

SENSHU ELECTRIC CO., LTD.

FY2025.10 Q & A

[Day] Dec 10, 2025 (Wed.) 10 : 30-11 : 30

[Place] 2-2-1 Nihonbashi Muromachi, Chuo-ku, Tokyo

14th Floor seminar room, Muromachi Head Office, Okasan Securities Co., Ltd.

- Q1. Currently, there are substantial investment plans for storage batteries progressing nationwide. However, connecting batteries made by Chinese manufacturers and others to the power system will likely require electrical work. Could you please let us know whether this will have any impact on your company's future performance?**
- A1. The storage batteries that accompany solar power have been increasing significantly around us, but as a business on the ground at present, it is not yet very large. There are many hurdles in establishing a storage battery business, with the main focus being on grid storage batteries. According to the technology companies we work with, demand has not grown as much as expected. As a result, related construction work has not been connected to our business, which is the current situation.
- Q2. Regarding aluminum electric cables, as the price of copper continues to rise, what are your thoughts on the long-term risk of copper being replaced by aluminum electric cables?**
- A2. The widespread use of copper and aluminum cables is closely related. Currently, we are in a situation where we are proposing a transition from copper to aluminum to our customers in collaboration with our supplier manufacturers. The reason is that if we do not take action, foreign manufacturers, mainly Chinese manufacturers, are actively advancing, especially in the battery storage business mentioned earlier. Foreign-made products such as buildings are still not used, but we are working with Japanese manufacturers to create a market for aluminum. In the case of aluminum and copper cables, the necessary tools and cutting machines are still not adequately equipped. As a result, we are currently discussing our just-in-time system and logistics warehouse system within the industry.
- Q3. Regarding the perspective of Physical AI, I think that cooperation between robot manufacturers and AI companies is progressing. In the industry of the products your company handles, what trends and changes in AI can be observed? Additionally, what kind of impact do these have?**
- A3. Last week, there was an international robot show at Tokyo Big Sight, where we also exhibited and proposed products involving AI. As changes occur in robots that perform tasks similar to humans, such as humanoid robots and so-called collaborative robots, I believe the equipping of AI will progress. Our advantage lies in the trend of physical AI, where the entire factory becomes more labor-saving and unmanned. Taking on the overall work including system integrators will be a challenge from now on, and if we can achieve this, it may become a very large market.

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