



FY2026/3 1st Quarter Financial Results

July 31st, 2025

STANLEY ELECTRIC CO., LTD.

STANLEY GROUP VISION **Outshining Light**

Results for 1Q of FY2026/3

Net sales

119.83 billion yen

[Compared to 1Q of FY2025/3 : -1.3%]

Operating income

8.60 billion yen

[Compared to 1Q of FY2025/3 : -9.7%]

Key Points

- ◆ Both sales and income declined due to the impact of US tariffs and foreign exchange fluctuations but slightly outperformed the forecasts.
- ◆ Asia-Pacific (two-wheel) remained strong.
- ◆ China experienced a decline in sales due to a harsh operating environment, but its income margin improved as a result of rationalization and other efforts.

| (Hundred million yen) Amounts less than shown are rounded down | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results | Compared to 1Q of FY2025/3 | |
|---|---------------------------|---------------------------|--------------------------------|---------------------------------|
| | | | Amount increase or decrease | Percent increase or decrease |
| Net sales | 1,214.4 | 1,198.3 | -16.0 | -1.3% |
| Operating income | 95.3 | 86.0 | -9.2 | -9.7% |
| Operating income to net sales ratio | 7.9% | 7.2% | -0.7Pt | - |
| Ordinary income | 117.1 | 102.2 | -14.8 | -12.7% |
| Net income attributable to owners of parent | 123.8 | 51.5 | -72.2 | -58.4% |
| Net income per share (yen) | 77.20 | 34.58 | -42.62 | -55.2% |
| Exchange rate (USD/yen) | 157.86 | 143.93 | -13.93 | -8.8% |

■ Impact of foreign exchange fluctuations

Net sales Down by some 7.36bn yen

Operating income Down by some 0.71bn yen

■ Investments

Capital investments

| | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results |
|---------------------|---------------------------|---------------------------|
| Capital investments | 10.13 bn yen | 12.64 bn yen |

Of which strategic
investments 3.96 bn yen

Depreciation

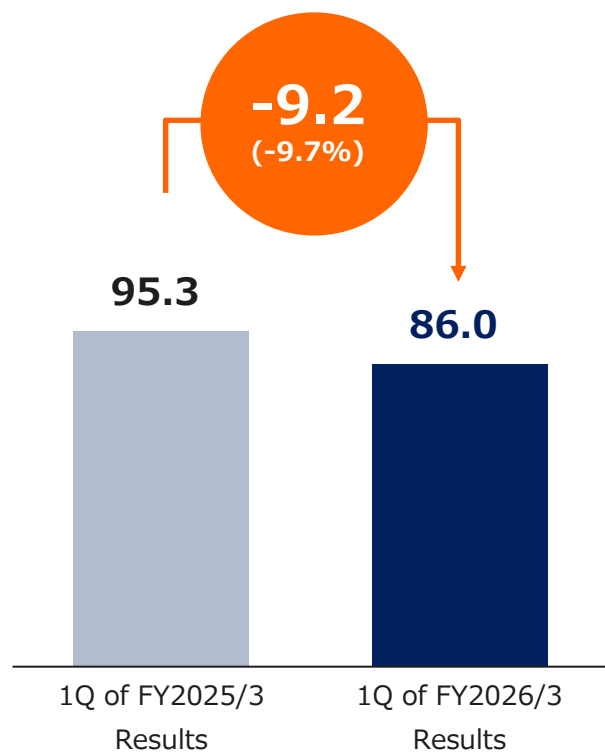
| | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results |
|--------------|---------------------------|---------------------------|
| Depreciation | 11.14 bn yen | 10.06 bn yen |

R&D expenses

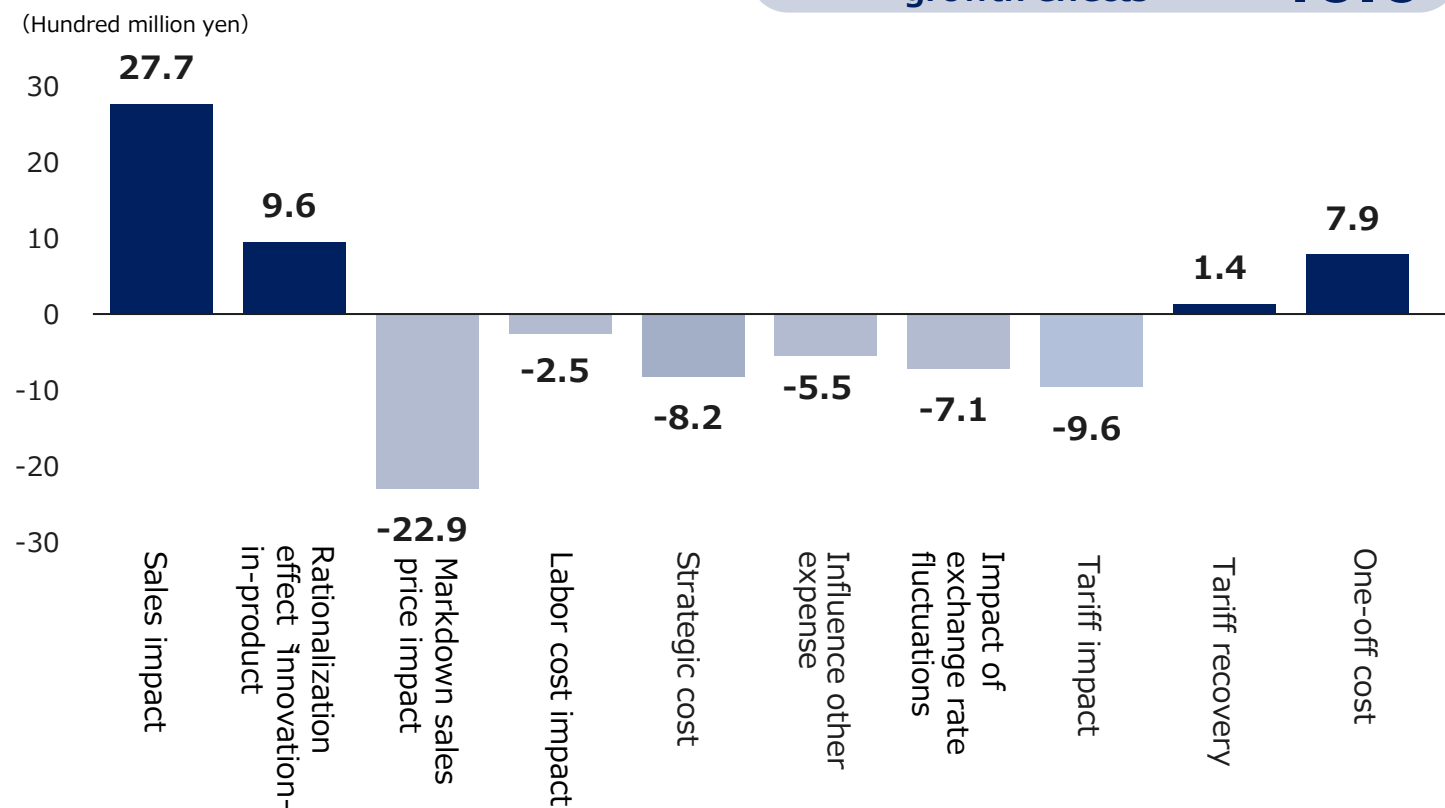
| | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results |
|--------------|---------------------------|---------------------------|
| R&D expenses | 5.49 bn yen | 6.77 bn yen |

Operating income

(Hundred million yen)
Amounts less than shown are rounded down



Impact of operating income growth



Impact of operating income decrease

Decrease in total operating income effects **55.8**

(Hundred million yen)
Amounts less than shown are rounded down

| | | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results | Compared to 1Q of FY2025/3 | |
|------------------|--------------------------------------|---------------------------|---------------------------|--------------------------------|---------------------------------|
| | | | | Amount increase or decrease | Percent increase or decrease |
| Net sales | Automotive Equipment Business | 1,046.3 | 1,030.5 | -15.7 | -1.5% |
| | Electronic Components Business | 90.0 | 91.8 | 1.7 | 2.0% |
| | Applied Electronic Products Business | 281.0 | 276.0 | -5.0 | -1.8% |
| | Others | 8.0 | 7.2 | -0.7 | - |
| | Adjustment | -211.1 | -207.3 | 3.7 | - |
| | Total | 1,214.4 | 1,198.3 | -16.0 | -1.3% |
| Operating income | Automotive Equipment Business | 95.0 | 94.2 | -0.8 | -0.9% |
| | Operating income to net sales ratio | 9.1% | 9.1% | 0.1pt | - |
| | Electronic Components Business | 4.6 | 10.9 | 6.2 | 133.3% |
| | Operating income to net sales ratio | 5.2% | 11.9% | 6.7Pt | - |
| | Applied Electronic Products Business | 16.4 | 21.4 | 5.0 | 30.4% |
| | Operating income to net sales ratio | 5.9% | 7.8% | 1.9Pt | - |
| | Others | 0.4 | 0.0 | -0.3 | - |
| | Adjustment | -21.2 | -40.6 | -19.4 | - |
| | Total | 95.3 | 86.0 | -9.2 | -9.7% |

Upper row : Net Sales
Lower row : Operating income

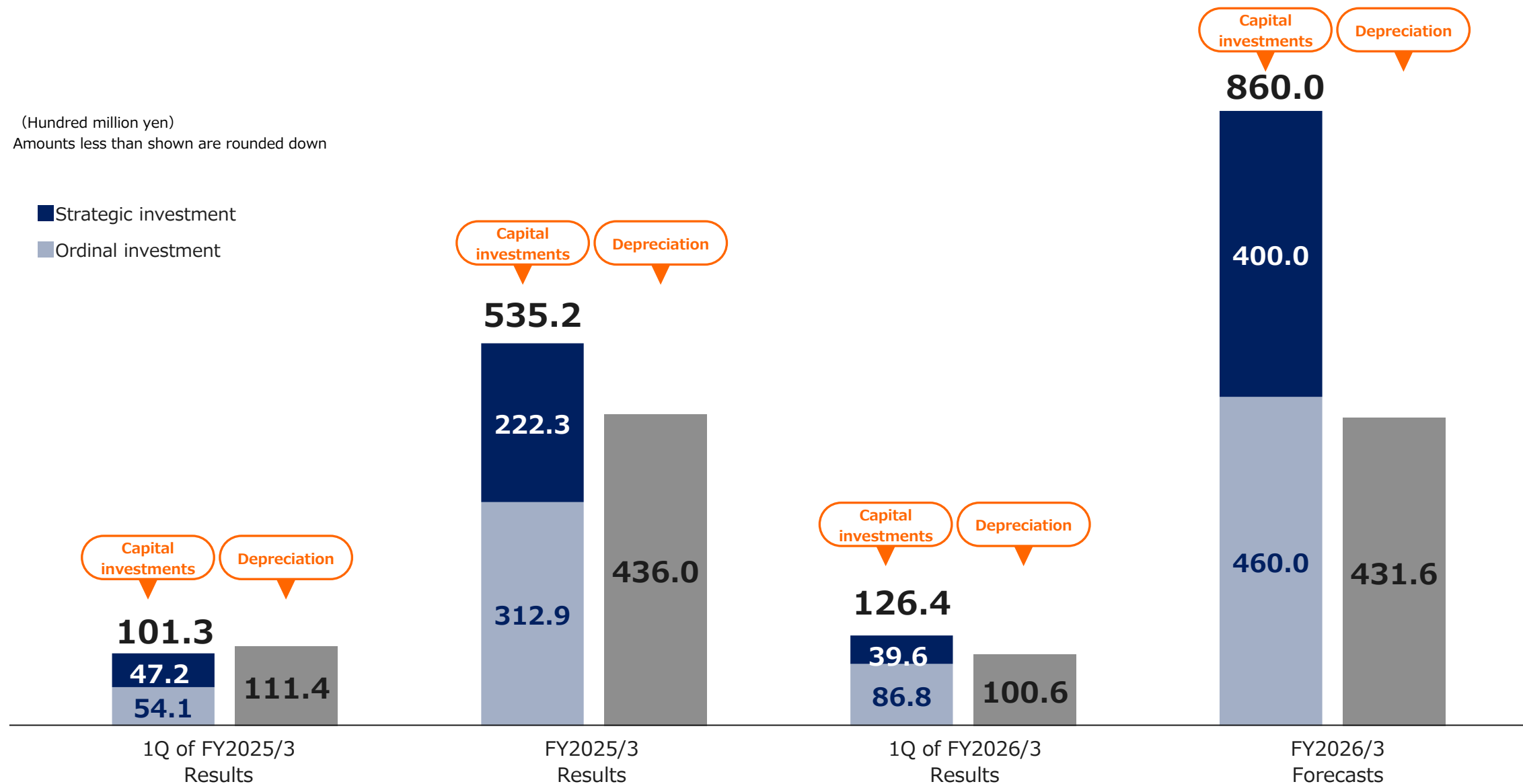
(Hundred million yen)
Amounts less than shown are rounded down

| | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results | Compared to 1Q of FY2025/3 | |
|--------------|---------------------------|---------------------------|--------------------------------|---------------------------------|
| | | | Amount increase or decrease | Percent increase or decrease |
| Japan | 281.0 | 289.3 | 8.2 | 3.0% |
| | 5.2 | -6.8 | -12.1 | - |
| The Americas | 366.0 | 369.7 | 3.6 | 1.0% |
| | 22.7 | 17.7 | -4.9 | -21.9% |
| Europe | 21.1 | 17.9 | -3.1 | -15.1% |
| | -0.4 | -0.6 | -0.1 | - |
| Asia-Pacific | 371.3 | 374.6 | 3.2 | 0.9% |
| | 62.7 | 64.7 | 1.9 | 3.2% |
| China | 174.8 | 146.7 | -28.0 | -16.1% |
| | 3.1 | 12.1 | 9.0 | 284.2% |
| Total | 1,214.4 | 1,198.3 | -16.0 | -1.3% |
| | 95.3 | 86.0 | -9.2 | -9.7% |

FY2026/3 Consolidated capital investments: Results of 1Q of FY2026/3 and full-year forecast

(Hundred million yen)
Amounts less than shown are rounded down

■ Strategic investment
■ Ordinal investment



Appendix

(Hundred million yen)
Amounts less than shown are rounded down

| | FY2025/3 Results | FY2026/3 Forecasts | Compared to the previous year | |
|---|---------------------|-----------------------|--------------------------------|---------------------------------|
| | | | Amount increase or decrease | Percent increase or decrease |
| Net sales | 5,095.6 | 4,800.0 | -295.6 | -5.8% |
| Operating income | 490.0 | 412.0 | -78.0 | -15.9% |
| Operating income to net sales ratio | 9.6% | 8.6% | -1.0pt | - |
| Ordinary income | 554.5 | 462.0 | -92.5 | -16.7% |
| Net income attributable to owners of parent | 320.5 | 268.0 | -52.5 | -16.4% |
| Net income per share (yen) | 205.73 | 179.73 | -26.00 | - |
| Exchange rate (USD/yen) | 152.48 | 135.00 | -17.48 | -11.5% |

■ Impact of foreign exchange fluctuations

Net Sales

Down by some **44.6**bn yen

Operating income

Down by some **4.9**bn yen

■ Foreign exchange sensitivity

(Impact of a 1-yen change against the US dollar)

Net Sales

By some **2.59**bn yen

Operating income

By some **0.42**bn yen

■ Investments

FY2025/3
Results

FY2026/3
Forecasts

Capital investments

53.52bn yen

86.00bn yen

Of which strategic investments

22.23bn yen

40.00bn yen

Depreciation

43.60bn yen

43.16bn yen

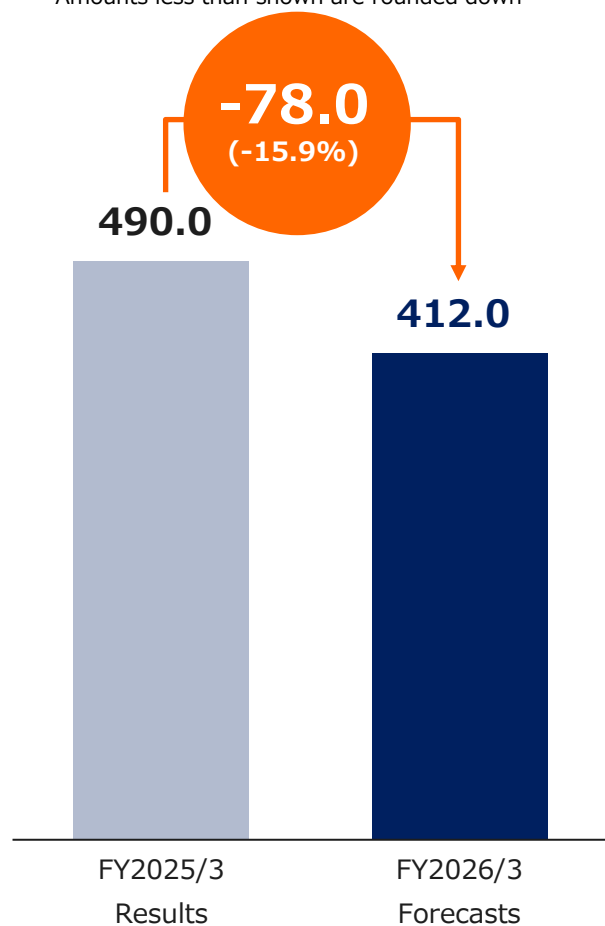
R&D expenses

22.77bn yen

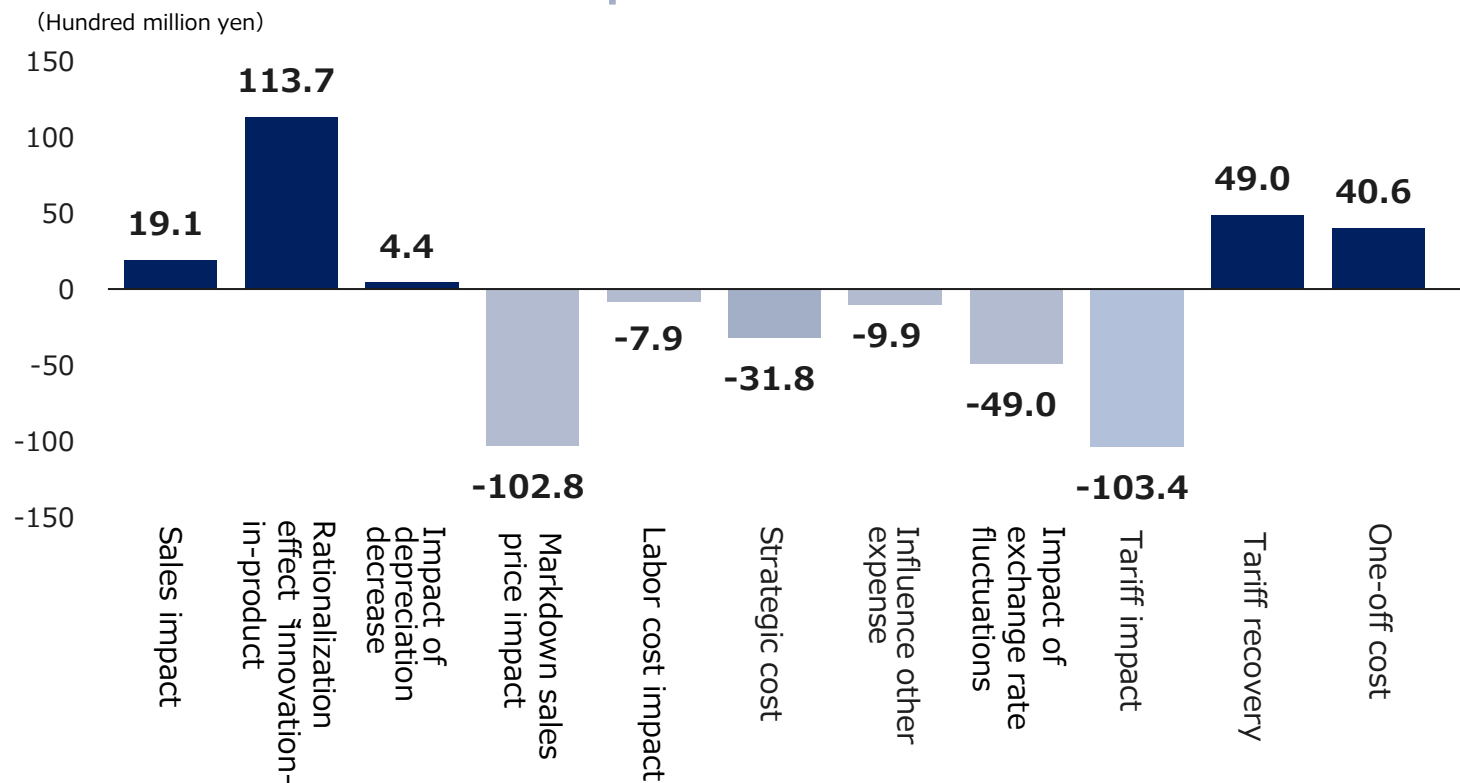
25.68bn yen

Operating income

(Hundred million yen)
Amounts less than shown are rounded down



Impact of operating income growth



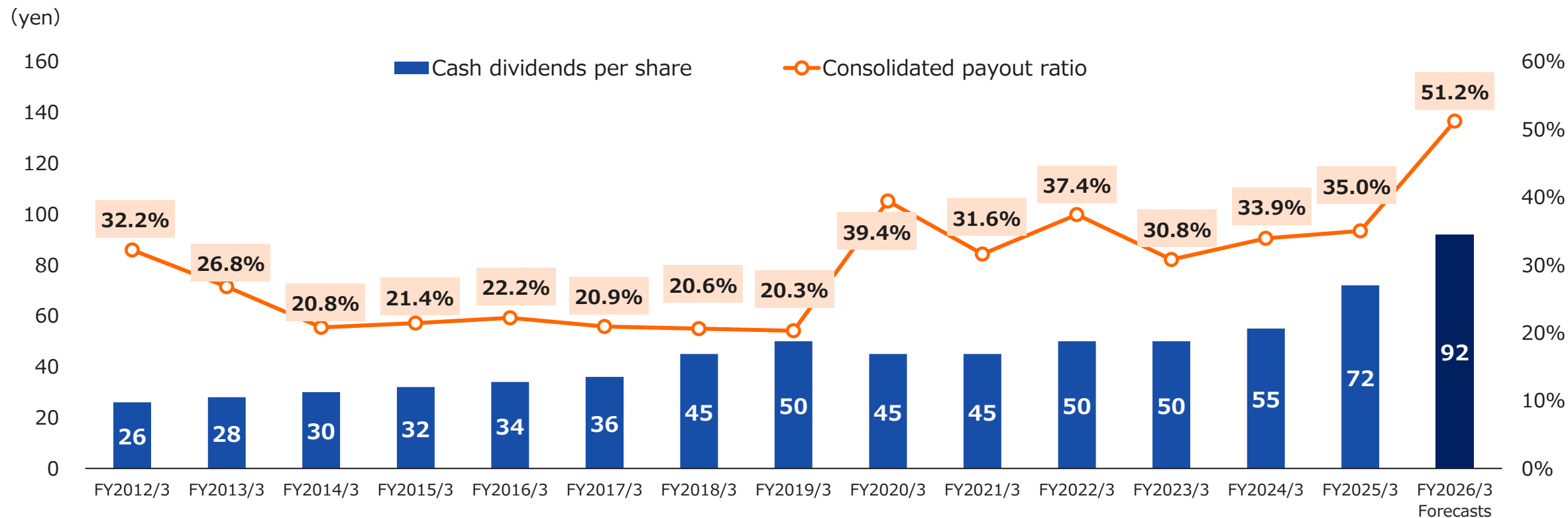
Impact of operating income decrease

Decrease in total operating income effects 304.8

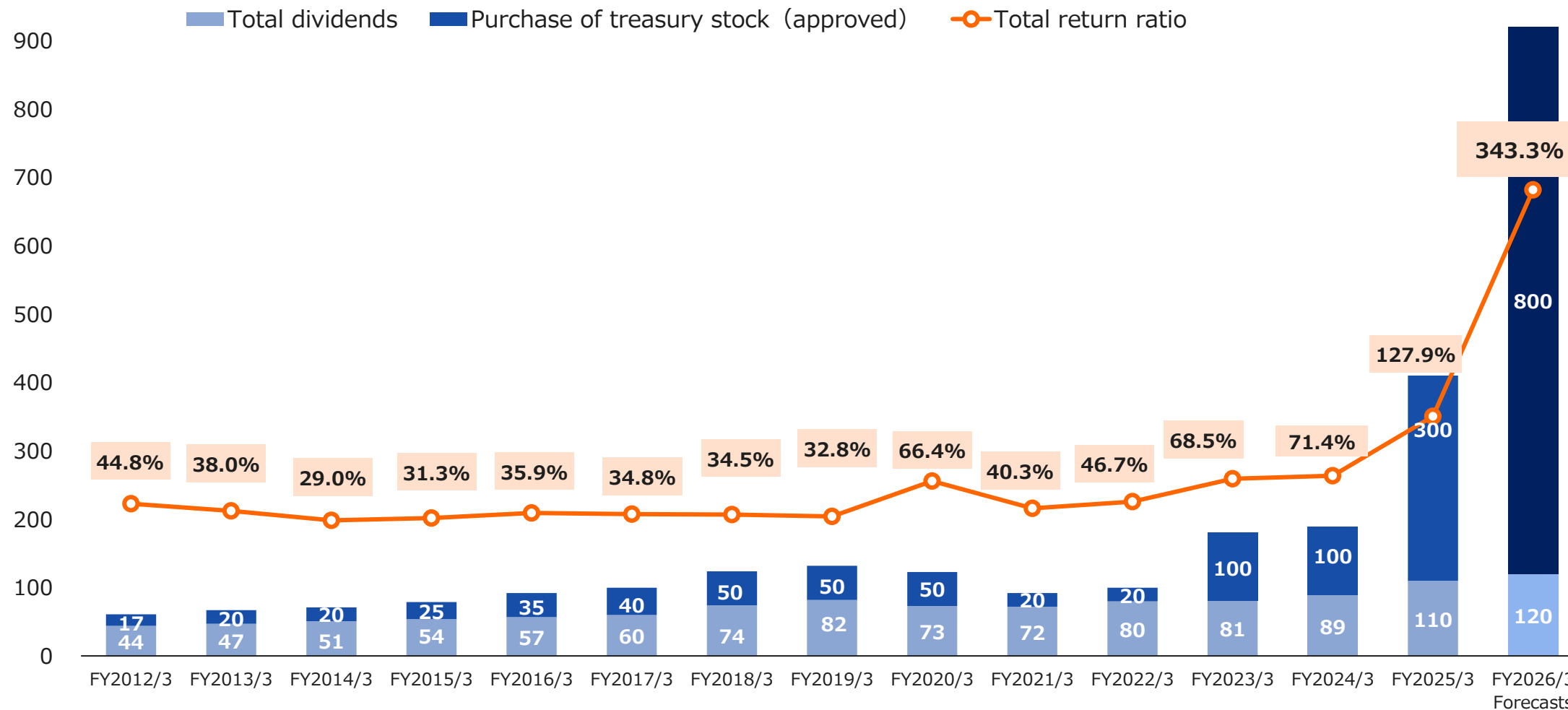
| (Hundred million yen) Amounts less than shown are rounded down | | FY2025/3 Results | FY2026/3 Forecasts | Compared to the previous year | |
|---|--------------------------------------|---------------------|-----------------------|----------------------------------|---------------------------------|
| | | | | Amount increase or decrease | Percent increase or decrease |
| Net Sales | Automotive Equipment Business | 4,401.3 | 4,040.0 | -361.3 | -8.2% |
| | Electronic Components Business | 370.6 | 410.0 | 39.3 | 10.6% |
| | Applied Electronic Products Business | 1,163.4 | 1,060.0 | -103.4 | -8.9% |
| | Others | 31.3 | 10.0 | -21.3 | - |
| | Adjustment | -871.0 | -720.0 | 151.0 | - |
| | Total | 5,095.6 | 4,800.0 | -295.6 | -5.8% |
| Operating Income | Automotive Equipment Business | 469.6 | 360.0 | -109.6 | -23.3% |
| | Operating income to net sales ratio | 10.7% | 8.9% | -1.7pt | - |
| | Electronic Components Business | 24.9 | 52.0 | 27.0 | 108.5% |
| | Operating income to net sales ratio | 6.7% | 12.7% | 5.9pt | - |
| | Applied Electronic Products Business | 88.1 | 98.0 | 9.9 | 11.2% |
| | Operating income to net sales ratio | 7.6% | 9.2% | 1.6pt | - |
| | Others | 0.6 | 1.0 | 0.3 | - |
| | Adjustment | -93.3 | -99.0 | -5.6 | - |
| | Total | 490.0 | 412.0 | -78.0 | -15.9% |

Upper row : Net Sales
 Lower row : Operating income
 (Hundred million yen)
 Amounts less than shown are rounded down

| | FY2025/3 Results | FY2026/3 Forecasts | Compared to the previous year | |
|--------------|---------------------|-----------------------|--------------------------------|---------------------------------|
| | | | Amount increase or decrease | Percent increase or decrease |
| Japan | 1,242.6 | 1,332.1 | 89.5 | 7.2% |
| | 45.6 | 40.9 | 4.6 | -10.3% |
| The Americas | 1,422.6 | 1,378.0 | -44.6 | -3.1% |
| | 97.4 | 47.4 | -49.9 | -51.3% |
| Europe | 74.1 | 105.1 | 31.0 | 41.9% |
| | -1.5 | 3.6 | 5.2 | - |
| Asia-Pacific | 1,594.0 | 1,399.0 | -195.0 | -12.2% |
| | 300.4 | 271.2 | -29.2 | -9.7% |
| China | 762.1 | 616.9 | -145.2 | -19.1% |
| | 72.5 | 72.4 | -0.1 | -0.2% |
| Total | 5,095.6 | 4,800.0 | -295.6 | -5.8% |
| | 490.0 | 412.0 | -78.0 | -15.9% |



(Hundred million yen)
1,000



| | Average rate | | | |
|-------------------------|---------------------------|---------------------------|---------------------|-----------------------|
| | 1Q of FY2025/3 Results | 1Q of FY2026/3 Results | FY2025/3 Results | FY2026/3 Forecasts |
| USD/Yen | 157.86 | 143.93 | 152.48 | 135.00 |
| EUR/Yen | 169.72 | 165.25 | 163.57 | 149.46 |
| Indonesia Rupiah/Yen | 0.0098 | 0.0088 | 0.0095 | 0.0081 |
| Vietnam 100 Dong/Yen | 0.62 | 0.55 | 0.60 | 0.53 |
| Thai Baht/Yen | 4.28 | 4.38 | 4.39 | 4.01 |
| Chinese Yuan/Yen | 21.70 | 19.94 | 21.11 | 18.46 |

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