

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

October 31, 2025

**Consolidated Financial Results
for the Six Months Ended September 30, 2025
(Under Japanese GAAP)**



Company name: Stanley Electric Co., Ltd.

Listing: Tokyo

Securities code: 6923

URL: <https://www.stanley-electric.com>

Representative: Yasuaki Kaizumi, President and Representative Director

Inquiries: Ikuo Kuwata, Executive Officer, Executive General Manager, Corporate Administration Division

Telephone: +81-3-6866-2222

Scheduled date to file semi-annual securities report: November 13, 2025

Scheduled date to commence dividend payments: November 28, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	248,474	1.8	18,462	(3.8)	21,993	0.3	10,162	(10.7)
September 30, 2024	243,987	7.9	19,197	36.4	21,937	8.7	11,378	42.0

Note: Comprehensive income	For the six months ended September 30, 2025:	¥	25,068 million	[-%]
	For the six months ended September 30, 2024:	¥	(3,277) million	[-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	69.37	69.36
September 30, 2024	71.21	71.21

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	754,001	554,230	58.6
March 31, 2025	749,605	598,906	64.8

Reference: Equity

As of September 30, 2025: ¥ 442,131 million

As of March 31, 2025: ¥ 485,499 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	32.00	-	40.00	72.00
Fiscal year ending March 31, 2026	-	49.00			
Fiscal year ending March 31, 2026 (Forecast)			-	51.00	100.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	500,000	(1.9)	45,000	(8.2)	50,000	(9.8)	31,400	(2.1)	225.52

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 companies(Stanley Tsuruoka Works Co., Ltd.)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	152,000,000 shares
As of March 31, 2025	152,000,000 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2025	21,247,666 shares
As of March 31, 2025	2,887,924 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	146,506,811 shares
Six months ended September 30, 2024	159,783,328 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Regarding the consolidated earnings forecast for the fiscal year ending March 2026, net sales are expected to increase due to foreign exchange effects. Operating profit is also projected to exceed the forecast announced on June 10, 2025, supported by the continued depreciation of the yen and the easing impact of the higher U.S. tariff rates.

As a result, for the full-year forecast, we expect net sales of 500 billion yen (a 1.9% decrease year-on-year), operating profit of 45 billion yen (a 8.2% decrease year-on-year), ordinary profit of 50 billion yen (a 9.8% decrease year-on-year) and profit attributable to owners of parent of 31.4 billion yen (a 2.1% decrease year-on-year).

The Company made these projections in forecasts based on currently available economic and business information; as such, these projections include certain risks and other uncertainties, and the Company does not intend to guarantee the achievement of these projections. Actual business performance may differ significantly from current projections resulting from various critical factors.

Semi-annual Consolidated Financial Statements and Primary Notes
Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	219,514	195,424
Notes and accounts receivable - trade	77,368	79,617
Securities	100	100
Inventories	55,498	55,732
Other	37,611	46,647
Allowance for doubtful accounts	(54)	(72)
Total current assets	390,038	377,450
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	78,208	79,179
Machinery, equipment and vehicles, net	78,381	80,138
Tools, furniture and fixtures, net	16,714	15,829
Land	25,774	26,098
Leased assets, net	2,997	2,792
Construction in progress	33,529	39,119
Total property, plant and equipment	235,606	243,158
Intangible assets		
Goodwill	5,258	3,357
Other	4,745	6,087
Total intangible assets	10,003	9,445
Investments and other assets		
Investment securities	77,828	84,563
Retirement benefit asset	6,508	7,018
Deferred tax assets	7,036	6,372
Other	22,583	25,992
Total investments and other assets	113,956	123,946
Total non-current assets	359,566	376,550
Total assets	749,605	754,001

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	40,995	40,620
Short-term borrowings	-	46,700
Lease liabilities	1,619	1,715
Income taxes payable	4,535	5,379
Provision for product warranties	7,360	7,790
Provision for bonuses	5,892	5,785
Provision for bonuses for directors (and other officers)	286	168
Other	30,325	29,442
Total current liabilities	91,015	137,603
Non-current liabilities		
Bonds payable	40,000	40,000
Lease liabilities	2,956	2,758
Deferred tax liabilities	13,024	14,874
Provision for retirement benefits for directors (and other officers)	24	25
Other provisions	28	28
Retirement benefit liability	2,980	3,307
Asset retirement obligations	483	585
Other	184	588
Total non-current liabilities	59,682	62,167
Total liabilities	150,698	199,770
Net assets		
Shareholders' equity		
Share capital	30,514	30,514
Capital surplus	19,097	19,172
Retained earnings	358,372	362,588
Treasury shares	(7,668)	(63,267)
Total shareholders' equity	400,316	349,009
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,735	36,304
Foreign currency translation adjustment	51,001	54,668
Remeasurements of defined benefit plans	2,445	2,149
Total accumulated other comprehensive income	85,183	93,122
Share acquisition rights	392	402
Non-controlling interests	113,014	111,696
Total net assets	598,906	554,230
Total liabilities and net assets	749,605	754,001

Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	243,987	248,474
Cost of sales	197,771	199,387
Gross profit	46,215	49,087
Selling, general and administrative expenses	27,018	30,624
Operating profit	19,197	18,462
Non-operating income		
Interest income	2,512	1,959
Dividend income	1,682	1,395
Share of profit of entities accounted for using equity method	181	453
Foreign exchange gains	-	280
Miscellaneous income	344	318
Total non-operating income	4,720	4,407
Non-operating expenses		
Interest expenses	137	293
Foreign exchange losses	1,477	-
Compensation expenses	-	332
Miscellaneous losses	365	250
Total non-operating expenses	1,980	876
Ordinary profit	21,937	21,993
Extraordinary income		
Gain on sale of non-current assets	56	70
Gain on bargain purchase	10,060	-
Gain on liquidation of subsidiaries	170	-
Total extraordinary income	10,288	70
Extraordinary losses		
Loss on step acquisitions	1,130	-
Impairment losses	6,180	760
Loss on retirement of non-current assets	2,299	338
Business restructuring expenses	-	13
Extra retirement payments	1,258	168
Loss on abandonment of inventories	371	-
Special survey costs	72	29
Total extraordinary losses	11,312	1,310
Profit before income taxes	20,912	20,753
Income taxes	5,902	6,022
Profit	15,009	14,731
Profit attributable to non-controlling interests	3,631	4,568
Profit attributable to owners of parent	11,378	10,162

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	15,009	14,731
Other comprehensive income		
Valuation difference on available-for-sale securities	(8,362)	4,590
Foreign currency translation adjustment	(9,460)	6,194
Remeasurements of defined benefit plans, net of tax	(229)	(306)
Share of other comprehensive income of entities accounted for using equity method	(235)	(141)
Total other comprehensive income	(18,287)	10,336
Comprehensive income	(3,277)	25,068
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(8,250)	18,102
Comprehensive income attributable to non-controlling interests	4,972	6,965

Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	20,912	20,753
Depreciation	22,275	20,152
Impairment losses	6,180	760
Gain on bargain purchase	(10,060)	-
Increase (decrease) in allowance for doubtful accounts	(3)	15
Increase (decrease) in provision for bonuses	917	(16)
Increase (decrease) in provision for product warranties	(1,286)	425
Increase (decrease) in retirement benefit liability	833	(510)
Interest and dividend income	(4,194)	(3,354)
Interest expenses	137	293
Share of loss (profit) of entities accounted for using equity method	(181)	(453)
Loss (gain) on step acquisitions	1,130	-
Loss (gain) on sale and retirement of non-current assets	2,242	268
Extra retirement payments	1,258	168
Decrease (increase) in trade receivables	9,410	(2,892)
Decrease (increase) in inventories	3,086	(578)
Increase (decrease) in trade payables	(6,378)	2,258
Other, net	(11,745)	290
Subtotal	34,534	37,579
Interest and dividends received	5,654	3,927
Interest paid	(150)	(292)
Income taxes paid	(7,955)	(5,651)
Extra retirement payments	(1,258)	(168)
Net cash provided by (used in) operating activities	30,823	35,394
Cash flows from investing activities		
Payments into time deposits	(66,382)	(59,330)
Proceeds from withdrawal of time deposits	59,932	60,399
Payments into increase in long-term deposits	(9,816)	-
Purchase of property, plant and equipment	(20,551)	(26,094)
Proceeds from sale of property, plant and equipment	51	75
Purchase of intangible assets	(670)	(469)
Proceeds from sale and redemption of short-term and long-term investment securities	-	1
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	8,214	-
Purchase of long-term prepaid expenses	(3,939)	(5,081)
Other, net	(712)	(644)
Net cash provided by (used in) investing activities	(33,874)	(31,144)

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	46,700
Proceeds from issuance of bonds	19,904	-
Redemption of bonds	(10,000)	-
Purchase of treasury shares	(7,838)	(55,788)
Decrease (increase) in money held in trust for purchase of treasury stock	(2,169)	(9,019)
Dividends paid	(4,489)	(5,963)
Dividends paid to non-controlling interests	(2,693)	(6,604)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(3,162)	(403)
Other, net	(810)	(128)
Net cash provided by (used in) financing activities	(11,259)	(31,207)
Effect of exchange rate change on cash and cash equivalents	(1,527)	849
Net increase (decrease) in cash and cash equivalents	(15,837)	(26,107)
Cash and cash equivalents at beginning of period	147,130	128,442
Cash and cash equivalents at end of period	131,292	102,335

(Notes on segment information, etc.)

Segment information

Sales and profit or loss by reportable segment

For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(Millions of Yen)

	Automotive Equipment Business	Electronic Components Business	Applied Electronic Products Business	Others (Note 1)	Adjustment (Note 2)	Total amount recognized in semi-annual consolidated financial statements (Note 3)
Sales						
Sales to outside customers	209,187	9,593	25,206	0	—	243,987
Intersegment sales or transfer	806	8,463	32,576	1,408	(43,255)	—
Total	209,993	18,057	57,783	1,408	(43,255)	243,987
Segment income (loss)	18,376	1,238	4,080	(21)	(4,476)	19,197

- Notes: 1. “Others” mainly includes the following project and services not included in the reportable segments: the project for promotion of employment of the physically disabled; and financial and management services provided within the Stanley Group.
2. (4,476) million yen adjustment to segment income (loss) mainly includes company-wide expenses not included in the reportable segments of (4,157) million yen. The company-wide expenses are mainly general research and development expenses and administrative expenses, which are not attributable to the reportable segments.
3. Segment income (loss) is adjusted to be consistent with operating income shown on the semi-annual consolidated financial statements.

For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(Millions of Yen)

	Automotive Equipment Business	Electronic Components Business	Applied Electronic Products Business	Others (Note 1)	Adjustment (Note 2)	Total amount recognized in semi-annual consolidated financial statements (Note 3)
Sales						
Sales to outside customers	213,362	9,525	25,581	4	—	248,474
Intersegment sales or transfer	875	9,359	30,479	1,493	(42,209)	—
Total	214,238	18,885	56,061	1,498	(42,209)	248,474
Segment income (loss)	18,801	2,059	4,699	37	(7,136)	18,462

- Notes: 1. “Others” mainly includes the following project and services not included in the reportable segments: the project for promotion of employment of the physically disabled; and financial and management services provided within the Stanley Group.
2. (7,136) million yen adjustment to segment income (loss) mainly includes company-wide expenses not included in the reportable segments of (6,738) million yen. The company-wide expenses are mainly general research and development expenses and administrative expenses, which are not attributable to the reportable segments.
3. Segment income (loss) is adjusted to be consistent with operating income shown on the semi-annual consolidated financial statements.