INABA DENKI SANGYO CO.,LTD.

Financial Results for the FY2024

INABA

*** This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.**

Inaba Denki Sangyo Co., Ltd.
Tokyo Stock Exchange Prime: 9934

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I’m Kita, the President and Representative Director.

Thank you for attending this presentation.

I would like to explain Inaba Denki Sangyo Co., Ltd.’s “Financial Results for the Fiscal Year Ended March 31, 2025”.

Contents

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*Forward-looking statements such as forecasts, plans and targets are based on information currently available to the Group and on certain assumptions that the Group deems reasonable. Actual results may differ significantly from these forecasts due to various factors.

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First, I would like to give you an overview of our financial results for the fiscal year ended March 31, 2025, and Medium-Term Management Plan.

After that, I will explain the capital policy and earnings forecasts.

Consolidated Statements of Income

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(Millions of yen)

	FY23	% of Net sales	FY24	% of Net sales	YoY change amount	YoY change %
Net sales	**345,369**	**100%**	**384,012**	**100%**	**38,643**	**11.2%**
Gross profit	57,053	16.5%	**65,086**	16.9%	8,033	14.1%
SG&A	35,730		**39,529**		3,799	10.6%
Operating profit	**21,322**	**6.2%**	**25,556**	**6.7%**	**4,233**	**19.9%**
Non-operating income and expenses	1,266		**1,141**		(124)	(9.9%)
Ordinary profit	**22,589**	**6.5%**	**26,698**	**7.0%**	**4,109**	**18.2%**
Extraordinary income and losses	343		**(43)**		(386)	-
Profit before income taxes	22,932	6.6%	**26,654**	6.9%	3,722	16.2%
Profit attributable to owners of parent	**15,623**	**4.5%**	**18,783**	**4.9%**	**3,160**	**20.2%**

*As a general rule, figures in this document are rounded down to the nearest unit, and percentages and percentage changes are rounded off.
If the rate of change exceeds 1,000%, or if one or both of the comparison targets are negative, this is indicated with "-".

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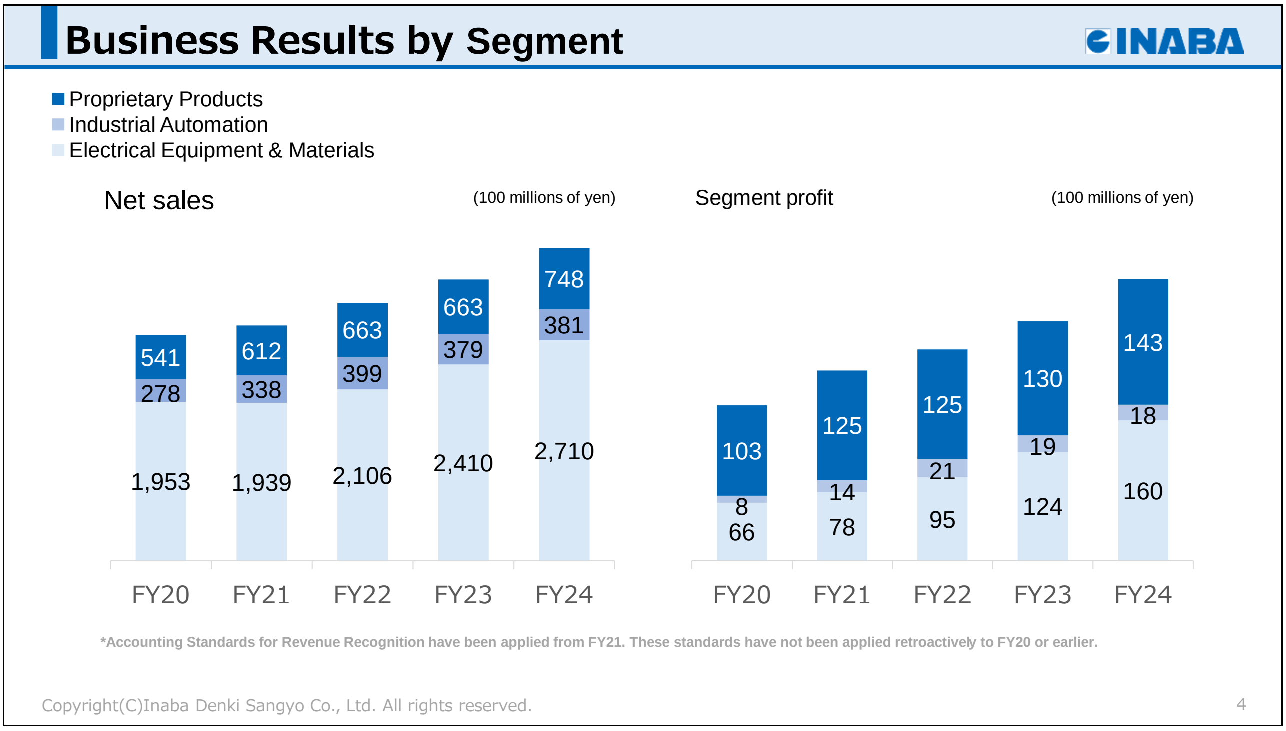
The slide shows the consolidated statements of income.

Net sales increased 11.2% year on year to ¥ 384.012 billion.
Gross profit increased 14.1% to ¥ 65.086 billion, and the gross profit rate rose 0.4 percentage points to 16.9%.

Despite increases in personnel expenses and freight charges, operating profit increased 19.9% to ¥25.556 billion.

Ordinary profit increased 18.2% to ¥26.698 billion.
Profit attributable to owners of parent increased by 20.2% to ¥18.783 billion, due in part to the application of a tax system to promote wage increases.

As a result, we achieved record results for the fourth consecutive year (excluding the impact of changes in accounting standards).



This slide shows the performance trends of each segment.

There are three main segments: Electrical Equipment & Materials and Industrial Automation in the Trading Companies division, and Proprietary Products in the Manufacturing division.

As you can see, our trading company division account for a large portion of our sales while our manufacturing division "Proprietary Products" segment is the main pillar of our profit structure.

Next, I will explain the performance of each segment.

Electrical Equipment & Materials

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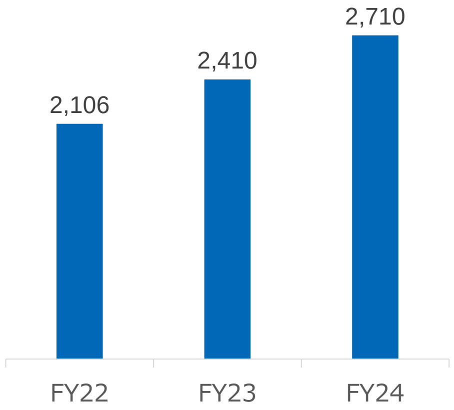
Net sales

(100 millions of yen)



Net sales +12.4% YoY

Net sales increased as selling prices continued to increase due to soaring distribution costs and raw materials prices.
By product category, the sharp rise in copper prices contributed significantly to sales of electric wire cables. In addition, disaster prevention equipment and power distribution equipment were delivered to large-scale projects such as redevelopment projects in metropolitan areas, the replacement of manufacturing facilities and data centers.

Reference index

	YoY	
	FY23	FY24
Floor area of non-residential private buildings	**(10.3%)**	**(10.5%)**
Number of new housing starts	**(7.0%)**	**+2.0%**

Source: Ministry of Land, Infrastructure, Transport and Tourism

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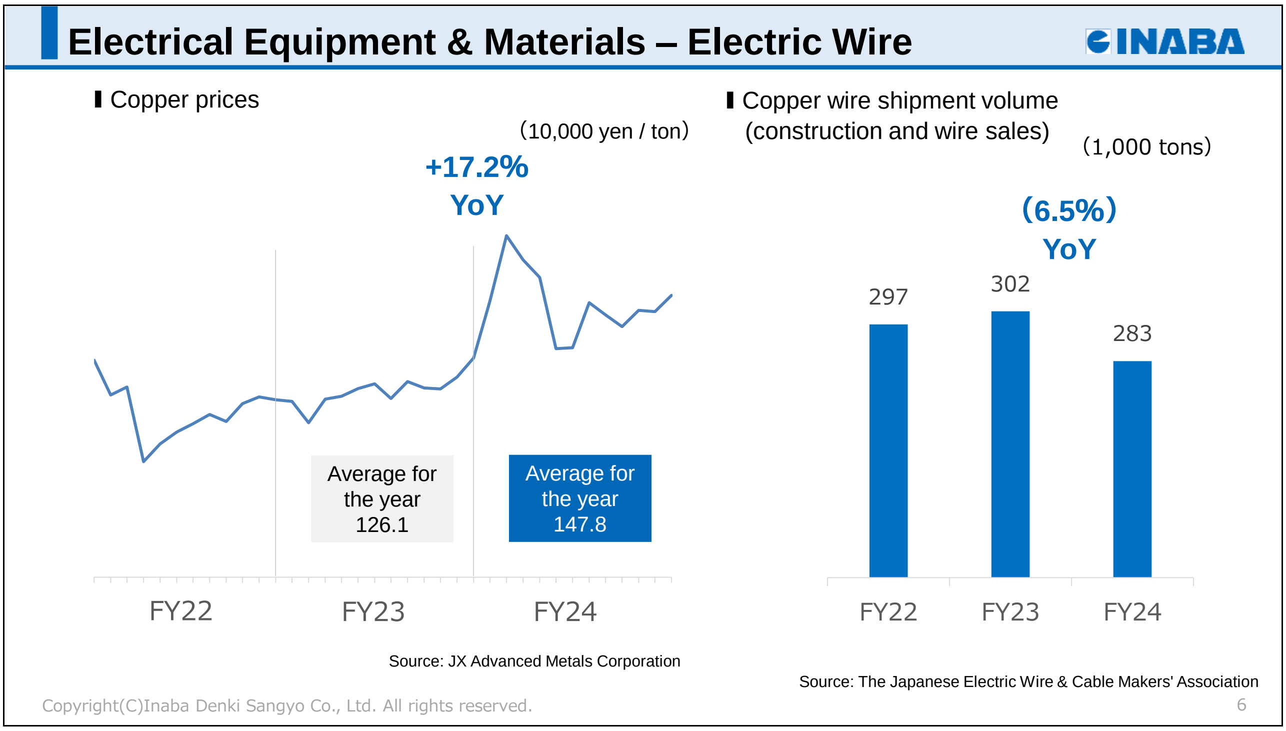
First, I would like to explain the performance of Electrical Equipment & Materials.
Electrical Equipment & Materials sells equipment such as electric wire cables, lighting, and power distribution equipment to office buildings, commercial facilities, logistics center, factories, and residences.

Net sales increased 12.4% year on year to ¥ 271.0 billion.
Selling prices for electrical construction materials in general continued to rise due to soaring distribution costs and raw materials prices.

By product category, the sharp rise in copper prices contributed significantly to sales of electric wire cables. In addition, sales increased as disaster prevention equipment and power distribution equipment were delivered to large-scale projects such as the redevelopment projects in metropolitan areas, the replacement of manufacturing facilities and data centers.



This slide shows the copper market situation for wire.

The line graph on the left shows the domestic price of copper.
The bar graph on the right shows the trend of copper wire shipment volume in the construction and wire sales industry.

Copper prices rose by 17.2% year on year, while shipments of wire for the construction and wire sales industry decreased by 6.5% year on year.

Sales volume exceeded the industry average due to the optimization of selling prices, inventory measures, and sales efforts, and wire sales increased by approximately 10% year on year.

Industrial Automation

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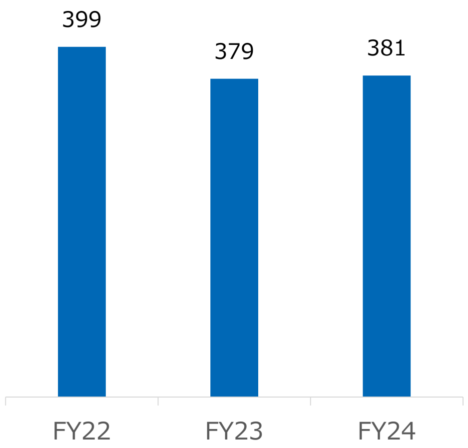
Net sales (100 millions of yen)



Net sales +0.5% YoY

In the manufacturing industry, capital investment remained firm backed by demand for labor-saving and automation due to labor shortages. In addition, the impact of inventory adjustments related to semiconductors has become smaller, and from the third quarter, sales of control equipment increased returning to a growth trend.
As a result, net sales were unchanged from the previous year.

Reference index

	YoY FY23	YoY FY24
Electrical control equipment domestic shipment value	**(9.2%)**	**(13.2%)**
Electronic components and devices production results	**(2.3%)**	**+8.5%** (February cumulative total)

Source: Nippon Electric Control Equipment Industries Association
Japan Electronics and Information Technology Industries Association

Next, I would like to explain the performance of Industrial Automation.

Industrial Automation, which handles control equipment and electronic components, is affected by trends in capital investments in Japan.

Net sales increased 0.5% year on year to ¥38.1 billion.

Capital investment in the manufacturing industry remained firm backed by demand for labor saving and automation due to labor shortages.

Also, as the impact of inventory adjustments related to semiconductors has become smaller, sales of control equipment picked up from the third quarter and turned to an upward trend.

Proprietary Products

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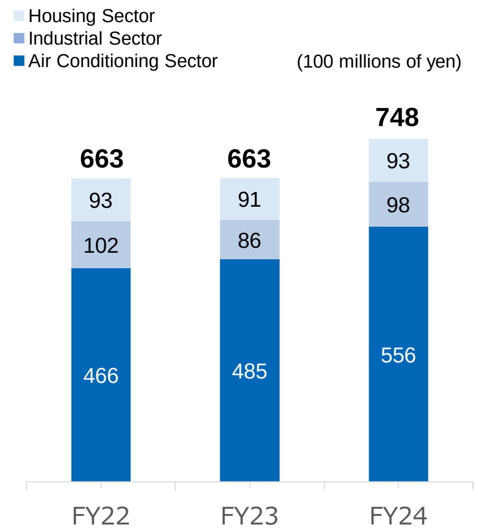
Net sales +12.8% YoY



Air Conditioning Sector INABA DENKO

Net sales +14.6% YoY

The primary source of revenue that accounted for more than 70% in the Proprietary Products

Reference index

	YoY FY23	YoY FY24
Room air conditioning systems domestic shipments	(4.0%)	+7.3%

Source: The Japan Refrigeration and Air Conditioning Industry Association

Industrial Sector PATLITE®

Net sales +13.1% YoY

Sales of signal beacons and in-vehicle equipment recovered in Japan and overseas

Housing Sector Abaniact

Net sales +2.7% YoY

Increased sales of information wiring systems and other proprietary products

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Next, I would like to explain the performance of Proprietary Products.

Proprietary Products consists of 3 brands.
“INABA DENKO” in the air conditioning sector,
“Abaniact” in the housing sector,
and “PATLITE” in the industrial sector.

Net sales increased 12.8% year on year to ¥ 74.8 billion.

By sector, sales in the air conditioning sector increased 14.6% year on year to ¥ 55.6 billion. Against the backdrop of rising production and distribution-related costs, including raw materials prices, we implemented price revisions for air conditioning parts and materials. In addition, sales of mainstay products such as insulated copper tube/pipe and decorative covers for air conditioning piping the “SLIMDUCT Series” were strong due to an in increase the number of room air conditioning systems shipped.

Net sales in the industrial sector increased 13.1% year on year to ¥9.8 billion.
Sales of signal beacons and in-vehicle equipment recovered in Japan and overseas, resulting in an increase in net sales.

Net sales in the housing sector increased 2.7% year on year to ¥9.3 billion.
Sales increased due to increased sales of information wiring systems and other proprietary products.

We are working to further strengthen our development functions and develop new products that will become a new pillar of earnings to change our sales currently focused on the air conditioning sector.

Non-operating Income and Expenses

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(Millions of yen)

	FY23	FY24	YoY change amount	YoY change %
Dividend income	581	694	113	19.5%
Foreign exchange gains	394	35	(359)	(91.1%)
Other	396	518	121	30.6%
Non-operating income (A)	**1,372**	**1,248**	**(124)**	**(9.0%)**
Interest expenses	18	19	0	4.3%
Other	87	87	(0)	(0.2%)
Non-operating expenses (B)	**106**	**106**	**0**	**0.6%**
Non-operating income and expenses (A – B)	**1,266**	**1,141**	**(124)**	**(9.9%)**

Next, I would like to explain our non-operating income and expenses.

In non-operating income, there was a year-on-year decrease of ¥124 million due to a decrease in foreign exchange gains, and non-operating expenses remained unchanged.

As a result, we recorded net non-operating income of ¥1,141 million.

Extraordinary Income and Losses

INABA

(Millions of yen)

	FY23	FY24	YoY change amount	YoY change %
Gain on sale of investment securities	339	188	(150)	(44.3%)
Gain on sale of non-current assets	7	3	(4)	(57.2%)
Extraordinary income (A)	**346**	**192**	**(154)**	**(44.6%)**
Loss on retirement of non-current assets	3	27	23	635.6%
Other	0	208	208	-
Extraordinary losses (B)	**3**	**235**	**232**	**-**
Extraordinary income and losses (A－B)	**343**	**(43)**	**(386)**	**-**

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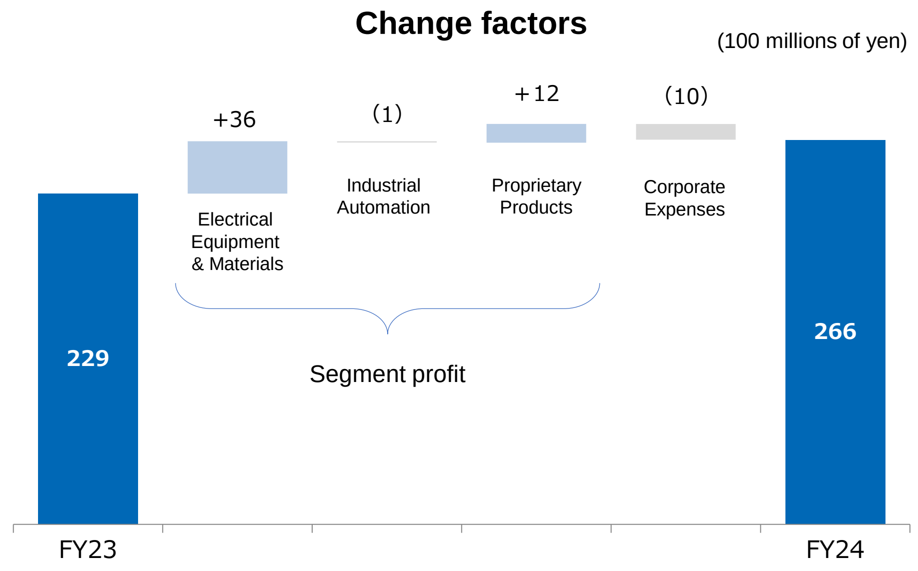
In extraordinary income and losses, extraordinary income decreased by ¥154 million due to a decrease in gain on sale of investment securities, despite the sale of a portion of our cross-shareholdings as in the previous fiscal year.

An impairment loss was recorded on assets to be sold in Proprietary Products, resulting in an increase of ¥232 million in extraordinary losses.

As a result, we recorded net extraordinary losses of ¥43 million.

Profit Before Income Taxes



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We use "profit before income taxes" as a profit indicator for management accounting purposes.

Profit before income taxes for the fiscal year under review increased by ¥3.7 billion year on year.

The increase in profits was due to strong sales in Electrical Equipment & Materials and Proprietary Products.

On the other hand, Industrial Automation recorded a decline in profit for the full year, although it showed an upward trend from the third quarter.

Corporate expenses increased due to an increase in provisions in the performance-linked bonuses and a decrease in foreign exchange gains.

Consolidated Balance Sheets

INABA

(Millions of yen)

	FY23	Composition ratio	FY24	Composition ratio	YoY change amount	YoY change %
Current assets	205,561	78%	215,720	77%	10,159	4.9%
Non-current assets	57,249	22%	63,262	23%	6,013	10.5%
Total assets	**262,811**		**278,983**		**16,172**	**6.2%**
Current liabilities	94,515	36%	100,190	36%	5,674	6.0%
Non-Current liabilities	6,025	2%	5,769	2%	(255)	(4.2%)
Total liabilities	**100,541**	**38%**	**105,959**	**38%**	**5,418**	**5.4%**
Total net assets	**162,269**	**62%**	**173,023**	**62%**	**10,753**	**6.6%**

Here is our “Consolidated balance sheet.”

The increase in current assets was mainly due to increases in cash and deposits and securities. The increase in current liabilities was mainly due to an increase in trade payables.

The equity ratio rose 0.3 percentage points to 61.8%.

Consolidated Statements of Cash Flows

INABA

(Millions of yen)

	FY23	FY24	YoY change amount
Cash flows from operating activities	15,097	23,279	8,182
Cash flows from investing activities	(577)	(10,455)	(9,877)
Cash flows from financing activities	(7,043)	(8,371)	(1,327)
Effect of exchange rate changes on cash and cash equivalents	138	113	(24)
Net increase (decrease) in cash and cash equivalents	7,613	4,566	(3,047)
Cash and cash equivalents at the end of the period	**61,495**	**66,062**	**4,566**

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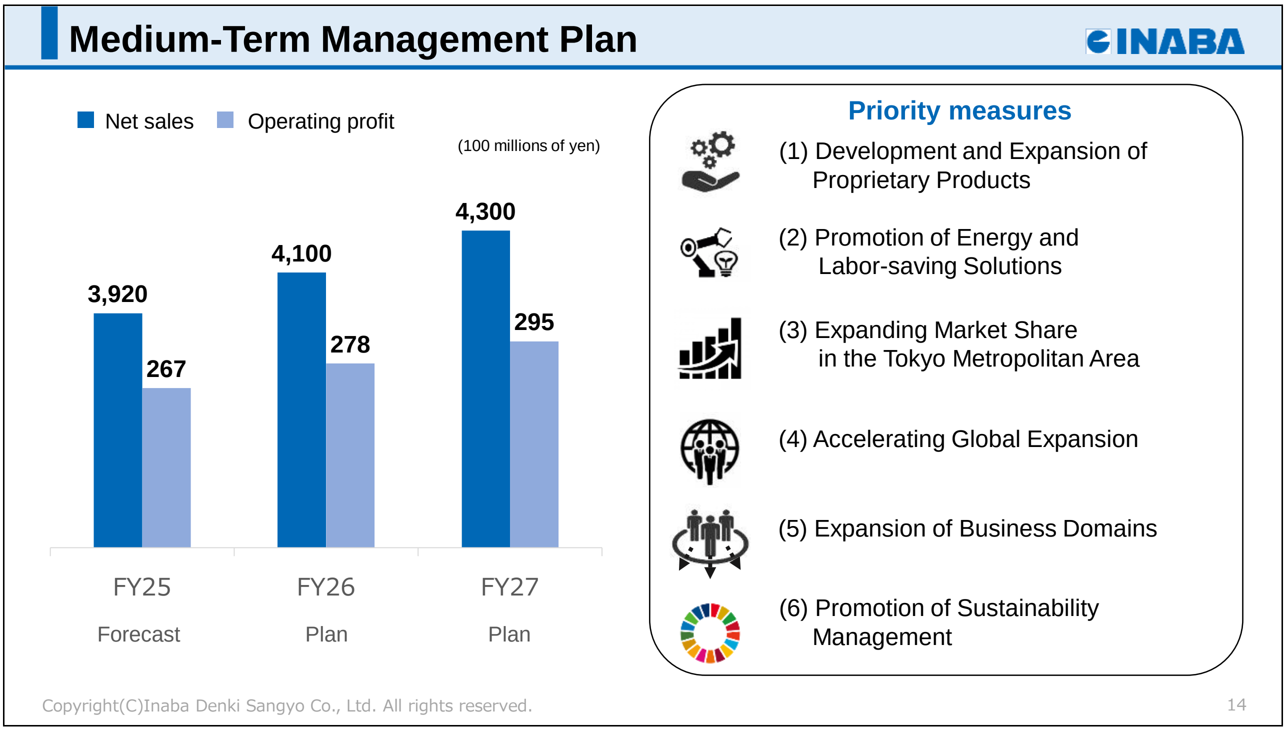
Next is the "Consolidated Statements of Cash Flows."

Cash flows from operating activities recorded a cash inflow of ¥23.2 billion.
This is a year-on-year increase of ¥8.1 billion due to a reduction in the increase in trade receivables, an increase in profit before income taxes, and an increase in trade payables.

Cash flows from investing activities recorded a cash outflow of ¥10.4 billion.
This was mainly due to the inflow and outflow of time deposits and the acquisition of intangible assets.

Cash flows from financing activities recorded a cash outflow of ¥8.3 billion.
This was mainly due to dividend payments and acquisition of treasury shares.

As a result, cash and cash equivalents at the end of the period increased by ¥4.5 billion year on year to ¥66.0 billion.



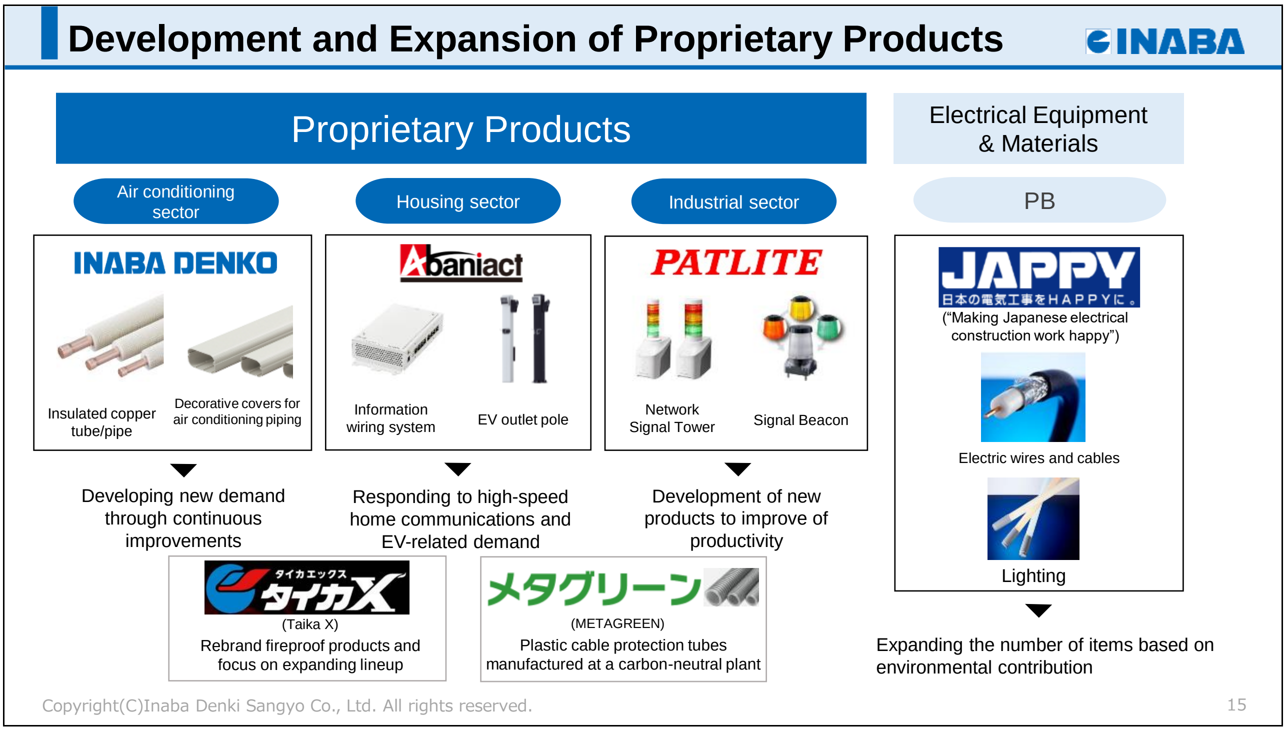
Next, I will explain the Medium-Term Management Plan.

We review the numerical targets for the next three years by rolling them each fiscal year according to changes in the business environment and the degree of achievement of the plan.

Our targets for fiscal 2026 are ¥410 billion in net sales and ¥27.8 billion in operating profit, and our targets for fiscal 2027 are ¥430 billion in net sales and ¥29.5 billion in operating profit.

In order to achieve the goals of the Medium-Term Management Plan, we will steadily implement six priority measures.

I will then explain each of the measures in turn.



First, I would like to talk about "Development and Expansion of Proprietary Products."

We develop proprietary products in the air conditioning, housing and industrial fields while engaging in wholesale sales of electrical construction materials and industrial equipment and propose original solutions as a "technology trading company."

At "INABA DENKO," we continue to improve our insulated copper tube/pipe and decorative covers for air conditioning piping, which are widely recognized in the industry, and strive to discover new demands.

In "Abaniact," we are developing products to meet customer needs, such as information wiring systems for high-speed, high-capacity communications at home and electric vehicle outlet poles that are highly versatile and easy to install.

In "PATLITE," we are developing new products centered on network products in order to contribute to productivity improvement, which is an issue for the manufacturing industry.

In addition, we are continuing to take on challenges for growth, such as rebranding our fire compartment penetrating parts as "Taika X" to increase brand recognition and developing "METAGREEN" plastic cable protection pipes manufactured at a carbon-neutral plant.

In "JAPPY," our private brand of electrical construction materials, we are working with manufacturers who support the philosophy of "making Japanese electrical construction work HAPPY" to expand the number of items, focusing on environmental and social contributions.

Development and Expansion of Proprietary Products

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Construction of a new "Innovation Center" decided

Accelerated growth in the Proprietary Products Business

Promotion of innovation

Strengthen recruitment and human capital development capabilities

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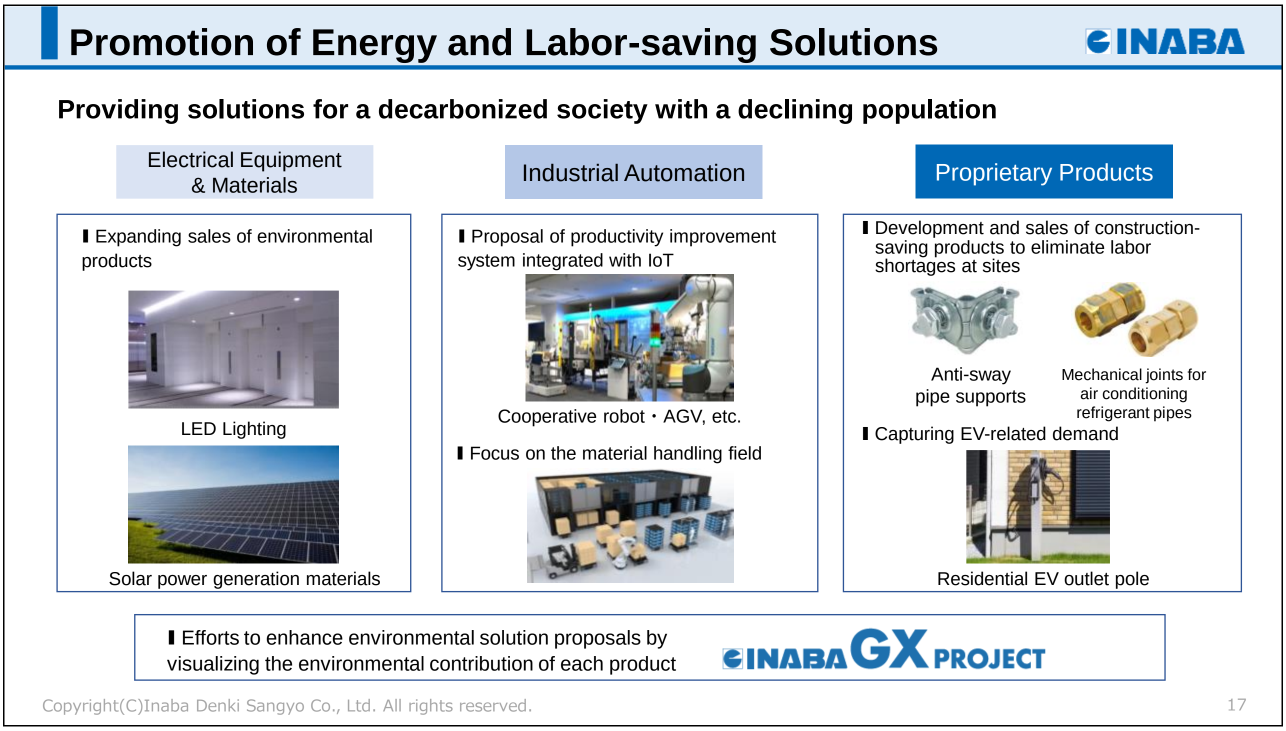
In addition, with the aim of further creating value as a technology trading company, we recently announced the construction of an R&D facility "Innovation Center" in Higashiosaka City. Construction is scheduled to be completed in the summer of 2027.

By expanding the R&D space, we will be able to increase the number of employees and introduce facilities for research in new fields. In addition, we will be able to speed up product development by consolidating our technologies in this facility and creating an atmosphere where we can carry out everything from R&D to verification and construction of a production system.

As an advanced sustainable building, we will create a well-being space to strengthen human capital recruiting and raise employee motivation. We will also establish a large-scale seminar room in the facility, which will be used as a training base for the entire company.
We will promote the growth of human capital through the creation of learning opportunities such as cross-functional training and industry-academia collaboration projects, and lead to further strengthening of the INABA brand.



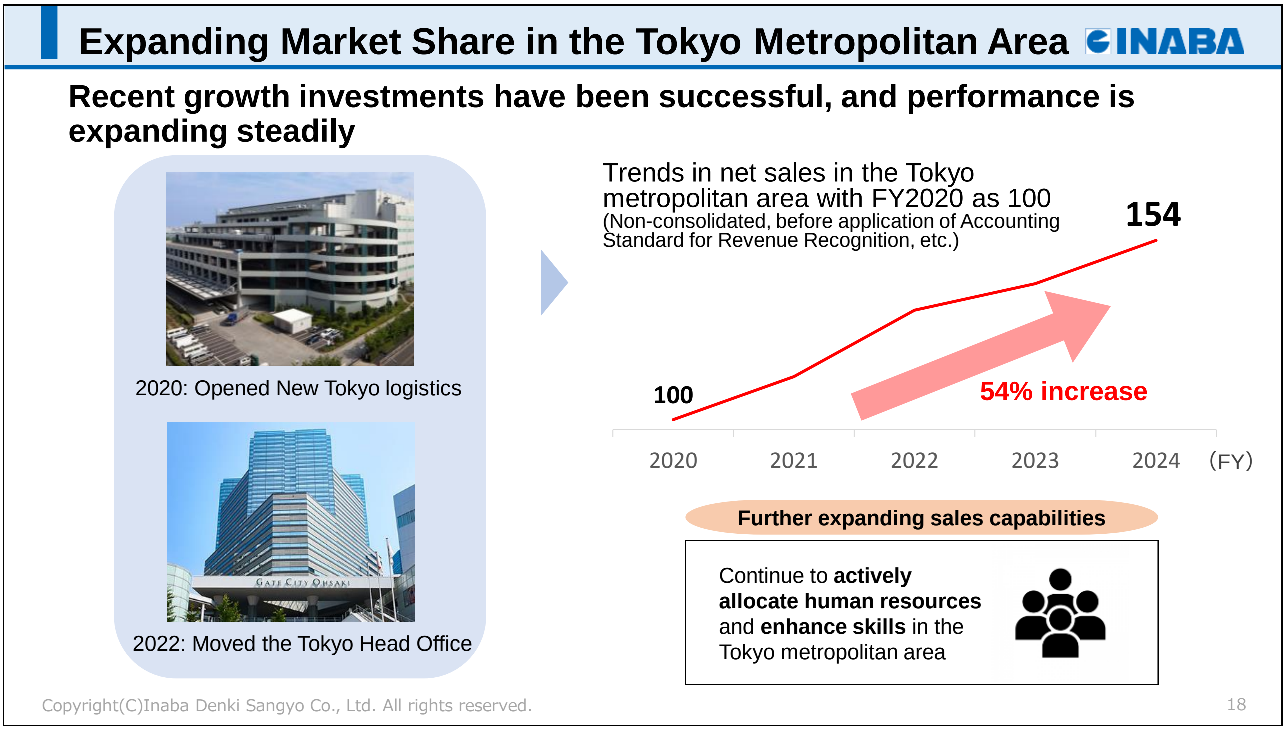
The second goal is the "Promotion of Energy and Labor-saving Solutions."

As global efforts to achieve "carbon neutrality by 2050" are expected to progress further in the future, we will focus more than ever on energy-saving and labor-saving solutions to capture the opportunity to promote them.

In addition to expanding sales of LED lighting and solar power generation materials, we are also collecting and classifying environmental product information. By creating a framework that visualizes the environmental contribution of each product, we aim to increase momentum for aggressive promotion and the discovery of new products, and to strengthen environmental solutions proposals involving the supply chain.

As a labor-saving solution, we provide consulting services that integrate mechatronics equipment and IoT. We are also developing labor-saving products to meet the needs of construction sites. Through these activities, we are helping to improve operational efficiency in the distribution and construction industries, where labor shortages are a serious problem.

We will continue to make company-wide efforts to provide solutions to resolve social issues.



The third goal is “Expanding Market Share in the Tokyo Metropolitan Area.”

As we have been developing our business based in the Kansai region, Western Japan accounts for approximately 60% of our total sales.

In recent years, we have made a series of investments aimed at growth, including the opening of a large-scale distribution base in 2020 and relocation of the Tokyo Head Office in 2022, to enhance our sales capabilities in the Tokyo metropolitan area. As a result, the sales growth rate in the Tokyo metropolitan area exceeded that of other regions, and we are seeing good results.

At the same time, the market size in the Tokyo metropolitan area is estimated to be approximately 2.5 times that of the Kansai region, and redevelopment projects are expected to continue to be active, mainly in the Tokyo area.

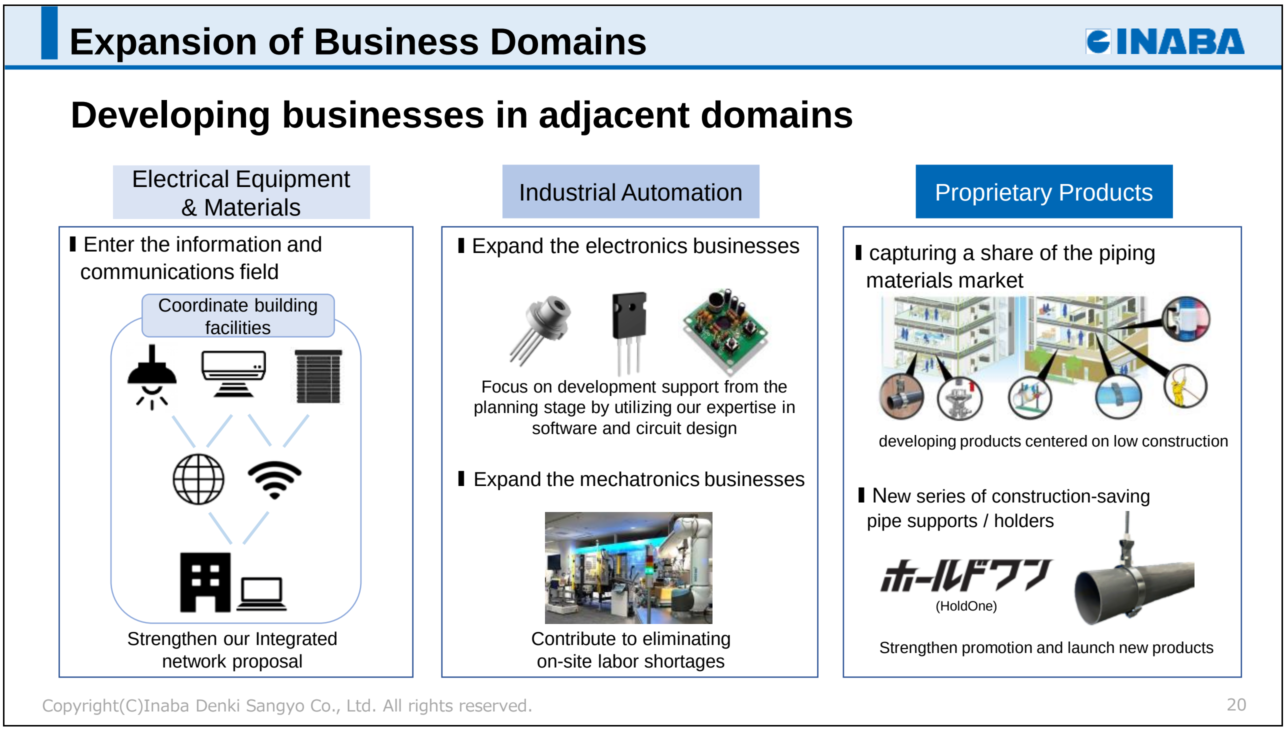
In order to further expand business, we will strive to further increase our market share in the Tokyo metropolitan area by “actively allocating personnel and enhancing skills” in the area.

The fourth goal is “Accelerating Global Expansion.”

At INABA DENKO in the air conditioning sector, the U.S. subsidiary began operations in January 2023 and has continued to expand steadily. A local warehouse was put into operation last year, enabling us to shorten delivery lead times and handle small-lot shipments, thereby increasing our competitiveness. We are currently working to eliminate blank sales areas using local distributors to achieve further growth.

In Europe, the climate of the air conditioning market has changed significantly due to the policies to phase out the use of fossil fuels, and we expect significant business opportunities. We are making steady progress in complying with local standards and have started to develop localized products with color schemes that fit local housing styles. However, sales in Europe are concentrated in northern regions such as the United Kingdom and Northern Europe, and we intend to focus on developing the Central European market for further expansion.

The subsidiary PATLITE operates in nine countries, including the U.S., and is working to expand its operations by developing product areas that meet local needs and strengthening its distribution system.



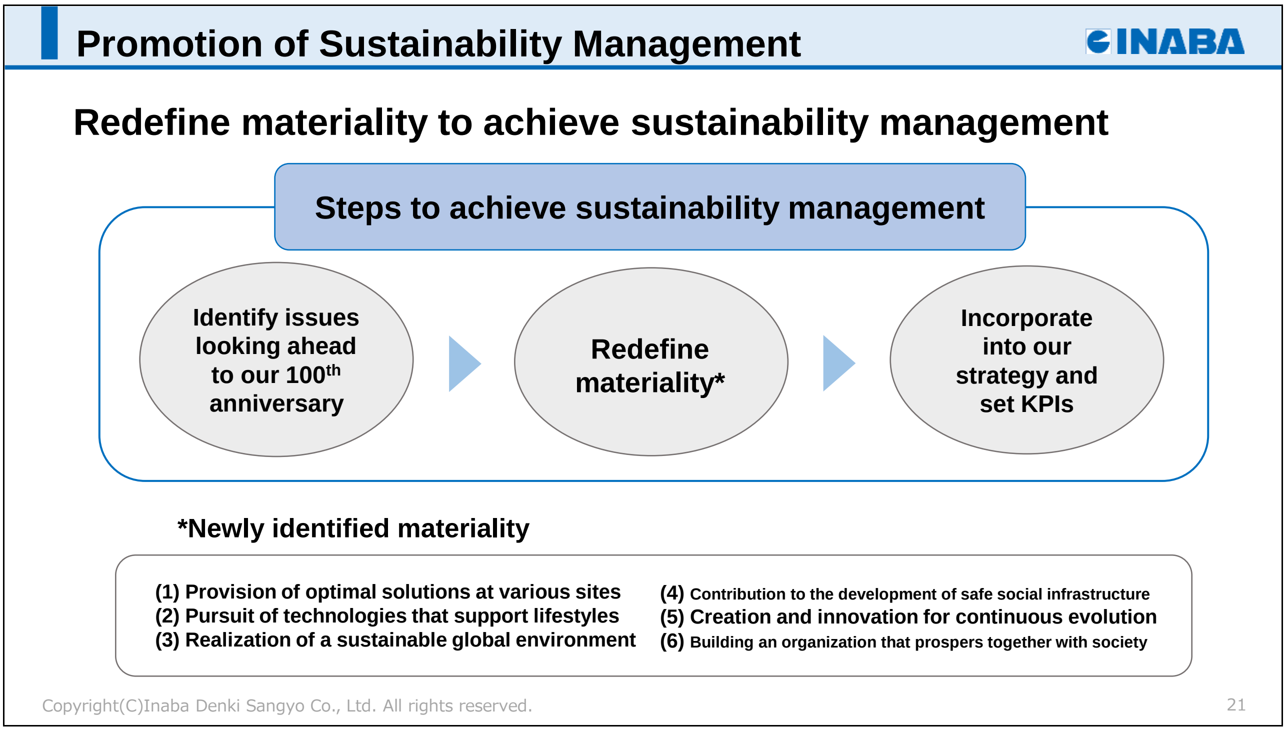
Our fifth goal is “Expansion of Business Domains.” In recent years, we have been taking on the challenge of expanding our existing businesses into adjacent areas.

In Electrical Equipment & Materials, we are focusing on entering the information and communications field. In particular, we are working on the proposal of an “integrated network” that realizes efficient and comfortable office environments by linking air conditioning and lighting in buildings through communications. In addition, in order to respond to the increase in demand for the engineering business in recent years, we have reorganized the structure of the department in charge from this fiscal year and are promoting the strengthening of construction response capabilities.

In Industrial Automation, we are working to expand our electronics and mechatronics businesses. While focusing on acquiring external human capital and strengthening technological capabilities, we are strengthening sales activities to support development from the planning stage by utilizing our knowledge of software and circuit designs.

In Proprietary Products, the Group is working to expand its lineup and develop products centered on low construction with the aim of capturing a share of the piping materials market and establishing the INABA brand.

In the future, we will seek to expand our scope of businesses through M&A on the premise that we can expect synergies with our existing businesses.



The sixth goal is “Promotion of Sustainability Management.”

The Company has established the “Sustainability Committee” as an advisory body to the Board of Directors and the “Sustainability Promotion Meeting” consisting mainly of business leaders and is working together to respond to climate changes and promote human-capital management. In fiscal 2024, discussions were held on the theme of “Redefining Materiality” with a view to achieving sustainability management.

In addition to identifying issues that need to be addressed in anticipation of the 100th anniversary in 2038, we identified new materiality by identifying priority themes from the perspectives of “environmental, social, and economic impact” and “impact on the Company's sustainable growth.”

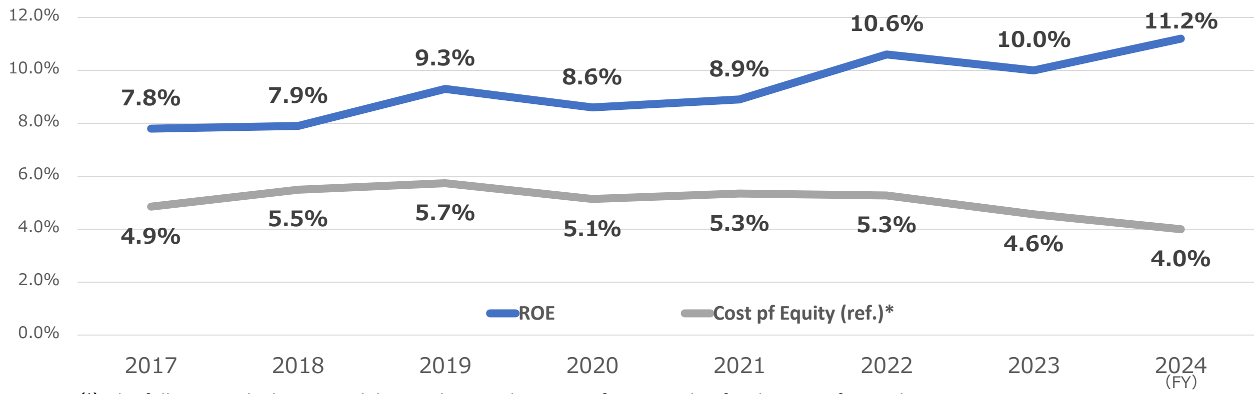
The 6 identified materialities are as follows.
[Provision of optimal solutions at various sites]
[Pursuit of technologies that support lifestyles]
[Realization of a sustainable global environment]
[Contribution to the development of safe social infrastructure]
[Creation and innovation for continuous evolution]
[Building an organization that prospers together with society]

We will further contribute to the realization of a sustainable society by incorporating them into the business strategies of each division.

Capital Policy-1

Current Status of Capital Profitability

We recognize that profitability is exceeding the cost of capital.



(*) The following calculation model is used as an objective reference value for the cost of capital.

[A] Risk-free rate: 10-year JGB yield
[B] Beta: Calculated based on TOPIX over 5 years (0.44 to 0.93)
[C] Market Risk Premium: 5.9% to 6.4%

Cost of Equity (reference value)
= A + B x C

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I will now explain our capital policy.
We are analyzing the current situation of the Company to realize management that is conscious of the cost of capital and the share price.

The graph shows our ROE and shareholders' equity costs, which are assumed to be reference values.

During the eight years from fiscal 2017 to fiscal 2024, ROE has been in the range of 7% to 11%, and we recognize that our profitability has exceeded shareholders' equity costs.

Capital Policy-2

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Cash Allocation (FY25 to FY27)

Revised based on the rolling Medium-Term Management Plan

→ While maintaining proactive shareholder returns, set a maximum business investment total of **about ¥30 billion** for the three fiscal years ending March 31, 2028

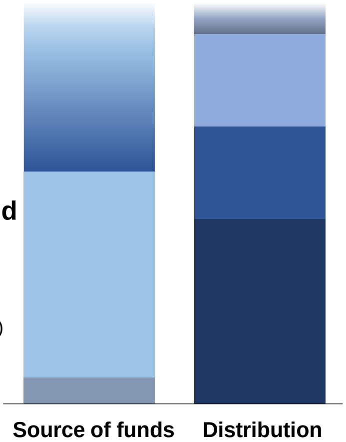
Operating Cash Flow*

Liquidity on hand

- Cash and deposits 62 billion yen
- Marketable securities 15 billion yen

(as of the end of FY24)

Borrowing capacity



M&A, capital tie-ups, etc.

Business investment

(continue existing business + growth investment in key functions)

Logistics / Development / DX / Engineering

Up to about ¥30 billion total for three fiscal years

[Major investment plans]

- Innovation Center: approx. ¥10 billion
- Core system renovation, equipment renewal, etc.

Return to shareholders

(Dividends + Acquisition of treasury shares)

Total return ratio of around 60%

From the perspective of maintaining transaction creditworthiness and BCP

Working capital + maintain liquidity on hand at around 10 to 20 billion yen

In addition to working capital of approx. ¥40 to ¥50 billion, additional funds of approx. ¥4 to ¥5 billion due to shorter payment terms

(*) Excluding changes in working capital. Before deduction of R&D expenses and education and training expenses.

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By using the cash flows from operating activities and liquid assets acquired through our operations to invest in growth and return profits to shareholders, we aim to further improve our capital efficiency.

Based on the rolling of the current medium-term management plan, we have updated the cash allocation plan formulated last year.

Specifically, after securing the necessary working capital, we will expand the investment limit in the fields of logistics, development, DX, and engineering, which are the “key functions” for implementing the six priority measures. We have also allocated our source of funds for shareholder returns with a total return ratio of approximately 60%, M&A, and capital tie-ups.

Growth Investment

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Active investment in key functions to implement priority measures

Direction of growth investment	Strengthening distribution functions	Enhancement of development functions	DX promotion	Enhancement of engineering functions
	・Expansion of logistics bases ・Improve delivery efficiency	・Promotion of innovation ・HR development	・Renovation of core systems ・Introduction of business efficiency applications	・HR development ・Utilize mid-career talent
(1) Development and expansion of proprietary products		○	○	
(2) Promotion of energy and labor-saving solutions			○	○
(3) Expanding market share in the Tokyo metropolitan area	○		○	○
(4) Accelerating global expansion	○	○		
(5) Expansion of business domains		○	○	○
(6) Promotion of sustainability management	○	○	○	○

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We will make various investments for growth within the business investment limit specified in the cash allocation plan.

First, we need to strengthen our distribution capabilities.
Amid a labor shortage in the logistics industry, it is essential for us to strengthen this capability as we develop wholesale sales of electrical construction materials and industrial equipment. We will expand our logistics bases and improve delivery efficiency to address the issues faced by our customers.

Secondly, we need to strengthen our development capabilities.
Proprietary Products is a pillar of our earnings and a target for active investment. The construction of the Innovation Center R&D facility, which we have already introduced, is one such example. In addition, we will accelerate the development of new products through cross-company initiatives, such as collaboration with PATLITE.

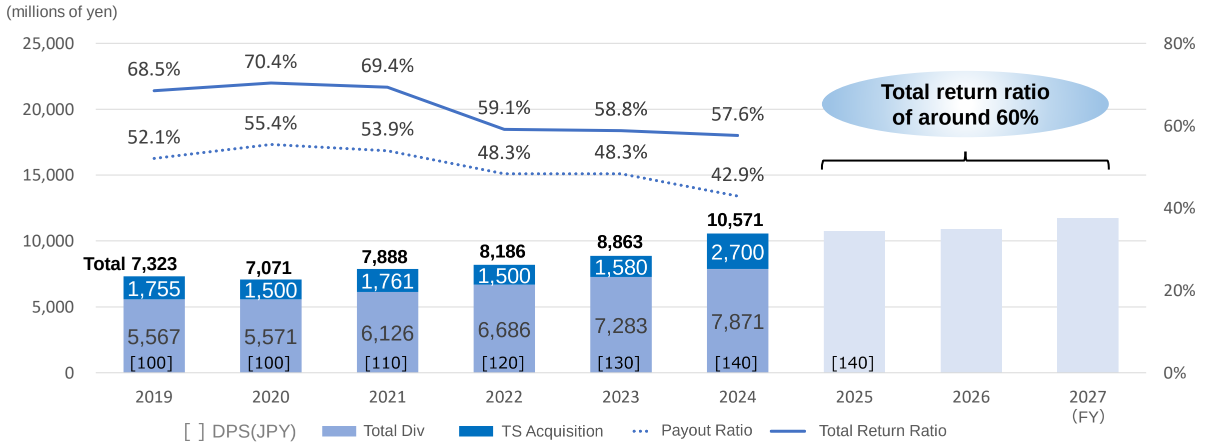
Thirdly, DX promotion.
A cross-divisional project has been launched to renovate core systems, and a new incoming and outgoing order system is expected to be put into operation in August this year. This will enhance our stability and ability to respond to changes and strengthen the IT infrastructure for DX promotion. In addition, we will continue to promote DX from a front-line perspective, such as by introducing applications to improve operational efficiency.

Fourthly, we will strengthen our engineering capabilities.
In addition to accelerating investment in human capital development, we will contribute to the creation of an affluent and comfortable society by refining our position as a “technology trading company” while utilizing mid-career human capital.

Shareholder Return Policy

INABA

- Total return ratio over the medium-term: **around 60%**
- Dividend forecast for the FY2025: **Interim 70 yen + Year-end 70 yen = Annual 140 yen**



・Payout ratio and total return ratio are calculated by adjusting extraordinary income and losses to non-consolidated net profit.
・Dividends per share for FY2019 have been retroactively adjusted for stock splits.

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Next, I would like to explain shareholder returns.

We consider the return of profits to shareholders to be one of the most important issues of management.

As part of our efforts to realize management that is conscious of the cost of capital and the share price, we have decided to set a medium-term total return ratio of approximately 60% from fiscal 2024, which includes dividends and the purchase of treasury shares.

Based on these policies, in fiscal 2024, annual dividends were ¥140 per share, including a ¥70 year-end dividend and a ¥10 special dividend, and total dividends paid amounted to ¥7.871 billion.
In addition, we acquired a total of ¥2.7 billion in treasury shares.

We plan to pay dividends of ¥140 per share in fiscal 2025, consisting of a ¥70 interim dividend and a ¥70 year-end dividend.

Going forward, the Company will continue to pay stable dividends twice a year through interim dividends and year-end dividends and return profits to shareholders based on market trends and business performance.

Earnings Forecast for the FY2025

INABA

(Millions of yen)

	FY24	% of Net sales	FY25	% of Net sales	YoY change amount	YoY change %
Net sales	384,012	100%	392,000	100%	7,987	2.1%
Operating profit	25,556	6.7%	26,700	6.8%	1,143	4.5%
Ordinary profit	26,698	7.0%	27,400	7.0%	701	2.6%
Profit attributable to owners of parent	18,783	4.9%	19,400	4.9%	616	3.3%
(Net sales by segment)						
Electrical Equipment & Materials	271,054	71%	273,000	70%	1,945	0.7%
Industrial Automation	38,144	10%	42,000	11%	3,855	10.1%
Proprietary Products	74,814	19%	77,000	20%	2,185	2.9%

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For the fiscal year ending March 31, 2026, we forecast earnings as follows.

¥ 392 billion in net sales, ¥ 26.7 billion in operating profit, ¥ 27.4 billion in ordinary profit, and ¥ 19.4 billion in profit attributable to owners of parent.

By segment, the net sales forecast is ¥273 billion in Electrical Equipment & Materials, ¥42 billion in Industrial Automation, and ¥77 billion in Proprietary Products.

The business environment surrounding the Company is expected to remain firm on the back of redevelopment in metropolitan areas and continued corporate demand for capital investments, although the outlook remains uncertain due to trends in raw materials prices and exchange rates, and the impact of the U.S. tariff policy.

In order to promote business succession to the next generation, I will be appointed as Chairperson by a resolution of the Annual General Meeting of Shareholders and the Board of Directors to be held thereafter. I would like to express my deepest gratitude for the kindness you extended to me during my term as President.

The new president will be current Executive Officer Masayuki Tamagaki. Under the new structure, we aim to achieve record results in fiscal 2025 as well. We look forward to your continued support.

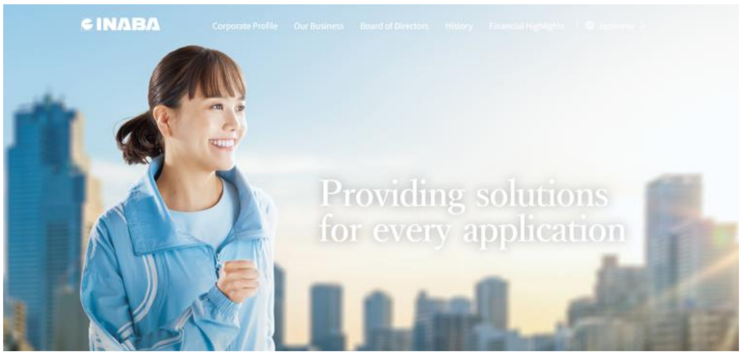
Contact Us

Business Planning Department

Tel 06-4391-1835

E-mail keiki@inaba.co.jp

HP https://www.inaba.co.jp/



This concludes my explanation of Inaba Denki Sangyo Co., Ltd.'s financial results for the fiscal year ended March 31, 2025.

Thank you for your listening.