



FY2026/3 2nd Quarter Financial Results

November 19th, 2025

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In the event of any discrepancy between this translated document and the Japanese original,
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STANLEY ELECTRIC CO., LTD.

STANLEY GROUP VISION **Outshining Light**

1H of FY2026/3 Financial Results

- 1. Summary of financial results for 1H of FY2026/3**
- 2. Business situation**
- 3. Outlook for FY2026/3 and shareholder returns**

1H of FY2026/3 Financial Results

- 1. Summary of financial results for 1H of FY2026/3**
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3. Outlook for FY2026/3 and shareholder returns

Sales grew and profits declined YoY, while both sales and profits outperformed the forecasts. We revised our dividend forecasts in line with the revision of earnings forecasts. (Dividend increase)

Net sales

248.47 billion yen

〔Compared to 1H of the previous year : +1.8%〕

〔Compared to forecasts : +8.0%〕

Operating income

18.46 billion yen

〔Compared to 1H of the previous year : ▲3.8%〕

〔Compared to forecasts : +19.1%〕

Key Points

- ◆ Operating income declined due to the impact of US tariffs and foreign exchange fluctuations, but 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.
- ◆ We revised our full-year business forecasts to reflect reduced foreign-exchange and US tariff impacts, and other factors.
- ◆ We revised our annual dividend forecasts upward to 100 yen per share (up 28 yen from the previous fiscal year), in line with our dividend policy.

Operating income declined slightly due to the impact of US tariffs and a stronger yen, but outperformed forecasts.

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

	1H of FY2025/3 Results	1H of FY2026/3 Results	Compared to 1H of the previous year		1H of FY2026/3 Forecasts as of 2025/6/10	Compared to forecasts	
			Amount increase or decrease	Percent increase or decrease		Amount	Percent
Net sales	2,439.8	2,484.7	44.8	1.8%	2,300.0	184.7	8.0%
Operating income	191.9	184.6	-7.3	-3.8%	155.0	29.6	19.1%
Operating income to net sales ratio	7.9%	7.4%	-0.4pt	-	6.7%	0.7pt	-
Ordinary income	219.3	219.9	0.5	0.3%	180.0	39.9	22.2%
Net income attributable to owners of parent	113.7	101.6	-12.1	-10.7%	82.0	19.6	23.9%
Net income per share (yen)	71.21	69.37	-1.84	-2.6%	54.99	14.38	26.2%
Exchange rate (yen) USD	152.26	146.16	-6.10	-4.0%	135.00	11.16	8.3%

■ Impact of foreign exchange fluctuations

Net sales Down by some 6.06bn yen

Operating income Down by some 0.64bn yen

■ Investments

Capital investments

Of which strategic
investments

Depreciation

R&D expenses

1H of FY2025/3
Results

23.99bn yen

8.12bn yen

22.26bn yen

11.05bn yen

1H of FY2026/3
Results

25.45bn yen

8.46bn yen

20.14bn yen

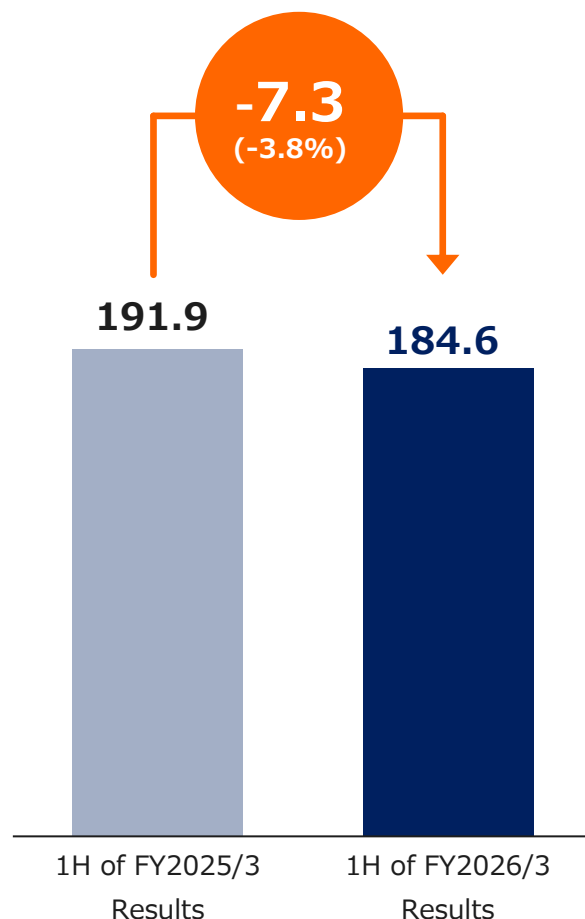
13.23bn yen

1H of FY2026/3 Consolidated results affecting operating income [Year-over-year basis]

Operating income declined slightly, weighed down by US tariffs, higher costs, foreign exchange fluctuations, and other factors.

Operating income

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

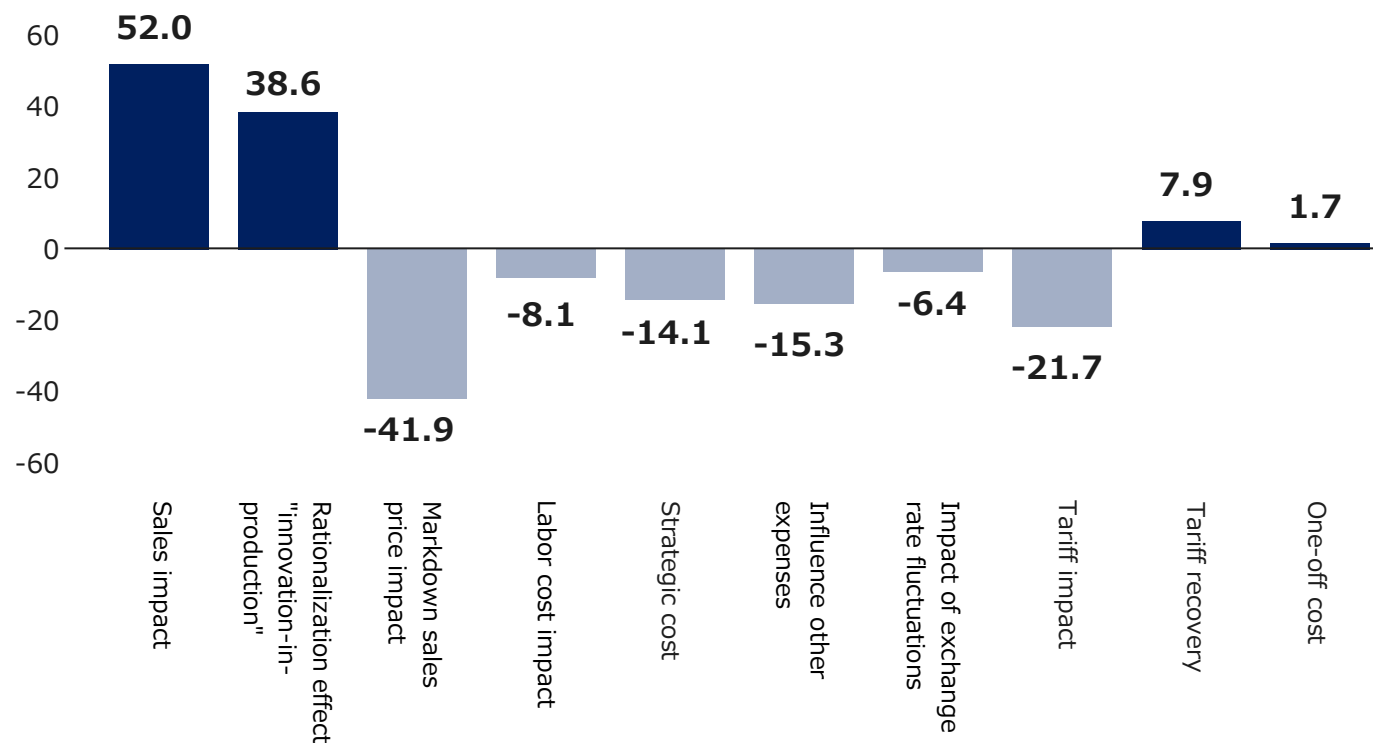


Impact of operating income growth

Total operating income growth effects

100.2

(Hundred million yen)



Impact of operating income decrease

Decrease in total operating income effects

107.5

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

(Hundred million yen) Amounts less than shown are rounded down			1H of FY2025/3 Results	1H of FY2026/3 Results	Compared to 1H of the previous year	
					Amount increase or decrease	Percent increase or decrease
Net sales		Automotive Equipment Business	2,099.9	2,142.3	42.4	2.0%
		Electronic Components Business	180.5	188.8	8.2	4.6%
		Applied Electronic Products Business	577.8	560.6	-17.2	-3.0%
		Others	14.0	14.9	0.9	-
		Adjustment	-432.5	-422.0	10.4	-
		Total	2,439.8	2,484.7	44.8	1.8%
Operating income		Automotive Equipment Business	183.7	188.0	4.2	2.3%
		Operating income to net sales ratio	8.8%	8.8%	0.0pt	-
		Electronic Components Business	12.3	20.5	8.2	66.3%
		Operating income to net sales ratio	6.9%	10.9%	4.0pt	-
		Applied Electronic Products Business	40.8	46.9	6.1	15.2%
		Operating income to net sales ratio	7.1%	8.4%	1.3pt	-
		Others	-0.2	0.3	0.5	-
		Adjustment	-44.7	-71.3	-26.6	-
		Total	191.9	184.6	-7.3	-3.8%
		Operating income to net sales ratio	7.8%	7.4%	-0.4pt	-

The Americas saw a decline in operating income due to tariffs. Asia-Pacific's motorcycles remained strong. China continued to struggle, but streamlining led to improved operating income.

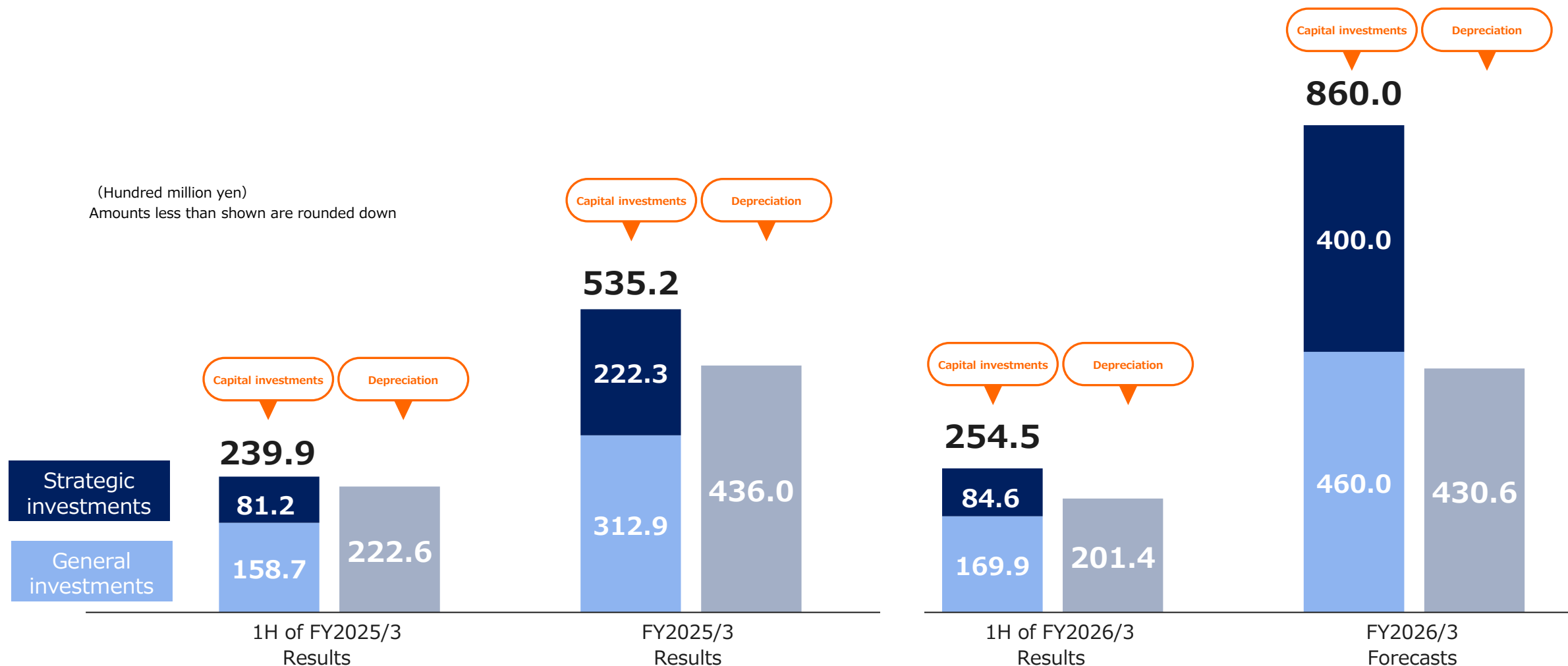
(Hundred million yen)
Amounts less than shown are rounded down

		1H of FY2025/3 Results	1H of FY2026/3 Results	Compared to 1H of the previous year	
				Amount increase or decrease	Percent increase or decrease
Net Sales	Japan	586.2	607.3	21.0	3.6%
	The Americas	679.9	734.0	54.1	8.0%
	Asia-Pacific	780.5	791.5	10.9	1.4%
	China	355.5	314.7	-40.8	-11.5%
	Europe	37.6	37.1	-0.4	-1.1%
	Total	2,439.8	2,484.7	44.8	1.8%
Operating income	Japan	12.7	-9.2	-22.0	-
	Operating income to net sales ratio	2.2%	-1.5%	-3.7pt	-
	The Americas	33.3	29.3	-3.9	-11.8%
	Operating income to net sales ratio	4.9%	4.0%	-0.9pt	-
	Asia-Pacific	139.0	139.0	0.0	0.0%
	Operating income to net sales ratio	17.8%	17.6%	-0.2pt	-
	China	14.6	32.2	17.6	120.4%
	Operating income to net sales ratio	4.1%	10.2%	6.1pt	-
	Europe	-2.0	-2.1	-0.1	-
	Operating income to net sales ratio	-5.3%	-5.8%	-0.5pt	-
	Total	191.9	184.6	-7.3	-3.8%
	Operating income to net sales ratio	7.8%	7.4%	-0.4pt	-

FY2026/3 Consolidated capital investments: 1H results and full-year forecast

Full-year forecasts for capital investment remained unchanged from the initial plan.

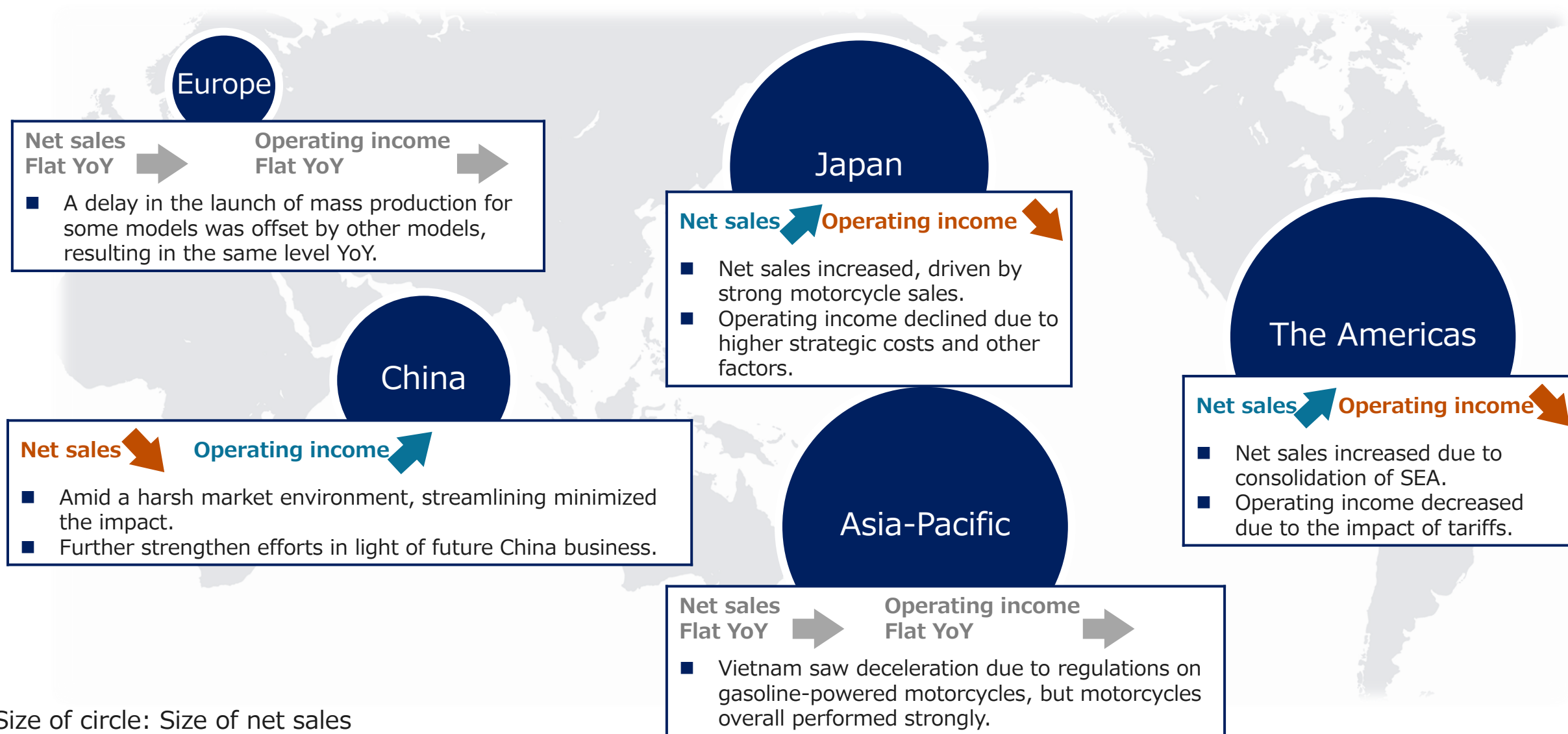
(Hundred million yen)
Amounts less than shown are rounded down



*Capital investments includes SaaS-related software investments.

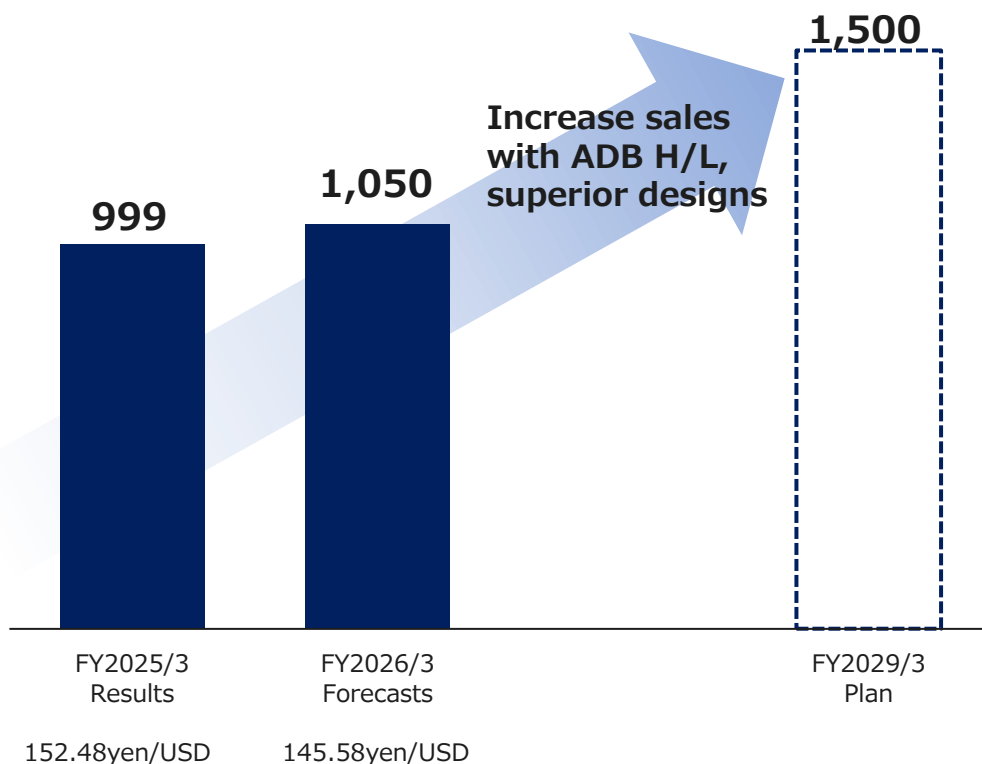
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Motorcycle business net sales (hundred million yen)

❖ Including net sales of Lumax Industries Ltd., an equity-method affiliate



Major initiatives



South America business

- Increase orders and improve operating income by leveraging Stanley's OEM relations and manufacturing know-how.



India business

- Strengthen our relationship with LUMAX and build a local, integrated structure covering development to production, including software.
- Strengthen sales of our LED products to Japanese and Indian manufacturers.



Asia-Pacific business

- Win non-Japanese orders in Thailand.
- Expand sales by approaching more non-Japanese buyers.

Global co-creation of safety and security

- Tap non-Japanese manufacturers in addition to Japanese ones to deliver safety and security to the world.
- Full-year net sales to non-Japanese manufacturers for FY2026/3 are expected to rise 12% YoY.
- Orders are growing toward the goal of raising the share of sales to non-Japanese manufacturers to 8%※ by FY2029/3.



- Won new orders for mass-market car models from European manufacturers, difficult-win targets.



- Developed a local sales structure and strengthened proposals of ADB and other technologies to win manufacturers in the Americas.



- Won new orders through collaboration with a local company in China.



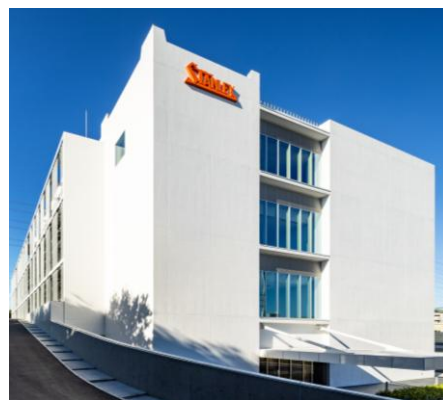
- Won orders for new car models from manufacturers in the Americas and Europe, leveraging SEA development bases and OEM relations.

1H and full-year overview

- 1H, net sales of PC backlights were robust, driven by OS replacement demand, and invisible light products grew due to factors such as the newly introduced obligation to install a driver monitoring system (DMS) in Europe.
- Full-year net sales are expected to increase YoY despite expectations for more moderate demand for backlights and a shift of some sales of water cleaners and game-related business into the next fiscal year.

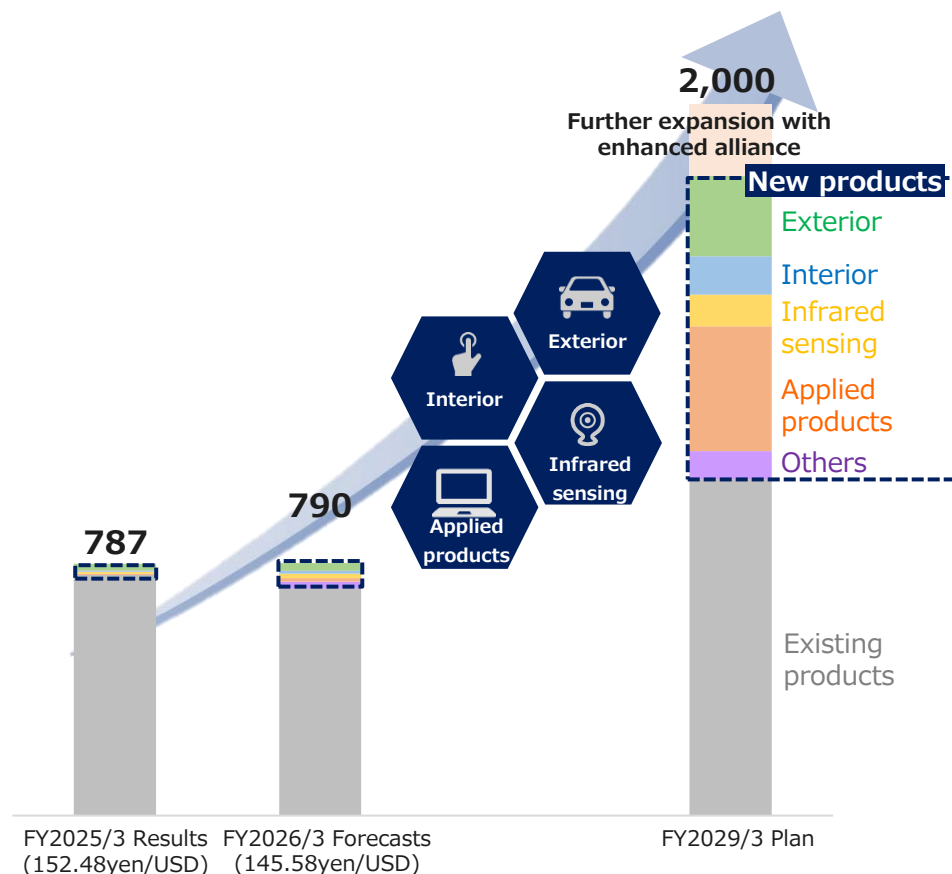
Research & Development Laboratory (R&D Laboratory) New building completed

- A new R&D laboratory is scheduled to open in February 2026. The aim is to create next-generation technologies centering around nanotechnology, consolidate R&D bases, and fuse knowledge.
- Main R&D themes
 - Create next-generation light sources
 - Element technologies that lead to mobility safety
 - Lighting solution in living and healthcare fields
 - Carbon negative, Circular economy



R&D Laboratory
(Aoba-ku, Yokohama)

Target net sales[※] (hundred million yen)



※Total sales to external customers by Electronic Components Business and Applied Electronic Products Business. Includes net sales for Accessory & Device products which was reclassified as Automotive Equipment Business from FY2024/3.

1H of FY2026/3 Financial Results

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Revised business forecasts based on lower foreign exchange and US tariff impacts and other factors

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

	FY2026/3 Forecasts as of 2025/6/10	FY2026/3 Forecasts as of 2025/10/31	Compared to the forecasts as of 2025/6/10	
			Amount increase or decrease	Percent increase or decrease
Net sales	4,800.0	5,000.0	200.0	4.2%
Operating income	412.0	450.0	38.0	9.2%
Operating income to net sales ratio	8.6%	9.0%	0.4pt	-
Ordinary income	462.0	500.0	38.0	8.2%
Net income attributable to owners of parent	268.0	314.0	46.0	17.2%
Net income per share (yen)	179.73	225.52	45.79	25.5%
Exchange rate (yen) USD	135.00	145.58	10.58	7.8%

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

	FY2025/3 Results	FY2026/3 Forecasts as of 2025/10/31	Compared to the previous year	
			Amount increase or decrease	Percent increase or decrease
Net sales	5,095.6	5,000.0	-95.6	-1.9%
Operating income	490.0	450.0	-40.0	-8.2%
Operating income to net sales ratio	9.6%	9.0%	-0.6pt	-
Ordinary income	554.5	500.0	-54.5	-9.8%
Net income attributable to owners of parent	320.5	314.0	-6.5	-2.1%
Net income per share (yen)	205.73	225.52	19.79	9.6%
Exchange rate (yen) USD	152.48	145.58	-6.90	-4.5%

■ Impact of foreign exchange fluctuations

Net sales Down by some 13.0bn yen

Operating income Down by some 1.6bn yen

■ Foreign exchange sensitivity

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

Net sales By some 3.19bn yen

Operating income By some 0.28bn yen

■ Investments

Capital investments

Of which strategic
investments

Depreciation

R&D expenses

FY2025/3
Results

FY2026/3
Forecasts

53.52bn yen **86.00**bn yen

22.23bn yen **40.00**bn yen

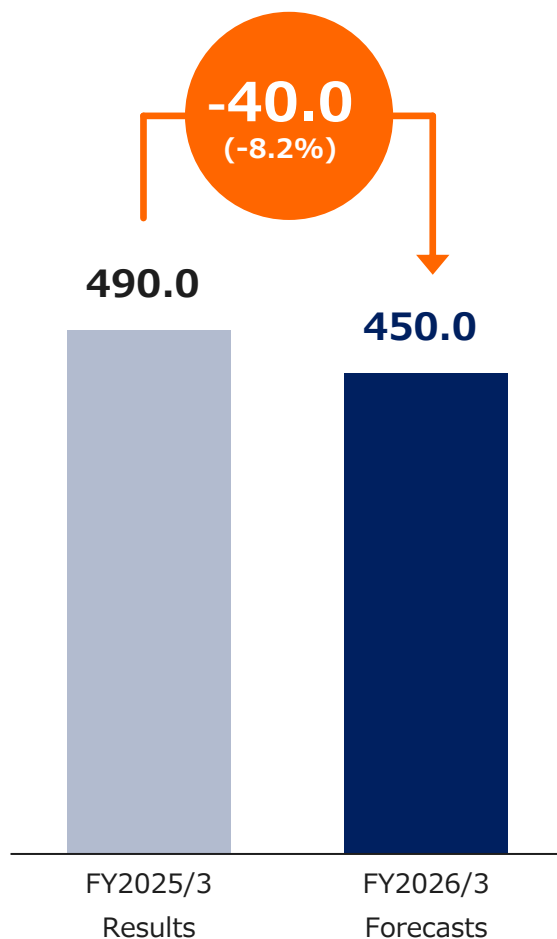
43.60bn yen **43.06**bn yen

22.77bn yen **25.68**bn yen

FY2026/3 Consolidated Business Forecasts factors affecting operating income [Year-over-year basis]

Operating income

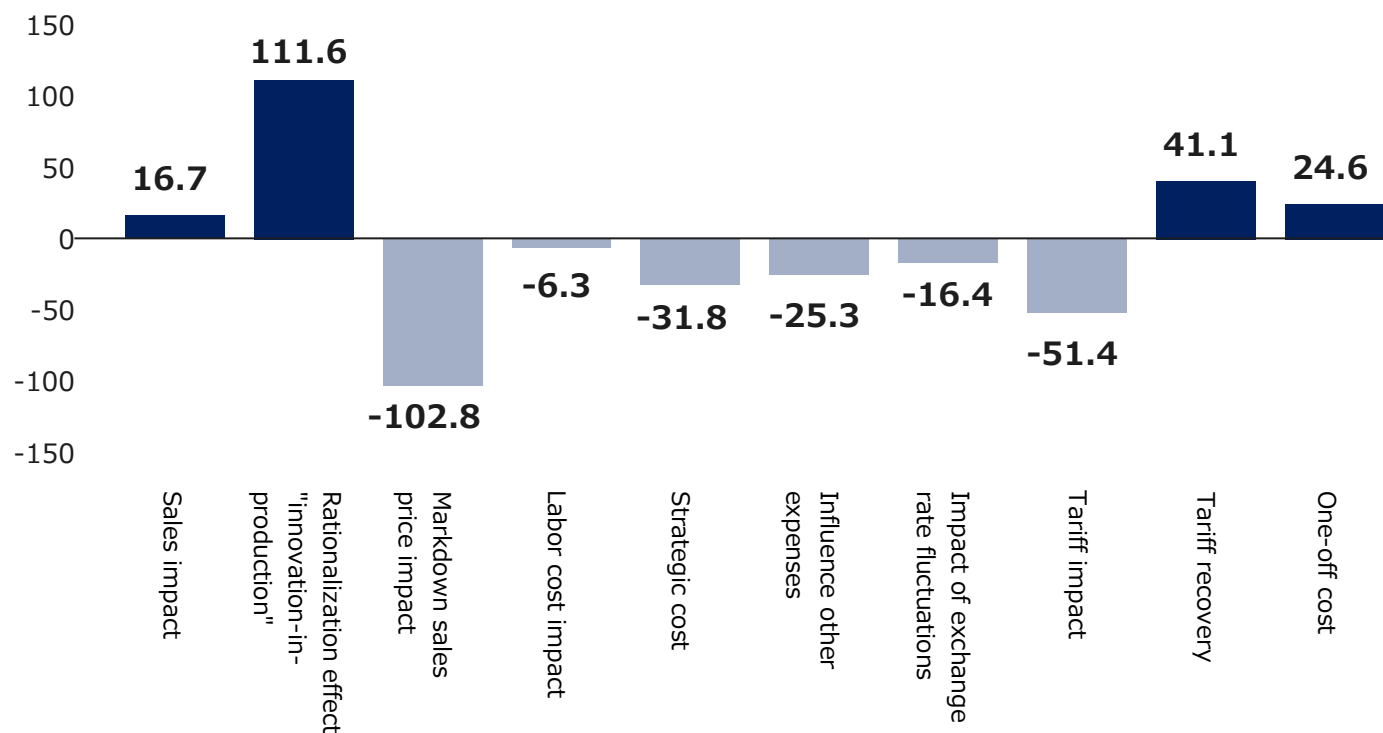
(Hundred million yen)
Amounts less than shown are rounded down



Working to minimize the impact of tariffs by changing production sites, cutting costs, and other means

Impact of operating income growth

(Hundred million yen)



Impact of operating income decrease

Decrease in total operating income effects

234.0

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

(Hundred million yen) Amounts less than shown are rounded down		FY2025/3 Results	FY2026/3 Forecasts as of 2025/6/10	FY2026/3 Forecasts as of 2025/10/31	Compared to the previous year		Compared to the forecasts as of 2025/6/10	
					Amount increase or decrease	Percent increase or decrease	Amount increase or decrease	Percent increase or decrease
Net sales	Automotive Equipment Business	4,401.3	4,040.0	4,290.0	-111.3	-2.5%	250.0	6.2%
	Electronic Component Business	370.6	410.0	403.0	32.3	8.7%	-7.0	-1.7%
	Applied Electronic Products Business	1,163.4	1,060.0	1,089.0	-74.4	-6.4%	29.0	2.7%
	Others	31.3	10.0	35.0	3.6	-	25.0	-
	Adjustment	-871.0	-720.0	-817.0	54.0	-	-97.0	-
	Total	5,095.6	4,800.0	5,000.0	-95.6	-1.9%	200.0	4.2%
Operating income	Automotive Equipment Business	469.6	360.0	457.0	-12.6	-2.7%	97.0	26.9%
	Operating income to net sales ratio	10.7%	8.9%	10.7%	0.0pt	-	1.7pt	-
	Electronic Component Business	24.9	52.0	50.0	25.0	100.4%	-2.0	-3.8%
	Operating income to net sales ratio	6.7%	12.7%	12.4%	5.6Pt	-	0.2pt	-
	Applied Electronic Products Business	88.1	98.0	98.0	9.8	11.2%	0.0	0.0%
	Operating income to net sales ratio	7.6%	9.2%	9.0%	1.4Pt	-	-0.2pt	-
	Others	0.6	1.0	1.5	0.8	-	0.5	-
	Adjustment	-93.3	-99.0	-156.5	-63.1	-	-57.5	-
	Total	490.0	412.0	450.0	-40.0	-8.2%	38.0	-9.2%
Operating income to net sales ratio	9.6%	8.6%	9.0%	-0.6pt	-	0.4pt	-	

FY2026/3 Forecasts of Information by geographical locations

The Americas have improved due to lower foreign exchange and US tariff impacts (vs. June forecasts). Asia-Pacific remain strong in motorcycles.

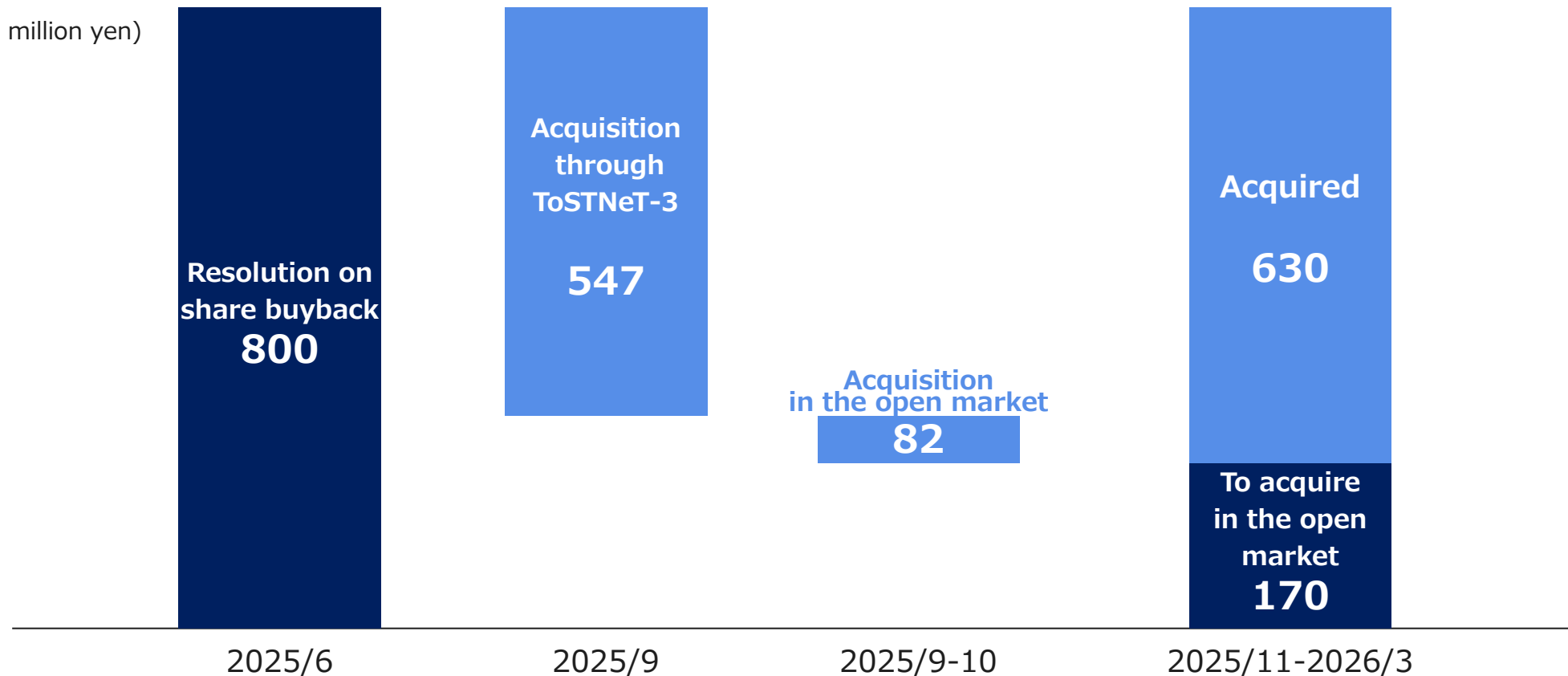
(Hundred million yen)
Amounts less than shown
are rounded down

		FY2025/3 Results	FY2026/3 Forecasts as of 2025/6/10	FY2026/3 Forecasts as of 2025/10/31	Compared to the previous year		Compared to the forecasts as of 2025/6/10	
					Amount increase or decrease	Percent increase or decrease	Amount increase or decrease	Percent increase or decrease
Net Sales	Japan	1,242.6	1,332.1	1,296.0	53.3	4.3%	-36.1	-2.7%
	The Americas	1,422.6	1,378.0	1,454.0	31.3	2.2%	75.9	5.5%
	Asia-Pacific	1,594.0	1,399.0	1,509.0	-85.0	-5.3%	109.9	7.9%
	China	762.1	616.9	638.0	-124.1	-16.3%	21.1	3.4%
	Europe	74.1	105.1	103.0	28.9	39.0%	-2.1	-2.1%
	Total	5,095.6	4,800.0	5,000.0	-95.6	-1.9%	200.0	4.2%
Operating Income	Japan	45.6	40.9	17.0	-28.6	-62.8%	-23.9	-58.5%
	Ratio(※)	3.7%	3.1%	1.3%	-2.4pt	-	2.8pt	-
	The Americas	97.4	47.4	82.0	-15.4	-15.8%	34.5	72.7%
	Ratio(※)	6.8%	3.4%	5.6%	-1.2pt	-	2.2pt	-
	Asia-Pacific	300.4	271.2	296.0	-4.4	-1.5%	24.7	9.1%
	Ratio(※)	18.8%	19.4%	19.6%	0.6pt	-	0.2pt	-
	China	72.5	72.4	69.0	-3.5	-4.9%	-3.4	-4.7%
	Ratio(※)	9.5%	11.7%	10.8%	1.3pt	-	-0.9pt	-
	Europe	-1.5	3.6	2.0	3.5	-	-1.6	-44.8%
	Ratio(※)	-2.1%	3.4%	1.9%	4.0pt	-	-1.5pt	-
	Total	490.0	412.0	450.0	-40.0	-8.2%	38.0	9.2%
	Ratio(※)	9.6%	8.6%	9.0%	-0.6pt	-	0.4pt	-

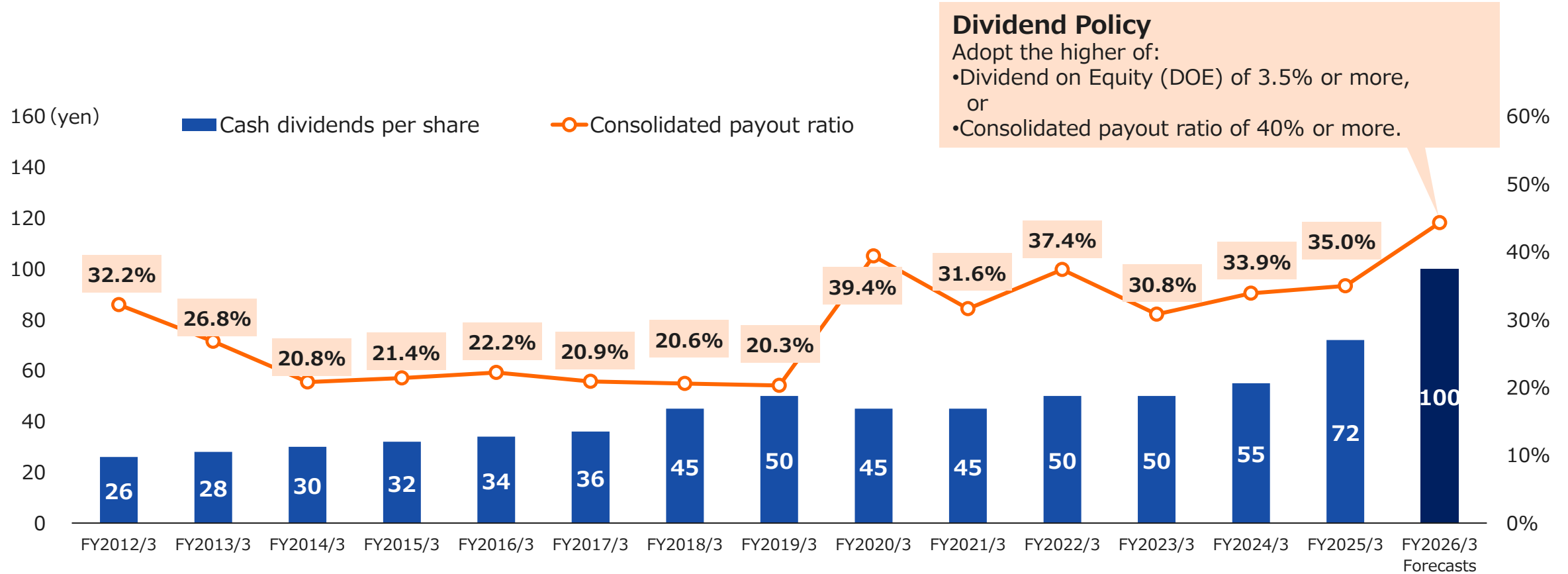
※:Operating income to net sales ratio

- Of the planned 80-billion-yen share buyback, we have completed acquisition worth 63 billion yen by October.
- We plan to acquire the remaining shares worth 17 billion yen in the open market by March 2026.

(Hundred million yen)

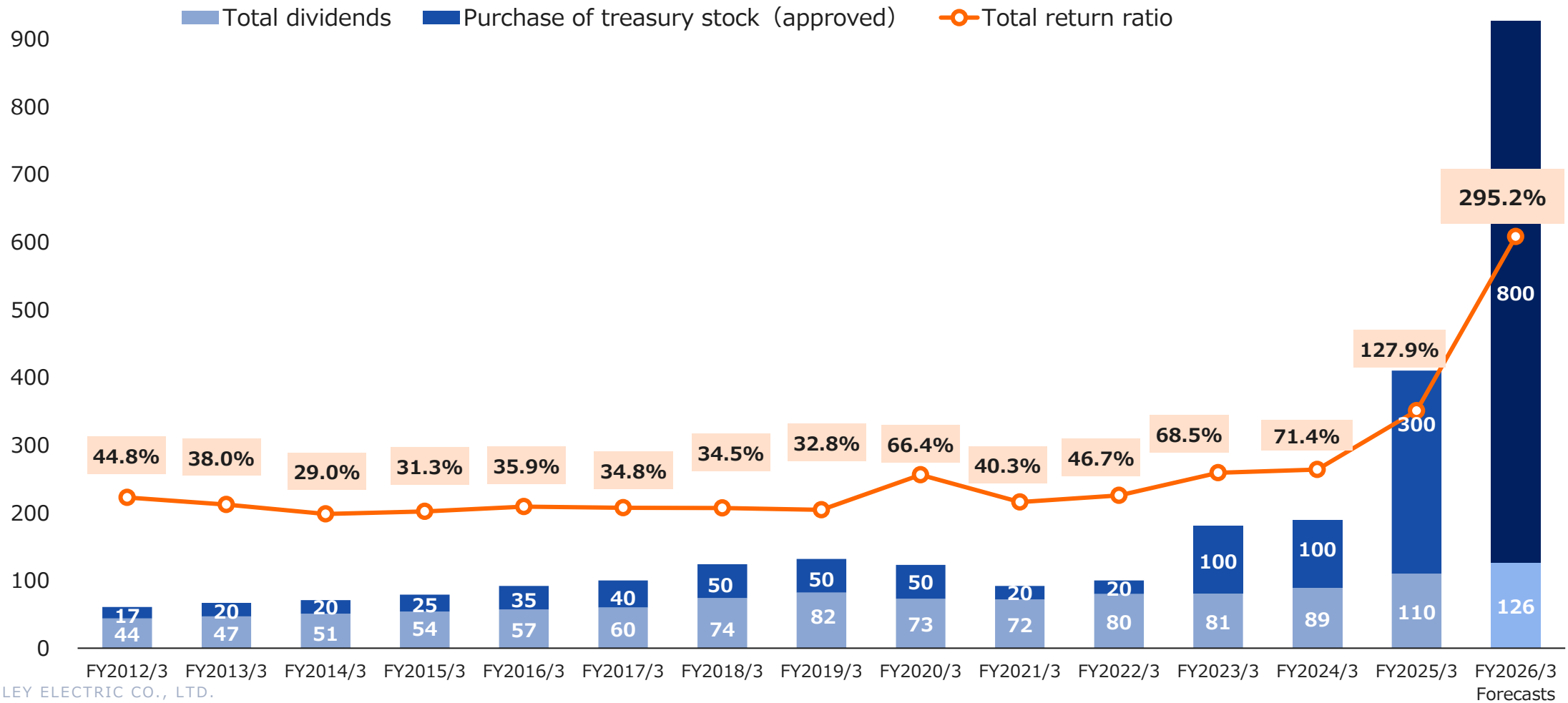


We revised our annual dividend forecasts upward to 100 yen per share (up 28 yen from the previous fiscal year), in line with our dividend policy.



(Hundred million yen)

1,000



	Average rate			
	1H of FY2025/3 Results	1H of FY2026/3 Results	FY2025/3 Results	FY2026/3 Forecasts
USD/Yen	152.26	146.16	152.48	145.58
EUR/Yen	165.65	168.74	163.57	169.33
Indonesia Rupiah/Yen	0.0096	0.0089	0.0095	0.0089
Vietnam 100 Dong/Yen	0.60	0.56	0.60	0.55
Thai Baht/Yen	4.30	4.48	4.39	4.49
Chinese Yuan/Yen	21.17	20.34	21.11	20.34

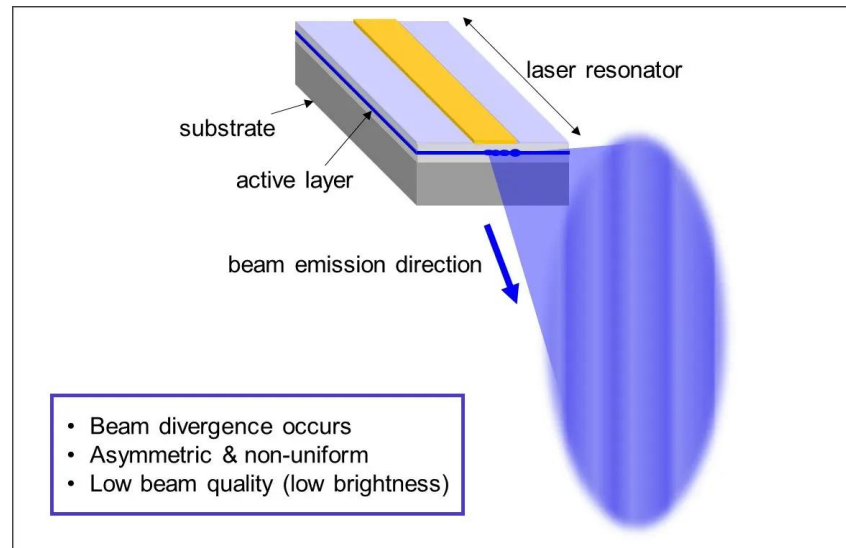


KYOTO UNIVERSITY

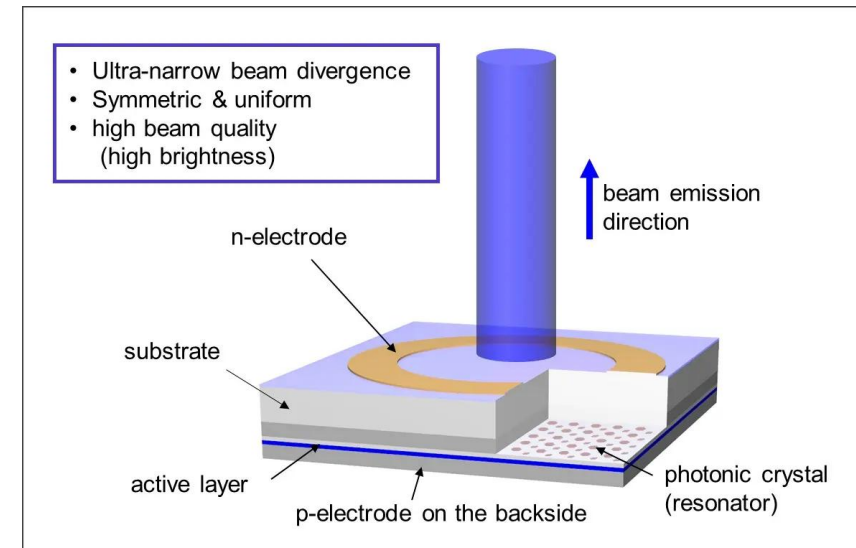


- Stanley Electric Co., Ltd. has been conducting joint research since 2024 with Kyoto University and Nichia Corporation to accelerate the social implementation of next-generation semiconductor lasers known as PCSELS*.
- Through optimization of a proprietary photonic crystal structure and electrode design, the joint team succeeded in generating a highly directional beam from a PCSEL device with an emission area of $\Phi 1$ mm.
- This opens new possibilities in various fields, including light sources for precision processing which have high optical absorption, and high-precision underwater sensing.

Conventional blue semiconductor laser



PCSEL photonic crystal structure



* PCSEL (Photonic Crystal Surface Emitting Laser)

A semiconductor laser invented in 1999 by Kyoto University's Noda Laboratory. PCSELS combine high output power, narrow beam divergence, and versatile functionality, making them a promising next-generation light source.

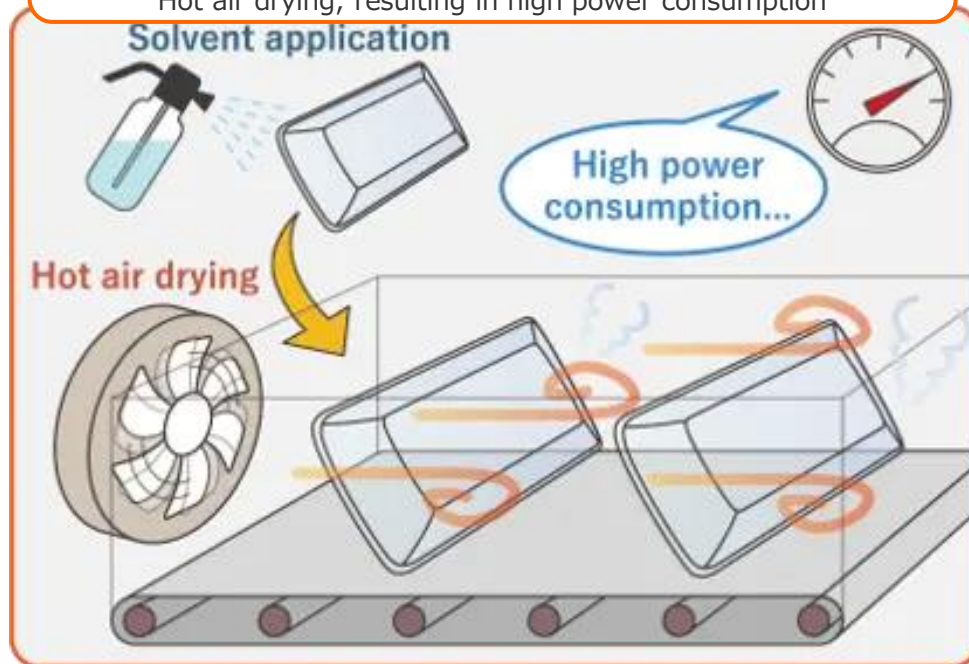


Stanley Electric Launches "ASTUV", Industry-First Coating Technology Brand

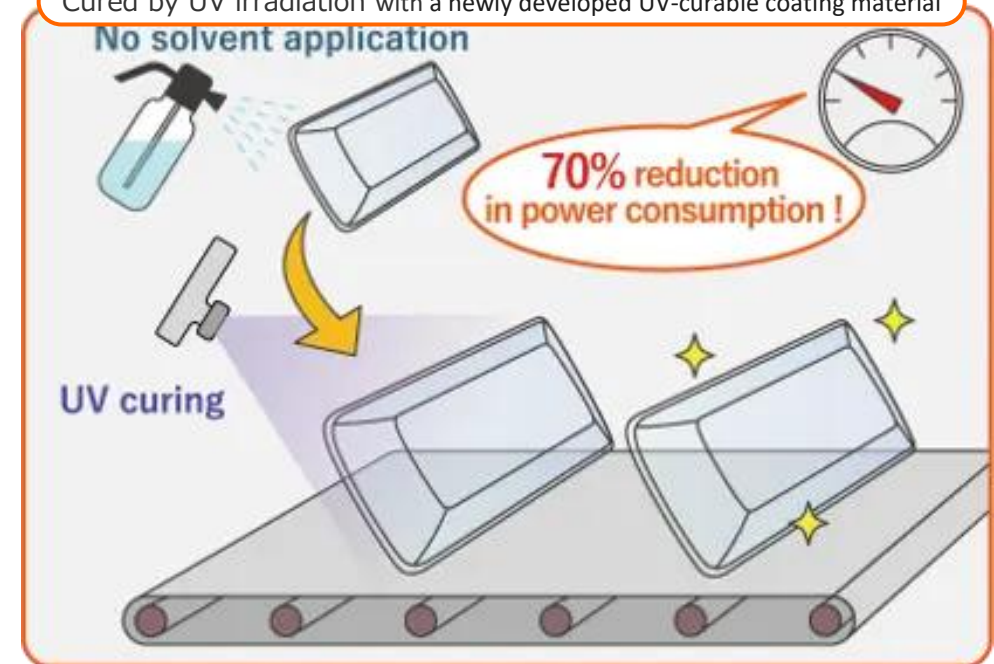
- Combines a newly developed UV-curable coating material with a manufacturing process that uses UV light.
- Energy consumption can be reduced by more than 70%.
*compared to FY2019 (coating processes)
- Prevent such streaking and maintaining long-term clarity by a UV-cured film.

Conventional Anti-Fog Coating

Hot air drying, resulting in high power consumption



Cured by UV irradiation with a newly developed UV-curable coating material



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This material has been filed with the Tokyo Stock Exchange for disclosure and is also available on our website.

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