



SWCC Group

Supplementary Material for the Fiscal Year Ended March 2022

May 12,2022

SWCC SHOWA HOLDINGS CO., LTD. (TSE Prime : 5805)

Overview of Financial Results for FY2021

Results : Sales and profits increased YoY, despite the impact of soaring raw material prices

- **Energy and Infrastructure Business** : In construction-related business, the impact of soaring raw material prices was compensated for by streamlining production and passing on selling prices. Domestic demand for electric power infrastructure projects continues to be strong. In addition, we processed the allowance for the power-supply construction projects for the Middle East countries.
- **Communication and Industrial Devices Business** : In industrial devices business, some production activities stagnated due to supply chain disruptions. Demand for telecommunications cable for construction-related projects declined. Completed the transfer of manufacturing to overseas plants and restructuring of domestic bases; some of these activities contributed to improved profitability.
- **Electronic Equipment and Components Business** : Demand for high-functional products for automobiles and electronic components increased from the previous fiscal year, although the impact of automobile production cutbacks continued from the second half of the Q2. Rising copper prices also contributed to higher sales and profits.

Progress Rate (Net Sales/Operating Income/Ordinary Income/Net Income) * Vs. the plan announced on Nov. 4

(Unit: 100 million yen)



We also achieved the profit targets in the Mid-term management plan “Change SWCC 2022 (Rolling plan 2019)”

FY2021: Consolidated Statements of Income

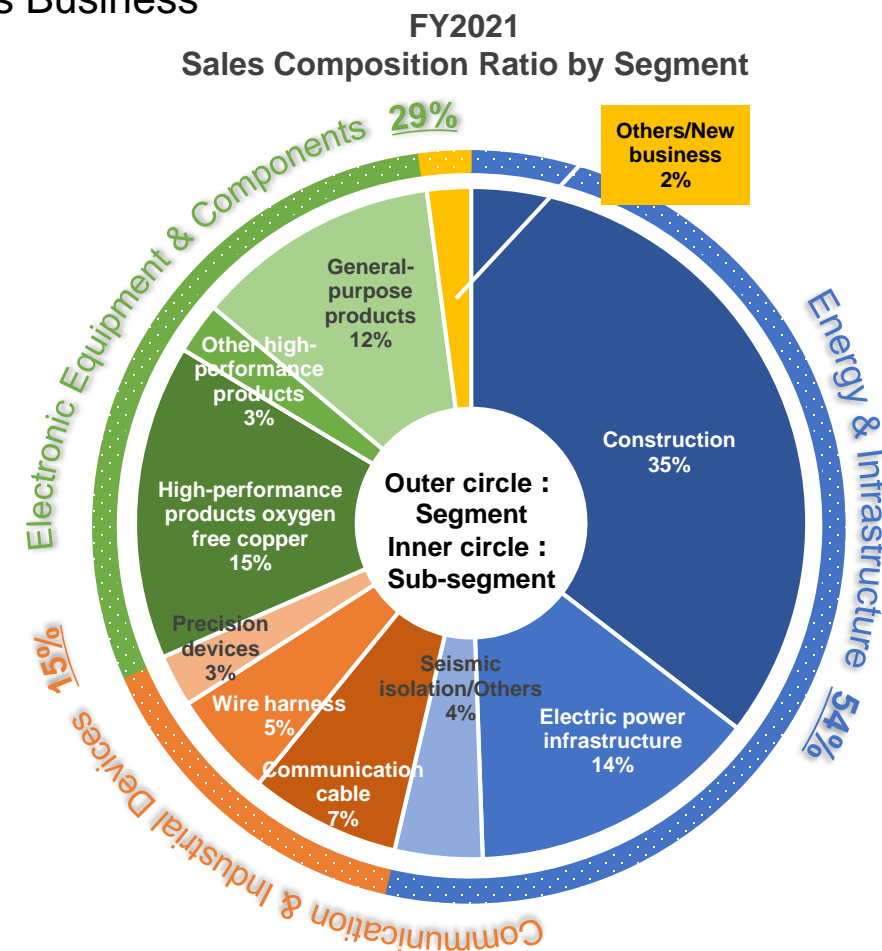
- Performance was in line with forecasts despite the impact of soaring raw material prices and logistics costs, with sales and profits up YoY

(Unit: 100 million yen)	FY2019 Actual	FY2020 Actual	FY2021 Actual	Composition %	Increase/Decrease	YoY
Net sales	1,711	1,617	1,992	—	+375	+23.2%
Gross profit	237	218	254	12.7%	+36	+16.5%
Operating Income	86	76	100	5.0%	+24	+32.3%
Ordinary Income	79	78	99	5.0%	+21	+27.3%
Net income attributable to owners of parent	55	50	Record High 94	4.7%	+44	+88.3%
Dividend/ Payout ratio	15 yen 8%	20 yen 12%	50 yen 16%		+ 30 yen	—

Results by Segment / Sales Composition Ratio

- Sales and income increased in Energy & Infrastructure and Electronic Equipment & Components Business
- Sales increased but profits remained flat in Communication & Industrial Devices Business

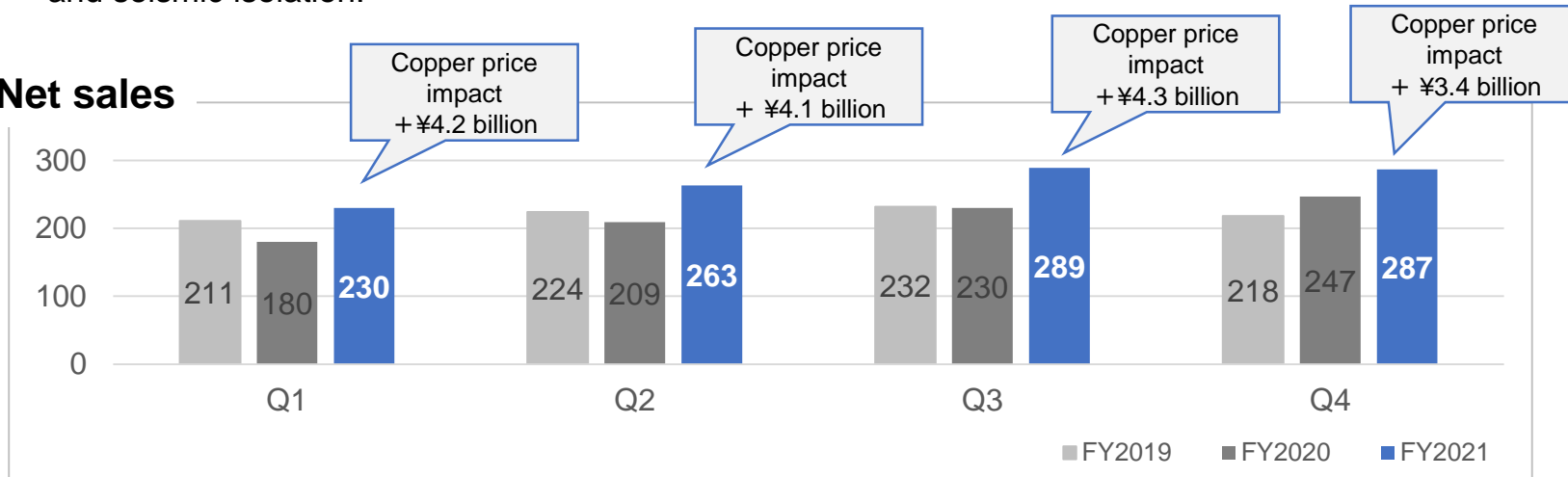
	FY2020 Actual		FY2021 Actual	
	Net sales	Operating income (Profit margin %)	Net sales	Operating income (Profit margin %)
● Energy and Infrastructure Business	865	54 (6.3%)	1,069	65 (6.0%)
● Communication and Industrial Devices Business	270	18 (6.9%)	295	18 (6.2%)
● Electronic Equipment and Components Business	431	7 (1.7%)	586	24 (4.0%)
● Others (New Business)	52 (38)	△4 (1)	42 (31)	△6 (2)
Total	1,617	76 (4.7%)	1,992	100 (5.0%)



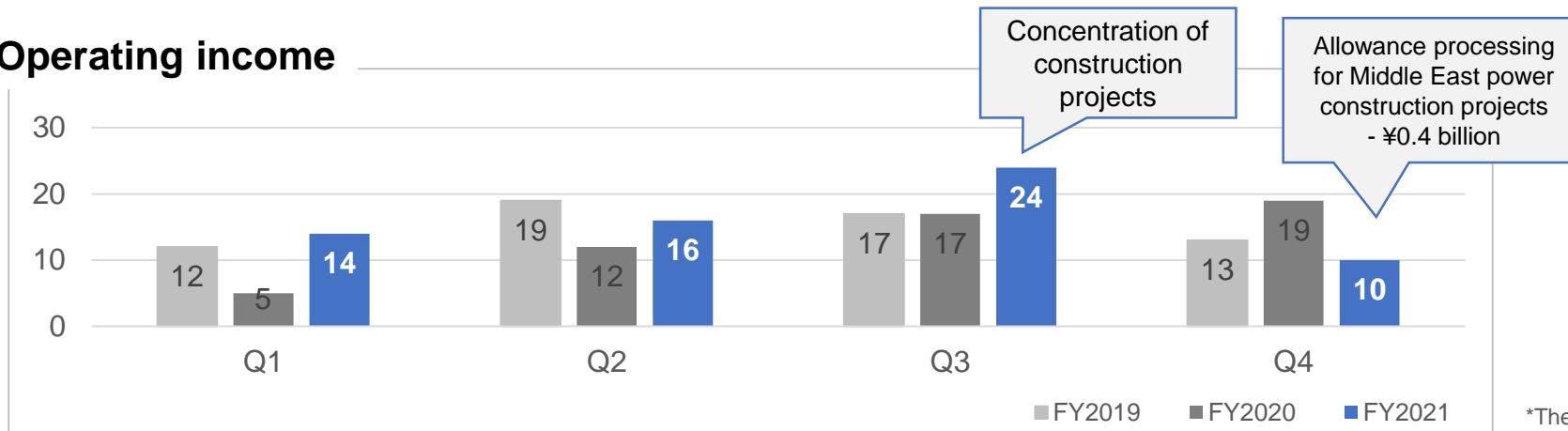
Energy and Infrastructure Business Results

Despite the partial impact of higher raw material prices, both sales and income increased in construction-related, electric power infrastructure, and seismic isolation.

Net sales

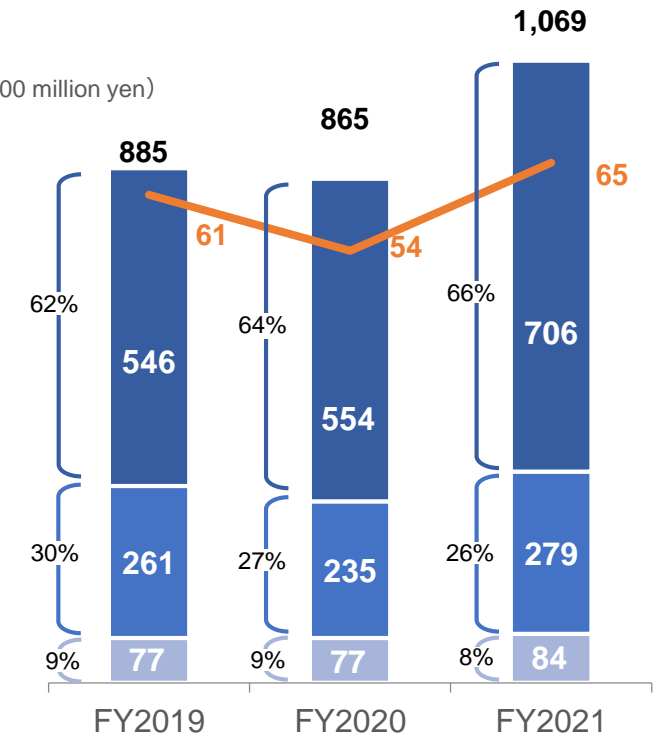


Operating income



Construction
Seismic isolation/Others
Electric power infrastruc
Operating income

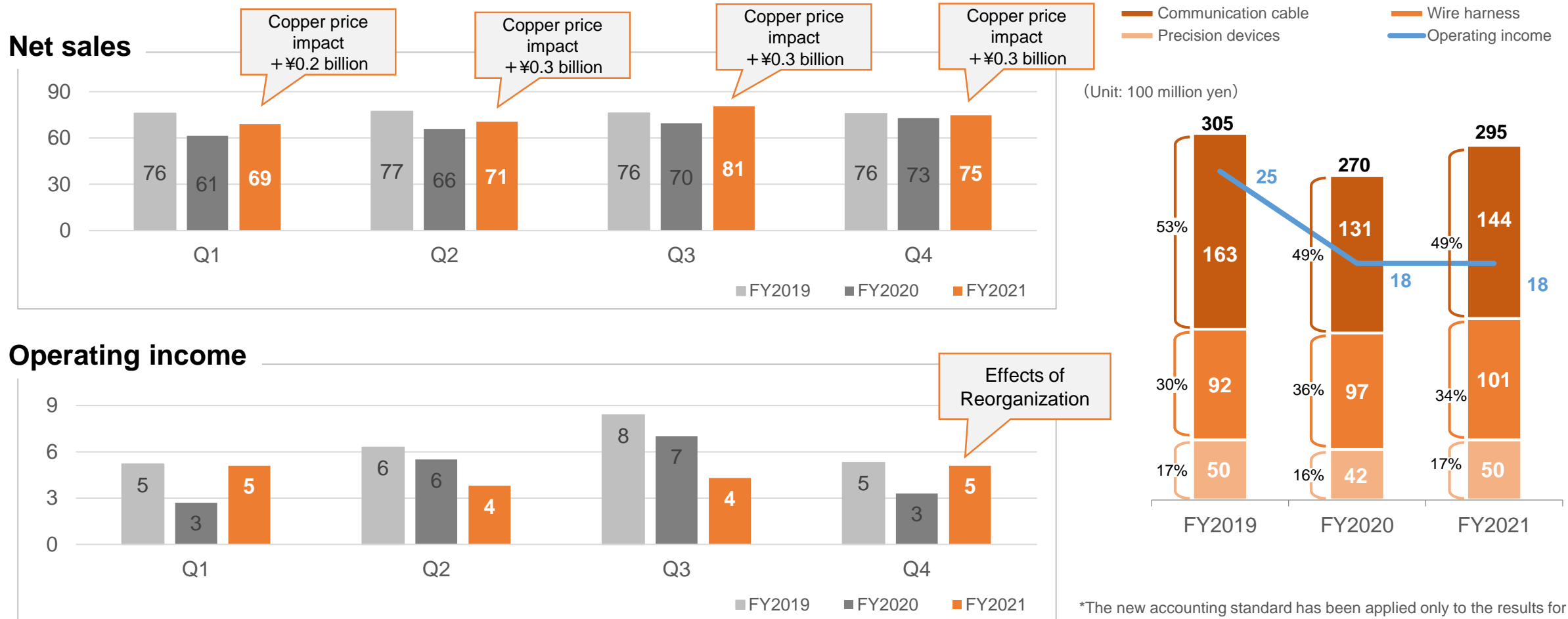
(Unit: 100 million yen)



*The new accounting standard has been applied only to the results for FY2021

Communication and Industrial Devices Business Results

Profits remained flat due to supply chain disruptions and raw material price hikes, but the reorganization of production bases was completed, contributing to improved profitability in part.

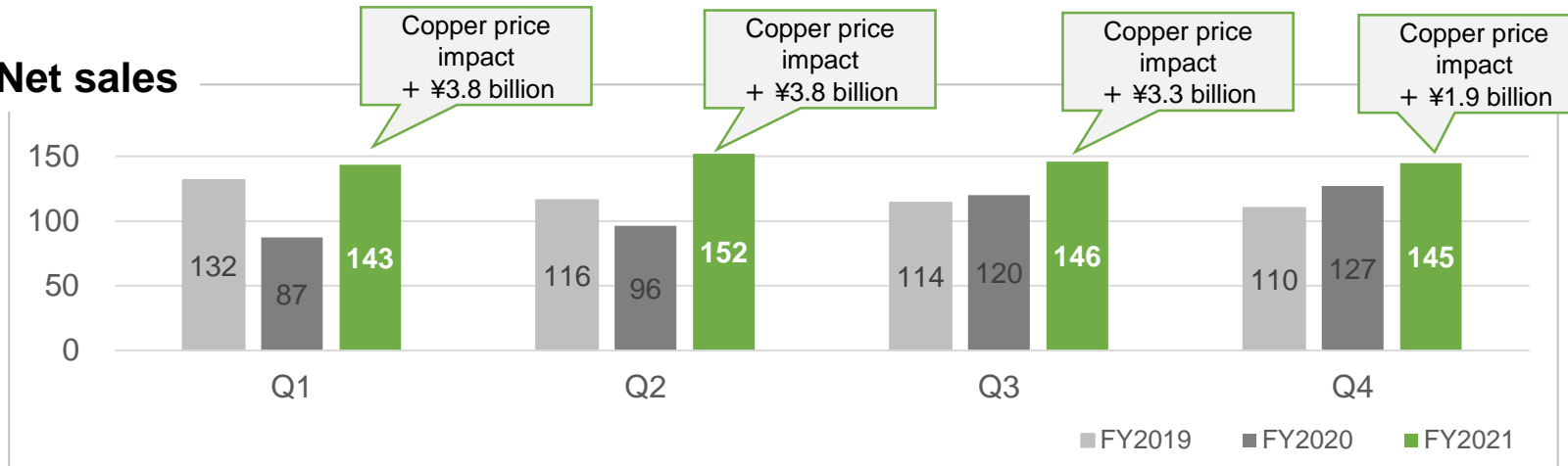


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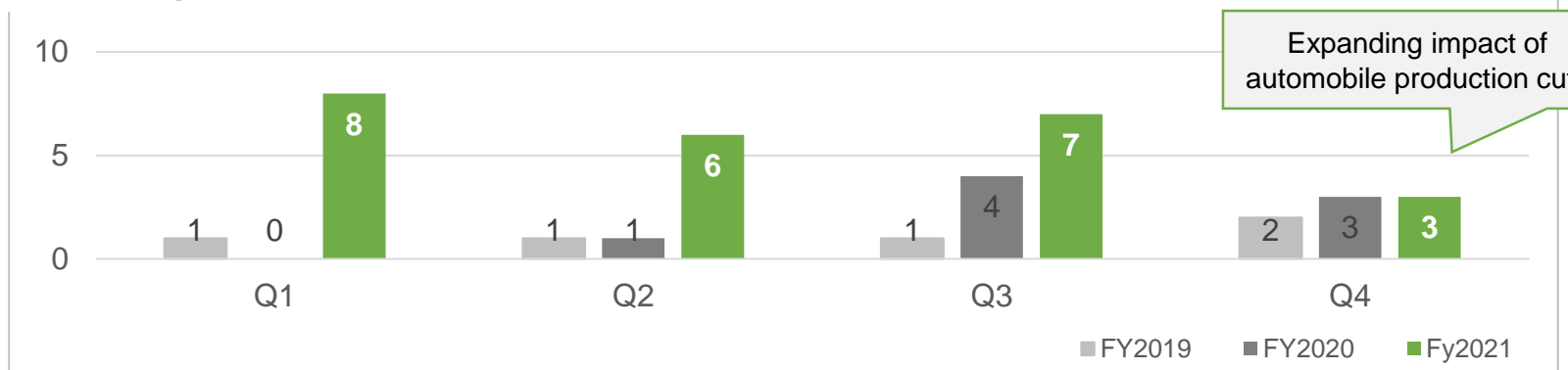
Electronic Equipment and Components Business Results

Despite the significant impact of automobile production cutbacks from the latter half of Q2, both sales and income increased for both high-performance products and general-purpose products due to the impact of higher copper prices.

Net sales

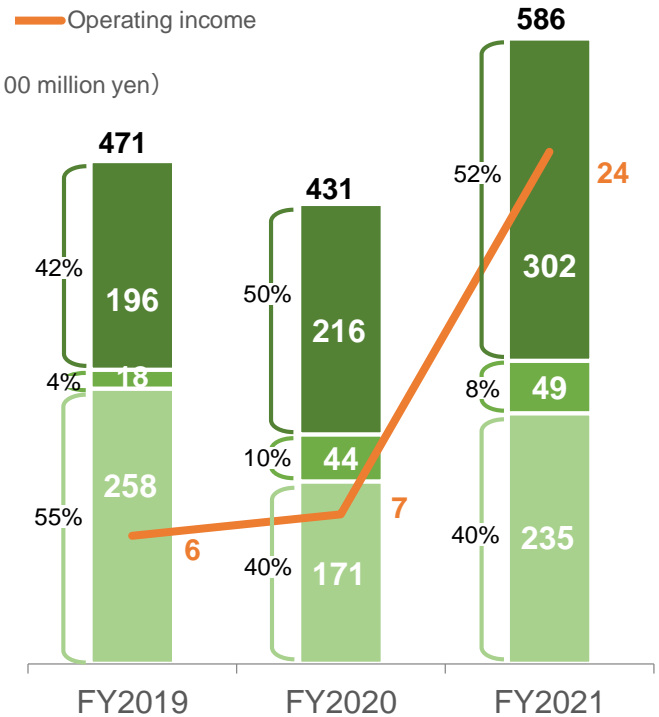


Operating income



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

(Unit: 100 million yen)



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Consolidated Balance Sheet (Comparison with the previous fiscal year-end)

• Equity ratio is 40%

(Unit: 100 million yen)

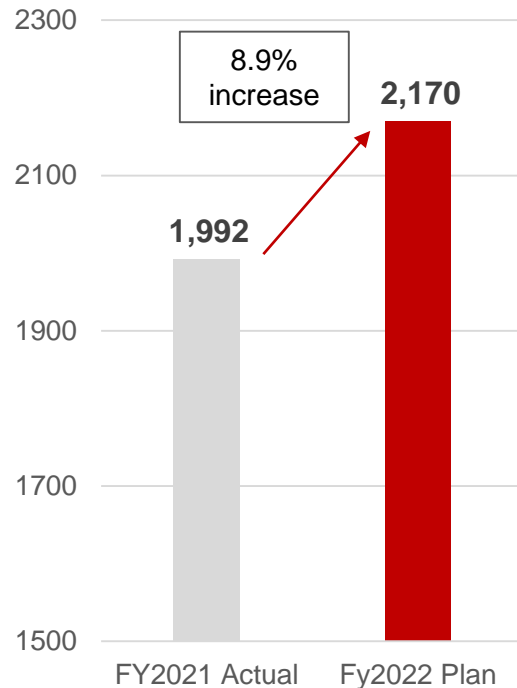
	March 31, 2021	March 31, 2022	Change
Cash and deposits	42	34	△8
Notes and accounts receivable-trade and contract assets	439	527	+89
Inventories	215	260	+45
Others	57	66	+9
Total currents assets	753	887	+134
Property, plant and equipment	397	414	+17
Intangible assets	14	13	△0
Investments and other assets	131	159	+28
Total fixed assets	542	587	+45
Total assets	1,295	1,474	+179

	March 31, 2021	March 31, 2022	Change
Notes & accounts payable	224	267	+43
Short-term borrowings	247	262	+16
Others	159	174	+15
Total current liabilities	629	703	+74
Long-term debt & bonds	121	121	+0
Others	63	60	△3
Total long-term liabilities	184	181	△3
Total liabilities	813	884	+71
Capital stock	242	242	0
Capital surplus	57	57	+0
Retained earnings	106	183	+78
Others	77	107	+30
Total net assets	482	589	+108
Total liabilities & net assets	1,295	1,474	+179

FY2022 : Forecast

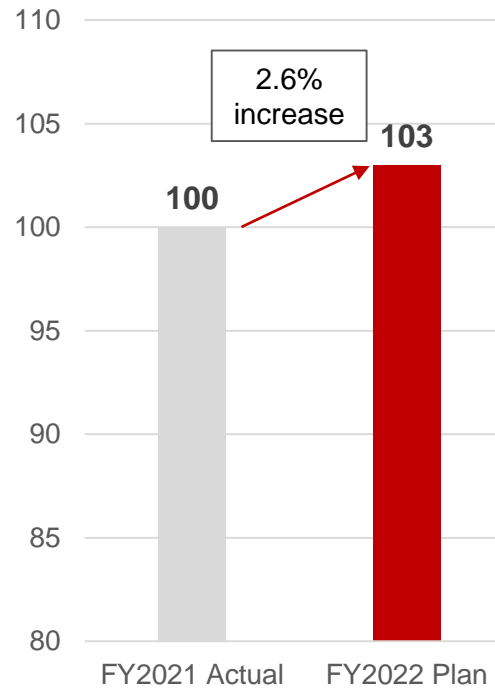
Net sales

(Unit: 100 million yen)



Operating income

(Unit: 100 million yen)



Ordinary income

10.3 billion yen (YoY : 4.2% increase)

Net income attributable to owners of parent

7.5 billion yen (YoY : 19.8% decrease)

Dividend/ Payout ratio

60 yen / 24% (YoY : 10 yen increase)

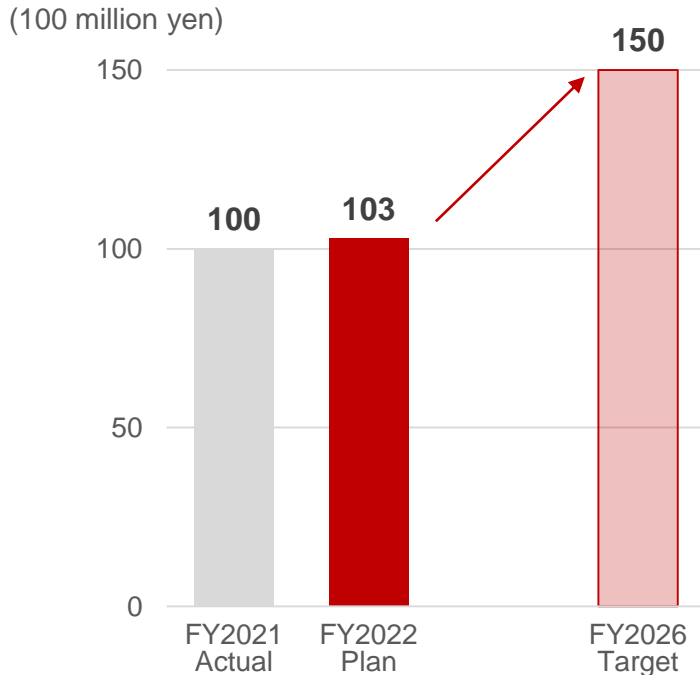
Despite the impact of further price hikes in raw materials and disruptions in the supply chain, we plan to increase profit due to the effects of various measures and structural reforms.

Medium-term Management Plan Change & Growth SWCC 2026 Key KPIs

- We will promote its medium-term management plan by setting operating income, ROIC, and dividends as key KPIs.

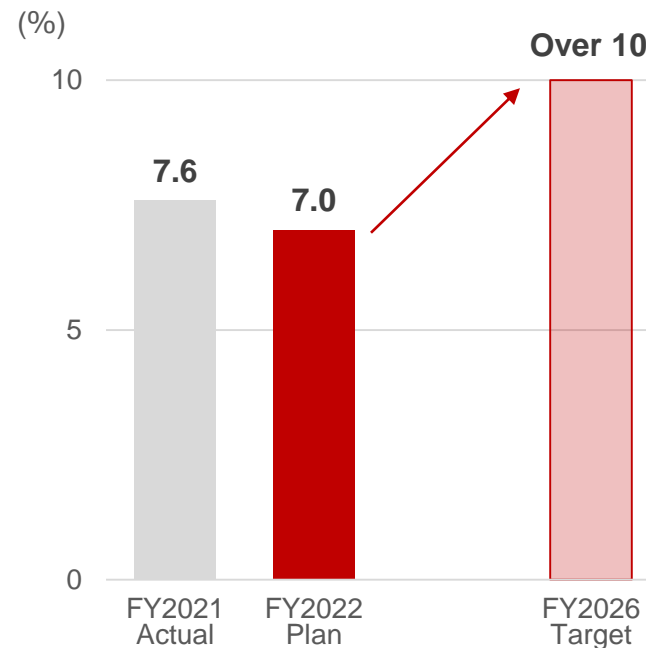
Corporate growth

Operating income
15 billion yen



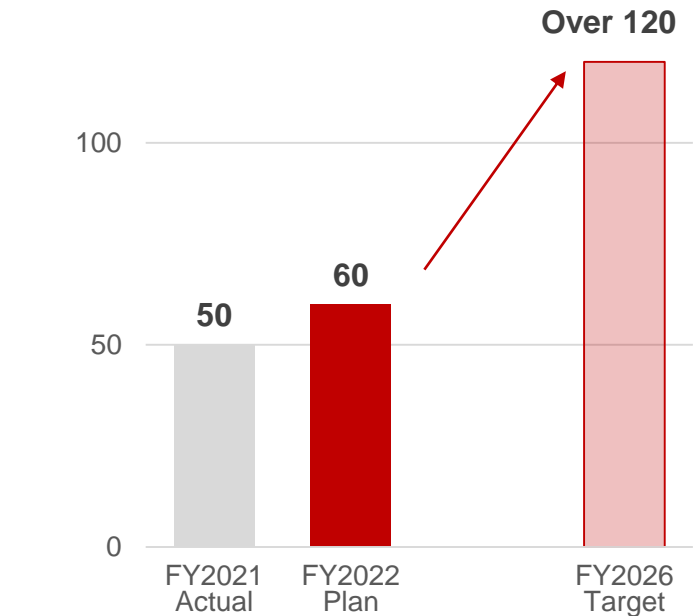
Capital efficiency

ROIC
Over 10%



Shareholder value

Dividend
Over 120 yen





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.

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