

To Our Shareholders

# The **116**th Fiscal Year **Business Report**

April 1, 2024 ▶ March 31, 2025



 **AICHI ELECTRIC CO., LTD.**

Stock Exchange Code: 6623



We are pleased to extend our greetings to our shareholders in presenting our 116th annual report for the fiscal year ended March 31, 2025 (“FY2024”).

### Overview of business

During the period under review, despite a continuing moderate recovery in conditions, the outlook became more uncertain due to factors such as the continued slump in the Chinese real estate market and the U.S. administration’s trade policy. For our Group, demand was strong in the electric power products sector, but in the motor products sector, recovery was gradual in the air conditioning and machine tool markets. Furthermore, in the

printed circuit boards sector, despite a strong demand for generative AI-related products, the recovery of the semiconductor market was uneven as the demand for servers for existing data centers was sluggish.

Under such circumstances, in the first year of the “2028 medium-term management plan”, through the basic policies of “discovering and developing new products and businesses”, “strengthening manufacturing capabilities”, and “strengthening the management base”, our Group worked on initiatives such as developing and expanding sales of products that contribute to decarbonization, such as high-efficiency air conditioning motors and hydropower generation systems, implementing full-scale operation of the new package board core factory, and introducing a new integrated core business system.

With regard to the consolidated performance for the fiscal year ended March 31, 2025, due to the strong performance of the Electric Power Products Group and the Printed Circuit Boards Group, net sales increased by 8.7% to 120,270 million yen, operating income increased by 22.8% to 8,665

million yen, ordinary income increased by 12.2% to 9,323 million yen, and net income attributable to owners of parent increased by 12.6% to 6,684 million yen.

## Dividend

Our year-end dividend was 140 yen per share. Combined with the interim dividend, the total dividend was 220 yen per share.

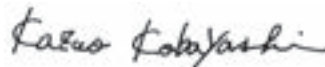
## Future prospects

With regard to the business conditions surrounding our Group, supply chain disruptions and global economic stagnation are expected due to trade friction with other countries caused by U.S. tariff policies. However, against the backdrop of decarbonization and the progress of digital transformation, in the medium and long term, we expect to see increased demand for renewable energy-related equipment, expansion of the new energy vehicle and heat pump air conditioning markets, and expanded digital investment. Through the policies of “discovering and developing new products and businesses”, “strengthening manufacturing capabilities”,

and “strengthening the management base” established in the 2028 medium-term management plan, our Group will aim to achieve sustainable growth and improve corporate value by capturing demand in these growth areas and working to optimize the supply chain.

We appreciate your continued understanding and support.

June 2025

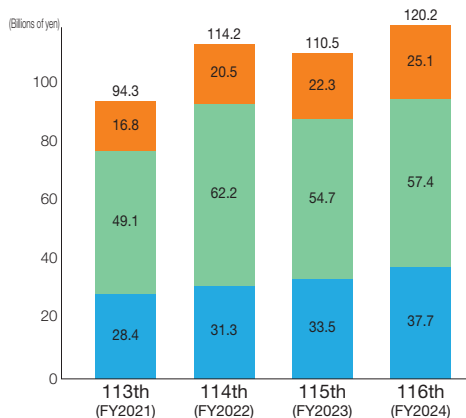


President

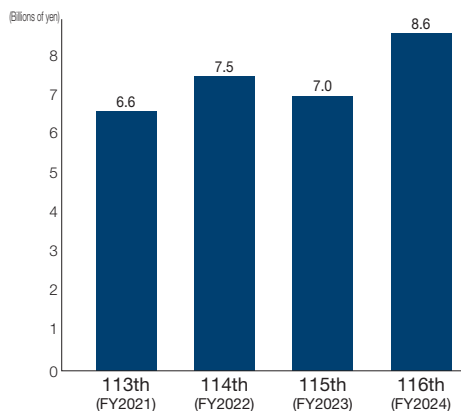
# Performance Highlights

## Net sales 120.2 billion yen

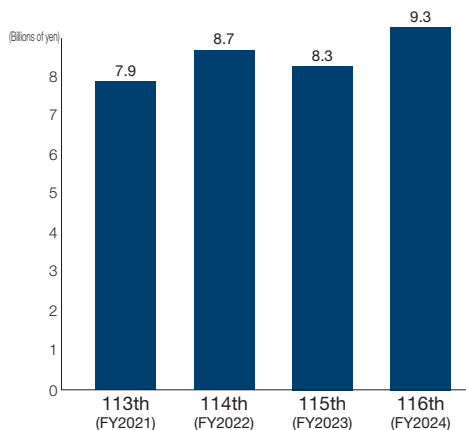
Electric Power Products Group   Motor Products Group  
Printed Circuit Boards Group



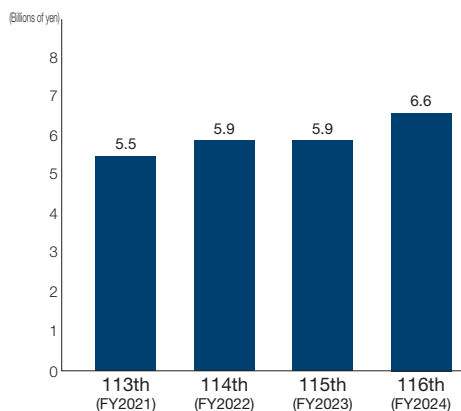
## Operating income 8.6 billion yen



## Ordinary income 9.3 billion yen



## Net income attributable to owners of parent 6.6 billion yen



# Performance at Each Group

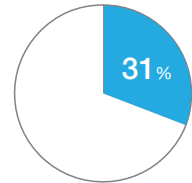
## Electric Power Products Group

Net sales 37.7 billion yen

### Business description

This Group is engaged in the design, manufacture and sale of electric power equipment such as different types of transformers, protection and control devices, equipment related to renewable energy, and industrial equipment such as powder processing machines, as well as designing and executing the construction of receiving and transforming substations in Japan and overseas.

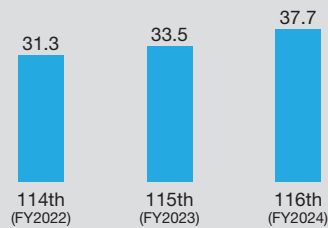
Sales ratio



### Overview of FY2024

Compared with the previous year, net sales increased by 12.3% to 37,757 million yen while segment income increased by 15.3% to 4,482 million yen. Both sales and income increased due to steady sales of small and medium transformers for power distribution companies and general industries, as well as the completion of a large overseas plant construction project.

### Net sales trend (Billions of yen)



### Main products



Pole-mounted transformers



"TOP RUNNER" low loss transformers



Bi-directional power flow type SVR



A²-TVR



A²-STATCOM



On-load tap-changing transformers (LRT)

Automatic voltage regulators



Digital-type observation, protection and control devices



Hydropower turbine, generator and control panels



Receiving and transforming substation construction



Powder processing machines

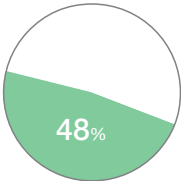
## Motor Products Group

Net sales 57.4 billion yen

### Business description

This Group supplies products that facilitate daily living, such as motors for building air-conditioners, motors for car air-conditioners, linear actuators for electric beds, motors for submersible pumps, shutter operators and other motor application equipment, etc.

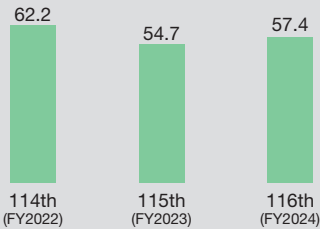
Sales ratio



### Overview of FY2024

Compared with the previous year, net sales increased by 4.9% to 57,461 million yen and segment income increased by 104.0% to 2,165 million yen. The recovery of net sales was gradual due to the declining demand for motors for car air-conditioners, despite the recovery in orders of motors for building air-conditioners. Segment income increased significantly due to cost reductions stemming from increased productivity as well as the recovery of orders.

Net sales trend (Billions of yen)



### Main products



Motors for building air-conditioners



Motors for car air-conditioners



Linear actuators  
Controllers for linear actuators



Motors for submersible pumps



Shutter operators



Fans for cattle farms



Inverters

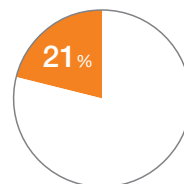
## Printed Circuit Boards Group

Net sales 25.1 billion yen

### Business description

This Group contributes to the achievement of a digital society through the manufacture and sale of printed circuit boards ranging from general circuit boards such as double sided & multilayer PWBs, heat dissipation/thick copper foil boards, build-up boards, and metal core boards, to package board cores.

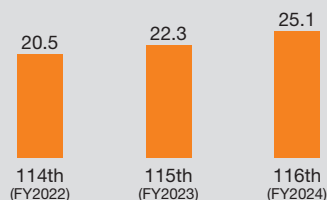
Sales ratio



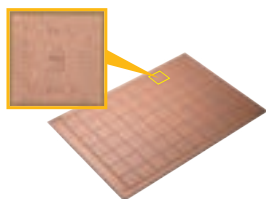
### Overview of FY2024

Compared with the previous year, net sales increased by 12.5% to 25,180 million yen and segment income increased by 4.4% to 4,094 million yen. While fixed expenses increased due to the beginning of operations at the new factory (Shibata factory in Niigata prefecture), both net sales and segment income increased due to continuing steady orders.

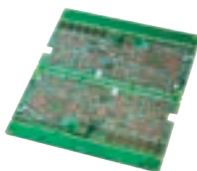
### Net sales trend (Billions of yen)



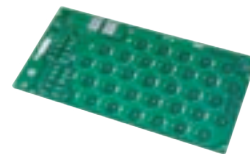
### Main products



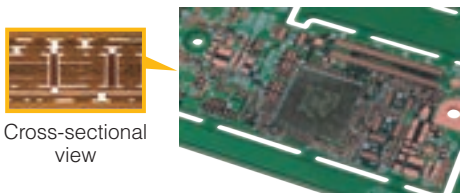
Package board cores



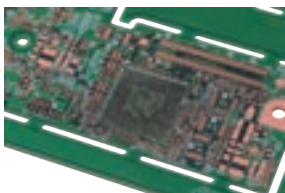
Double sided & multilayer PWBs



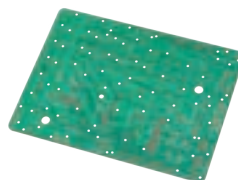
Heat dissipation/  
thick copper foil boards



Cross-sectional  
view



Build-up boards



Metal core boards

## Consolidated Balance Sheets

(Millions of yen)

	FY2024 (As of March 31, 2025)	FY2023 (As of March 31, 2024)
<b>(Assets)</b>		
Current assets	89,307	86,668
Non-current assets	52,542	47,678
Property, plant and equipment	41,551	36,436
Intangible assets	586	600
Investments and other assets	10,404	10,641
<b>Total assets</b>	<b>141,849</b>	<b>134,347</b>
<b>(Liabilities)</b>		
Current liabilities	42,434	41,058
Non-current liabilities	18,311	18,762
<b>Total liabilities</b>	<b>60,745</b>	<b>59,821</b>
<b>(Net assets)</b>		
Shareholders' equity	72,885	68,110
Accumulated other comprehensive income	6,455	4,924
Non-controlling interests	1,762	1,492
<b>Total net assets</b>	<b>81,103</b>	<b>74,526</b>
<b>Total liabilities and net assets</b>	<b>141,849</b>	<b>134,347</b>

## Consolidated Statements of Cash Flows

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2023 (From April 1, 2023 to March 31, 2024)
Cash flows from operating activities	11,224	13,840
Cash flows from investing activities	△6,881	△9,400
Cash flows from financing activities	△3,042	726
Effect of exchange rate change on cash and cash equivalents	417	198
Net increase (decrease) in cash and cash equivalents	1,718	5,364
Cash and cash equivalents at beginning of period	25,615	20,250
Cash and cash equivalents at end of period	27,333	25,615



## Consolidated Statements of Income

(Millions of yen)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2023 (From April 1, 2023 to March 31, 2024)
<b>Net sales</b>	<b>120,270</b>	<b>110,595</b>
Cost of sales	102,241	94,954
<b>Gross profit</b>	<b>18,028</b>	<b>15,640</b>
Selling, general and administrative expenses	9,363	8,580
<b>Operating income</b>	<b>8,665</b>	<b>7,059</b>
Non-operating income	1,057	1,562
Non-operating expenses	399	309
<b>Ordinary income</b>	<b>9,323</b>	<b>8,312</b>
Extraordinary income	99	259
Extraordinary losses	34	30
<b>Income before income taxes</b>	<b>9,387</b>	<b>8,541</b>
Income taxes-current	2,515	2,343
Income taxes-deferred	24	243
<b>Net income</b>	<b>6,847</b>	<b>5,955</b>
Net income attributable to non-controlling interests	163	17
<b>Net income attributable to owners of parent</b>	<b>6,684</b>	<b>5,937</b>

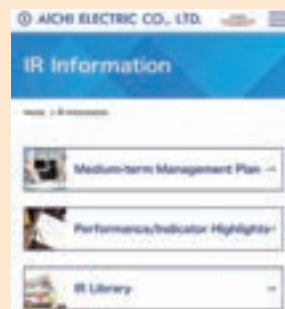
### Website Information

Visit our website for more detailed IR information and to learn more about us.

<https://www.aichidenki.jp/english/ir/index.html>



Top Page > IR Information



## Management

### Acquisition of naming rights for a facility at Chubu University

We have entered into a contract with Chubu University (Kasugai city, Aichi prefecture) to acquire naming rights for a university facility.

Beginning April 1, 2025, our name is displayed in the student lounge on the first floor of Chubu University's Campus Plaza.

We hope that these naming rights will serve as an opportunity to improve our name recognition and result in the students feeling a deeper familiarity with us.

During the contract period of three years from April 1, 2025 to March 31, 2028, the facility will be named the "Aichidenki Student Lounge."



Aichidenki Student Lounge.

## Electric Power Products Group

### Development of PFAE-immersed on-load tap-changing transformers

We have developed a 77-kV on-load tap-changing transformer using palm fatty acid ester (PFAE), a plant-derived insulating oil with performance equivalent to mineral oil.

The use of PFAE as insulating oil instead of mineral oil is expected to contribute to carbon neutrality. PFAE is also highly biodegradable, so it would cause minimal environmental impact even in the event of a leak.

In recent years, there has been an increased need for transformers immersed in plant oil from the perspective of preventing global warming. Going forward, in addition to PFAE, we will enhance our product lineup by developing transformers that use rapeseed oil and soybean oil.



PFAE-immersed on-load tap-changing transformer

## Motor Products Group

### Completion of new press building at SHIROTORI ENA AICHI ELECTRIC CO., LTD.

In September 2024, our consolidated subsidiary, SHIROTORI ENA AICHI ELECTRIC CO., LTD. (Gujo city, Gifu prefecture), completed the new press building built in response to the increased demand for motors for car air-conditioners.

The building's purpose is to respond to the increase in orders associated with the market expansion of new energy vehicles.

Going forward, we will promote automation in order to strengthen our competitiveness in the new energy vehicle market, aiming to further expand our businesses.



Exterior of the new press building



Press machine

## Corporate Data (As of March 31, 2025)

### AICHI ELECTRIC CO., LTD.

Established: May 27, 1942  
 Capital: 4,053 million yen  
 Number of Employees: 1,100 (Consolidated: 2,802)  
 Head Office: 1, Aichi-cho, Kasugai city, Aichi pref.,  
 486-8666, JAPAN  
 Phone +81-568-31-1111

## Board of Directors and Auditors (As of June 27, 2025)

President	Kazuo Kobayashi
Director	Shinobu Kato
Director	Masaki Kakahara
Director	Yukinari Yokote
Director	Tsukasa Kurata
Director (Outside)	Keiichiro Urakami
Director (Outside)	Asako Terazawa
Auditor	Hideki Hosoe
Auditor (Outside)	Shinji Furuta
Auditor (Outside)	Ayako Shimizu

## Status of Shares (As of March 31, 2025)

Total number of shares authorized to be issued 23,912,200 shares  
 Total number of shares issued 9,500,000 shares  
 Number of shareholders 13,523 persons

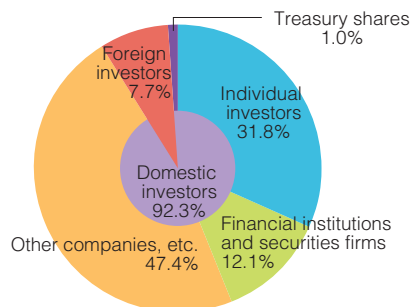
### Major shareholders (top ten shareholders)

	Number of shares (thousand shares)	Shareholding ratio (%)
Chubu Electric Power Co., Inc.	2,326	24.7
Furukawa Electric Co., Ltd.	565	6.0
TSUCHIYA CORPORATION	500	5.3
MUFG Bank, Ltd.	312	3.3
BBH FOR FIDELITY LOW — PRICED STOCK FUND	299	3.1
Nomura Securities Co., Ltd.	240	2.5
Kawaguchi Kosan Co., Ltd.	200	2.1
Meiji Yasuda Life Insurance Company	175	1.8
Tokio Marine & Nichido Fire Insurance Co., Ltd.	137	1.4
Aichi Electric Employee Shareholders' Association	129	1.3

Note 1 Numbers of shares are rounded down to the nearest thousand shares.

Note 2 The shareholding ratio is calculated excluding treasury shares (100,544 shares).

### Distribution of shares by shareholder



## Information on Shares

Business Year	April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders	June
Record date for shareholder rights for the Ordinary General Meeting of Shareholders	March 31
Record date for year-end dividend	March 31
Record date for interim dividend	September 30
Stock Transfer Agent and Account Management Institution for Special Accounts	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, JAPAN
Handling Office	Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited 3-15-33, Sakae, Naka-ku, Nagoya, JAPAN
Mailing Address (Telephone Inquiries)	Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited 2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, JAPAN Telephone +81-120-782-031 (toll-free in Japan) Reception hours: 9:00 a.m. to 5:00 p.m. (excluding weekends and holidays)
Public Notices	Public notices shall be made electronically. Public notice URL: <a href="https://www.aichidenki.jp">https://www.aichidenki.jp</a> If electronic notice is impossible due to accidents or other unavoidable circumstances, the notice shall be posted in the Chunichi Shimbun which is published in Nagoya city.

### Information regarding the share buyback and additional purchase program for fractional shares less than one unit (fractional shares less than 100 shares)

We have a program that enables shareholders to sell owned fractional shares less than one unit back to the Company or make additional purchases from the Company. Interested shareholders should contact the “Contacts for various procedures” below.

### Contacts for various procedures

(Changes in name or address, buyback and additional purchase of fractional shares less than one unit)

For shareholders who have an account with a securities company

→ Please contact your securities company.

For shareholders who do not have an account with a securities company

→ Please contact Sumitomo Mitsui Trust Bank, Limited.

### Concerning outstanding dividend payments

Please contact Sumitomo Mitsui Trust Bank, Limited.

 **AICHI ELECTRIC CO., LTD.**

<https://www.aichidenki.jp/english>

