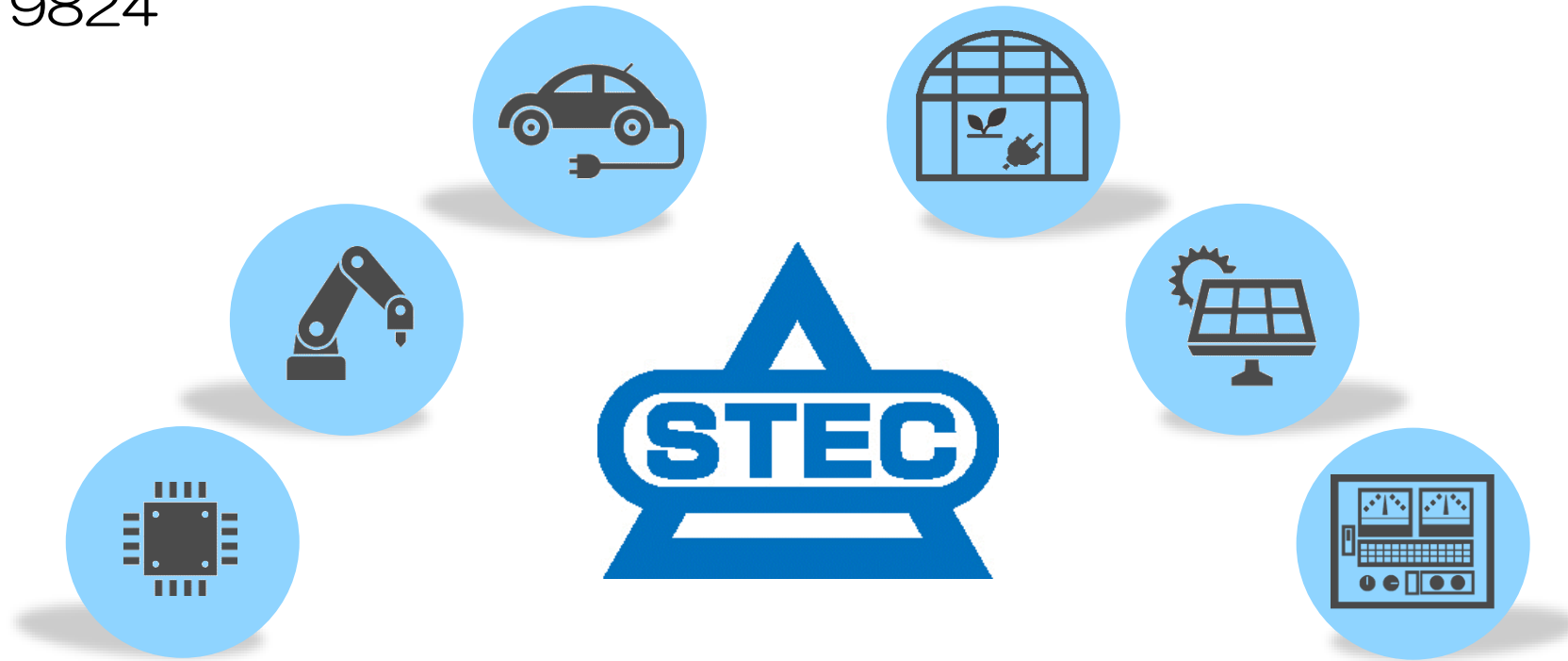


Stock code : 9824



3rd Quarter Fiscal Year October 2023

SENSHU ELECTRIC CO.,LTD.



心と心をつなぐインフラへ。
“つなぐ”11月18日は電線の日

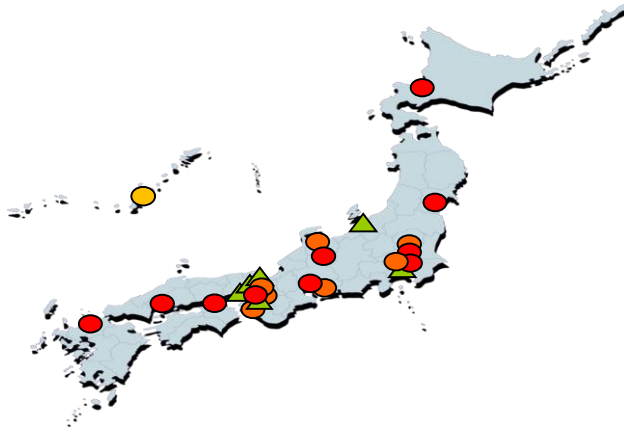
- 1 . Group Overview
- 2 . October 2023 Summary of 3rd Quarter financial results
- 3 . Medium term management plan
- 4 . Reference data

1 . Group Overview

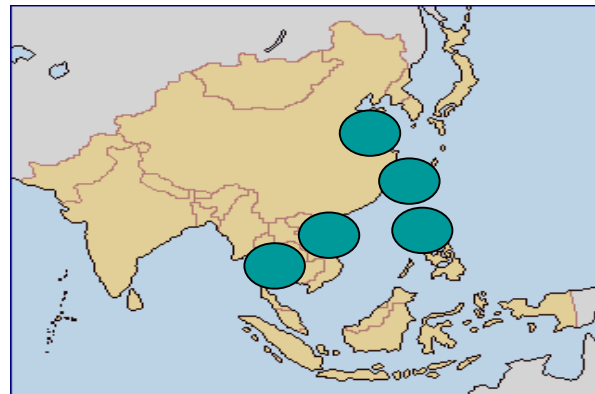
Group Overview

Established	November 18, 1949
Shares	Tokyo Stock Exchange Prime
Capital	2,575,200,000yen [US\$19Mil.]
Type of industry	Wholesale distributor (Industry leader of electric wires general trading company)
No. of employees	819 (Average age:39.8)
No. of subsidiaries	7 in Japan and 7 in overseas (China/Taiwan/Thailand/Philippines/Vietnam/USA)
No. of offices	18 in Japan

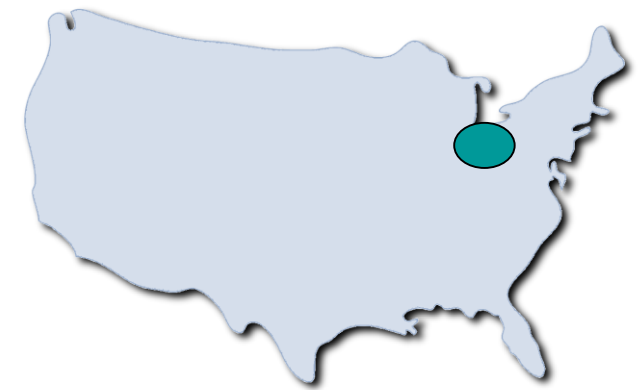
Japan



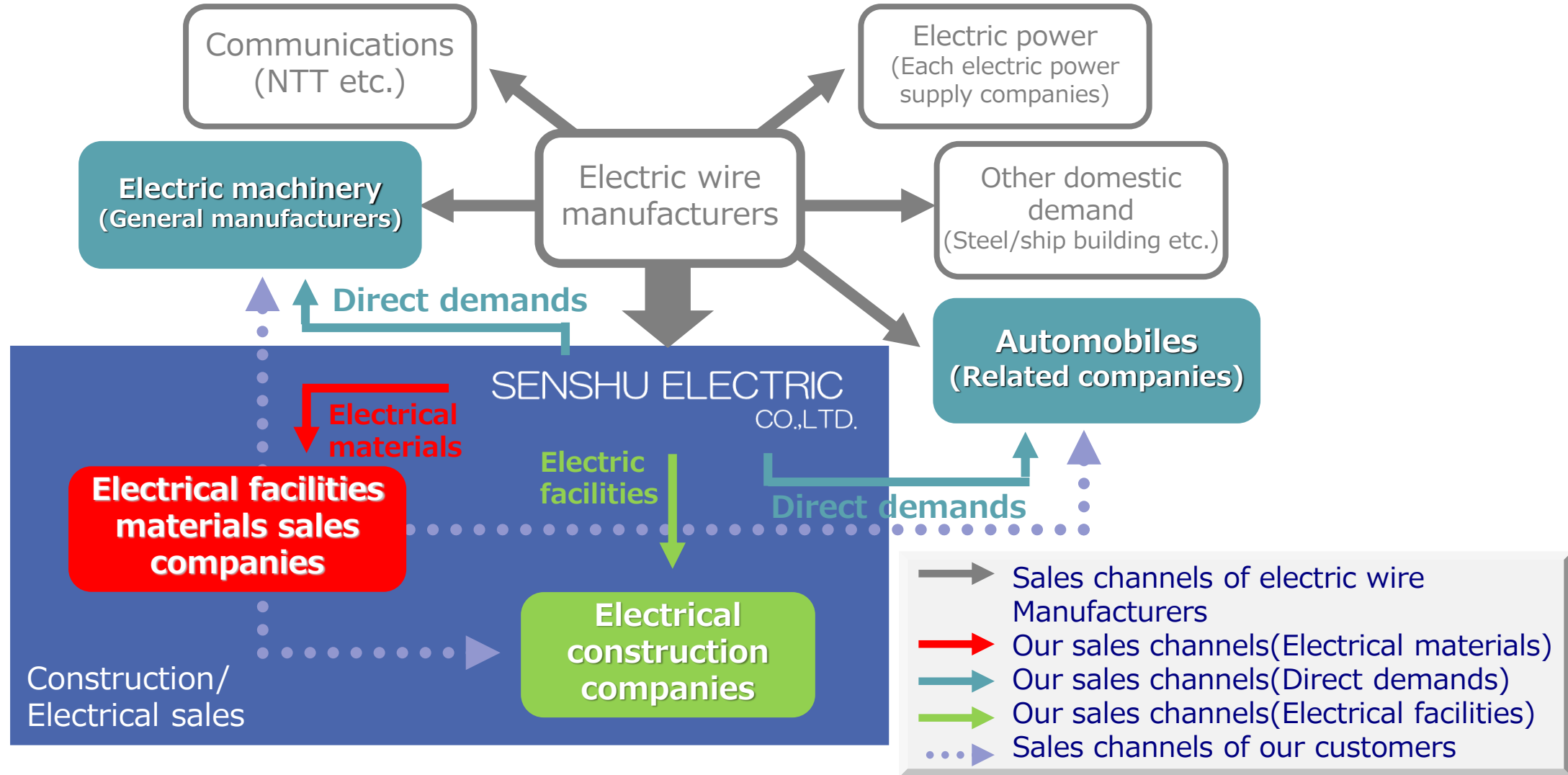
Asia



USA

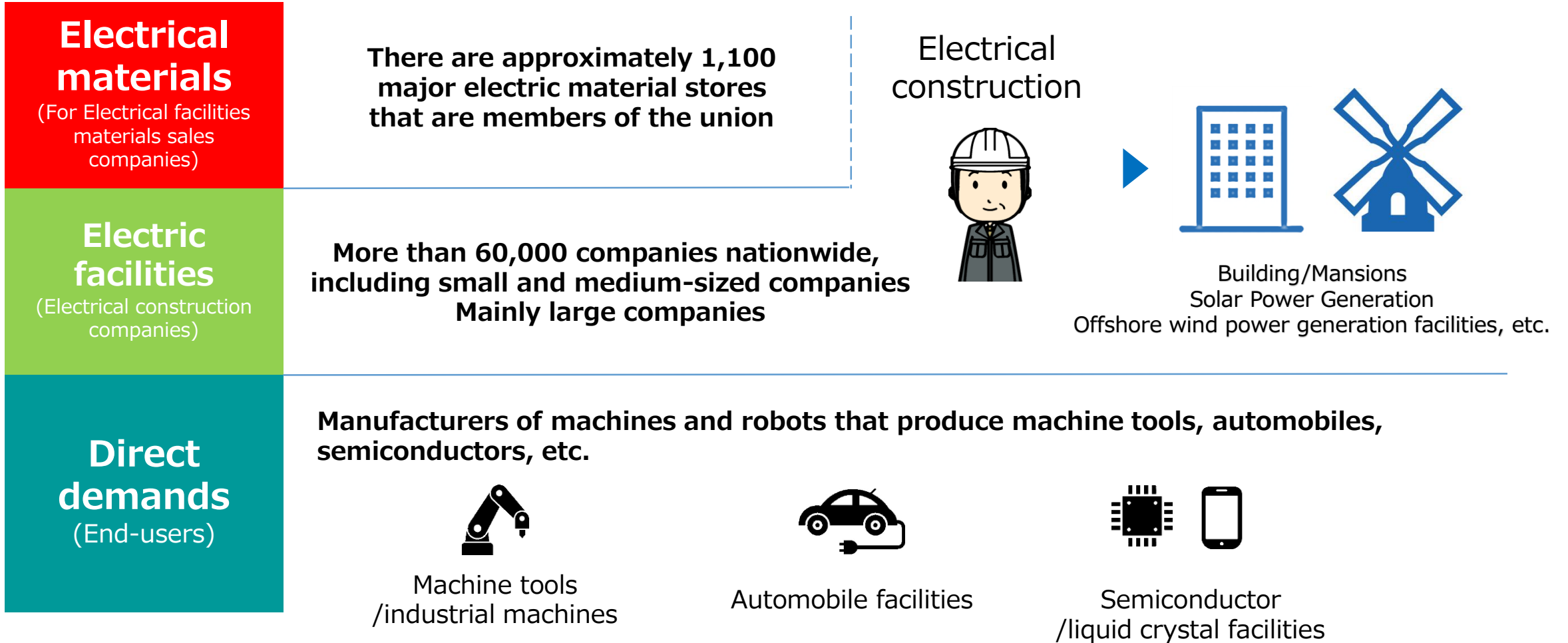


Sales Channels of Electric Wires

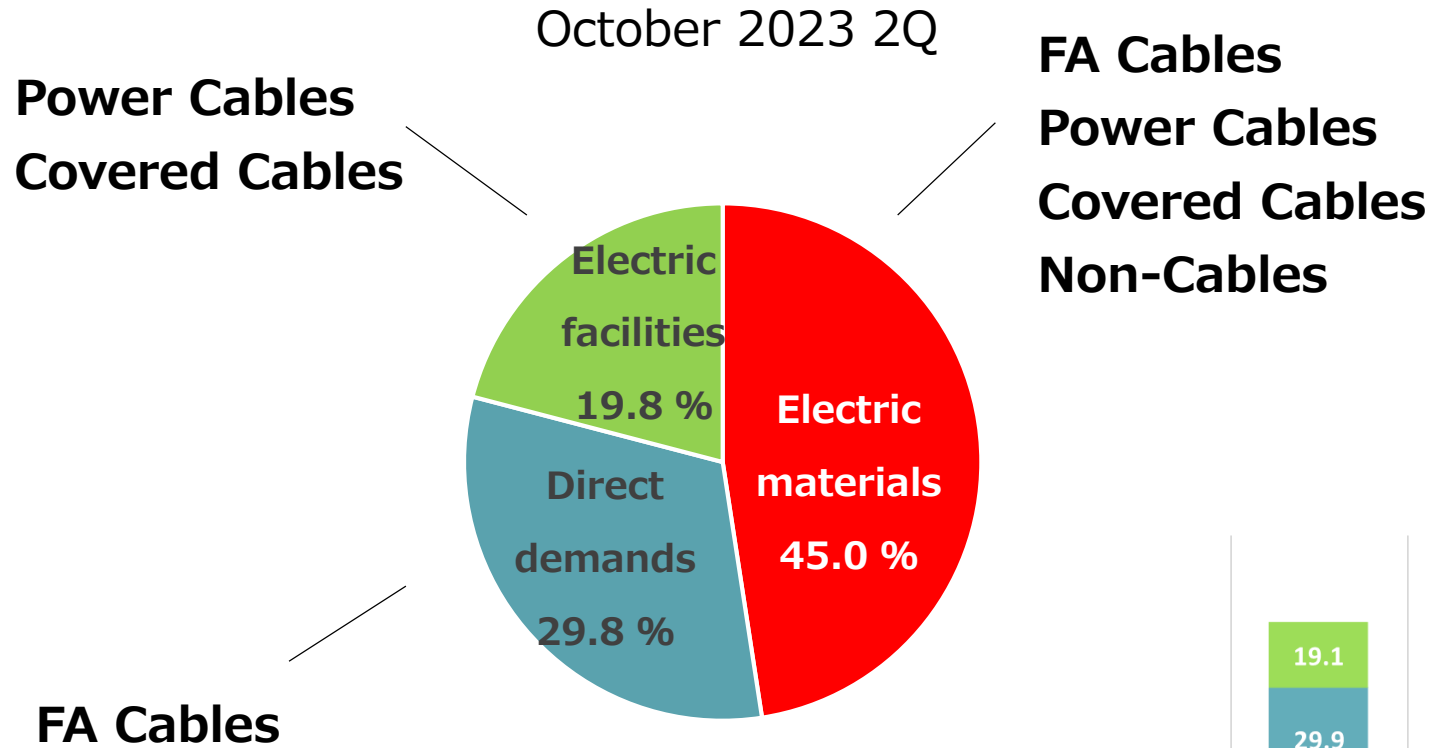


Major Customers (image)

〈More than 3,500 Customers〉

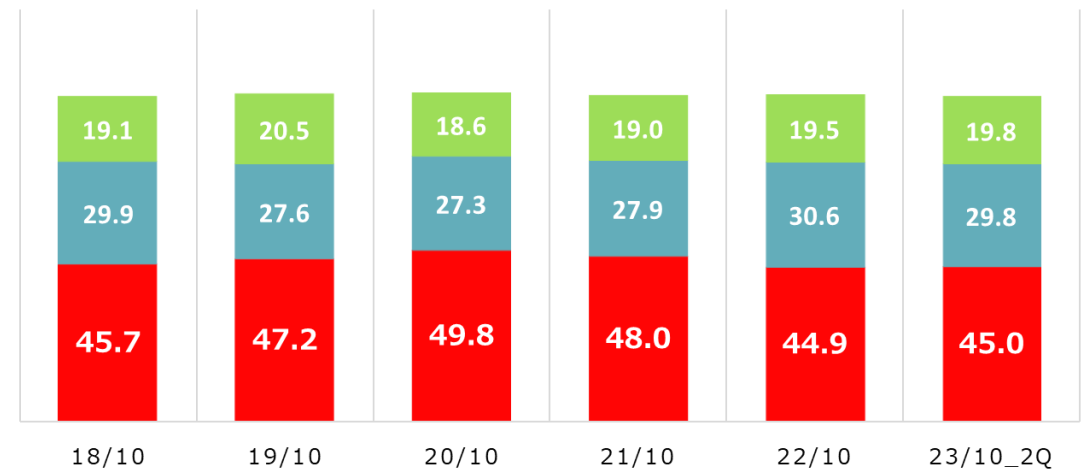


Customers Composition (Non-consolidated)



FA Cables
Power Cables
Covered Cables
Non-Cables

Transition (%)



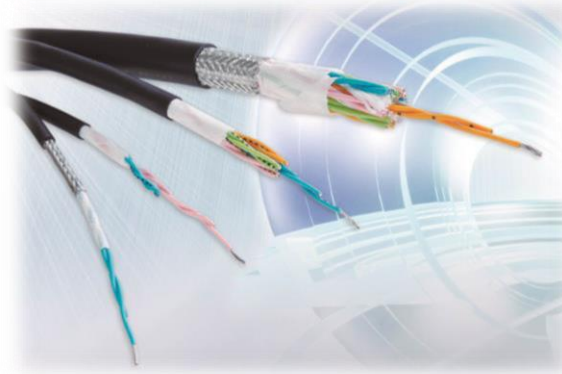
Three Business Models

1 JUST IN TIME system

Electric wires of about 200,000 types & difficult to stock in terms of space and theft due to their heavy weight. We have a warehouse floor space of approximately 60,000 m² in Japan (Sapporo to Okinawa) with over **50,000** kinds of products, have established a **JUST IN TIME system**.



2 Original products



FA cables (**F**actory **A**utomation (FA) **cables** used for robots, etc.) with a wire manufacturer and sold them as **original products**. We accurately grasp a wide variety of needs and play a role as a technical trading company.

SENSHU ELECTRIC CO.,LTD.

3 Cable assemblies (Electric wire terminal processing)

7 processing plants located nationwide meet the needs for small-lot, quick-delivery processing of wires with attached terminals, control panels, and other products. We have also established a system of collaboration among our group companies.



2 . October 2023 Summary of 3rd Quarter financial results

Consolidated Financial Highlights



3Q achievements

- Both sales and profits hit record highs in the 3rd quarter
- Demand for semiconductor manufacturing equipment and stop demand for machine tool but automobiles facilities and sales for construction and electronic sales increased due to the rise in copper prices
- Average copper prices increased 1.2% year on year to 1,223,000 yen/t

Shareholder Returns

- Fiscal Year Ended October 2023

100 yen per year

(Interim dividend 50 yen/share Year-end dividend forecast of 50 yen/share)

Will acquire treasury stock(2023/10/10 to 2024/4/30)

Consolidated income statements overview



(Unit : million yen, %)

	2022/10_3Q	Composition ratio	2023/10_3Q	Composition ratio	Increase or decrease	YoY
Net sales	83,548	100.0	92,859	100.0	9,311	11.1
Gross profit	12,358	14.8	14,061	15.1	1,702	13.8
Selling, general and administrative expenses	7,092	8.5	7,718	8.3	625	8.8
Operating profit	5,266	6.3	6,342	6.8	1,076	20.4
Recurring profit	5,598	6.7	6,640	7.2	1,041	18.6
Profit attributable to owners of parent	3,764	4.5	4,461	4.8	697	18.5
Average copper price (Thousand yen/t)	1,208		1,223		15	1.2

Consolidated Balance Sheet overview



(Unit: million yen)

	2022/10	2023/10_3Q	Increase or decrease
Total current assets	67,910	70,014	2,104
Total non-current assets	27,471	28,883	1,411
Total assets	95,381	98,897	3,516
Total current liabilities	45,922	46,495	572
Total non-current liabilities	3,059	3,211	152
Total liabilities	48,982	49,707	725
Total shareholders' equity	45,066	47,440	2,374
Total net assets	46,399	49,190	2,791
Total liabilities and net assets	95,381	98,897	3,516

Forecast of consolidated financial results (2023/06/05 announcement)



(Unit : million yen,%)

	2022/10		2023/10			2023/10				
		Composition ratio	Initial forecast	Composition ratio	YoY	Revised forecast	Composition ratio	YoY	Increase or decrease	
Net sales	113,633	100.0	118,200	100.0	4.0	123,000	100.0	8.2	4,800	4.1
Operating profit	7,464	6.6	7,800	6.6	4.5	8,100	6.6	8.5	300	3.8
Recurring profit	7,894	6.9	8,100	6.9	2.6	8,500	6.9	7.7	400	4.9
Profit attributable to owners of parent	5,314	4.7	5,500	4.7	3.5	5,700	4.6	7.3	200	3.6
Average copper price (Thousand yen/t)	1,195		1,200		0.4	1,200		0.4		

Shareholder Return Policies

1

Dividend (100 yen per year)

Setting stable dividend payment as our basic policy, we are paying dividends considering and examining business results and retained earnings, etc. comprehensively. Dividend increase by 30 yen forecast for the FY10/2023 (**interim dividend:50 yen, year-end dividend: 50 yen**)

2

Treasury stock acquisition

We acquired treasury stock in order to improve shareholder returns, improve capital efficiency, and implement flexible capital policies in response to changes in the business environment.

Also we will acquire treasury stock from the perspective of mitigating the impact of the sale of the company's shares (Resolution of the Board of the Directors on September 11, 2023) on the supply and demand of the company.

3

Stockholder benefit program

(Once a year (at year end), 1 unit (100 shares) or more)

Less than 1 year : Our original QUO card (1,000 yen)

One year or more : Our original QUO card (2,000 yen)

※ Stock split (from 1 to 2 shares)

2-for-1 stock split of common stock with a record date of October 31, 2022

SENSHU ELECTRIC CO.,LTD.

• Total number of acquire shares
182,700 shares

• Total acquisition amount
599,899,000 yen

(Acquisition period
2022/12/9 to 2023/4/10)

• Total number of shares to be acquired
270,000 shares

• Total acquisition amount
1,000,000,000 yen

(Acquisition period
2023/10/10 to 2024/4/30)

3. Medium term management plan

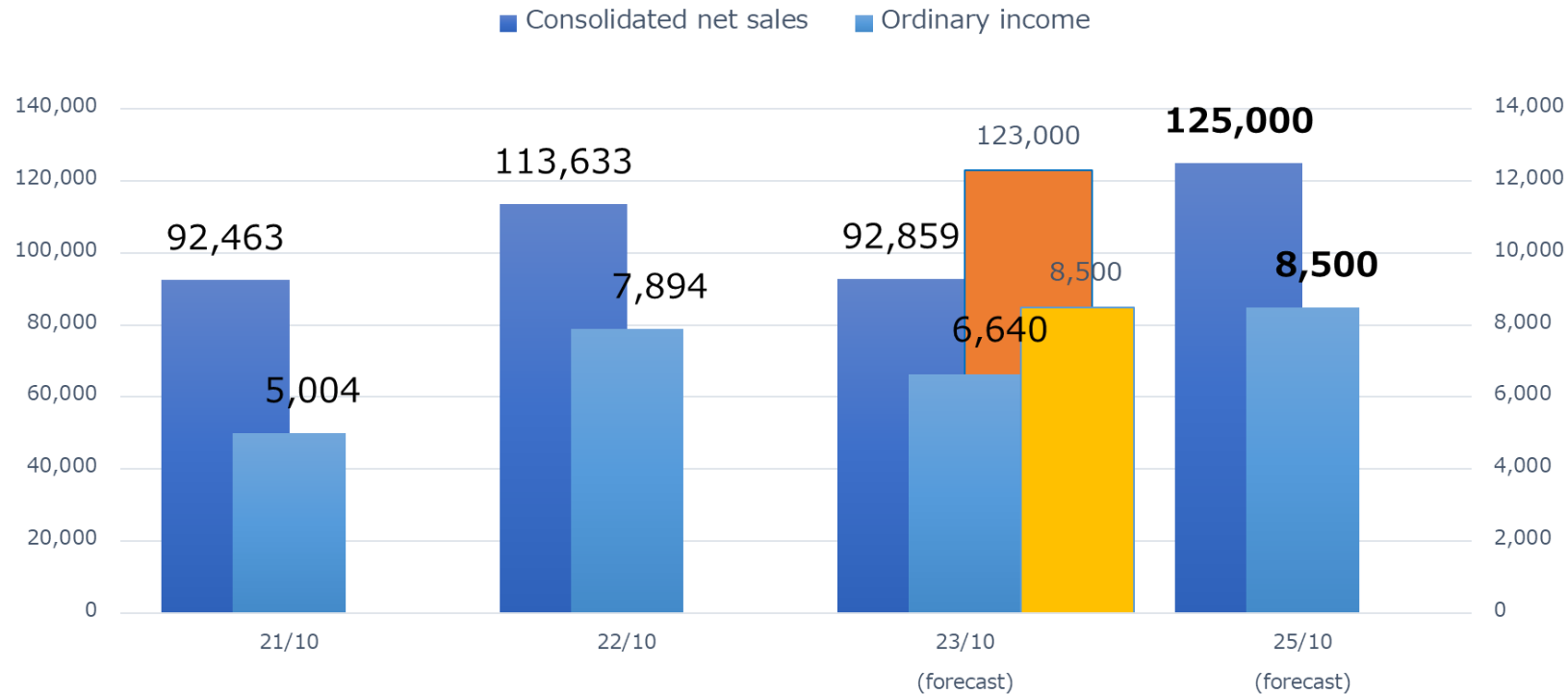
Medium-Term Management Plan (2022/12/08 announcement)



Final Year October 2025

Net sales **125 billion yen** Recurring profit **8.5 billion yen**
ROE **More than 10.0%**

(Unit : million)



Medium-Term Management Plan : SS2025

Sales of 125 billion yen, Recurring profit of 8.5 billion yen,
Achievement a return on equity (ROE) of more than 10%

Increase sales in the direct demand sector by developing original products
and strengthening the processing sector

Improvement of the Just in Time system

Strengthening of sales in Tokyo and surrounding Kanto areas,
and expansion of share for the other area

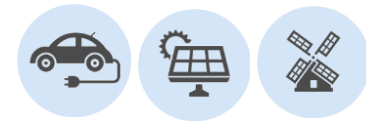
Sales products other than electric wires including own brand ones and
development of new fields

Strengthening of global deployment
(Improvement profitability of the Group)

Sustainability Management

Promotion of the Senshu Transformation Project

New construction
Review of production lines



**EV/Renewable
energy**



Semiconductor/Auto
mated
AI · IoT

ESG/SDGs

**SUSTAINABLE
DEVELOPMENT
GOALS**

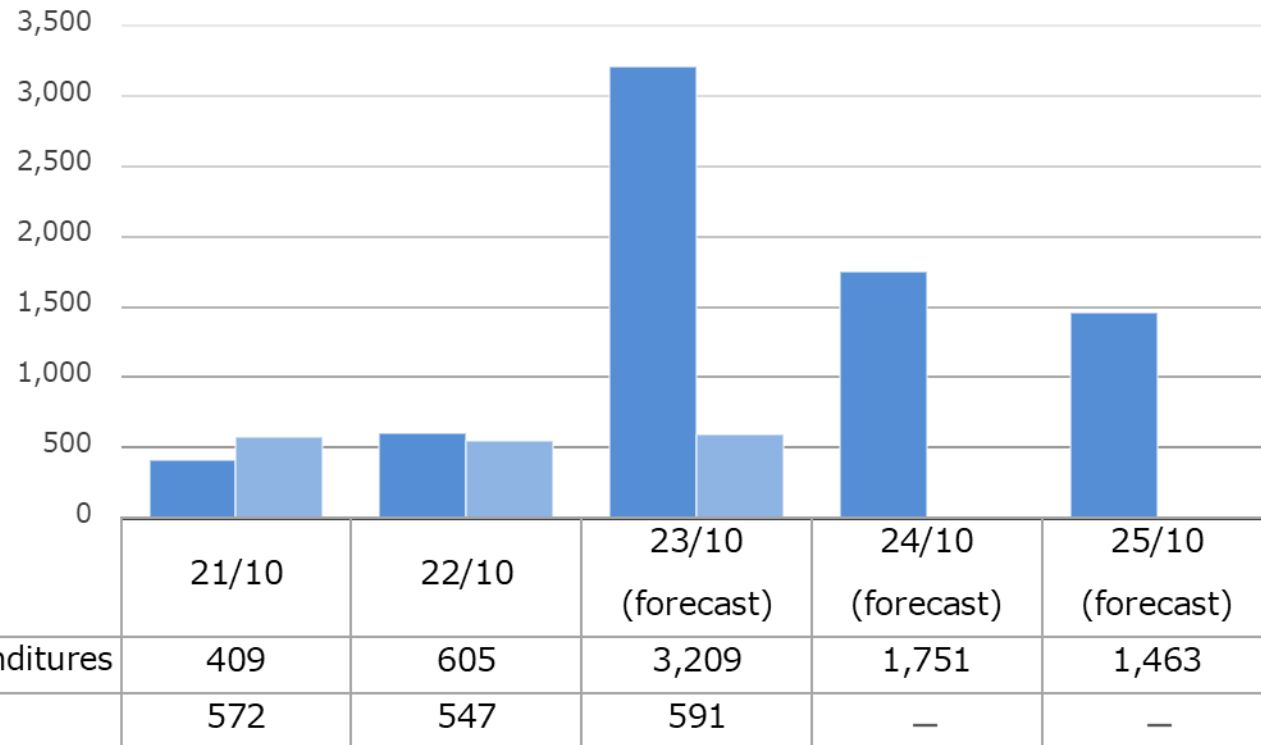
**Inbound Expo
IR Construction
demand**



Medium-Term Management Plan : Capital Expenditures and Depreciation



(unit : million yen)



● Hokuriku Branch

Open in May 2023

Ishikawa-ken Kanazawa-shi Kimachi Higashi 1176-3



○ Okinawa building construction site

Will be acquired in 2023

○ Solar power land

Will be acquired in 2023

○ Nagoya FA Center

Will open in 2025

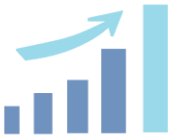
Abil heater



Annual sales of 1 billion yen
in agribusiness by 2027

Subterranean heated vinyl lines for agricultural use.

Contributes to CO2 emission reduction by directly heating soil in plastic greenhouses, etc., and **increases harvest turnover (cycle)** by accelerating the speed of growth.



Contribute to the SDGs

Decarbonization and energy savings compared to boilers that use fuel.



Senshu Electric Nagakute House

Growing tomatoes and strawberries in Nagakute City, Aichi Prefecture, using aviru heaters.



Other

Exhibit at agricultural trade shows.

Developing a hot air heater.

Medium-Term Management Plan : Sustainability Management

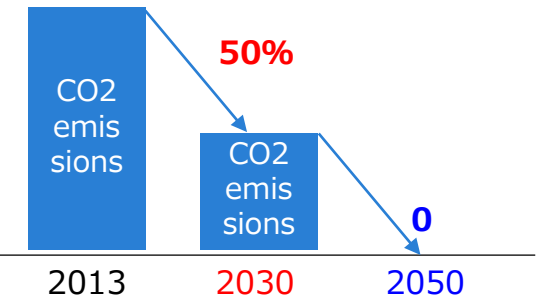
Materiality		SDGs	TOPICS
E	Environmental conservation activities		<ul style="list-style-type: none"> ● Dec.2022 Disclosure under TCFD(Governance , metrics and goals ● Apr. 2023 Published Environmental Report
S	Respect and consideration for human rights Creating a rewarding work environment Stable supply of goods and services		<ul style="list-style-type: none"> ● Sep. 2023 Invest in Green Bonds(Osaka city,etc) ● Certification of "Excellent Health Management Corporation 20
G	Establishment of a governance system		<ul style="list-style-type: none"> ● Jan. 27, 2023 Corporate Governance Report

Long-Term Goal

Carbon neutrality by 2050

Medium-Term Goal

50% reduction compared to fiscal 2013 by 2030



Investing in Green Bonds
Invest in Green bonds issued by Osaka City, etc (receivables issued to raise funds limited to businesses that have environment improvement effects,etc. [Details are posted on the homepage] <https://www.senden.co.jp/news/>

4. Reference data

Consolidated income statements overview

(Comparison with previous FY)



(Unit : million yen, %)

	2022/10_3Q		2023/10_3Q		Increase or decrease	
Net sales	83,548	100.0	92,859	100.0	9,311	11.1
Cost of sales	71,189	85.2	78,798	84.9	7,608	10.7
Gross profit	12,358	14.8	14,061	15.1	1,702	13.8
Selling, general and administrative expenses	7,092	8.5	7,718	8.3	625	8.8
Operating profit	5,266	6.3	6,342	6.8	1,076	20.4
Non-operating income	412	0.5	388	0.4	△ 23	
Non-operating expenses	79	0.1	91	0.1	11	
Recurring profit	5,598	6.7	6,640	7.2	1,041	18.6
Extraordinary income	—	—	—	—	—	
Extraordinary losses	15	0.0	—	—	—	
Profit before income taxes	5,582	6.7	6,640	7.2	1,057	18.9
Income taxes - current	1,664	2.0	2,001	2.2	337	
Income taxes - deferred	110	0.1	131	0.1	21	
Profit	3,808	4.6	4,507	4.9	699	18.4
Profit attributable to non-controlling interests	43	0.1	45	0.0	2	
Profit attributable to owners of parent	3,764	4.5	4,461	4.8	697	18.5
Average copper price (Thousand yen/t)	1,208		1,223		15	1.2

Consolidated Balance Sheet overview

(Unit: million yen)

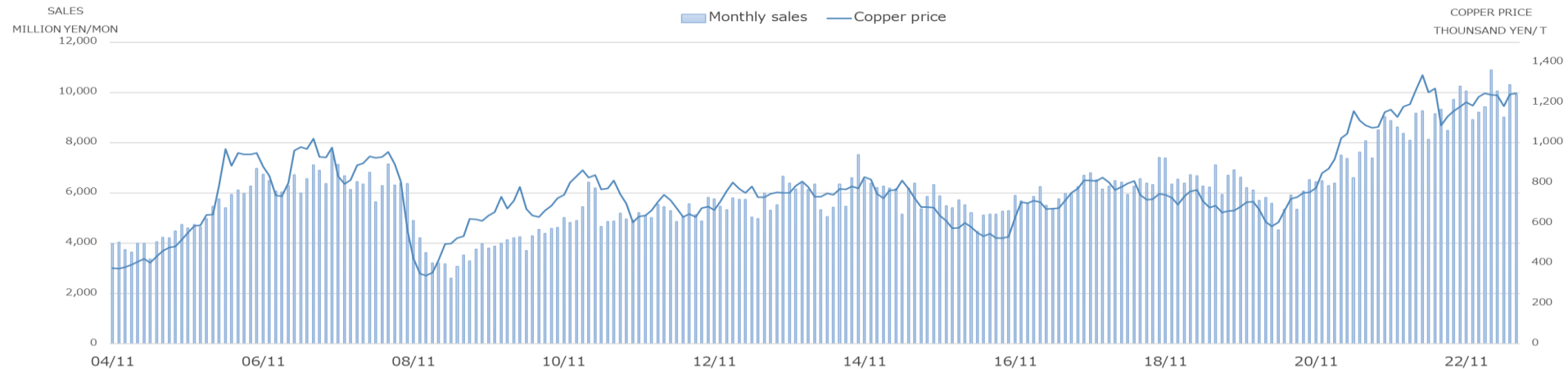
	2022/10	2023/10_3Q	Increase or decrease		2022/10	2023/10_3Q	Increase or decrease
Cash and deposits	27,165	27,094	△ 70	Notes and accounts payable - trade	41,214	42,959	1,744
Notes and accounts receivable - trade	22,572	22,644	72	Short - term borrowings	631	691	60
Electronically recorded monetary claims - operating	10,831	11,578	747	Current portion of bonds payable	114	114	-
Securities	23	-	-	Current portion of long-term borrowings	20	3	△ 17
Merchandise	6,575	7,845	1,270	Income taxes payable	1,840	761	△ 1,079
Work in process	250	307	56	Provision for bonuses	767	405	△ 361
Raw materials and supplies	238	268	29	Other Current liabilities	1,333	1,559	226
Other current assets	253	276	23				
Total current assets	67,910	70,014	2,104	Total current liabilities	45,922	46,495	572
Property, plant and equipment	17,779	18,681	902	Bonds payable	107	99	△ 7
Intangible assets	339	317	△ 22	Long-term borrowings	60	56	△ 3
Investments and other assets	9,352	9,884	531	Retirement benefit liability	2,249	2,348	98
				Other non-current liabilities	641	706	62
Total non-current assets	27,471	28,883	1,411	Total non-current liabilities	3,059	3,211	152
				Total liabilities	48,982	49,707	725
				Share capital	2,575	2,575	-
				Capital surplus	2,690	2,757	67
				Retained earnings	44,255	47,115	2,859
				Treasury shares	△ 4,454	△ 5,006	△ 552
				Total shareholders' equity	45,066	47,440	2,374
				Total accumulated other comprehensive income	1,056	1,396	340
				Share acquisition rights	38	53	14
				Non-controlling interests	237	299	61
				Total net assets	46,399	49,190	2,791
Total assets	95,381	98,897	3,516	Total liabilities and net assets	95,381	98,897	3,516

Electric wire and copper price

There are two types of electric wires: copper and aluminum wires, and most of the wires we deal with are copper wires. Therefore, the market price of copper is important for the sale of electric wires.

The domestic copper quotation is determined by JX Nippon Mining & Metals based on the international copper quotation determined by the London Metal Exchange (LME) and the exchange rate.

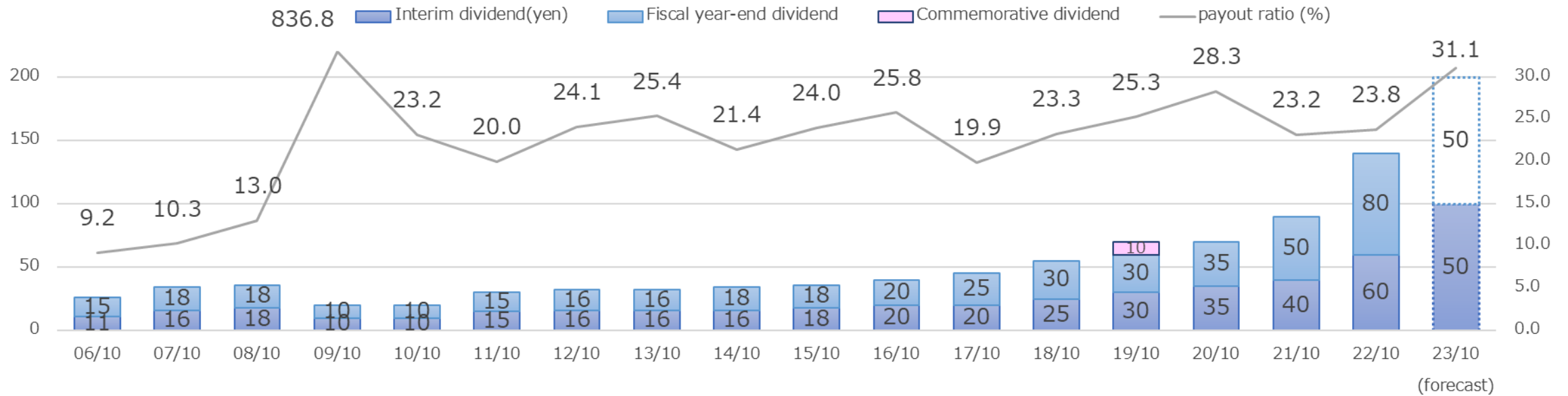
〈Copper price and monthly sales (non-consolidated)〉



Dividends and Dividend Payout Ratio

Plans to increase dividends for 10 consecutive years in real terms

(Unit : yen,%)

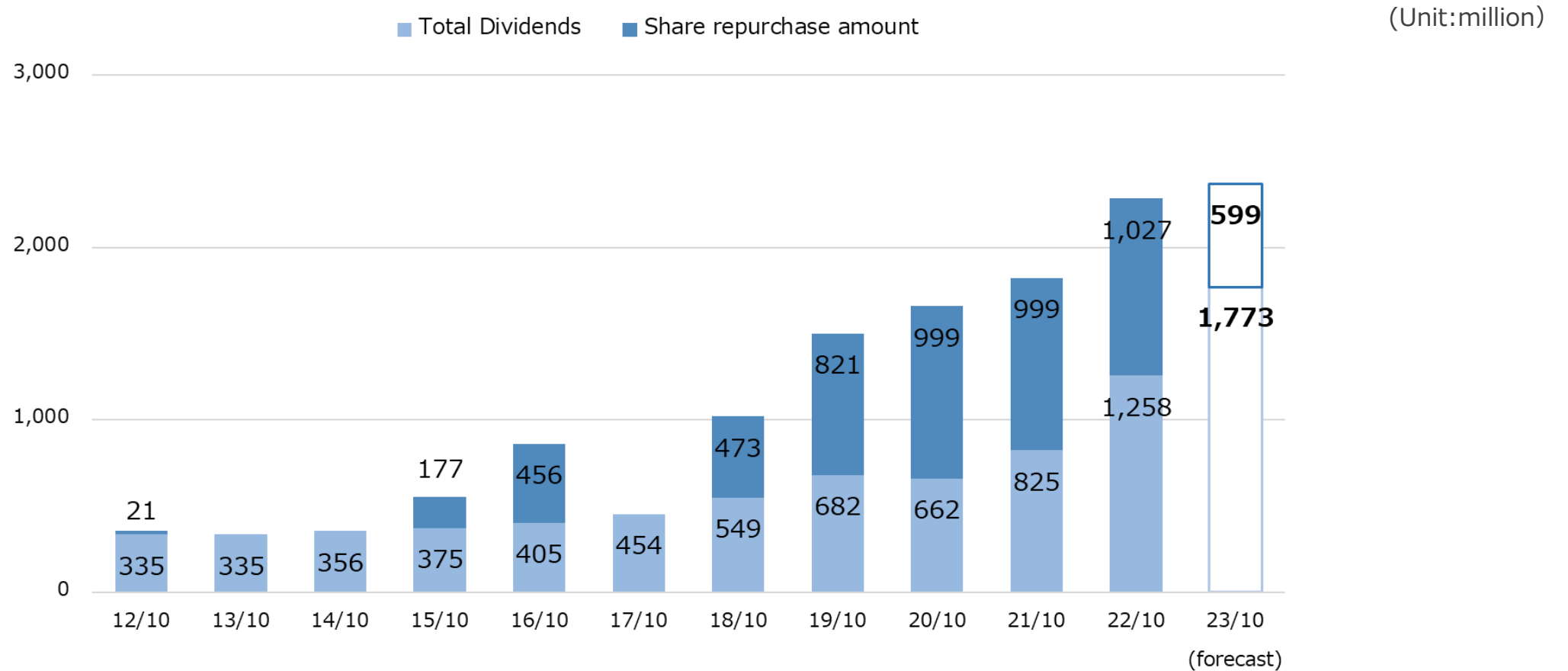


(Note) The Company conducted a 2-for-1 stock split of shares of common stock on November 1, 2022, and the dividend payout ratio is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

Trends in shareholder return(Dividend+treasury stock)



Implementation of continuous shareholder returns through dividends + treasury stock



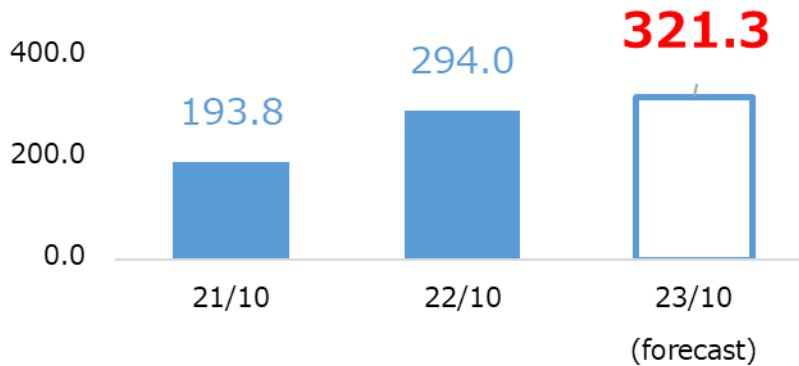
Trends in Main Indicators

Red = FY10/2023 forecast

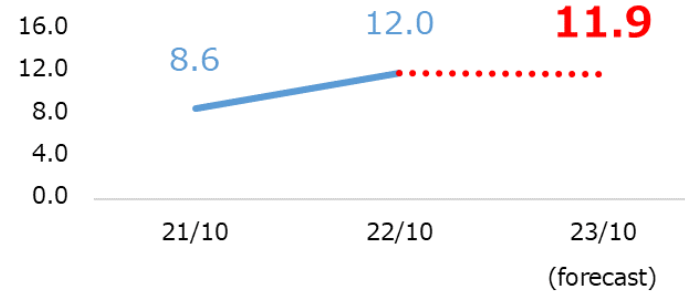
Blue = Results



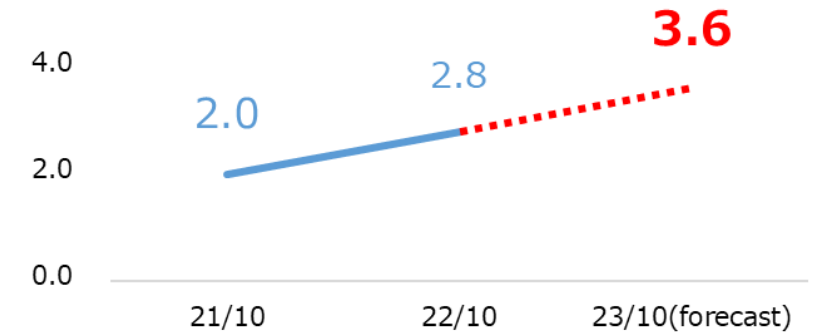
EPS (yen)



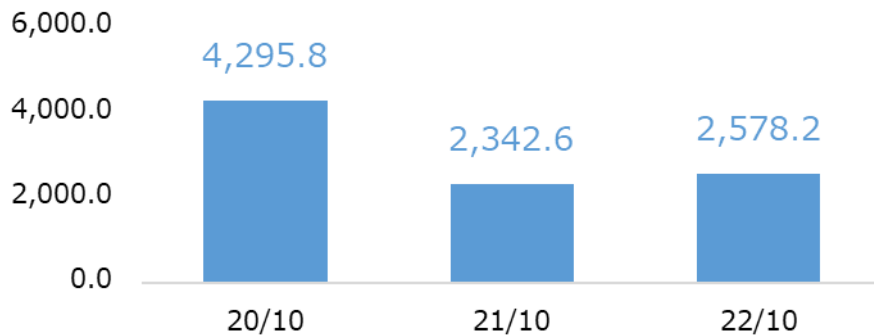
ROE(%)



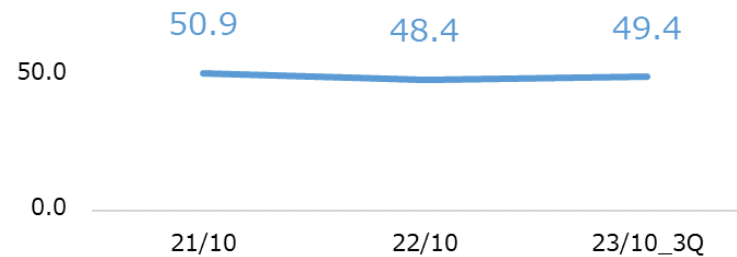
DOE(%)



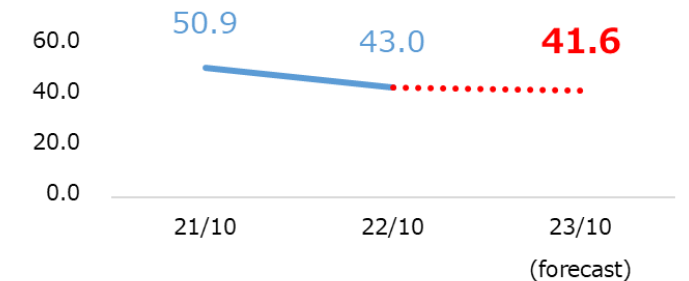
BPS(yen)



Equity ratio(%)



Shareholder return rate(%)



(Note) The Company conducted a 2-for-1 stock split of shares of common stock on November 1, 2022, and calculated are based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

Thank you for your attention.



Stock code : 9824
SENSHU ELECTRIC CO.,LTD.

Notes on the content

None of the information on this document constitutes a solicitation to purchase or sell shares belonging to our company.

Please note that, due to various factors, future performance may differ from these forecasts. The information contained within this material should be checked against information obtained through other means and utilized at the user's discretion.

In no event shall our company or its suppliers be liable for any damages resulting from this information. We ask that users make investment decisions at their own discretion.

Furthermore, please be aware that the information presented here may not always reflect the latest information available.

SENSHU ELECTRIC CO.,LTD.