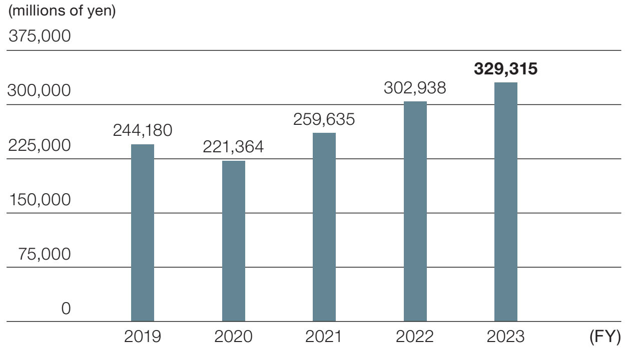
Financial / Non-Financial Highlights

*Meidensha only (non-consolidated)
Indicators other than the above are presented on a consolidated basis.

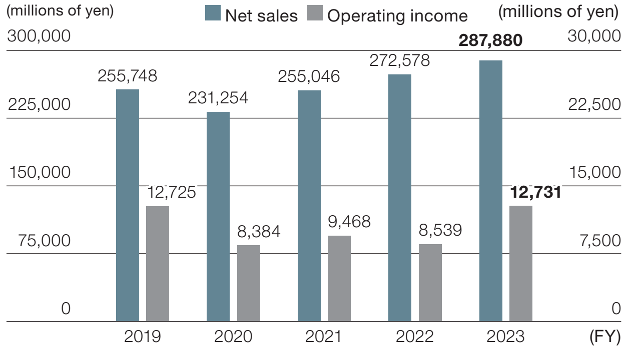
Financial indicators

Orders



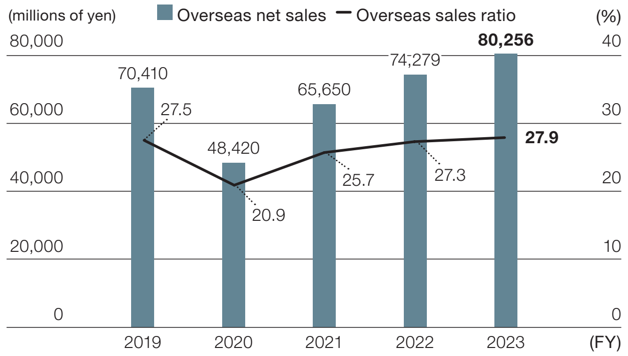
Orders were up 8.7% from the previous fiscal year, setting a new record high. The Power Infrastructure segment in particular grew by a wide 25.7% overall from the previous fiscal year, benefiting from robust demand for substation equipment in Japan and abroad.

Net sales/Operating income



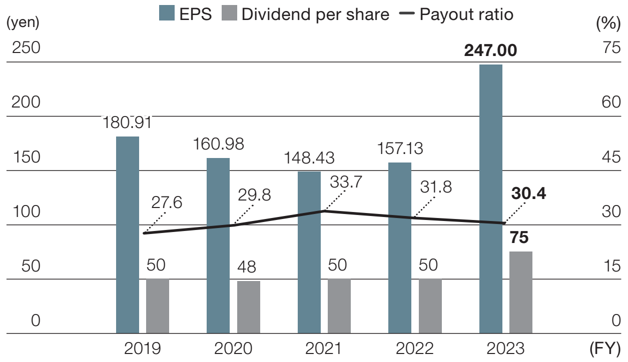
Net sales increased by 5.6% from the previous fiscal year, setting a new record high. Three of the four major segments increased their sales; only the Public, Industrial & Commercial Sector segment did not. The Power Infrastructure and Field Service Engineering segments drove operating income, which set a new record for the first time since FY2019.

Overseas net sales/Overseas sales ratio



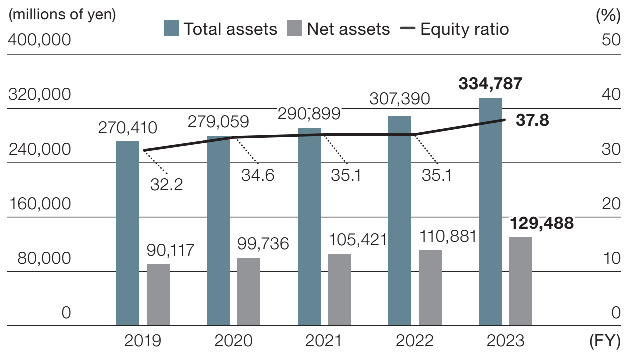
There is rising momentum for environmental protection as well as growing demand for electric power in Singapore, North America, India, and other countries that account for a major part of our substation business, which mainly occurs overseas. These, combined with the yen's weakness in the foreign exchange market, helped result in an 8.0% rise in overseas sales since the previous fiscal year, with the ratio of overseas to total sales at 27.9%.

EPS/Dividend per share/Payout ratio



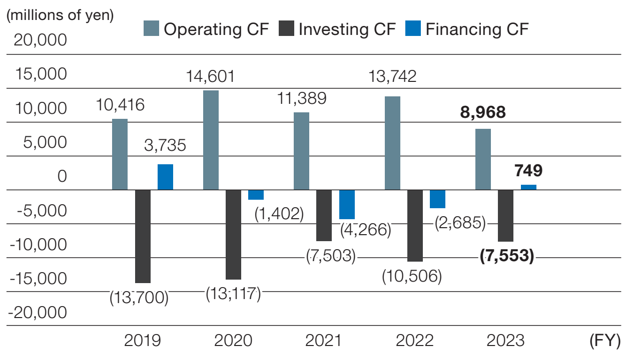
In FY2023, EPS grew significantly to 247 yen due in part to gains from the sale of idle assets. During the current medium-term management plan, we aim to return profits to shareholders by paying stable dividends with a target consolidated payout ratio of 30%. This time, we paid an annual dividend of 75 yen per share.

Total assets/Net assets/Equity ratio



Total assets increased by 8.9% from the previous fiscal year, in part because of an increase in inventory as we expanded business operations in Japan and abroad. Our equity ratio was 37.8%, up 2.7 points from the previous fiscal year.

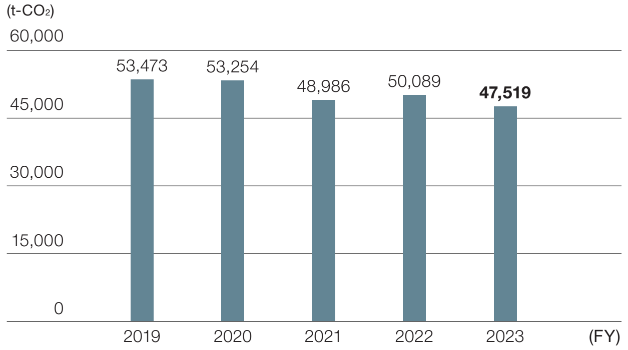
Cash flows (operating, investing, financing)



Operating CF decreased from the previous fiscal year due to an increase in trade receivables and a decrease in trade payables. As for investing CF, expenditures decreased from the previous fiscal year, due to such factors as reduced acquisition of new fixed assets. Funds were raised primarily through borrowings and commercial paper.

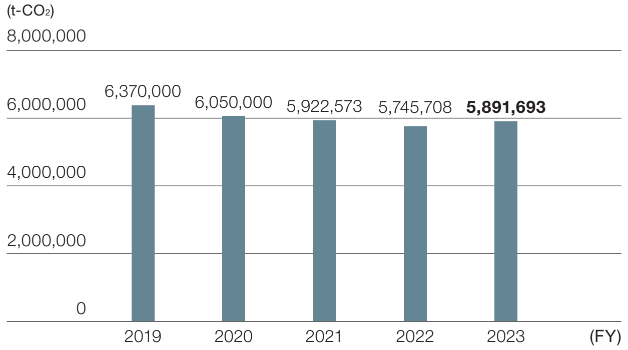
Non-financial indicators

Scope 1 & 2 emissions



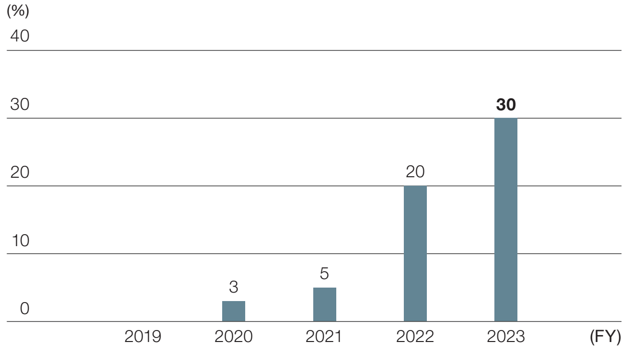
Scope 1 & 2 emissions amounted to 47,519 t-CO_2, a decline of 5.1% from the previous fiscal year and a decline of 11.1% from FY2019. Although SF_6 gas emissions rose due to increased production in the electric power equipment business (Scope 1 increase), Scope 2 emissions declined due to the expanded scope of renewable electricity usage, leading to an overall reduction compared to the previous fiscal year.

Scope 3 (Category 11) emissions



Scope 3 (Category 11) emissions were 5,891,693 t-CO_2, 2.5% greater than in the previous fiscal year but 7.5% lower than in FY2019. In the Field Service Engineering Segment, emissions from gas turbine generators rose sharply from the previous fiscal year, resulting in the overall increase over the previous fiscal year.

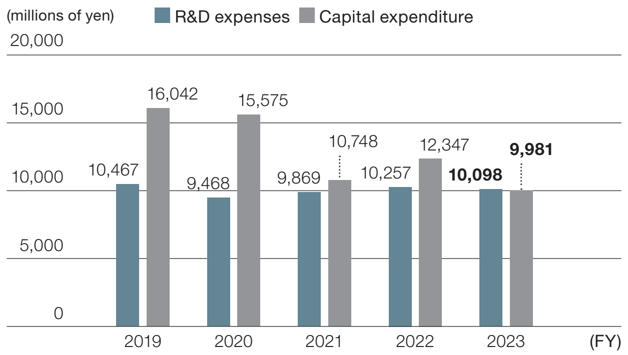
Renewable Energy Use Ratio in Business Operations in Japan



Our renewable energy use ratio in Japan was 10 points higher than in the previous fiscal year and 30 points higher than in FY2019. In July 2023, we began sourcing 20% of the power used at Numazu Works in the form of CO_2-free electricity, and in November of the same year, we effectively switched to 100% CO_2-free electricity from M WINDS Co., Ltd.'s Choshi Shiosai Wind Farm (Choshi City, Chiba Prefecture) for the electricity used at our headquarters office in Osaki, Shinagawa-ku (the 28th to 30th floors of ThinkPark Tower). These moves helped us to increase renewable energy use compared to the previous fiscal year.

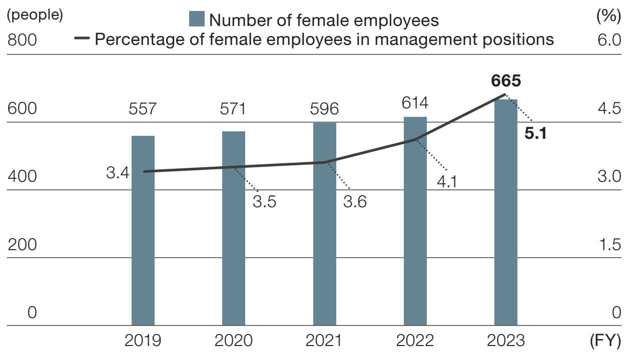
Notes 1 Calculated as "renewable energy ÷ amount of electric power used" in Japan.
2 Data calculations began with FY2020.

R&D expenses/Capital expenditure



R&D expenses declined 1.5% from the previous fiscal year. We expanded our lineup of eco-friendly power T&D products and conducted development using SiC to make EV drive units smaller and more efficient. Capital expenditures declined 19.1% from the previous fiscal year. Some acceptance inspections for investments for increased production of power T&D products were deferred to FY2024.

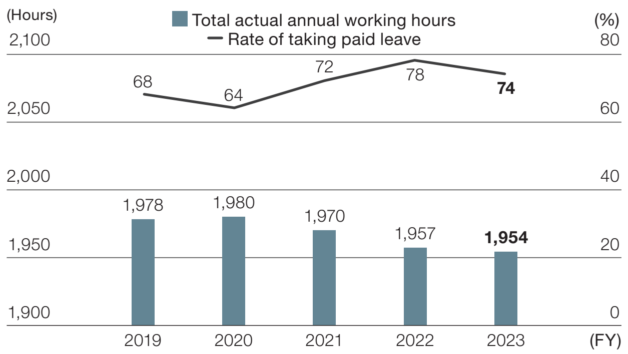
Number of female employees*/Percentage of female employees in management positions*



Recognizing that continuously recruiting female employees and developing female managers is important for the Company, we have launched a company-wide organization to promote diversity, equity, and inclusion (DEI) and are implementing various measures to achieve these goals. We have set a goal to increase the percentage of female employees in management positions to 12% by FY2030. The percentage of female managers increased by one point in FY2023, thanks in part to systematic training of young and mid-career employees under our support officer system begun in FY2022, among other programs.

Note The percentage of female employees in management positions is calculated by dividing the number of female managers by the total number of managers.

Total actual annual working hours*/ Rate of taking paid leave*



We are rolling out the Smart Work program, which takes advantage of work efficiencies and productivity improvements to reduce overtime work and encourage employees to proactively use their vacation time, thereby reducing total actual annual working hours. We have set a target of between 1,800 and 1,899 annual total working hours per person in FY2024.

Notes
1 The paid leave usage rate is calculated as "average number of days off taken annually ÷ 23 days granted annually."
2 Scope includes salaried managers at Meidensha (non-consolidated).