



100th Anniversary SPECIAL ISSUE

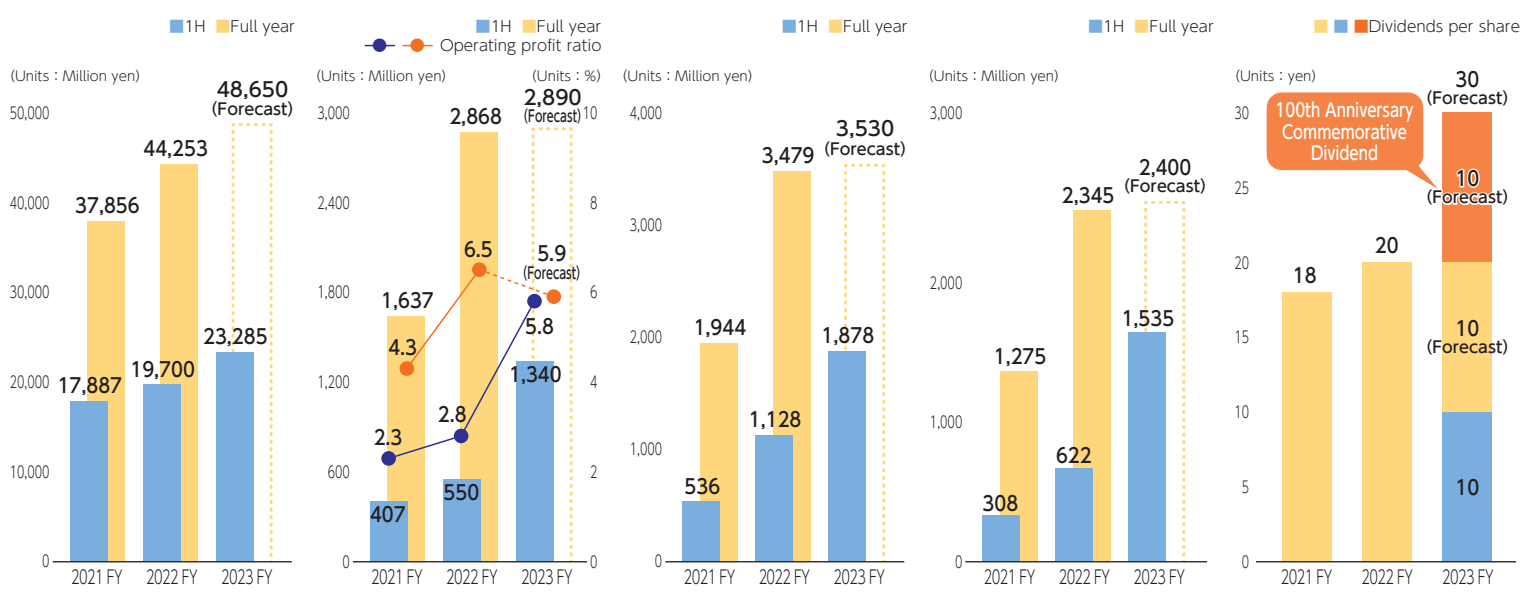
TERASAKI REPORT

First Half of FY2023
(1 April 2023 - 30 September 2023)

TERASAKI ELECTRIC CO., LTD.
Securities code 6637

Financial Highlights

Net sales	Operating profit/ Operating profit ratio	Ordinary profit	Profit attributable to TERASAKI shareholders	Dividends
23,285 Million yen +18.2% year-on-year	1,340 Million yen +143.6% year-on-year	1,878 Million yen +66.4% year-on-year	1,535 Million yen +146.7% year-on-year	Interim 10 yen



Outlook for Financial Year 2023 (Ending 31 March, 2024)

Net sales	Operating profit	Ordinary profit	Profit attributable to TERASAKI shareholders	Dividends
48,650 Million yen +9.9% year-on-year	2,890 Million yen +0.7% year-on-year	3,530 Million yen +1.4% year-on-year	2,400 Million yen +2.3% year-on-year	Interim 10 yen Year-end 20 yen Annual 30 yen

«Exchange rate assumptions for the second half of FY2023»
135yen/US\$, 150yen/EURO, 170yen/£, 90yen/A\$

President's Message

We would like to express our sincere gratitude to all our shareholders for the continued support.

Capital investments in Japan remained firm, though there was a movement to adjust excess inventory. In foreign countries, except in some regions, it generally remained strong against a backdrop of investment for decarbonized society. In the shipbuilding industry, being one of our major markets, the new shipbuilding order volume was sluggish, but its order backlog remained high against a backdrop of demands for LNG carriers, car carriers and next-generation ships intended to help bring about the decarbonization of maritime transportation. On the other hand, energy prices and raw material prices such as copper have remained high, and there have been concerns about the impact on production costs.

Under these circumstances, for the first half of financial year ending 31 March, 2024, net sales increased year-on-year due to higher sales of Marine Systems and Circuit Breakers. Operating profit and ordinary profit also increased owing to the sales increase and the effect of the weaker yen. Profit attributable to TERASAKI shareholders increased due to deferred income taxes.

The outlook for future is expected to remain uncertain due to factors such as the impact of global monetary tightening policies and geopolitical risks. We will strive to operate our business in a flexible manner so that we can provide our products and services stably even under these circumstances.



Representative Director
President Executive Officer
Taizo Terasaki

TERASAKI celebrated its 100th anniversary on 1 October, 2023. We would like to express our deepest appreciation to all of our stakeholders, including our shareholders, who have supported our company's development over the years.

Passing on our 100-year legacy and the founder's spirit, we shall aim for sustainable growth into the next 100 years.

We earnestly ask for the continued support from our shareholders and partners as we pursue these challenges.

December 2023

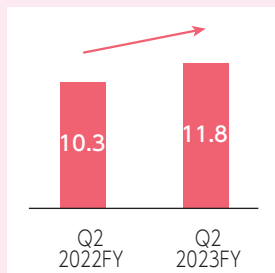
Segment Performance by Region

Japan

Net sales ▶ **11.8 Billion yen** (+14.6% YoY)

Segment profit ▶ **1.22 Billion yen** (+121.6% YoY)

[Net sales] (Units : Billion yen)



● Marine Systems

Sales for container ships and TERASAKI Shore Connection (high-voltage shore connection system) increased

● Industrial Systems

Sales for green-energy power plants in Japan, oversea plants, and distributed power supplies increased

● Circuit Breakers

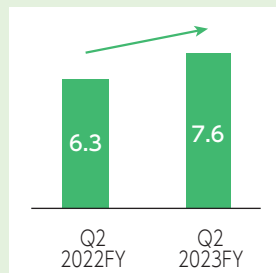
Sales in Japan and overseas performed well

Asia

Net sales ▶ **7.6 Billion yen** (+20.0% YoY)

Segment profit ▶ **0.46 Billion yen** (+53.5% YoY)

[Net sales] (Units : Billion yen)



● Marine Systems

Sales increased significantly year-on-year

● Engineering & Lifecycle Services

Equipment repairs and replacements increased as COVID-19-related restrictions were eased

● Circuit Breakers

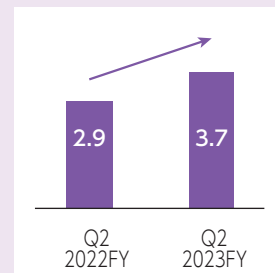
Sales in Malaysia were lower

Europe

Net sales ▶ **3.7 Billion yen** (+26.9% YoY)

Segment profit ▶ **0.2 Billion yen** (+37.9% YoY)

[Net sales] (Units : Billion yen)



● Circuit Breakers

Sales remained strong in Europe and the U.K., and performed well due to the large projects in the Middle East

● Engineering & Lifecycle Services

Repairs for marine systems increased while circuit breaker retrofit orders decreased

Performance by Product Group

System Products

Net sales ▶ **11.6 Billion yen**
(+20.5% YoY)

Orders received ▶ **16.9 Billion yen**
(▲9.7% YoY)

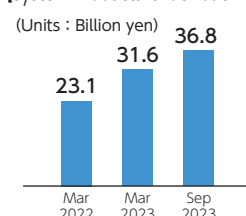
Order backlog ▶ **36.8 Billion yen**
(+5.2 Billion yen from the end of FY2022)

Circuit Breaker Products

Net sales ▶ **11.6 Billion yen**
(+16.0% YoY)

(Note) We do not disclose orders received or order backlog for Circuit breaker products because they are manufactured in accordance with our planned production schedule.

[System Products Order backlog]



"IKASARETE" for 100 years

-TERASAKI 100-Year Journey-

TERASAKI celebrated its 100th anniversary on 1 October, 2023. We would like to express our sincere appreciation and gratitude to everyone who has accompanied and supported us on this journey.

Passing on our 100-year legacy and the founder's spirit, we shall aim for sustainable growth into the next 100 years.

1933
Supplied dead-front switchboards for the Osaka Municipal Subway, Japan's first publicly managed metro project



1970
Established the first overseas subsidiary in the U.K.



1988
Developed an engine control system for cogeneration



1988
Launched TemBreak series circuit breakers



1947
Supplied the first marine distribution board



1962
Relocated the company head office to Abeno-ku, Osaka



1955
Established TERASAKI ELECTRIC CO.,LTD.

1973
Established TERASAKI ELECTRIC CO.,(F.E.) PTE.LTD in Singapore



1923

1923
Yasutaro Terasaki founded TERASAKI ELECTRIC WORKS in Konohana-ku, Osaka
Started manufacturing knife switches



1961
Supplied the first monitoring system for Kinkasan Maru, the world's first automated ship

1958
Introduced the first large-capacity generator for short-circuit tests
Enabled the development and verification of high breaking-capacity circuit breakers



1973
Held the 50th anniversary celebration

1963
Developed the world's first current limiting circuit breaker (MCCB)



1984
Established TERATEC LTD.



1994
Established TERASAKI ELECTRIC (CHINA) LIMITED



1996
Acquired knowledge and experience of system engineering service through the order from Colon Container Terminal in Panama



2000
Developed TemPower2 circuit breakers



2001
Established TERASAKI ELECTRIC IMARI CO., LTD.



1997
Developed a unit for dialysis machine

1992
Started manufacturing automated urine analyzers



2008
Launched TERASAKI Shore Connection (high-voltage shore connection system)



2011
Launched TERANET50X (integrated control and monitoring system)



2007
Listed on the JASDAQ Securities Exchange



2017
Started manufacturing dialysis machines as finished products



2023
TemBreak PRO 100AF/125AF smart circuit breakers received the Minister of Land, Infrastructure, Transport and Tourism Award at JECA FAIR 2023



2023
Celebrated the company's 100th anniversary



2023

2022
Moved to the Tokyo Stock Exchange Standard Market

2020
Released Tem PRO series circuit breakers



2020
Ramped up production of DNA testing devices in response to increased demand for COVID-19 testing



2016
Relocated the company head office to a new building at Kami Factory



TOPICS Trajectory of TERASAKI①

The founder's spirit passed on through generations

Yasutaro Terasaki was only 20 years old when he established TERASAKI ELECTRIC WORKS in Oct 1923. He started his business in a small 20㎡ workshop, where he began manufacturing knife switches and switchboards.

Through careful attention to his work, he earned the trust of his customers who perceived that "TERASAKI delivers high quality products", and it allowed him to expand the business. This experience made him embrace the craftsmanship of making first-class products throughout his life.

As one of our corporate missions, "Contribute to society by offering safety, security and comfort to all our customers with world-class products and services that we develop, manufacture and provide", this spirit has been constantly inherited by TERASAKI group members.



Yasutaro Terasaki, the founder

100th Anniversary Projects



Having reached a memorable milestone in 2023, we held a variety of commemorative events with a sense of gratitude to everyone who has supported us and with the aim of achieving even greater success.

TERASAKI 100th Anniversary Logo

A competition for the anniversary logo was held as a group-wide event involving all employees. The best logo design was selected from 82 entries, and it was finally arranged based on the original one. The “1” is shaped like a wing, and the five feathers represent our five business fields. The design going up to the right embodies our quest for future development and growth.



The winning design of the anniversary logo competition

TERASAKI 100th Anniversary Slogan

“IKASARETE for 100 years” —The slogan selected from 73 entries is simple but yet has an unlikely surprise. When “TERASAKI” is read backwards as “IKASARETE” with an “E” at the end, it means “to be utilized” in Japanese, representing our deepest gratitude to everyone.

活かされて100年目の
TERASAKI

100th Anniversary ceremony

The ceremony to commemorate the 100th anniversary was held on 23 September 2023, and 949 participants including employees and stakeholders both in Japan and overseas attended.

President Taizo Terasaki delivered a speech and said, “We will continue to keep our business operations with flexibility while upholding our missions and management philosophy, and create better and brighter future for all stakeholders”.

At the celebration party, participants deepened the interactions across companies and departments, and everyone renewed their determination to work together to further develop TERASAKI group. A video summarizing the history of TERASAKI was also released, providing an opportunity to look back on its journey over the past century and to realize that the company has continued its business operation as a result of the support and cooperation from our shareholders and many other stakeholders.



▶ 100th Anniversary Website
<https://www.terasaki.co.jp/english/100th/>



TOPICS Trajectory of TERASAKI②

● 1947 Expansion of the business field in the maritime industry

In September 1947, the Japanese government launched a planned shipbuilding policy aimed at rebuilding and recovery of shipbuilding industry. Focusing on this new policy, TERASAKI initiated R&D of the marine switchboards, introduced testing equipment, and enhanced production facilities. In 1958, the company made a major investment in a large-capacity generator under the leadership of Yasutaro Terasaki. Although it was a decision made in the midst of difficult business situation, this investment not only enabled the company to keep high technical standards, to develop and verify high breaking-capacity circuit breakers, but also led to a later development of power distribution and control system for large ships.



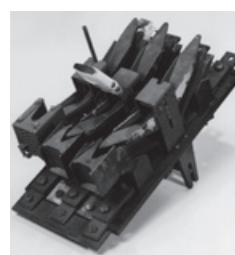
The first generator for short-circuit tests



TERASAKI products were installed on the first Antarctic icebreaker Soya in 1956.

● 1963 Development of current limiting circuit breaker

In March 1963, TERASAKI developed the world's first current limiting circuit breaker. At that time, circuit breakers were required to have higher breaking-capacity in response to the increasing amount of electricity as ships became larger and faster. The company succeeded in the technical development by utilizing electromagnetic repulsion force, which had been considered difficult to control. The development became a major topic in electrical technology journals and industry newspapers, and the name “TERASAKI” gained recognition as a famous circuit breaker brand.



Prototype of current limiting circuit breaker

Corporate Profile

Company Name	Terasaki Electric Co., Ltd.	
Head Office	6-13-47 Kamihigashi, Hirano-ku, Osaka 547-0002 Japan	
Foundation	1 October 1923	
Established	1 April 1980	
Capital	1,236 Million yen	
Employees	2,108 (Consolidated)	542 (Non-consolidated)
Consolidated Subsidiaries	Domestic: 4, Overseas: 8	

Director & Executive Officer

Representative Director President Executive Officer	Taizo Terasaki	
Director Senior Managing Executive Officer	Kazunobu Kumazawa	Business Planning, R&D, Disclosure, General Affairs
Director Managing Executive Officer	Junji Nagase	Accounting & Finance, Information System Department
Director Managing Executive Officer	Masao Nishida	System Division
Director Managing Executive Officer	Yoshihiro Umemoto	Circuit Breaker Division
Director Executive Officer	Shunji Okada	Engineering, Life Cycle
Director Executive Officer	Kazuhiro Yoshikawa	Medical Device
Director Audit & Supervisory Committee Member	Hirofumi Kobayashi	
Director Audit & Supervisory Committee Member (External)	Kunio Chiyoda	
Director Audit & Supervisory Committee Member (External)	Shunji Takano	
Executive Officer	Shujiro Hamano	General Manager, Human Resources & General Affairs
Executive Officer	Masaji Nishino	Chief Audit Executive Internal Audit Section
Executive Officer	Hideki Nakagawa	Sales & Marketing, Circuit Breaker Division
Executive Officer	Keita Yasukawa	Marine Systems System Division
Executive Officer	Tsutomu Takeda	Production Innovation Circuit Breaker Division

Shares

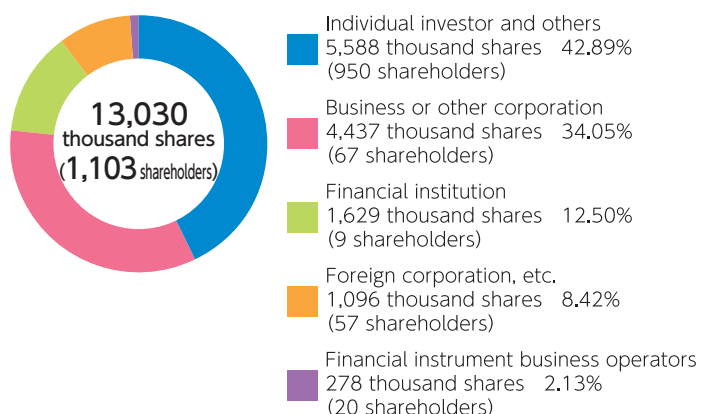
Total number of shares authorized to be issued	52,000,000
Total number of issued shares	13,030,000
Number of shareholders	1,103

Major Shareholders

Shareholder	Shares owned (1,000 shares)	Share (%)
Terasaki Co., Ltd.	2,200	16.89
Taizo Terasaki	1,138	8.74
Terasaki Trust Co., Ltd	866	6.64
Kaori Aramaki	738	5.66
Yuzo Terasaki	677	5.19
Hozansha Co., Ltd.	653	5.01
The Master Trust Bank of Japan, Ltd.	602	4.62
Terasaki Employee Stock Ownership	551	4.22
Terasaki Suppliers Stock Ownership	535	4.11
Arc Ltd.	400	3.07

(Note) Share percentages are calculated without treasury stock (1,070 shares).

Distribution by Shareholders



* Treasury stock (1,070 shares) is included in individual investor and others.

TERASAKI ELECTRIC CO., LTD.

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