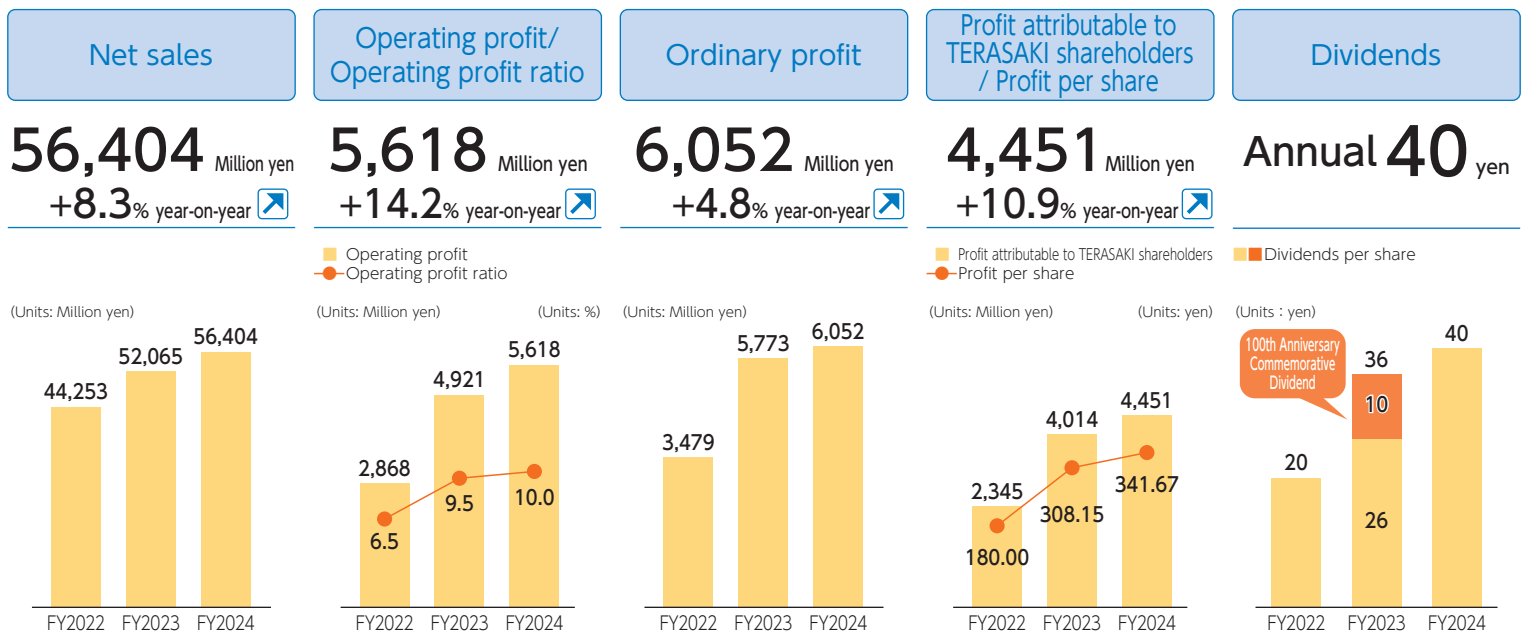


# TERASAKI REPORT

1 April 2024 -  
31 March 2025

TERASAKI ELECTRIC CO., LTD.  
Securities code 6637

## Financial Highlights・Dividends



## Outlook for Financial Year 2025 (Ending 31 March 2026)



### «Exchange rate assumptions for FY2025»

145 yen/US\$ 156 yen/EURO  
184 yen/£ 19.5 yen/RMB

### «Foreign Exchange Sensitivity» (Impact\* of 1-yen change against the US\$)

Sales: approx. 0.2 Billion yen Operating profit: approx. 0.1 Billion yen  
\*Based on the assumptions that other foreign currencies will change in tandem with the US\$

### Point

- Net sales are expected to increase with Marine System products performing favorably overall.
- Annual dividends are planned at 43 yen per share, an increase of 3 yen from the previous year.



We will continue investing for the future and leverage our strengthened production facilities to reliably convert System product orders into sales, aiming for further growth.

Representative Director  
President Executive Officer  
**Taizo Terasaki**

FY2024 Financial results Overview

We would like to express our sincere gratitude to our shareholders for their continued support. In financial year ended March 2025, our performance surpassed the previous year in both net sales and profits. This performance was driven not only by the impact of the yen's depreciation, but also by our continuous capital investment in domestic and overseas manufacturing facilities for System products since 2020. In addition, our continual effort in product price optimization is progressively showing positive outcomes, leading to improvements in our profit structure.

Shipbuilding Market Overview

The shipbuilding industry has significantly increased its backlog of orders due to the continued demand for next-generation fuel vessels aimed at achieving decarbonization in maritime transport, and the expansion of shipbuilding capacity in China, all supported by favorable shipping market conditions. As of the end of December 2024, the global shipbuilders' order backlog has been over 268 million gross tonnage. It means that they already secured approximately 4 years' worth of work. Our company's order backlog of System products, as a result, reached approximately 60 Billion yen as of the end of March 2025. Meanwhile, the crises such as shipping restrictions from the Red Sea due to the Houthis' attacks on civilian vessels and

fluctuations in new U.S. trade policies have caused latest concerns, requiring us to continue monitoring changes in market conditions going forward.

Circuit Breakers and Industrial Market Overview

Within Japan, capital investments financed by strong corporate earnings have continued steadily as companies increasingly repatriate production facilities due to escalating labor shortages and geopolitical risks. Overseas, despite downward pressure from high interest rates, investments in decarbonization and generative AI continued.

Outlook for FY2025

Regarding our consolidated financial outlook for the financial year ending March 2026, we forecast increased net sales and operating profit, while we expect decreased ordinary profit and net income attributable to shareholders of the parent company. The exchange rate assumption underlying our earnings forecast is 145 yen per US dollar. Given that more than half of our sales are denominated in foreign currencies, our results are highly sensitive to exchange rate fluctuations. Additionally, since our products extensively use raw materials such as copper and silver, the sustained high prices of these materials are affecting product costs, requiring continued close monitoring going forward. The yen's appreciation and rising personnel costs represent negative factors for sales and profit compared to last year. However, we will strive to offset these through initiatives such as productivity improvements and price optimization. In our System products, we will make maximum use of strengthened domestic and overseas production facilities to reliably convert our substantial order backlog into sales.

In our Circuit Breakers, we will expand the market by utilizing new models, and will work to quickly ramp up operations at the Kami Factory (Phase 1 construction), which is scheduled to begin operations this financial year, to improve productivity and reduce environmental impact. We will also continue enhancing our domestic and overseas manufacturing bases to prepare for future sales expansion. We will also actively invest in human resources, leveraging our strength in our global and diverse workforce to build an organization that maximizes each individual's capabilities, aiming for sustainable growth.

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

June 2025



Marine high-voltage switchboard 'HS50'  
A new high-voltage switchboard that achieves both downsizing and increased capacity, supporting the larger scale and electrification of ships including LNG carriers, container ships, and other vessels.



Photo courtesy: Orient Overseas Container Line Co., Ltd.  
The large container ship 'OOCL Bauhinia' equipped with 'HS50'

Consolidated Financial Statements (Summary) (Note) Monetary amounts are rounded off to one million yen.

Consolidated Balance Sheets

ASSETS		
	FY2023	FY2024
	(As of 31 March 2024)	(As of 31 March 2025)
[Assets]		
Current assets	48,381	51,199
Cash and cash equivalents	13,210	17,614
Notes and accounts receivable - trade, and contract assets	16,066	13,993
Inventories	16,791	17,048
Other current assets	2,312	2,541
Non-current assets	19,662	22,696
Property, plant and equipment	12,405	14,073
Intangible assets	126	160
Investments and other assets	7,131	8,462
Total Assets	68,043	73,896

LIABILITIES & EQUITY		
	FY2023	FY2024
	(As of 31 March 2024)	(As of 31 March 2025)
[Liabilities]		
Current liabilities	15,301	16,608
Non-current liabilities	5,950	5,855
Total Liabilities	21,252	22,463
[Equity]		
Shareholders' equity	40,065	44,048
Capital stock	1,236	1,236
Capital surplus	2,244	2,244
Retained earnings	36,586	40,568
Treasury stock, at cost	△ 1	△ 1
Accumulated other comprehensive income	6,725	7,384
Non-controlling interests	—	—
Total Equity	46,791	51,432
Total Liabilities and Equity	68,043	73,896

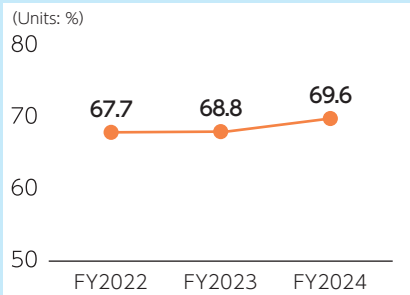
Consolidated Statements of Income

	FY2023	FY2024
	(From 1 April 2023 to 31 March 2024)	(From 1 April 2024 to 31 March 2025)
Net sales	52,065	56,404
Cost of sales	37,327	40,377
Gross profit	14,737	16,027
Selling, general and administrative expenses	9,816	10,408
Operating profit	4,921	5,618
Non-operating income	1,141	568
Non-operating expenses	290	133
Ordinary profit	5,773	6,052
Extraordinary income	95	34
Extraordinary loss	158	2
Profit before income taxes	5,710	6,085
Income taxes - Current	1,634	1,758
Income taxes - Deferred	61	△ 124
Profit for the period	4,014	4,451
Profit attributable to non-controlling interests	0	—
Profit attributable to TERAOKI shareholders	4,014	4,451

Consolidated Statements of Cash Flows

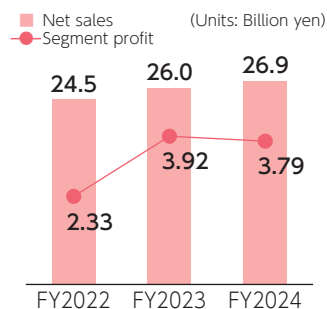
	FY2023	FY2024
	(From 1 April 2023 to 31 March 2024)	(From 1 April 2024 to 31 March 2025)
Cash flows from operating activities	3,819	8,327
Cash flows from investing activities	△ 2,417	△ 3,193
Cash flows from financing activities	△ 212	△ 743
Effect of exchange rate changes on cash and cash equivalents	663	14
Net increase (decrease) in cash and cash equivalents	1,853	4,404
Cash and cash equivalents at beginning of year	11,357	13,210
Cash and cash equivalents at end of year	13,210	17,614

Equity ratio



## Segment Performance by Region

### Japan



**Net sales** 26,928 Million yen (Up 3.2% year on year)

**Segment profit** 3,791 Million yen (Down 3.5% year on year)

#### ▶ Marine Systems

Sales for LNG carriers increased despite a decline in sales of Terasaki Shore Connection.

#### ▶ Industrial Systems

Sales for green-energy power plants in Japan and distributed power supplies such as cogeneration systems were sluggish.

#### ▶ Medical Devices

Sales for both medical devices and clinical devices remained at the same level as the previous financial year.

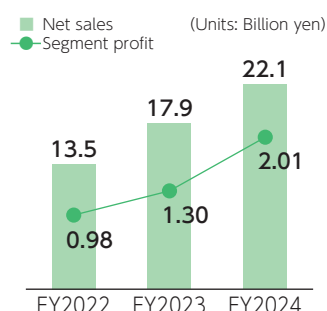
#### ▶ Engineering & Lifecycle Services

Engineering services for railway-related facilities in Japan increased.

#### ▶ Circuit Breakers

Sales performed well in Europe, while declined in Japan owing to inventory adjustments.

### Asia



**Net sales** 22,186 Million yen (Up 23.8% year on year)

**Segment profit** 2,015 Million yen (Up 55.0% year on year)

#### ▶ Marine Systems

Sales significantly rose compared to the previous financial year, boosted by the demand for all vessel types, starting with LNG carriers.

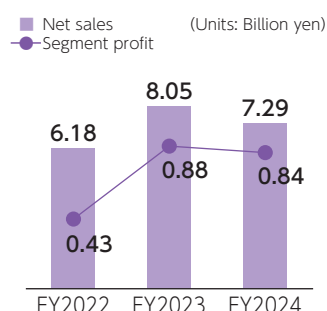
#### ▶ Engineering & Lifecycle Services

Replacements for marine systems increased.

#### ▶ Circuit Breakers

Sales performed well in Chinese marine market and in Singapore.

### Europe



**Net sales** 7,290 Million yen (Down 9.5% year on year)

**Segment profit** 842 Million yen (Down 5.2% year on year)

#### ▶ Circuit Breakers

Sales were sluggish partially in Europe and in the Middle East.

#### ▶ Engineering & Lifecycle Services

Circuit breaker retrofit orders increased.

## Performance by Product Group

### System Products

**Net sales** 32.6 Billion yen  
(+17.5% YoY)

**Orders received** 55.2 Billion yen  
(+67.8% YoY)

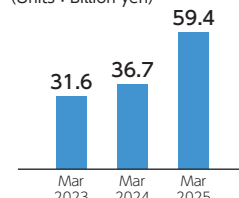
**Order backlog** 59.4 Billion yen  
(+22.6 Billion yen from the end of FY2023)

### Circuit Breaker Products

**Net sales** 23.7 Billion yen  
(▲2.1% 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]  
(Units : Billion yen)





## Vol.2 Circuit Breakers

Q.

What is a **circuit breaker**?



A.

A device with protective functions that safely disconnects electricity when malfunctions or accidents occur in electrical systems.

We offer a lineup of various sizes depending on the rated current and the required protection performance. We also have models with measurement and communication functions, enabling centralized management of electrical systems.

Q.

Who are **the customers** for Circuit breaker products?

A.

Our main customers are domestic and overseas **distribution control system manufacturers and machinery manufacturers.**

Q.

What is **the international sales percentage** for Circuit breaker products?

A.

Overseas sales account for **approximately 60%** of our Circuit Breakers sales. These products are used worldwide including Europe, the Middle East, Oceania, East Asia, and Southeast Asia.



Q.

Where are the production facilities located?

A.

We operate **two domestic facilities and one overseas facility in Malaysia**: the Kami factory in Osaka for large low voltage circuit breakers, the Yabakei factory in Oita for medium-sized low voltage circuit breakers, and our Malaysian facility for small low voltage circuit breakers.



Large-sized circuit breakers produced at the Kami factory. The finished products weigh several tens of kilograms

Q.

Where are our Circuit breaker products used?

A.

We specialize in manufacturing low-voltage (AC 690V and below) circuit breakers with high current and breaking capacity—much larger than the breakers found in homes. Our products are mainly used in **major electrical systems** including power plants, industrial facilities, railway systems, commercial buildings, data centers, and ships worldwide. We maintain **the world's leading market share in the marine market.**



## Vol.3 Industrial Systems

Q.

How different is it from Marine System products?



A.

Marine system products are equipment installed aboard ships, while industrial system products are systems implemented in **factories, buildings, and power plants.**

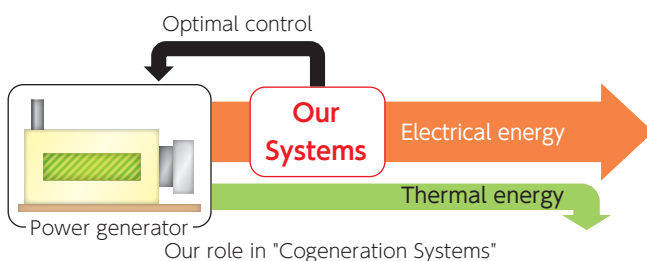
We specialize in projects for **harsh environments with dust and humidity**, as well as projects requiring **custom design solutions** tailored to each specific application.

Q.

What is **"Cogeneration systems"**?

A.

While conventional power generation systems utilize only generated electricity, cogeneration systems **also make use of the heat generated** during the power production process. We manufacture **systems that control the generators** in these cogeneration systems.



Q.

Who are **the customers** for Industrial System products?

A.

Our customers include **prime mover companies, engineering firms, and railway infrastructure companies.**

We also collaborate with customers conducting demonstration tests for new energy technologies.

Q.

Where can you see our Industrial System products?

A.

Our products are housed in electrical rooms of **factories, buildings, and power plants**, so they are typically not visible to most people.

For instance, we have supplied our products for the electrical facilities **at Yumeshima Station**, which serves as the gateway to the Osaka-Kansai Expo 2025. The station's power supply is delivered through our products.



Yumeshima Station, Osaka

## 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	2,198 (Consolidated) 553 (Non-consolidated)
Consolidated Subsidiaries	Domestic: 4, Overseas: 8

## Director & Executive Officer (As of 27 June 2025)

Representative Director President Executive Officer	Taizo Terasaki
Director Senior Managing Executive Officer	Kazunobu Kumazawa
Director Managing Executive Officer	Junji Nagase
Director Managing Executive Officer	Yoshihiro Umemoto
Director Managing Executive Officer	Kazuhiro Yoshikawa
Director Executive Officer	Keita Yasukawa
Director Audit & Supervisory Committee Member	Masao Nishida
Director Audit & Supervisory Committee Member (External)	Kunio Chiyoda
Director Audit & Supervisory Committee Member (External)	Shunji Takano
Executive Officer	Hirofumi Kobayashi
Executive Officer	Shujiro Hamano
Executive Officer	Masaji Nishino
Executive Officer	Hideki Nakagawa
Executive Officer	Tsutomu Takeda
Executive Officer	Teruyuki Tataki
Executive Officer	Shuzo Nasu
Executive Officer	Masahiko Suzuki

## Shares

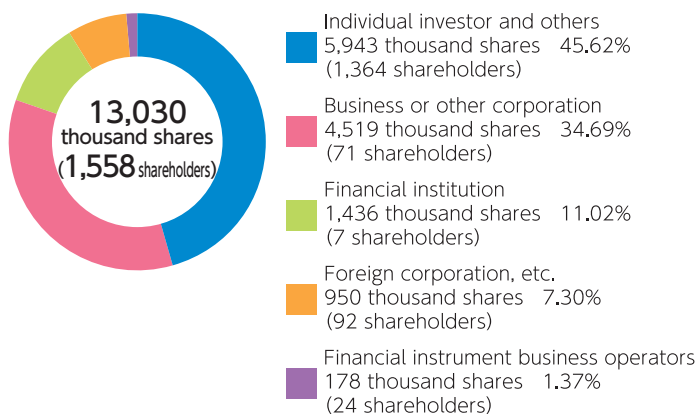
Total number of shares authorized to be issued	52,000,000
Total number of issued shares	13,030,000
Number of shareholders	1,558

## Major Shareholders

Shareholder	Shares owned (1,000 shares)	Share (%)
Terasaki Co., Ltd.	2,200	16.89
Taizo Terasaki	1,146	8.79
Terasaki Trust Co., Ltd.	866	6.64
Kaori Aramaki	738	5.66
Yuzo Terasaki	677	5.19
Hozansha Co., Ltd.	653	5.01
Terasaki Employee Stock Ownership	523	4.01
Terasaki Suppliers Stock Ownership	511	3.92
The Master Trust Bank of Japan, Ltd.	401	3.08
Arc Ltd.	400	3.07

(Note) Share percentages are calculated without treasury stock (1,117 shares).

## Distribution by Shareholders



\* Treasury stock (1,117 shares) is included in individual investor and others.



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