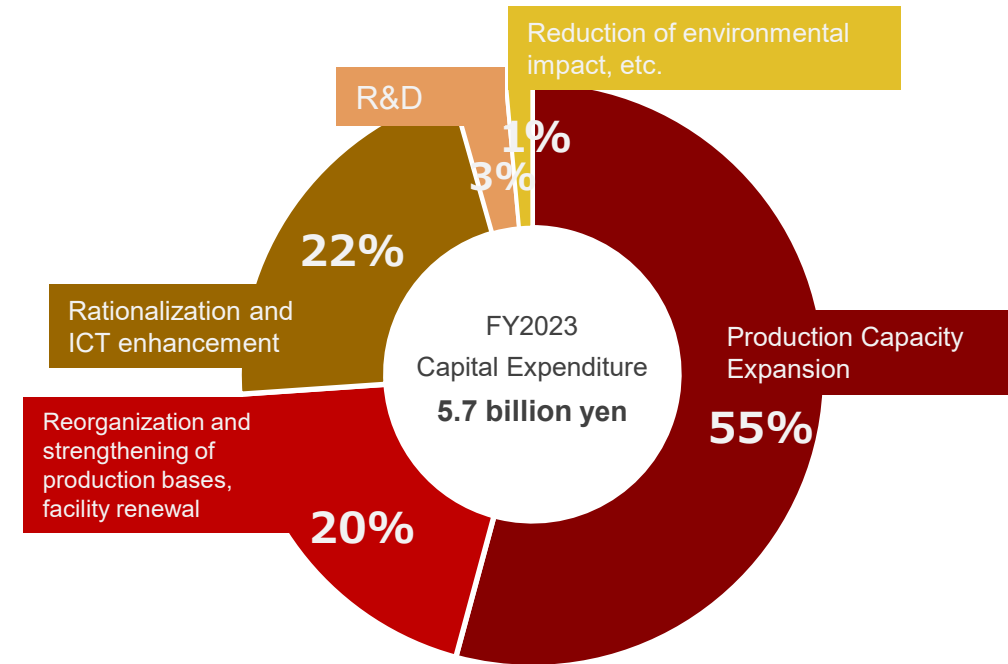
FY2023 Cash Flows and Capital Expenditures

<Consolidated cash flow>



Operating CF increased by ¥13.6 billion YoY mainly due to a reduction in working capital. Investment CF increased by ¥4.6 billion YoY due to proceeds from sales of investment securities. Free CF increased by ¥18.1 billion YoY to ¥18.8 billion yen for the fiscal year under review, greatly improving.

<Capital Expenditure>



Breakdown by Segment

Energy and Infrastructure Business: 2.6 billion yen
Electronic Equipment and Components Business : 1.4 billion yen
Communication and Industrial Devices Business: 1.1 billion yen
Others: 0.7 billion yen

2. FY2024 Forecasts

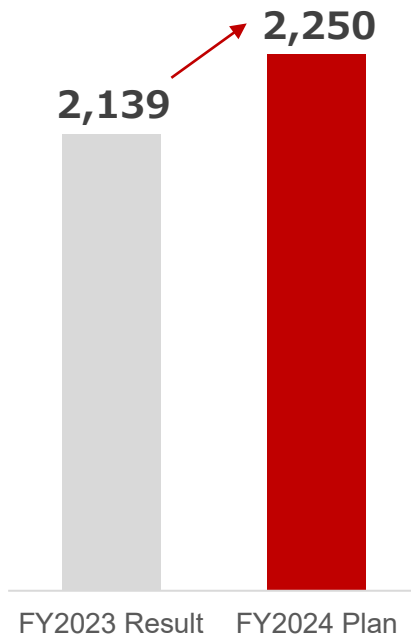
FY2024 Full-year Business Plan

Sales and profits are forecasted to increase due to sales growth resulting from investments to increase production of SICONEX[®] and a recovery in demand for high-performance products for EV.
Plan to **increase the dividend by 20 yen** from the previous fiscal year to **110 yen for the full** year.

Net Sales

(100 million yen)

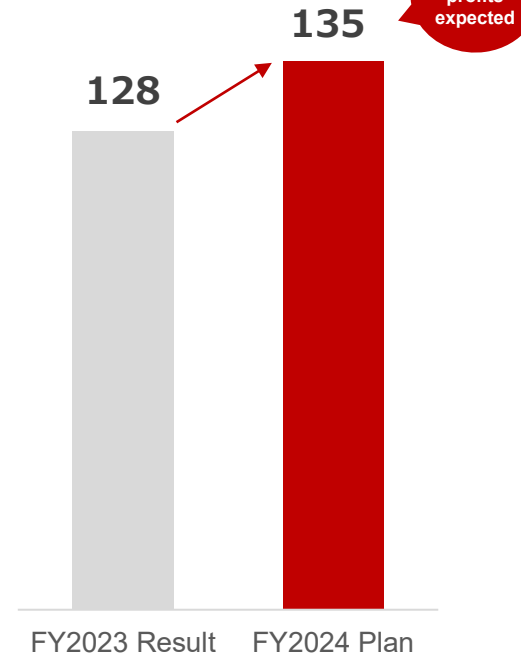
Up 5.2%



Operating Income

(100 million yen)

Up 5.3%



Ordinary Income

Record profits expected

13.0 billion yen (YoY: 6.4% increase)

Net income attributable to owners of parent

9.0 billion yen (YoY: 1.8% increase)

ROIC

8.7% (YoY: +0.4pt)

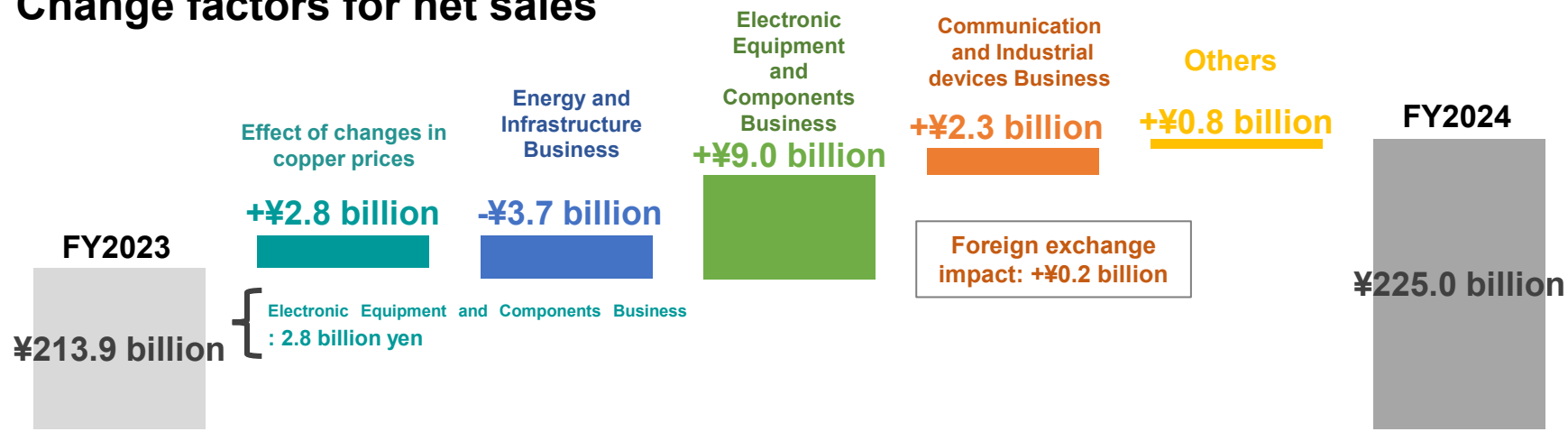
Dividend/Payout ratio

110 yen/36.1% (YoY: 20 yen increase)

Interim: 50 yen, Year-end: 60 yen
Total: 110 yen

FY2024 Full-year Change Factors

Change factors for net sales



[Change factors]

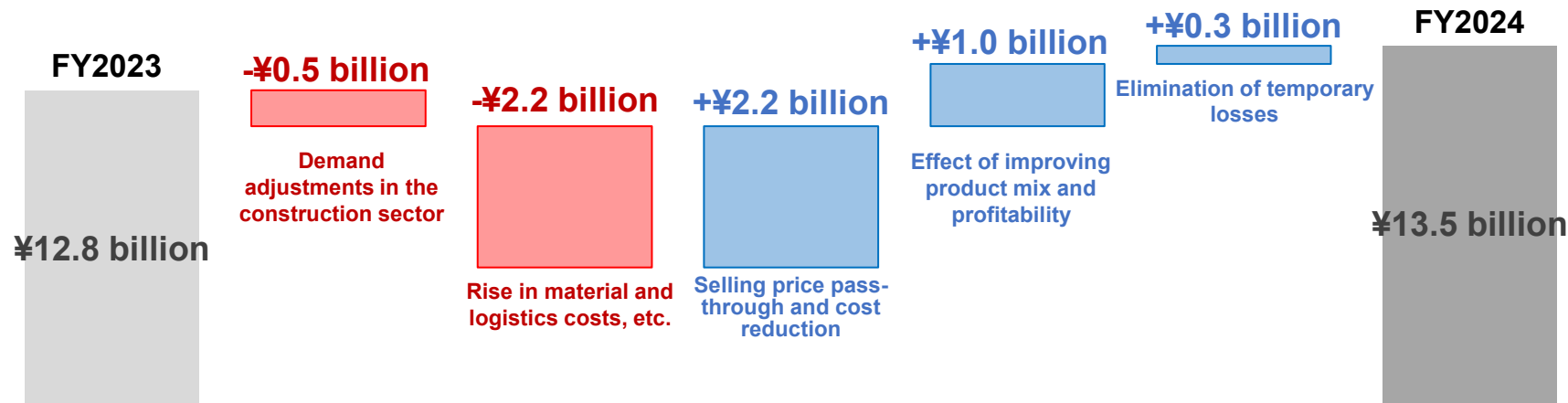
1. Net Sales

Despite a projected temporary decline in sales due to demand adjustments in the construction and other sectors, **sales are expected to increase YoY** due to a recovery in demand for products for EVs.

2. Operating Income

Price pass-through and cost reduction are expected to offset the higher material and logistic costs. Despite anticipated demand adjustments in construction and other sectors, **profits are expected to increase YoY** due to the elimination of temporary losses in the telecommunications business, product mix, and the effects of improved product mix and various profitability improvements.

Change factors for operating income

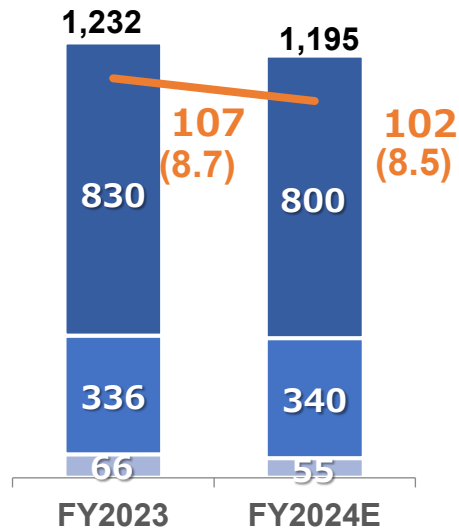


FY2024 Plan by Segment

Energy and Infrastructure Business

Construction Electric power infrastructure
Seismic isolation/ Others Operating income () Operating income ratio

(Unit: 100 million yen, %)



Copper price impact : —

Positive factor

- Contribution to sales from investment in increased production of SICONEX®.

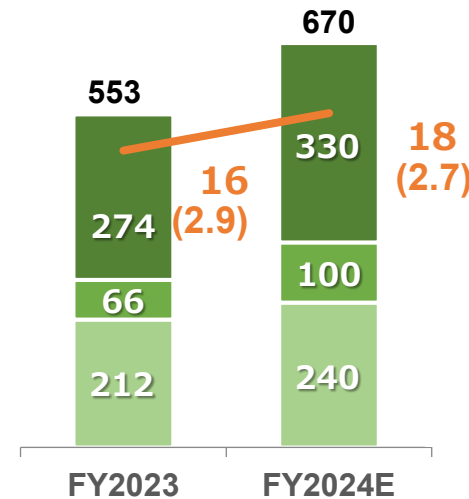
Negative factor

- Demand adjustment in construction and other sectors.

Electronic Equipment and Components Business

High-performance products oxygen free copper Other high-performance products
General-purpose products Operating income () Operating income ratio

(Unit: 100 million yen, %)



Copper price impact : Net sales up 2.8 billion yen

Positive factor

- Recovering demand for high-performance products for EV
- Strong demand for products for heavy electrical equipment

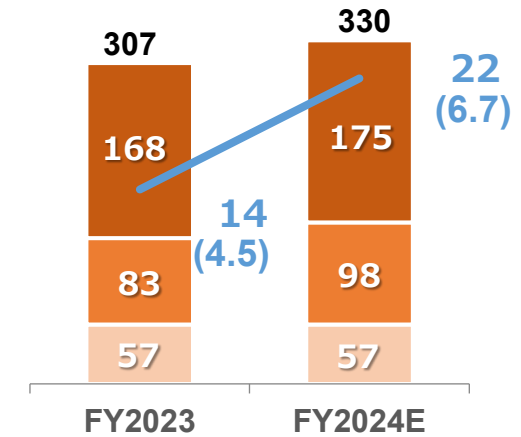
Negative factor

- Sluggish demand for products for industrial machinery

Communication and Industrial Devices Business

Communication cable Wire harness
Precision devices Operating income () Operating income ratio

(Unit: 100 million yen, %)



Copper price impact : —

Positive factor

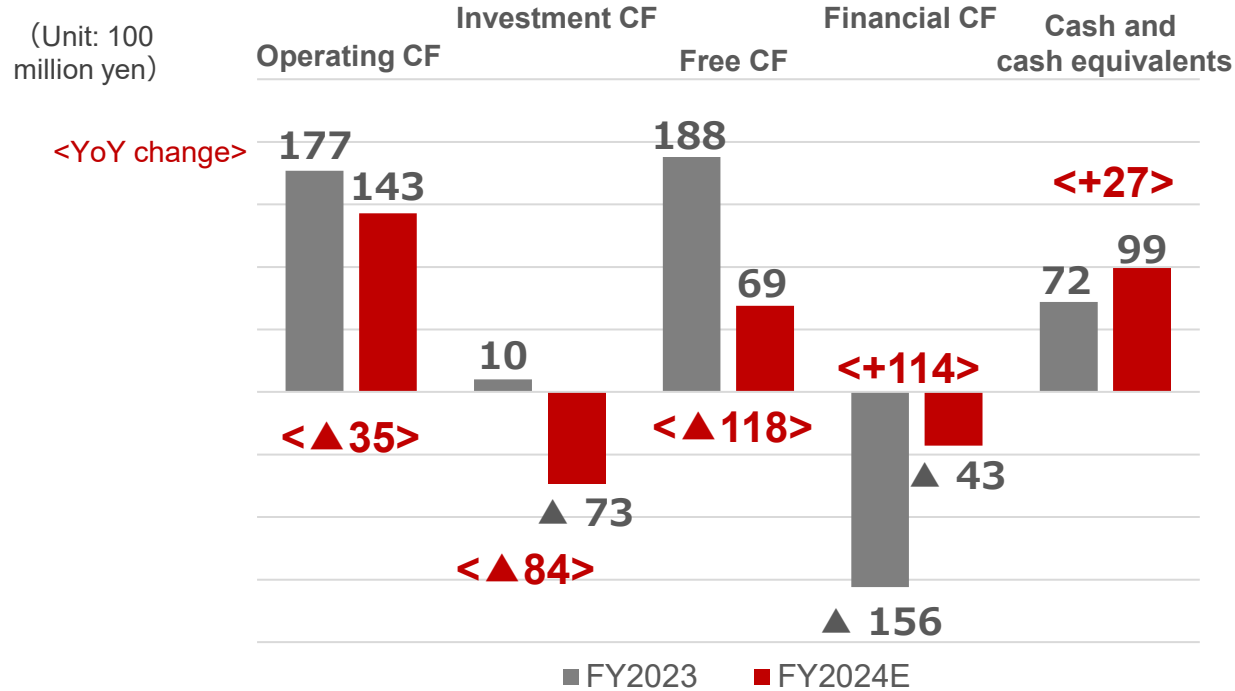
- Growing demand for high-speed communication cables for automotive applications
- Elimination of one-time losses in the communications cable business

Negative factor

- —

FY2024 Forecast for Cash Flows and Capital Expenditure Plan

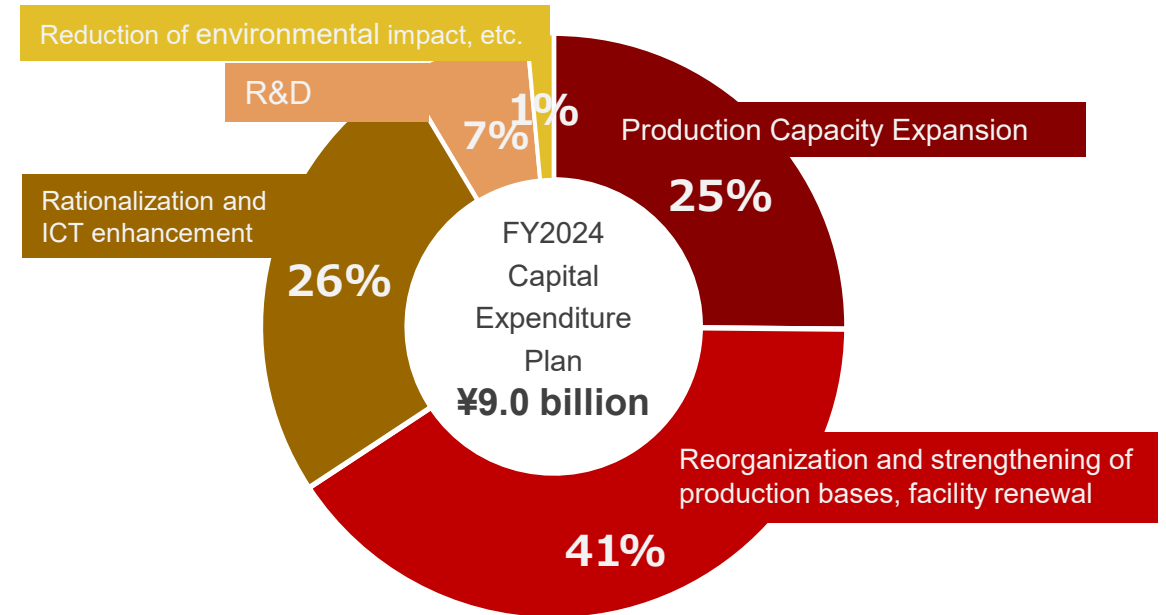
<Consolidated CF>



Operating CF in FY2024 to decrease due to an increase in income tax payment.

Investment CF to increase due to an increase in capital expenditures.

<Capital Expenditure Plan>



Breakdown by Segment

Energy and Infrastructure Business: 3.0 billion yen
Electronic Equipment and Components Business: 2.1 billion yen
Communication and Industrial Devices Business: 1.2 billion yen
Others: 3.7 billion yen



SWCC Corporation

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

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. Factors that could influence actual results include economic conditions, demand trends, raw material prices, and exchange rate fluctuations, as well as other items not limited to the above.