Creating for the Future

Innovating new ideas today. Becoming the norms of tomorrow.

Supplementary Material for the Second Quarter of the Fiscal Year Ending March 2027

November 11, 2026

SWCC Corporation



TSE Prime 5805

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1 FY2026 Q2 Overview of Financial Results

FY2026 Q2 Overview of Financial Results

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Business Environment	● While the international situation remains unstable and resource prices continue to soar, the domestic economy is trending gradually toward a recovery. ● In the domestic Power Infrastructure, demand is strong as measures to address the aging of substation equipment and to reinforce transmission and distribution networks continue to be implemented. ● Capital investment in data centers and semiconductor-related demand are continuing to increase against the backdrop of the rapid popularization of generative AI. ● Rising copper prices continue to rise
Net Sales	Growth businesses performed steadily, and the performance of the semiconductor-related business exceeded the forecast. Rising copper prices also contributed to performance. **Record-high net sales** **[Status of Major Business Fields]** **Energy and Infrastructure:** Power infrastructure: steady capture of substation renewal demand drove higher sales Construction Cables: higher sales on the contribution of rising copper prices **Communication and Components:** Sales of strategic product e-Ribbon, for which production was expanded through investment, remain solid Semiconductors: higher sales on sharply increased demand for strategic products for semiconductor test equipment
Operating Profit	**Record-high first-half operating profit was achieved.** Rising copper prices, as well as an increase in the net sales of businesses, mainly growth businesses, contributed to the growth of profit.

FY2026 H1 Consolidated Results (P/L)

Full-year plan revised upward again: net sales and all profit lines are expected to reach record highs

Backed by a continued favorable business environment, strong performance is expected to continue into the second half and beyond, led by growth businesses

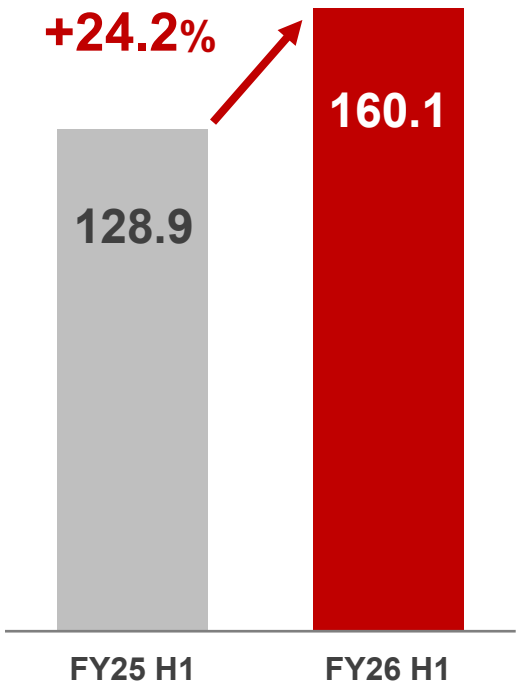
(Unit: billion yen)	FY25 H1 Actual	FY26 H1 Actual	YoY Change	YoY % Change	FY26 Previous Plan (Announced Aug.7)	FY26 Revised Plan (Announced Nov.11)	vs. Previous Plan (Change)	
Net Sales	**128.9**	**160.1**	**+31.2**	**+24.2%**	**330.0**	**333.0**	**+3.0**	0.9% Up!
Operating Profit (excl. goodwill amortization)	**11.7** (12.4)	**17.9** (18.7)	**+6.2** (+6.2)	**+53.6%** (+50.0%)	**33.0** (34.7)	**36.0** (37.7)	**+3.0** (+3.0)	9.1% Up!
Operating Margin (excl. goodwill amortization)	**9.0%** (9.7%)	**11.2%** (11.7%)	**+2.2pt** (+2.0pt)	-	**10.0** (10.5)	**10.8** (11.3)	**+0.8pt** (+0.8pt)	
Ordinary Profit	**11.3**	**17.4**	**+6.1**	**+53.7%**	**32.2**	**35.0**	**+2.8**	8.7% Up!
Net Profit Attributable to Owners of Parent	**7.3**	**14.9**	**+7.6**	**+104.2%**	**23.0**	**23.0**	**0.0**	

FY2026 H1 Results Highlights

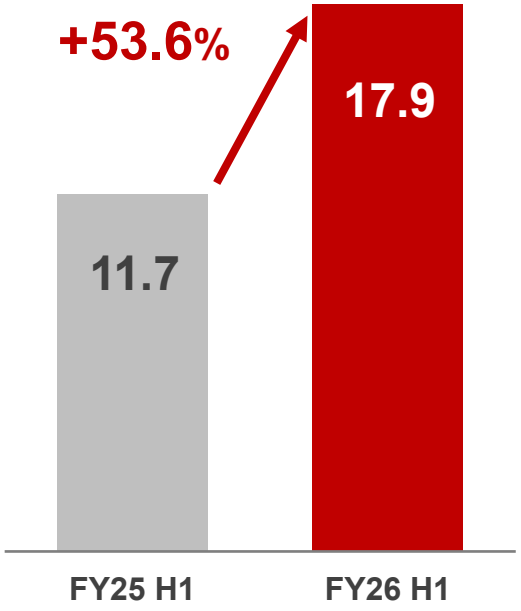
H1 YoY

Net Sales

(Unit: billion yen)



Operating Profit



H1 Progress Rate

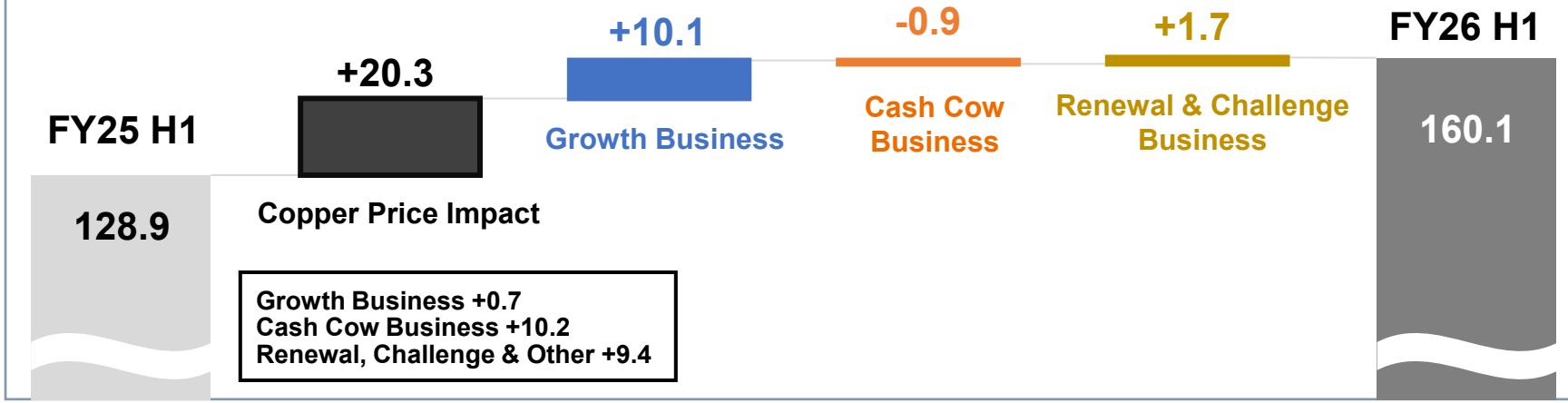
Progress exceeds the usual pace for both sales and profit

	FY26 Revised Plan (Announced Nov. 11)	FY26 H1 Progress Rate	5-Year Average H1 Progress Rate
Net Sales	333.0	48.1%	47.6%
Operating Profit	36.0	49.7%	43.7%

FY2026 H1 Factors Behind Changes (YoY)

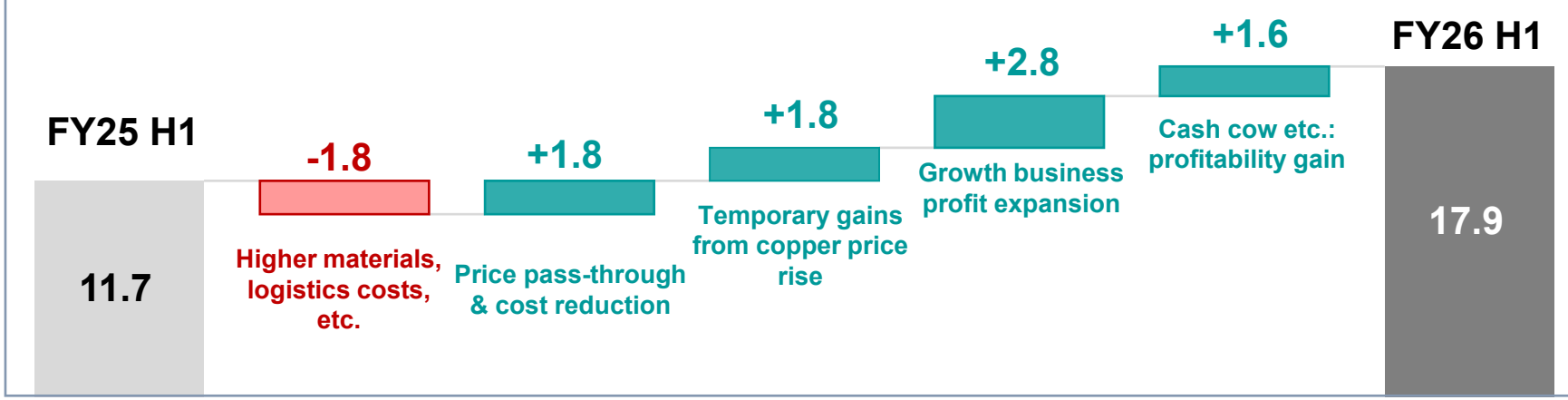
Net Sales: Factors Behind Changes

(Unit: Billion yen)



Operating Profit: Factors Behind Changes

(Unit: Billion yen)



[Change factors]

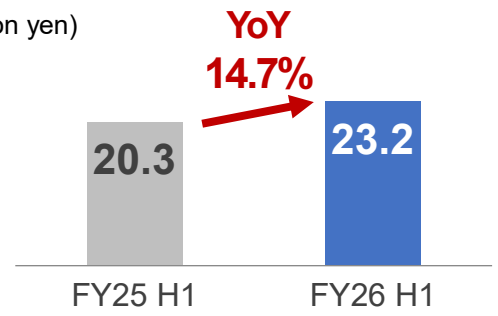
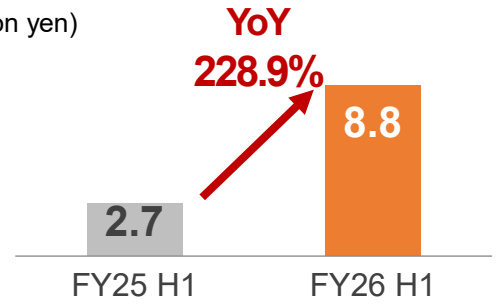
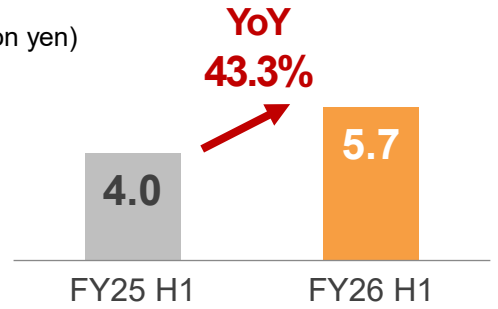
1. Net sales

Net sales increased year on year, driven by higher sales in growth businesses and rising copper prices.

2. Operating profit

Rising material costs have been addressed through the improvement of productivity and price strategies. **Operating profit increased year on year due to one-time gains from rising copper prices, expanded earnings from growth businesses**, the revitalization of cash cows, and improved productivity in renovative and challenged businesses.

FY2026 H1 Growth Business Results

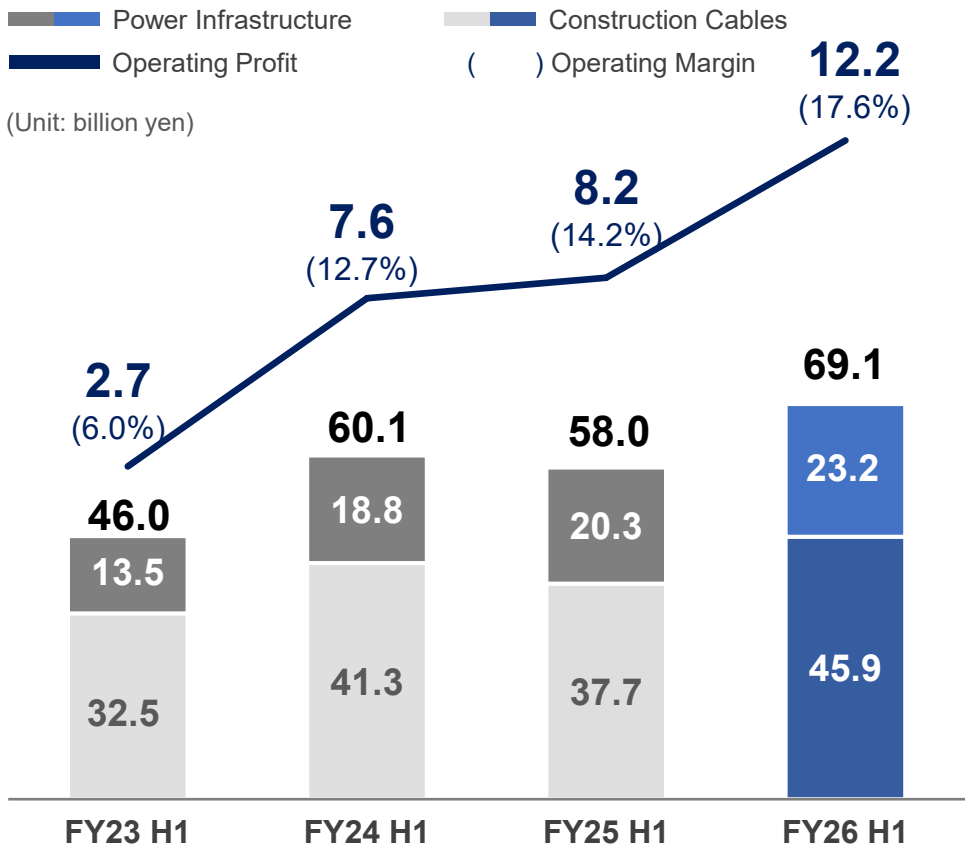
	Net Sales	Performance Highlights
Power Infrastructure	(Unit: billion yen) 	● Increase in orders for high-voltage installation work led to increased profitability. ● Actively proposing e-Cable and SICOPLUS to boost construction efficiency and labor savings, thereby strengthening installation capacity.
Communication Cables (Overseas)	(Unit: billion yen) 	● Responded to the growth of customer demand for e-Ribbon. Sales up on expanded production capacity. ● Optical fiber price surge passed through to selling prices. ● Launched sales of cables using e-Ribbon.
Semiconductor Applications	(Unit: billion yen) 	● Sales of generative-AI-related strategic products (Contact Probes, RUOTA, TIW) were strong, exceeding expectations. ● High operating rates continue to meet orders exceeding supply capacity. ● Profitability improved on higher orders for high-value-added products.

FY2026 H1 Segment Results: Energy & Infrastructure Business

Sales up 19.3% and profit up 48.3% YoY

Power infrastructure: Increase in large-scale projects, such as replacement demand for aging domestic substation equipment and reinforcement of transmission and distribution grids.

Construction Cables: Despite slightly lower demand, profitability improved through appropriate price revisions and DX-driven productivity gains. Higher copper prices also contributed to higher sales and profit.



H1 Net Sales: Copper Price Impact	H1 Net Sales: FX Impact
Power infrastructure: +¥0.7B	Power infrastructure: No impact
Construction Cables: +¥8.5B	Construction Cables: No impact

Construction Cables (Cash Cow Business) Status

■ **Captured high-margin projects to grow profit despite slightly lower construction Cables demand.**

■ **Profitability Improvement Measures.**

(1) Revising selling prices appropriately
(2) DX strategy: labor saving through IoT and more efficient sales operations
(3) Logistics reform and inventory reduction: stronger centralized management at the mother warehouse

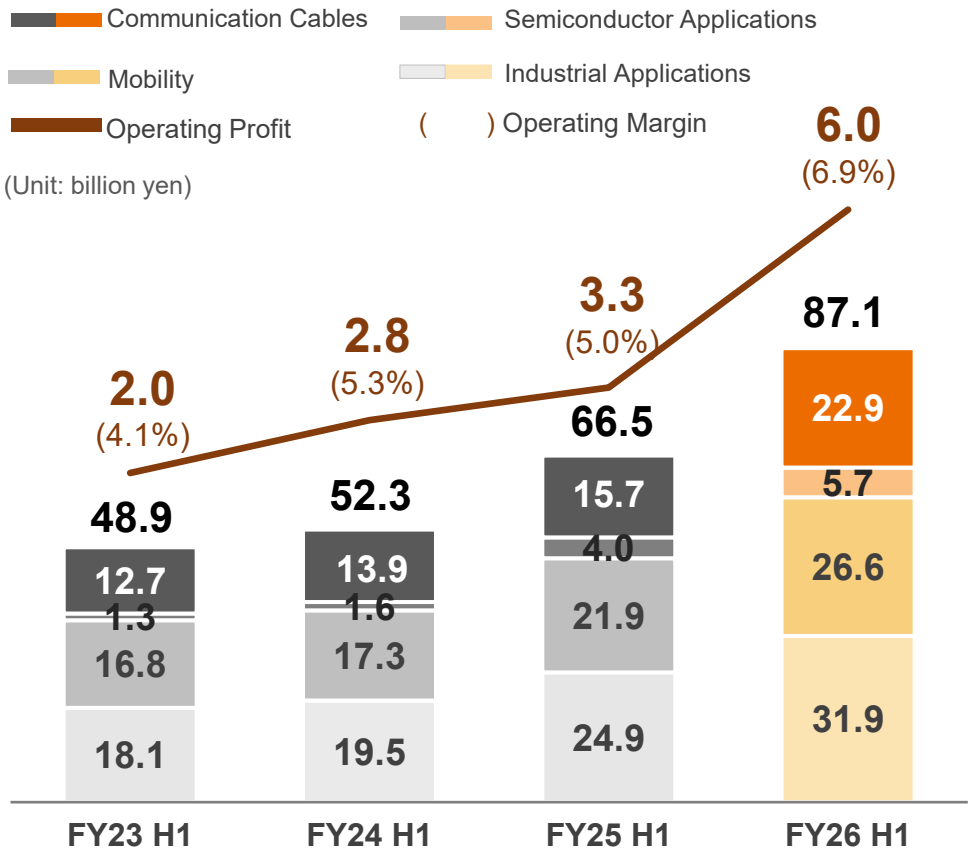
FY2026 H1 Segment Results: Communication & Components Business

Sales up 31.1% and profit up 80.5% YoY

Communications cables: Robust demand from U.S. data centers continues. Strategic product e-Ribbon, whose capacity was expanded through production investment, performed strongly.

Semiconductor Applications: Demand for strategic products for AI semiconductors and AI servers grew sharply amid the expanding generative AI market.

Mobility & industrial: Demand for xEV winding wire and seat heater wire is softening. Market competition has intensified.



H1 Net Sales: Copper Price Impact	H1 Net Sales: FX Impact
Communications Cables (construction): +¥1.8B	Communications Cables (overseas): +¥0.6B
Semiconductor Applications : No impact	Semiconductor Applications : No impact
Mobility & Industrial Applications: +¥9.4B	Mobility & Industrial Applications: +¥1.9B

Mobility & Industrial Applications (Renewal & Challenge Business) Status

■ Selection and Focus in Response to Intensifying Competition

Mobility	Group restructuring: Profitability strengthened through the consolidation of the manufacturing and sales of heater wires within TOTOKU.
Industrial Applications	Strengthening of competitiveness: Closed the Yamamoto Factory, which was related to the manufacturing of general-purpose winding wires. Strengthened the system for selling winding wires manufactured overseas by SDS.

FY2026 H1 Consolidated Results (B/S, vs. Prior Year-End)

(Unit: billion yen)	FY25 Year-End	FY26 H1-End	Change
Total Assets	**206.9**	**228.2**	**21.3**
Cash & Equivalents	10.8	16.5	5.8
Trade Receivables	57.9	65.0	7.1
Inventories	34.3	39.5	5.2
Non-current Assets	100.5	103.1	2.7
Total Liabilities	**100.9**	**109.2**	**8.3**
Trade Payables	29.2	32.3	3.1
Interest-Bearing Debt	40.0	44.9	4.9
Total Net Assets	**106.0**	**119.0**	**13.0**
Equity	98.4	110.1	11.7
Equity Ratio (%)	47.6	48.3	0.7pt
D/E Ratio (%)	**40.7**	**40.8**	**0.1pt**

[Cash & Deposits]
Cash and deposits were built up to secure the liquidity on hand needed for stable operations as the business scale expands.

[Working Capital]
Working capital increased due to higher copper prices and a rise in large construction projects.

[Non-current Assets]
Expanded investment in the power and communications businesses, which are growth businesses.

[Interest-Bearing Debt]
Increased from the previous year-end due to higher working capital. Began direct market financing using commercial paper.

[Equity Ratio]
Equity increased due to accumulated retained earnings.

[D/E Ratio]
Maintaining an appropriate capital structure by using debt with capital efficiency in mind.

<Current Issues and Future Measures>
With working capital rising on higher copper prices and other factors, we will promote measures such as optimizing trade terms and rationalizing inventories to improve the CCC.

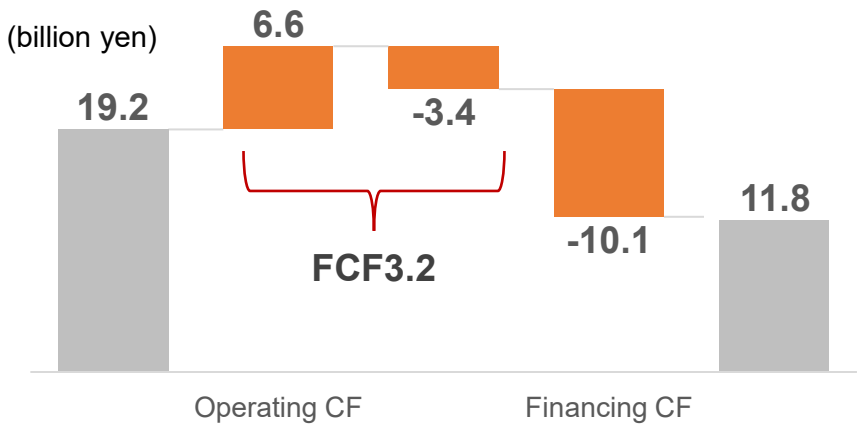
FY2026 H1 Consolidated Results (CF, YoY)

Operating cash flow was secured on the back of higher profit.

Steadily executed the sale of shares in affiliates (¥5.1B) and capital expenditure (¥5.5B); investing CF was -¥1.0B.

Free cash flow remained positive, maintaining liquidity on hand appropriate to the business scale.

FY25 H1



Cash at Beginning

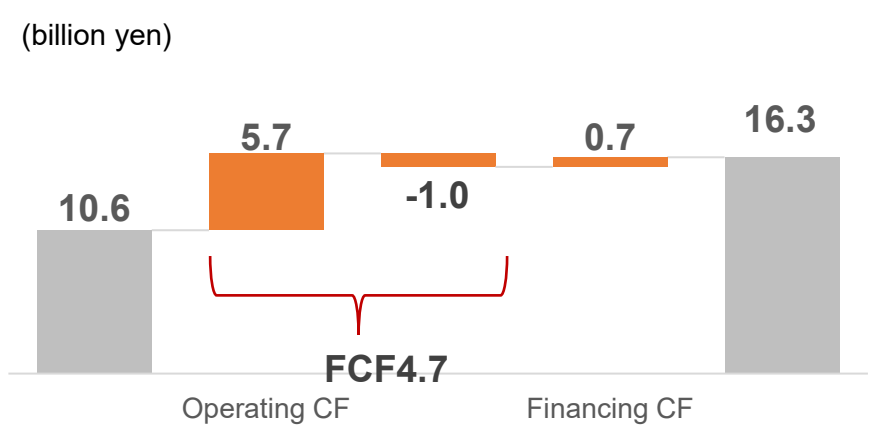
Investing CF

Of which:
Pretax profit 11.4
Depreciation 3.5
Change in working capital 1.1
Taxes -7.6

Cash at End

Of which:
Borrowings -7.0
Dividends paid -2.6

FY26 H1



Cash at Beginning

Investing CF

Of which:
Pretax profit 22.2
Depreciation 3.7
Change in working capital -10.1
Taxes -3.8

Of which:
Capex -5.5
Sale of shares in affiliates 5.1

Cash at End

Of which:
Borrowings -1.2
CP 6.0
Dividends paid -4.0

Working Capital	FY25	FY26H1
Receivable Turnover Days	69	71
Inventory Turnover Days	41	43
Payable Turnover Days	35	35
CCC	75	79

<Cash Conversion Cycle>

Due to higher copper prices, large construction projects, and other factors, the CCC lengthened by 4 days from the previous year-end to 79 days. We are optimizing trade terms and rationalizing inventories to improve the CCC.

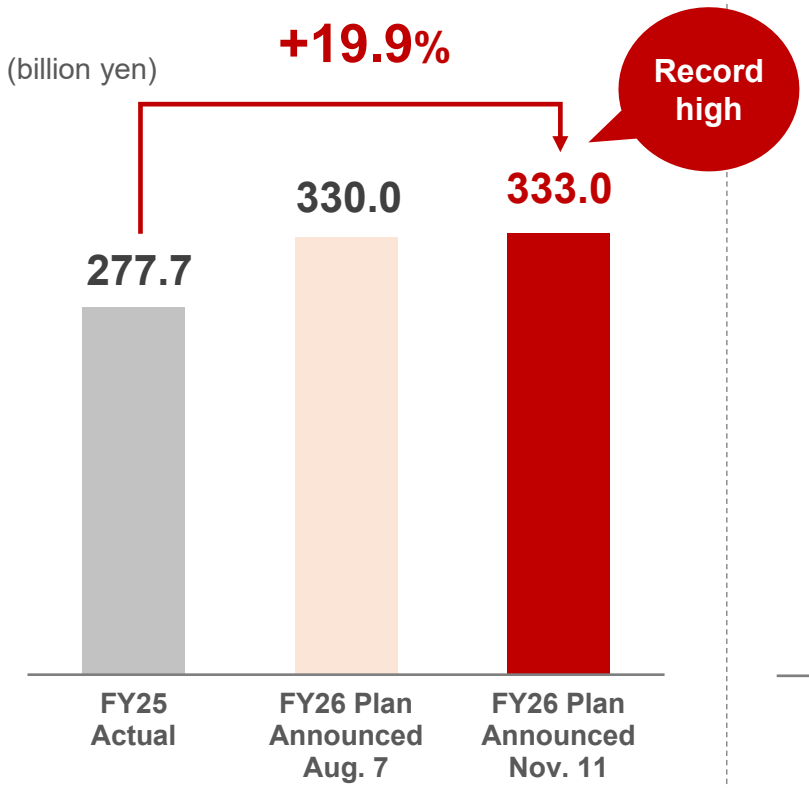
Note: Free cash flow (FCF) = operating cash flow + investing cash flow The Q2 cash flows above were prepared using a simplified method.

2 FY2026 Full Year Forecasts

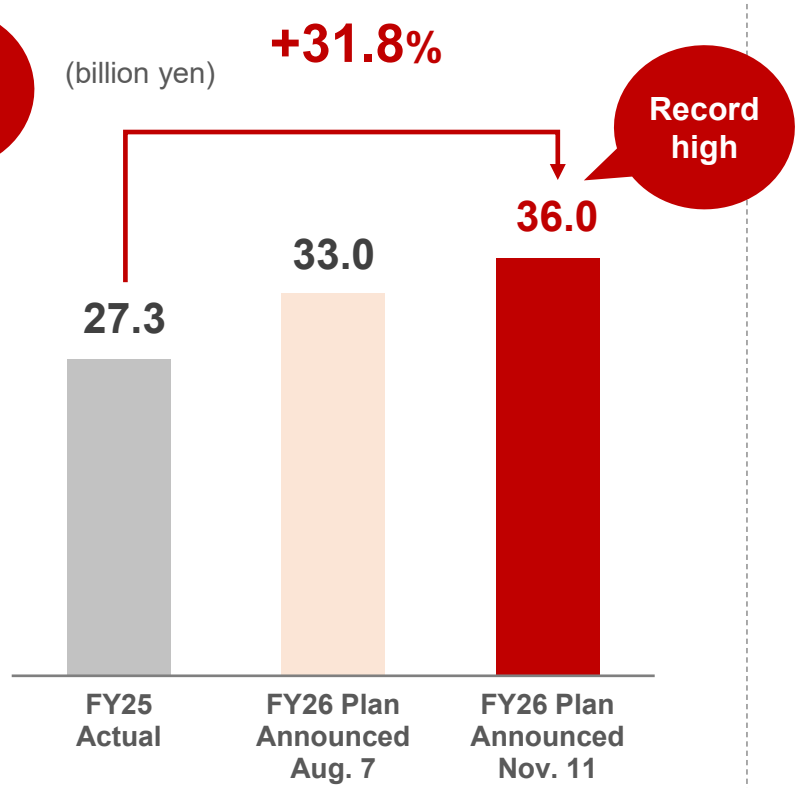
FY2026 Full Year Forecasts (Revised Upward Nov. 11)

Net sales and profit are projected to increase due to a favorable business environment and strong performance in the semiconductor business exceeding the initial expectations.

Net Sales



Operating Profit



Ordinary Profit

Record high

¥35.0B

(+33.9% YoY)

Net Profit Attributable to Owners of Parent

Record high

¥23.0B

(+22.1% YoY)

ROIC

Record high

17.3%

(+3.7pt YoY)

Dividends / Payout Ratio

¥62.2 / 40.1%

Interim: ¥28.0 / Year-end: ¥34.2 / Total: ¥62.2

Note: Interim dividend of ¥28.0 has been adjusted for the stock split

FY2026 Factors for Change (Revised Upward Nov. 11)

Net Sales: Factors Behind Changes

(Unit: Billion yen)



Operating Profit: Factors Behind Changes

(Unit: Billion yen)



[Change factors]

1. Net sales

Net sales increased year on year, driven by higher sales in growth businesses and rising copper prices.

2. Operating profit

Rising material costs have been addressed through the improvement of productivity and price strategies. **Operating profit increased year on year due to one-time gains from rising copper prices, expanded earnings from growth businesses**, the revitalization of cash cows, and improved productivity in renovative and challenged businesses.

FY2026 Initiatives (Revised Upward Nov. 11)

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Business Environment		A solid business environment continues in the domestic power infrastructure market on rising construction demand **Demand related to data centers and semiconductors is expected to continue amid the spread of generative AI** **Monitoring the impact after the U.S. midterm elections**	
Growth Business	**Power Infrastructure**	**SICONEX** ▪ **Phase 2 capacity investment: ¥2.0B** ▪ **Sales contribution: from FY26 H2**	• Advancing measures to strengthen construction workforce • Capturing high-voltage demand in the domestic substation market to raise profitability • Expanding share in the domestic transmission market
	Communication (Overseas)	**e-Ribbon Related Products** ▪ **Mid-term plan capacity investment: ¥2.3B (¥0.3B added to plan)** ▪ **Sales contribution: from FY26 H1 (mid-term plan upside)**	• Establishing further production increases for e-Ribbon • Expanding sales of e-Ribbon cables • Capturing demand despite optical fiber shortages by broadening sourcing
	Semiconductor Applications	**TOTOKU Strategic Products** ▪ **Mid-term plan capacity investment:¥4.0B (¥2.7B added to plan)** ▪ **Sales contribution: from FY26 H2 (mid-term plan upside)**	• Production increase plan based on customer production requests • Building an efficient production system through local production for local consumption • Improving profitability by expanding orders for high-value-added products
Renewal & Challenge Business	Mobility & Industrial	**Structural reform brought forward by one year ahead of the FY27 business review** **Hurdle rate: ROIC spread above 3%**	• Restructuring production sites • Exiting low-margin products • Improving profit by reviewing the production structure

FY2026 Full-Year Forecast: Segment Results (Revised Upward Nov. 11)

Creating for the Future

(Unit: billion yen)		FY25 Actual	FY26 Plan (Announced 11/11) A	FY26H1 Actual B	FY26H2 Plan	FY26H1 Progress B/A
Energy & Infrastructure	**Net sales**	**126.3**	**151.0**	**69.1**	**81.9**	**45.8%**
	Power Infrastructure	44.7	51.0	23.2	27.8	45.6%
	Construction	81.6	100.0	45.9	54.1	45.9%
	Operating income	**20.3**	**25.0**	**12.2**	**12.8**	**48.7%**
	Op. margin (%)	**16.0%**	**16.6%**	**17.6%**	**15.7%**	**-**
Communication & Components	**Net sales**	**141.9**	**175.0**	**87.1**	**87.9**	**49.8%**
	Comm. Cables	34.1	50.0	22.9	27.1	45.8%
	Semiconductors	8.5	14.0	5.7	8.3	40.4%
	Mobility	45.7	53.0	26.6	26.4	50.2%
	Industrial	53.6	58.0	31.9	26.1	55.1%
	Operating income	**7.3**	**12.0**	**6.0**	**6.0**	**50.0%**
	Op. margin (%)	**5.1%**	**6.9%**	**6.9%**	**6.8%**	**-**

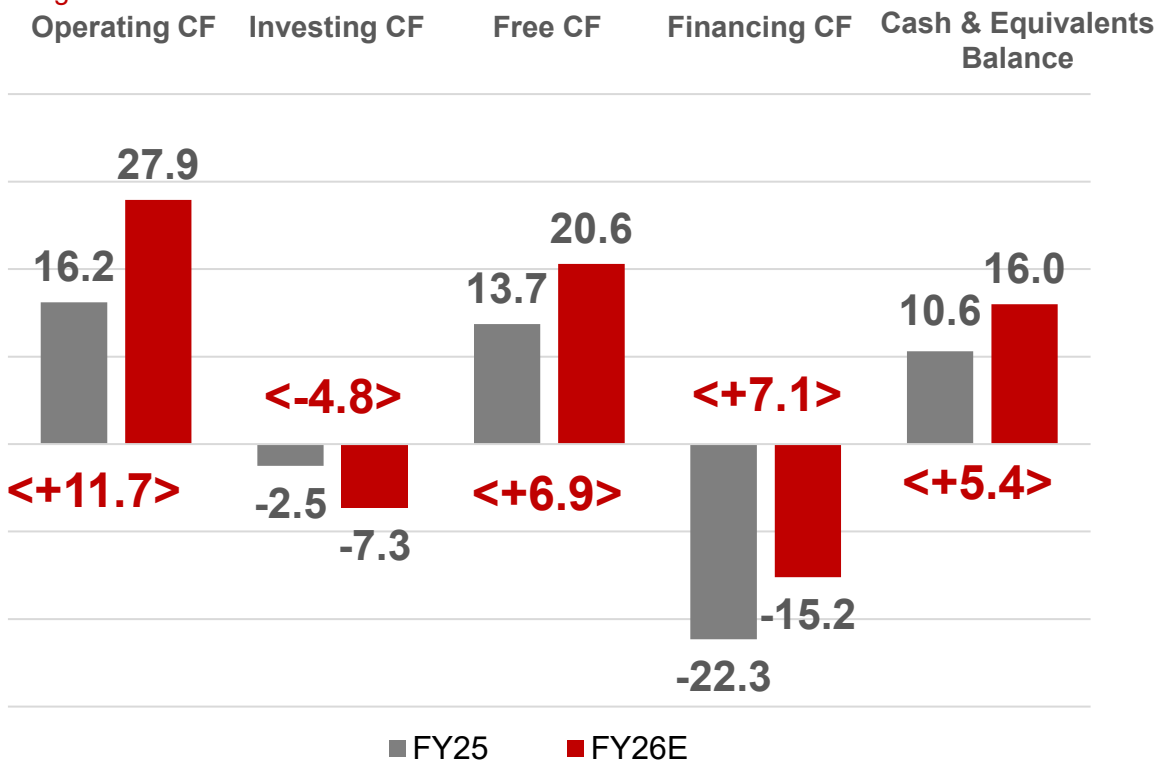
FY2026 Consolidated CF Forecast (Revised Upward Nov. 11)

Advancing growth investment and shareholder returns while generating free CF and securing the necessary liquidity

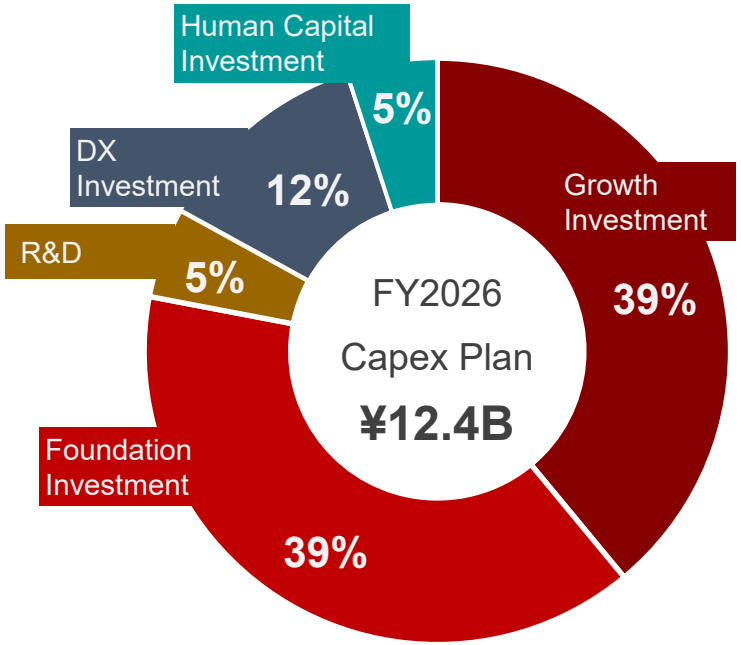
(billion yen)

Figures in < > show YoY change

< Consolidated Cash Flow >



< Capital Expenditure Plan >



Operating CF of ¥27.9B expected on higher profit and reduced working capital burden.
Plan capex of ¥12.4B including growth investment, while proceeding with sale of affiliate shares (¥5.1B).
Diversify funding via CP and advance shareholder returns, balancing stable cash generation and financial management.

3 Appendix

SWCC Group Report: Integrated Report 2026 Published

■ The SWCC Group Report explains how the SWCC Group, which has celebrated its **90th anniversary**, aims to achieve sustainable growth and enhance its corporate value guided by its **newly formulated Medium-term Management Plan and long-term vision.**

This year in particular, we are focused on the disclosure of information about the **balancing of growth investments and capital efficiency through ROIC-Oriented Management 2.0, the reform of our business portfolio** that includes clearly defining our growth businesses, cash cow business, and renovative and challenged businesses, and the restructuring of our non-financial KGIs and KPIs that link **human capital, technology, the environment, and governance** to enhanced corporate value.

We hope you will take the time to read about the SWCC Group's initiatives for creating new value and achieving sustainable growth.

◆ SWCC Integrated Report
https://www.swcc.co.jp/eng/company/ir_documents/esg.html



■ **New credit rating obtained from Rating Investment Information, Inc. (R&I)**

◆ Oct. 29, 2026 News Release

Rating Agency	Rating Subject	Rating	Rating Outlook
R&I	Issuer Rating	A-	Stable
	CP Rating	a-1	—

Launching "Regana" a New Brand to Drive New Value Creation

◆ Sep. 1, 2026 News Release

Regana
Realize the unseen

Regana is a brand launched on the digital technologies and solutions accumulated to date in the Smart Stream business.
We are providing solutions that help address social issues such as **“Skills Transfer"** **“Efficiency"** and **“Safety"** and expanding into new markets and customer domains.
By 2030, we aim to make the Regana business profitable.

1. Brand Definition and Origin

"Realize/Gather/Navigate"

■ Realize the unseen
(Making the new the norm)

■ Gather DX & AI
(Wrapping ourselves in DX and AI to gather data)

■ Navigate Forward
(Move forward and take the helm)

2. Key Solutions

"Skills Transfer, Efficiency, Safety"

■ AVR / ADitor / ADTPS
(Digital video & photogrammetry)

■ CURRENT BASS
(Integrated digital platform)

■ YURIKAGO / HATOMERU / SICOREMO
(AI disaster prediction, environmental management, remote management)

3. Growth Strategy and Outlook

"Becoming a Growth Driver for 2030"

■ Business expansion in power infrastructure

■ Expansion into construction, railways, healthcare, education, and more

■ As a growth core of the SWCC2030 plan, driving sustainable corporate value growth

Field Application Examples

■ **Applied the 3D solution "ADitor," offered under the Regana business, to ultra-high-voltage substations of a domestic power utility**
◆ Oct. 29, 2026 News Release

■ **Created a 3D base model of a Tokyo Electric Power Grid substation with "ADitor" and applied it to an actual construction plan for the first time**
◆ Oct. 29, 2026 News Release

Exclusive Japan Distributor Agreement Signed with BMC (Thailand)

◆ Oct. 30, 2026 News Release

~ Strengthening Competitiveness of the General-Purpose Winding Wire Business ~

1. Agreement Overview

From Oct. 2026, BMC (Thailand)'s heat-resistant winding wire for motors and transformers
Exclusive sales in Japan begin

SDS Becomes BMC's Exclusive Distributor in Japan

2. Strategic Significance and Aims

Expanded winding wire lineup

- Excellent heat resistance, stable supply capability, and strong cost competitiveness.
- Using the "Kaeruya" e-commerce site to serve a wide range of customers and needs.

■ Growth Target

By 2030, Net Sales of ¥6.0B in the general-purpose winding wire business (2.4x the 2025 level)



2026

BMC (Thailand)

Heat-resistant magnet wire



2025

SACOM (Vietnam)

General-purpose magnet wire

Toward a Comprehensive General-Purpose Winding Wire Supplier

株式会社 SDS

蛙屋 KAERUYA

Creating for the Future

SWCC Corporation

https://www.swcc.co.jp/eng/

The forecasts of future results contained in this presentation are based on information available at the time of publication and involve potential risks and uncertainties.
Accordingly, please be aware that actual results may differ materially from the forecasts stated herein due to various factors.
Factors that may affect actual results include economic conditions, demand trends, and fluctuations in raw material prices and exchange rates.
Factors that may affect results are not limited to these.