

## FOR IMMEDIATE RELEASE

### Meidensha Corporation Reports Earnings for the Fiscal Year Ended March 31, 2025

Company name : MEIDENSHA CORPORATION

Listing : Tokyo Stock Exchange / Nagoya Stock Exchange

Securities code : 6508

URL : <https://www.meidensha.co.jp/>

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Scheduled date of annual general meeting of shareholders : June 25, 2025

Scheduled date to commence dividend payments : June 26, 2025

Scheduled date to file annual securities report : June 24, 2025

Preparation of supplementary material on financial results : Yes

Holding of financial results briefing : Yes (for institutional investors and analysts)

## 1. Operating Results

### (1) Analysis of Operating Results

In the year ended March 31, 2025, although the Japanese economy continued to recover gradually due to improvements in the employment and income environment and strong inbound demand, the outlook remains uncertain due to factors such as the impact of US tariff policy and soaring raw material and energy prices against the backdrop of the weak yen.

In markets related to the Company, demand for equipment upgrades is expanding in the domestic electric power market, and demand for products not using SF6 gas is increasing, mainly in developed countries overseas, and these have had a positive impact on the Company's business. Furthermore, while the semiconductor market showed signs of a gradual recovery in supply and demand, the momentum of the shift to EVs in the automotive industry weakened, which had no small impact on the performance of the Company's EV business.

### [Consolidated Results]

Amid such conditions, during the fiscal year under review, which is the final year of Medium-Term Management Plan 2024, we have been working to achieve our targets by actively capturing market demand, focusing on businesses and products contributing to the environment, and strengthening the earnings base in overseas business. At the same time, we have promoted the implementation of various sustainability management measures, such as green strategies and human capital, and have worked to strengthen our value creation foundations.

Operating results for the year ended March 31, 2025 were as follows.

(Unit: millions of yen)

	Fiscal year ended March 31, 2024 Result	Fiscal year ended March 31, 2025 Result	Change	Change (%)
Net sales	287,880	301,101	13,221	4.6
Operating income	12,731	21,512	8,781	69.0
Ordinary income	13,385	21,192	7,806	58.3
Net income attributable to owners of the parent	11,205	18,487	7,281	65.0

The results for each business segment are presented below, with sales figures including inter-segment sales. With the absorption-type merger of MEIDEN SHOJI Co., Ltd. in the year ended March 31, 2024, the segment classification of the business conducted by MEIDEN SHOJI was changed from the year ended March 31, 2025. The following comparisons with the same period of the previous year are based on the figures for the same period of the previous year reflecting the change.

### **1) Power Infrastructure Business**

Net sales in the segment increased 10.2% year on year to ¥86,437 million, and operating income improved by ¥1,544 million to ¥7,988 million, marking record highs for both net sales and operating income.

In the Power T&D business mainly operating overseas, sales and income increased due to growth in demand and efforts to improve profitability in Singapore, Germany, India, and other regions. In the Power & Energy business mainly operating in Japan, both sales and income increased on the back of an increase in demand for projects for electric power companies.

### **2) Public, Industrial & Commercial Sector Business**

Net sales in the segment increased 10.0% year on year to ¥96,323 million, and operating income improved by ¥3,568 million to ¥3,034 million.

The Social Infrastructure business and Water Infrastructure business posted an increase in sales and income due to the trend of improvement in the deterioration of profitability caused by soaring material costs, despite some projects being affected by the delayed posting of sales due to process delays. In the Railways business, although a decline was seen in overseas projects, sales decreased but income increased mainly due to an improvement in the cost of large projects that we have been working on in Singapore.

### **3) Mobility & Electrical Components Business**

Net sales in the segment decreased 8.5% year on year to ¥72,079 million, while operating income improved by ¥936 million to ¥1,132 million.

The Motor Drive Solutions business saw a decline in sales and income due to a decrease in orders mainly in the transportation field, while the EV business saw a decline in sales and profits due to a drop in sales of vehicle models equipped with our products. Meanwhile, sales and income increased in the Electronics Products business and the Mobility T&S business, where a gradual recovery in demand was seen.

### **4) Field Service Engineering Business**

Net sales in the segment increased 17.2% to ¥49,567 million and operating income improved by ¥3,281 million to ¥9,931 million.

In addition to continued strong demand for maintenance services, an increase in projects to be recognized as sales in the current fiscal year resulted in record high net sales and operating income.

### **5) Real Estate Business**

Net sales in the segment increased 0.2% year on year to ¥3,235 million, and operating income improved by ¥10 million to ¥1,443 million.

### **6) Other**

In businesses not included in reportable segments, while net sales decreased by 16.3% year on year to ¥8,672 million, operating income improved by ¥149 million to ¥477 million.

## **(2) Analysis of Financial Condition**

Total assets at March 31, 2025 amounted to ¥341,347 million, an increase of ¥6,559 million (2.0%) from the end of the previous fiscal year (March 31, 2024).

Current assets rose ¥8,613 million (4.1%) from the end of the previous fiscal year to ¥217,116 million due

to an increase in cash and time deposits, although collection of notes and accounts receivable-trade, and contract assets progressed.

Fixed assets declined by ¥2,053 million (1.6%) from the end of the previous fiscal year to ¥124,230 million due to a decrease in investment securities caused by sale and a fall in market prices of listed shares held by the Company.

Total liabilities at March 31, 2025 were ¥199,134 million, a decrease of ¥6,164 million (3.0%) from the end of the previous fiscal year, attributable to redemption of bonds and a decrease in notes and accounts payable-trade.

Total net assets amounted to ¥142,212 million, an increase of ¥12,724 million (9.8%) from the end of the previous fiscal year, owing to recording of net income attributable to owners of the parent.

As a result, the equity ratio came to 40.7% as of March 31, 2025, compared with 37.8% at the end of the previous fiscal year.

### (3)Cash Flows

Cash and cash equivalents at March 31, 2025, amounted to ¥29,091 million, an increase of ¥11,867 million from the previous fiscal year-end. The following are the main factors affecting changes in cash flows during the fiscal year under review.

#### Cash Flows from Operating Activities

Net cash provided by operating activities in the fiscal year ended March 31, 2025 amounted to ¥35,454 million, compared with ¥8,968 million provided in the previous fiscal year.

The major inflows were income before income taxes of ¥23,836 million, depreciation and amortization of ¥10,463 million, and a decrease in trade receivables of ¥5,159 million. Major outflows included a decrease in trade payables of ¥4,433 million, and income taxes paid of ¥4,309 million.

#### Cash Flows from Investing Activities

Net cash used in investing activities totaled ¥9,065 million, compared with ¥7,553 million used in the previous fiscal year.

The major outflows were purchase of property, plant and equipment, and intangible assets of ¥10,547 million, and the major inflows were proceeds from sales of investment securities of ¥1,422 million.

#### Cash Flows from Financing Activities

Net cash used in financing activities amounted to ¥14,536 million, compared with ¥749 million provided in the previous fiscal year.

The major outflows were redemption of bonds of ¥6,000 million, repayment of short-term borrowings of ¥4,623 million, payment of commercial paper of ¥4,000 million, and cash dividends paid of ¥3,851 million, and the major cash inflows were proceeds from long-term debt of ¥5,900 million.

#### (Reference) Trends in Cash Flow-Related Indices

For the years ended March 31	2021	2022	2023	2024	2025
Equity ratio (%)	34.6	35.1	35.1	37.8	40.7
Equity ratio on a market capitalization basis (%)	39.1	39.6	28.4	39.8	57.3
Ratio of interest-bearing debt to cash flow (years)	3.7	4.8	4.1	6.8	1.4
Interest coverage ratio (times)	30.8	20.1	16.7	9.9	35.9

Equity ratio: Total equity / Total assets

Equity ratio on a market capitalization basis: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flow: Interest-bearing debt / Cash flow

Interest coverage ratio: Cash flow / Interests paid

Note 1. All figures are based on consolidated financial results.

Note 2. Market capitalization is calculated based on the number of outstanding shares excluding treasury stock.

Note 3. Calculations involving cash flow use cash flows from operating activities.

Note 4. Interest-bearing debt includes all debt recorded on the consolidated balance sheets for which interest is paid.

#### (4)Future Outlook

Amid growing demands for solving social issues and achieving sustained economic and industrial development, innovative technologies such as generative AI are rapidly being put into practical use, and it is anticipated that the environment surrounding companies and the nature of the value they should provide are expected to undergo significant and diverse changes in the future. Under these circumstances, the Group has positioned its Medium-Term Management Plan 2027 as a three-year period in which to achieve both “steady growth meeting needs” and “changes and challenges for the future,” with the aim of realizing both sustained growth of existing businesses and non-continuous growth. As a growth strategy, we will develop strategic approaches tailored to each of the three areas of “Products,” “Businesses,” and “Technologies,” and also implement the “deepening of green strategy,” “strengthening of human capital,” and “acceleration of internal DX” as management foundations to support our growth strategy, thereby creating further value.

The current management forecast for consolidated financial results for the year ending March 31, 2026 is as follows.

(Unit: millions of yen)

	Fiscal Year ended March 31, 2025 Result	Fiscal year ending March 31, 2026 Forecast	Year-on-year change
Orders	383,590	340,000	(43,590)
Net sales	301,101	335,000	33,898
Operating income	21,512	20,000	(1,512)
Ordinary income	21,192	20,000	(1,192)
Net income attributable to owners of the parent	18,487	14,000	(4,487)

#### (5)Basic Policy on Dividend of Surplus and Dividends during the Current Fiscal Year and Next Fiscal Year

The Company positions appropriate returns to shareholders as an important management issue, and its basic policy is to increase shareholders' equity and enhance return on equity, in addition to paying appropriate dividends according to business performance.

Dividends of surplus for the fiscal year under review are scheduled to be ¥88 per share for the year-end dividend considering the above basic policy and consolidated performance for the fiscal year. Along with the ¥35 interim dividend, the dividends of surplus per share for the fiscal year under review will be ¥123. Dividends for the next fiscal year are yet to be determined at the present time.

#### 2. Basic Approach to the Selection of Accounting Standards

The Meiden Group's policy for the time being is to prepare its consolidated financial statements based on the Japanese accounting standards after taking into account the comparability of the consolidated financial statements between terms and with other companies.

The Group plans to respond appropriately to the application of the International Financial Reporting Standards (IFRS) by considering the situation prevailing in Japan and abroad.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Balance Sheets

	As of March 31, 2024	As of March 31, 2025
	millions of yen	millions of yen
<b>Assets</b>		
<b>Current assets</b>		
Cash and time deposits	18,984	30,679
Notes and accounts receivable-trade, and contract assets	106,385	104,591
Electronically recorded monetary claims- operating	9,317	8,046
Merchandise and finished goods	10,806	8,730
Work in process	41,717	46,039
Raw materials and supplies	14,700	13,041
Other current assets	6,893	6,508
Allowance for doubtful accounts	(302)	(519)
Total current assets	208,503	217,116
<b>Fixed assets</b>		
Property, plant and equipment		
Buildings and structures	101,483	102,731
Accumulated depreciation and accumulated impairment loss	(62,350)	(64,392)
Buildings and structures, net	39,133	38,339
Machinery, equipment and vehicles	71,589	73,459
Accumulated depreciation and accumulated impairment loss	(56,296)	(58,989)
Machinery, equipment and vehicles, net	15,292	14,470
Land	12,542	12,542
Construction in progress	2,876	4,463
Other property, plant and equipment	29,326	29,731
Accumulated depreciation and accumulated impairment loss	(23,808)	(24,485)
Other property, plant and equipment, net	5,518	5,245
Total property, plant and equipment	75,363	75,061
Intangible assets		
Software	4,774	4,692
Goodwill	2,175	1,428
Other	699	571
Total intangible assets	7,650	6,693
Investments and other assets		
Investment securities	26,558	23,498
Long-term loans receivable	30	33
Deferred tax assets	14,377	16,467
Other assets	2,331	2,504
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	43,270	42,476
Total fixed assets	126,284	124,230
<b>Total assets</b>	<b>334,787</b>	<b>341,347</b>

	As of March 31, 2024	As of March 31, 2025
	millions of yen	millions of yen
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	35,918	34,504
Electronically recorded obligations-operating	4,238	2,536
Short-term borrowings	9,912	11,095
Commercial paper	10,000	6,000
Current portion of bonds payable	6,000	-
Accounts payable-other	6,413	5,141
Accrued income taxes	3,216	4,768
Contract liabilities	19,461	21,559
Accrued bonuses for employees	8,348	9,992
Provision for product warranties	1,281	1,481
Provision for loss on orders	833	588
Other current liabilities	18,618	20,401
Total current liabilities	124,242	118,069
<b>Long-term liabilities</b>		
Long-term debt	28,767	27,470
Net defined benefit liability	47,445	48,579
Provision for environmental measures	63	79
Other long-term liabilities	4,780	4,935
Total long-term liabilities	81,056	81,064
<b>Total liabilities</b>	205,298	199,134
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	17,070	17,070
Capital surplus	10,226	10,226
Retained earnings	78,642	93,273
Treasury stock	(197)	(202)
Total shareholders' equity	105,741	120,367
<b>Accumulated other comprehensive income</b>		
Unrealized gains on available-for-sale securities	13,297	11,081
Foreign currency translation adjustment	7,610	7,441
Remeasurements of defined benefit plans	(241)	(112)
Total accumulated other comprehensive income	20,665	18,409
<b>Non-controlling interests</b>	3,081	3,435
<b>Total net assets</b>	129,488	142,212
<b>Total liabilities and net assets</b>	334,787	341,347

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**

**Consolidated Statements of Income\_**

	Year ended March 31, 2024 millions of yen	Year ended March 31, 2025 millions of yen
<b>Net sales</b>	287,880	301,101
Cost of sales	218,887	219,509
Gross profit	68,993	81,592
Selling, general and administrative expenses		
Freightage and packing expenses	1,162	1,068
Sales commission	1,249	1,246
Employees' salaries and allowances	16,961	17,458
Bonuses and accrued bonuses for employees	6,194	7,249
Provision for employees' severance and retirement benefits	1,726	1,549
Depreciation and amortization	3,174	3,084
Rent expenses	1,579	1,546
Correspondence and transportation expenses	2,245	2,340
Research expenses	4,108	5,063
Other	17,858	19,472
Total selling, general and administrative expenses	56,262	60,080
<b>Operating income (loss)</b>	12,731	21,512
Non-operating income		
Interest and dividend income	848	1,100
Rent income	95	88
Foreign exchange gains	751	-
Gain on sale of raw materials	384	460
Other	453	520
Total non-operating income	2,533	2,170
Non-operating expenses		
Interest expenses	908	986
Loss on foreign exchange	-	201
Seconded employee expenses	96	83
Other	874	1,218
Total non-operating expenses	1,879	2,490
<b>Ordinary income (loss)</b>	13,385	21,192



	Year ended March 31, 2024 millions of yen	Year ended March 31, 2025 millions of yen
Extraordinary income		
Gain on sales of fixed assets	3,236	640
Gain on sales of investment securities	63	1,274
Gain on negative goodwill	-	19
Insurance claim income	687	1,165
Other	1	-
Total extraordinary income	3,988	3,100
Extraordinary loss		
Loss on liquidation of subsidiaries and associates	197	19
Impairment loss	470	-
Fire losses	792	-
Loss on disaster	121	354
Other	36	83
Total extraordinary loss	1,617	456
Income (loss) before income taxes	15,756	23,836
Income taxes		
Current	5,224	6,448
Deferred	(813)	(1,486)
Total income taxes	4,411	4,961
<b>Net income (loss)</b>	<b>11,344</b>	<b>18,874</b>
Net income (loss) attributable to the non-controlling interests	138	387
Net income (loss) attributable to owners of the parent	11,205	18,487

## Consolidated Statements of Comprehensive Income

	Year ended March 31, 2024 millions of yen	Year ended March 31, 2025 millions of yen
<b>Net income (loss)</b>	11,344	18,874
<b>Other comprehensive income</b>		
Unrealized gains (losses) on available-for-sale securities	6,772	(2,216)
Deferred gains or losses on hedging derivatives, net of taxes	(5)	-
Foreign currency translation adjustment	2,534	(150)
Remeasurements of defined benefit plans	151	129
<b>Total other comprehensive income</b>	9,451	(2,237)
<b>Comprehensive income</b>	20,796	16,636
Comprehensive income attributable to:		
Owners of the parent	20,630	16,231
Non-controlling interests	166	405

### (3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	17,070	10,211	69,568	(194)	96,656
Changes during term					
Cash dividends			(2,132)		(2,132)
Net income (loss) attributable to owners of the parent			11,205		11,205
Purchase of treasury stock				(2)	(2)
Change in ownership interest of parent due to transactions with non-controlling interests		15			15
Net changes in other than shareholders' equity					
Total changes during term	-	15	9,073	(2)	9,085
Balance at end of term	17,070	10,226	78,642	(197)	105,741

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Unrealized gains on available-for-sale securities	Deferred gains or losses on hedging derivatives	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	6,524	5	5,103	(392)	11,241	2,983	110,881
Changes during term							
Cash dividends							(2,132)
Net income (loss) attributable to owners of the parent							11,205
Purchase of treasury stock							(2)
Change in ownership interest of parent due to transactions with non-controlling interests							15
Net changes in other than shareholders' equity	6,772	(5)	2,506	151	9,424	97	9,521
Total changes during term	6,772	(5)	2,506	151	9,424	97	18,607
Balance at end of term	13,297	-	7,610	(241)	20,665	3,081	129,488

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(millions of yen)

	Shareholders' equity						
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity		
Balance at beginning of term	17,070	10,226	78,642	(197)	105,741		
Changes during term							
Cash dividends			(3,856)		(3,856)		
Net income (loss) attributable to owners of the parent			18,487		18,487		
Purchase of treasury stock				(5)	(5)		
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes in other than shareholders' equity							
Total changes during term	-	-	14,631	(5)	14,626		
Balance at end of term	17,070	10,226	93,273	(202)	120,367		

  

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Unrealized gains on available-for-sale securities	Deferred gains or losses on hedging derivatives	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of term	13,297	-	7,610	(241)	20,665	3,081	129,488
Changes during term							
Cash dividends							(3,856)
Net income (loss) attributable to owners of the parent							18,487
Purchase of treasury stock							(5)
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes in other than shareholders' equity	(2,216)	-	(169)	129	(2,256)	354	(1,901)
Total changes during term	(2,216)	-	(169)	129	(2,256)	354	12,724
Balance at end of term	11,081	-	7,441	(112)	18,409	3,435	142,212

#### (4) Consolidated Statements of Cash Flows

	Year ended March 31, 2024	Year ended March 31, 2025
	millions of yen	millions of yen
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	15,756	23,836
Depreciation and amortization	10,296	10,463
Impairment loss	470	-
Amortization of goodwill	714	699
Increase (decrease) in provisions	632	1,832
Increase (decrease) in net defined benefit liability	1,657	1,322
Interest and dividend income	(848)	(1,100)
Interest expenses	908	986
Loss (gain) on sales of property, plant and equipment	(3,236)	(640)
Loss (gain) on sales of investment securities	(63)	(1,274)
Insurance claim income	(687)	(1,165)
Fire losses	792	-
Decrease (increase) in trade receivables and contract assets	(4,111)	5,159
Decrease (increase) in inventories	(6,621)	(777)
Increase (decrease) in trade payables	(3,378)	(4,433)
Other	1,828	3,121
Sub total	14,109	38,029
Interest and dividends received	836	1,104
Interest expenses paid	(905)	(988)
Proceeds from insurance income	207	1,644
Payments for fire losses	(196)	(25)
Income taxes paid	(5,084)	(4,309)
Net cash provided by (used in) operating activities	8,968	35,454
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	3,450	947
Purchase of property, plant and equipment, and intangible assets	(9,343)	(10,547)
Proceeds from sales of investment securities	67	1,422
Proceeds from purchase of stocks of subsidiaries resulting in change in scope of consolidation	-	11
Other	(1,727)	(899)
Net cash provided by (used in) investing activities	(7,553)	(9,065)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,744	(4,623)
Redemption of bonds	-	(6,000)
Increase (decrease) in commercial paper	2,000	(4,000)
Proceeds from long-term debt	8,759	5,900
Repayment of long-term debt	(9,106)	(1,271)
Cash dividends paid	(2,131)	(3,851)
Cash dividends paid to non-controlling interests	(53)	(51)
Other	(463)	(638)
Net cash provided by (used in) financing activities	749	(14,536)
Effect of exchange rate on cash and cash equivalents	943	13
Net increase (decrease) in cash and cash equivalents	3,107	11,867
Cash and cash equivalents at beginning of term	14,116	17,224
Cash and cash equivalents at end of term	17,224	29,091



## **(5)Notes on Consolidated Financial Statements**

(Notes on the Going-concern Assumption)

Not applicable

(Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements)

Significant Changes to Scope of Consolidation

During the year ended March 31, 2025, KESENNUMA KANKYOKANRI CORPORATION was included in the scope of consolidation due to the acquisition of its shares.

(Changes in Accounting Methods)

(Application of Accounting Standard for Current Income Taxes, etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; “2022 Revised Accounting Standard”) has been applied from the beginning of the year ended March 31, 2025.

With regard to the revisions concerning the accounting classification of income taxes (taxation on other comprehensive income), these are subject to the provisional treatment set forth in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and the provisional treatment set forth in the proviso of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; “2022 Revised Guidance”). This change has no impact on the consolidated financial statements.

In addition, the Company has adopted the 2022 Revised Guidance for the revisions related to the review of the treatment in consolidated financial statements deferring gains or losses on sales of investments in subsidiaries among consolidated companies for tax purposes, effective from the beginning of the year ended March 31, 2025. The change in accounting policy has been applied retrospectively, and the consolidated financial statements of the previous fiscal year have been prepared on a retrospective basis. This change has no impact on the consolidated financial statements of the previous fiscal year.

(Segment and Other Information)

[Segment information]

1. Overview of reportable segment

(1) Method of determining reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available. These segments are subject to periodic examinations to enable the Company's Board of Directors to decide how to allocate resources and assess performance.

The Company has business divisions based on product and service categories and operates under a comprehensive strategy formulated for products and services handled.

The Company's operations are, therefore, classified based on product and service categories into five reportable segments, namely "Power Infrastructure," "Public, Industrial & Commercial Sector," "Mobility & Electrical Components," "Field Service Engineering," and "Real Estate."

Reportable segment	Description of businesses
Power Infrastructure	This business provides heavy electrical equipment and systems for the generation and transmission of electricity to electric power and other companies
Public, Industrial & Commercial Sector	This business provides heavy electrical equipment and systems to users of electricity such as public agencies, railway operators, and private-sector companies
Mobility & Electrical Components	This business provides components for the semiconductor, general industrial, and electric vehicle fields, as well as automotive R&D systems
Field Service Engineering	This business operates the maintenance business.
Real Estate	This business operates related to the rental of real estates.

(2) Matters concerning changes in reportable segments

In the previous fiscal year, the Company conducted an absorption-type merger with MEIDEN SHOJI Co., Ltd. Accordingly, MEIDEN SHOJI's business, which was included in "Other" until the previous fiscal year, has been split according to the content of the business and included in "Power Infrastructure," "Public, Industrial & Commercial Sector," and "Mobility & Electrical Components" businesses from the year ended March 31, 2025.

"Net sales and income/loss by reportable segment" for the year ended March 31, 2024 has been reclassified to reflect the new amounts.

2. Calculation method for net sales, income/loss, assets, liabilities and other items by reportable segment

The accounting methods for reported business segments are generally the same as those stated in "Significant Matters that Serve as the Basis for Preparation of Consolidated Financial Statements."

Segment income (loss) is based on operating income (loss).

Inter-segment sales and transfers are based on market price.



3. Net sales, income/loss, assets, liabilities, and other items by reportable segment  
Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment						Other (note)	Total	Adjustments	Amounts on consolidated financial statements
	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Sub-total				
Net sales										
Sales to outside customers	77,793	84,286	76,755	40,659	3,190	282,685	5,195	287,880	-	287,880
Inter-segment sales and transfers	654	3,308	2,010	1,644	38	7,655	5,168	12,823	(12,823)	-
Total	78,447	87,595	78,765	42,303	3,228	290,340	10,363	300,704	(12,823)	287,880
Segment income (loss)	6,444	(534)	196	6,650	1,432	14,188	328	14,517	(1,786)	12,731
Segment assets	85,707	80,637	64,148	34,402	10,775	275,671	8,847	284,518	50,269	334,787
Other items										
Depreciation/ amortization	2,828	1,190	2,784	374	580	7,759	259	8,018	2,278	10,296
Amortization of goodwill	712	1	-	-	-	714	-	714	-	714
Increase in PP&E and intangible assets	3,546	1,093	1,991	292	96	7,020	320	7,340	2,640	9,981

Note: "Other" comprises businesses such as sales of other products, employees' welfare services, and provision of chemical products, that are not included in the reportable segments.

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment						Other (note)	Total	Adjustments	Amounts on consolidated financial statements
	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Sub-total				
Net sales										
Sales to outside customers	85,417	90,617	70,473	47,679	3,197	297,385	3,716	301,101	-	301,101
Inter-segment sales and transfers	1,020	5,705	1,605	1,887	37	10,256	4,956	15,213	(15,213)	-
Total	86,437	96,323	72,079	49,567	3,235	307,642	8,672	316,315	(15,213)	301,101
Segment income (loss)	7,988	3,034	1,132	9,931	1,443	23,530	477	24,008	(2,496)	21,512
Segment assets	91,675	84,446	58,563	39,541	10,295	284,523	8,745	293,268	48,078	341,347
Other items										
Depreciation/ amortization	3,042	1,175	2,929	363	551	8,062	232	8,295	2,167	10,463
Amortization of goodwill	697	2	-	-	-	699	-	699	-	699
Increase in PP&E and intangible assets	5,394	1,370	1,420	198	75	8,458	223	8,682	3,270	11,953

Note: "Other" comprises businesses such as sales of other products, employees' welfare services, and provision of chemical products, that are not included in the reportable segments.

4. Adjustments of differences between the total amounts of reportable segments and amounts on consolidated financial statements

(Millions of yen)

Net sales	Year ended March 31, 2024	Year ended March 31, 2025
Total reportable segments	290,340	307,642
Net sales under "Other"	10,363	8,672
Elimination of inter-segment transactions	(12,823)	(15,213)
Net sales on the consolidated financial statements	287,880	301,101

(Millions of yen)

Income	Year ended March 31, 2024	Year ended March 31, 2025
Total reportable segments	14,188	23,530
Income under "Other"	328	477
Elimination of inter-segment transactions	831	589
Adjustments for inventories	31	(96)
Other adjustments (Note)	(2,649)	(2,988)
Operating income on the consolidated financial statements	12,731	21,512

Note: Other adjustments comprise mainly expenses for research and development conducted by the research and development division and other units that are not included in the reportable segments.

(Millions of yen)

Assets	Year ended March 31, 2024	Year ended March 31, 2025
Total reportable segments	275,671	284,523
Assets under "Other"	8,847	8,745
Corporate assets (Note)	89,449	92,042
Other adjustments	(39,180)	(43,963)
Total assets on the consolidated financial statements	334,787	341,347

Note: Corporate assets consist of surplus funds (cash and time deposits) held by the Company, long-term investment funds, and assets attributable to the research and development division, etc.

(Millions of yen)

Other items	Total reportable segments		Other		Adjustments		Amounts on consolidated financial statements	
	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024
Depreciation/amortization	7,759	8,062	259	232	2,278	2,167	10,296	10,463
Amortization of goodwill	714	699	—	—	—	—	714	699
Increase in PP&E and intangible assets	7,020	8,458	320	223	2,640	3,270	9,981	11,953

Note: Adjustments for increase in PP&E and intangible assets consist mainly of capital investment in information systems for the whole company.

[Related information]

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Information by product and service

Information is omitted because the same information is provided in "Segment information."

2. Information by geographic area

(1) Net sales

(Millions of yen)			
Japan	Asia	Other region	Total
207,624	51,407	28,848	287,880

Note: Net sales are based on the location of customers and classified into country or region.

(2) Property, plant and equipment

(Millions of yen)			
Japan	Asia	Other region	Total
58,278	14,847	2,238	75,363

3. Information by major customer

Information is omitted as there are no outside customers whose sales account for 10% or more of total net sales reported on the consolidated statements of income.

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

1. Information by product and service

Information is omitted because the same information is provided in "Segment information."

2. Information by geographic area

(1) Net sales

(Millions of yen)			
Japan	Asia	Other region	Total
213,906	61,926	25,268	301,101

Note: Net sales are based on the location of customers and classified into country or region.

(2) Property, plant and equipment

(Millions of yen)			
Japan	Asia	Other region	Total
59,181	13,567	2,312	75,061

3. Information by major customer

Information is omitted as there are no outside customers whose sales account for 10% or more of total net sales reported on the consolidated statements of income.

[Impairment loss of fixed assets by reportable segment]

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Other	Corporate/ elimination	Total
Impairment loss	-	-	-	-	-	97	372	470

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

Not applicable

[Amortization and unamortized balance of goodwill by reportable segment]

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Other	Corporate/ elimination	Total
Amortization	712	1	-	-	-	-	-	714
Unamortized balance	2,157	18	-	-	-	-	-	2,175

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Power Infrastructure	Public, Industrial & Commercial Sector	Mobility & Electrical Components	Field Service Engineering	Real Estate	Other	Corporate/ elimination	Total
Amortization	697	2	-	-	-	-	-	699
Unamortized balance	1,411	17	-	-	-	-	-	1,428

[Gain on negative goodwill by reportable segment]

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Not applicable

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

In the Field Service Engineering Business, we recognized a gain on negative goodwill due to the acquisition of KESENNUMA KANKYOKANRI CORPORATION as a consolidated subsidiary. The amount of gain on negative goodwill recorded as a result of this item is ¥19 million. Gain on negative goodwill is not included in segment income because it is included in extraordinary income.

(Per Share Information)

	Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Net assets per share	2,786.35	3,059.10
Net income per share	247.00	407.51

(Notes) 1. Diluted net income per share is not stated because there are no dilutive shares.

2. The basis for calculation of net income per share is shown below.

	Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Net income (loss) attributable to owners of the parent (millions of yen)	11,205	18,487
Amount not attributable to common shareholders (millions of yen)	-	-
Net income (loss) attributable to owners of the parent attributable to common shares (millions of yen)	11,205	18,487
Average number of common shares during the fiscal year (thousands)	45,367	45,365

(Important Subsequent Events)

Not applicable

4. Others

Regarding changes in officers, please refer to the " Notice of Election of Candidates for Director " disclosed on May 13, 2025.