

November 10, 2025

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

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 Listing: Tokyo Stock Exchange
 Securities code: 6794
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 Scheduled date to file semi-annual securities report: November 10, 2025
 Scheduled date to commence dividend payments: December 5, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts and institutional investors)

(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

(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	66,654	0.1	4,327	19.5	3,863	(6.0)	2,620	10.9
September 30, 2024	66,612	11.6	3,622	67.2	4,108	92.0	2,363	112.2

Note: Comprehensive income For the six months ended September 30, 2025: ¥2,274 million [(20.7)%]
 For the six months ended September 30, 2024: ¥2,869 million [(54.9)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	117.34	-
September 30, 2024	106.11	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2025	106,618	69,983	58.3	2,764.46
March 31, 2025	106,826	68,731	57.0	2,726.13

Reference: Equity As of September 30, 2025: ¥62,111 million
 As of March 31, 2025: ¥60,870 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2025	-	20.00	-	40.00	60.00
Fiscal year ending	-	35.00			
March 31, 2026					
Fiscal year ending			-	40.00	75.00
March 31, 2026 (Forecast)					

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

3. Forecast of consolidated financial results 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
Fiscal year ending	135,000	(1.9)	7,000	3.0	6,500	(15.9)	4,200	7.6	188.06
March 31, 2026									

Note: Revisions to the earnings forecasts most recently announced: Yes

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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	25,000,000 shares
As of March 31, 2025	25,000,000 shares

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

As of September 30, 2025	2,532,158 shares
As of March 31, 2025	2,671,437 shares

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

Six months ended September 30, 2025	22,333,114 shares
Six months ended September 30, 2024	22,277,231 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

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For details on the conditions on which earnings forecasts are based and precautions for using earnings forecasts, please refer to the "Explanation of Forward-Looking Information on Consolidated Earnings Forecasts and Other Forward-Looking Information" on page 2 of the Appendix.

○ Contents of Attachment

1. Overview of operating results, etc. 2

 (1) Operating results for the period under review 2

 (2) Financial position for the period under review 2

 (3) Explanation of forecast of consolidated financial results and other forward-looking information..... 2

2. Semi-annual consolidated financial statements 3

 (1) Consolidated balance sheets..... 3

 (2) Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative) 5

 (3) Consolidated statements of cash flows..... 7

 (4) Notes to the semi-annual consolidated financial statements 9

 (Notes on going concern assumption) 9

 (Notes on significant changes in the amount of shareholders’ equity) 9

 (Changes in accounting policies) 9

 (Changes in presentation method)..... 9

 (Notes on segment information, etc.) 10

1. Overview of operating results, etc.

(1) Operating results for the period under review

During the six months ended September 30, 2025, the global economic outlook remained uncertain due to ongoing geopolitical risks, including the conflict in the Middle East, as well as policy changes in the U.S. and their impact on the real economy.

In the automotive market, the Foster Group's (the "Group") focus, U.S. tariff policy changes resulted in continued uncertainty, both through the direct impact of tariff burdens and the indirect impact on demand trends. Amid such circumstances, we worked to minimize the impact of tariffs through careful price negotiations with customers and flexible adjustments to our logistics. In April, we launched a new medium-term business plan, positioning the mobility-related and consumer-related businesses as our two core growth pillars. Under this plan, we began implementing initiatives aimed at driving further growth. In the core mobility-related business, we focused on expanding orders in the automotive sector by leveraging our long-standing expertise in quality car speakers and our stable, global supply system.

As a result, consolidated net sales in the six months ended September 30, 2025 were ¥66,654 million (up 0.1% YoY), operating profit was ¥4,327 million (up 19.5% YoY), ordinary profit was ¥3,863 million (down 6.0% YoY), and profit attributable to owners of parent was ¥2,620 million (up 10.9% YoY).

Results by segment were as follows.

(Speaker Segment)

Net sales amounted to ¥54,789 million (up 1.0% YoY), owing to the promotion of a sales strategy focused on branded and premium-level products. On the profit front, operating profit was ¥3,753 million (up 16.9% YoY), backed by increased sales of high-margin speakers.

(Mobile Audio Segment)

Net sales were ¥6,594 million (down 12.8% YoY), as higher-than-expected shipments of consumer actuators, as well as earphones and earphone drivers for key customers, were offset by sluggish sales of car headphones and weaker sales to other customers. On the profit front, operating profit fell to ¥375 million (down 38.2% YoY) due to the decline in net sales.

(Other Segment)

In the Other segment, which includes micro acoustic components and FOSTEX brand products, net sales amounted to ¥5,270 million (up 10.3% YoY), driven by robust sales of speakers for acoustic vehicle alerting systems. On the profit front, operating profit improved to ¥199 million, with the segment turning a profit from a loss of ¥197 million in the same period of the previous fiscal year, supported by enhanced profitability resulting from structural reforms undertaken since prior periods.

(Note) Net sales by segment shown above reflect figures after the elimination of inter-segment transactions.

(2) Financial position for the period under review

As of September 30, 2025, total assets amounted to ¥106,618 million, down ¥207 million from their level on March 31, 2025, mainly due to a decrease in securities. Owing chiefly to a decrease in accounts payable-trade, total liabilities were down ¥1,458 million to ¥36,635 million. Net assets came to ¥69,983 million, up ¥1,251 million, mainly as a result of an increase in retained earnings. The equity ratio was 58.3% as of September 30, 2025, up 1.3 percentage points from March 31, 2025.

(Cash flows for the period under review)

Cash and cash equivalents as of September 30, 2025 totaled ¥20,443 million, down ¥327 million from the level on March 31, 2025, as a result of the cash flows described below.

(Operating activities)

Net cash provided by operating activities was ¥2,025 million, chiefly due to an increase in depreciation.

(Investing activities)

Net cash used in investing activities totaled ¥1,007 million, mainly due to capital investments.

(Financing activities)

Net cash used in financing activities totaled ¥1,193 million, due to repayments of long-term borrowings and dividends paid.

(3) Explanation of forecast of consolidated financial results and other forward-looking information

In light of recent trends in earnings performance, we revised our full-year financial results forecast and year-end dividend forecast announced on May 15, 2025, along with financial results for the fiscal year ended March 31, 2025. For details, please see the "Announcement on Revisions to Full-Year Consolidated Financial Results Forecast and Year-End Dividend Forecast" separately disclosed today.

2. Semi-annual consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	20,388	20,443
Notes and accounts receivable - trade	29,972	30,359
Electronically recorded monetary claims - operating	727	705
Securities	1,115	104
Finished goods	17,210	16,006
Raw materials	7,275	8,630
Work in process	1,304	1,569
Supplies	322	316
Accounts receivable - other	2,232	2,091
Advance payments to suppliers	833	671
Other	1,722	2,077
Allowance for doubtful accounts	(59)	(77)
Total current assets	83,045	82,899
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,327	6,901
Machinery, equipment and vehicles, net	5,578	6,207
Tools, furniture and fixtures, net	1,884	1,979
Land	3,384	3,493
Construction in progress	1,219	1,416
Total property, plant and equipment	19,394	19,997
Intangible assets		
Software	328	318
Other	140	138
Total intangible assets	469	457
Investments and other assets		
Investment securities	2,328	1,800
Long-term prepaid expenses	68	67
Retirement benefit asset	1,102	1,007
Deferred tax assets	228	213
Other	187	175
Total investments and other assets	3,916	3,264
Total non-current assets	23,780	23,719
Total assets	106,826	106,618

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,998	17,776
Short-term borrowings	4,902	5,348
Current portion of long-term borrowings	600	600
Accounts payable - other	2,518	2,727
Lease liabilities	485	413
Income taxes payable	1,270	1,083
Accrued expenses	3,144	2,490
Provision for bonuses	609	1,073
Other	1,357	1,439
Total current liabilities	33,886	32,953
Non-current liabilities		
Long-term borrowings	1,650	1,350
Deferred tax liabilities	775	661
Lease liabilities	933	940
Retirement benefit liability	122	132
Provision for retirement benefits for directors (and other officers)	12	13
Provision for share awards	144	20
Other	568	564
Total non-current liabilities	4,207	3,682
Total liabilities	38,094	36,635
Net assets		
Shareholders' equity		
Share capital	6,770	6,770
Capital surplus	6,935	7,036
Retained earnings	39,483	41,207
Treasury shares	(3,937)	(3,822)
Total shareholders' equity	49,251	51,191
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	925	805
Foreign currency translation adjustment	10,949	10,353
Remeasurements of defined benefit plans	(255)	(238)
Total accumulated other comprehensive income	11,619	10,920
Non-controlling interests	7,861	7,871
Total net assets	68,731	69,983
Total liabilities and net assets	106,826	106,618

(2) Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)
Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	66,612	66,654
Cost of sales	54,698	54,515
Gross profit	11,913	12,138
Selling, general and administrative expenses	8,291	7,810
Operating profit	3,622	4,327
Non-operating income		
Interest income	129	149
Dividend income	22	26
Foreign exchange gains	667	-
Miscellaneous income	183	127
Total non-operating income	1,003	304
Non-operating expenses		
Interest expenses	338	181
Foreign exchange losses	-	499
Share of loss of entities accounted for using equity method	0	22
Miscellaneous losses	177	65
Total non-operating expenses	516	769
Ordinary profit	4,108	3,863
Extraordinary income		
Gain on sale of investment securities	-	392
Total extraordinary income	-	392
Profit before income taxes	4,108	4,256
Income taxes - current	951	994
Income taxes for prior periods	(167)	-
Income taxes - deferred	43	(55)
Total income taxes	828	939
Profit	3,280	3,317
Profit attributable to non-controlling interests	916	696
Profit attributable to owners of parent	2,363	2,620

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	3,280	3,317
Other comprehensive income		
Valuation difference on available-for-sale securities	67	(120)
Foreign currency translation adjustment	(474)	(948)
Remeasurements of defined benefit plans, net of tax	(4)	26
Total other comprehensive income	(410)	(1,042)
Comprehensive income	2,869	2,274
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,424	1,921
Comprehensive income attributable to non-controlling interests	1,444	352

(3) Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	4,108	4,256
Depreciation	1,592	1,600
Decrease (increase) in retirement benefit asset	83	88
Increase (decrease) in retirement benefit liability	(2)	6
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(15)	0
Increase (decrease) in allowance for doubtful accounts	8	17
Increase (decrease) in provision for bonuses	758	452
Loss (gain) on sale of investment securities	-	(392)
Interest and dividend income	(152)	(176)
Interest expenses	338	181
Foreign exchange losses (gains)	362	(82)
Share of loss (profit) of entities accounted for using equity method	0	22
Decrease (increase) in trade receivables	(2,689)	(385)
Decrease (increase) in inventories	(2,233)	(218)
Increase (decrease) in trade payables	4,378	(1,095)
Decrease (increase) in accounts receivable - other	(407)	123
Increase (decrease) in accounts payable - other	(537)	207
Decrease (increase) in advance payments to suppliers	(2,065)	158
Other, net	37	(1,569)
Subtotal	3,567	3,197
Interest and dividends received	152	176
Interest paid	(338)	(181)
Income taxes paid	(846)	(1,166)
Income taxes refund	167	-
Net cash provided by (used in) operating activities	2,701	2,025

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from investing activities		
Purchase of securities	(439)	(102)
Proceeds from sale of securities	-	705
Proceeds from redemption of securities	667	-
Proceeds from sale of investment securities	-	719
Purchase of property, plant and equipment	(1,747)	(2,184)
Purchase of intangible assets	(104)	(39)
Purchase of long-term prepaid expenses	(92)	(79)
Payments into time deposits	(1,659)	-
Proceeds from withdrawal of time deposits	1,611	-
Other, net	(11)	(26)
Net cash provided by (used in) investing activities	(1,775)	(1,007)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(220)	540
Repayments of long-term borrowings	(387)	(300)
Dividends paid	(336)	(896)
Dividends paid to non-controlling interests	(169)	(283)
Purchase of treasury shares	(0)	-
Other, net	(255)	(253)
Net cash provided by (used in) financing activities	(1,370)	(1,193)
Effect of exchange rate change on cash and cash equivalents	140	(151)
Net increase (decrease) in cash and cash equivalents	(303)	(327)
Cash and cash equivalents at beginning of period	17,034	20,771
Cash and cash equivalents at end of period	16,730	20,443

(4) Notes to the semi-annual consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Changes in presentation method)

(Consolidated statement of income [cumulative])

“Share of loss of entities accounted for using equity method,” which had been included in “Miscellaneous losses” under “Non-operating expenses” in the six months ended September 30, 2024, has been presented separately under “Non-operating expenses” beginning with the six months ended September 30, 2025, as its monetary impact has increased. To reflect this change in presentation, the consolidated statement of income (cumulative) for the six months ended September 30, 2024, has been adjusted accordingly. As a result, ¥0 million, which had been included in “Miscellaneous losses” under “Non-operating expenses” in the consolidated statement of income (cumulative) for the six months ended September 30, 2024, has been reclassified as “Share of loss of entities accounted for using equity method” under “Non-operating expenses.”

(Matters related to the consolidated statement of cash flows)

“Share of loss (profit) of entities accounted for using equity method,” which had been included in “Other, net” under “Cash flows from operating activities” in the six months ended September 30, 2024, has been presented separately under “Cash flows from operating activities” beginning with the six months ended September 30, 2025, as its monetary impact has increased. To reflect this change in presentation, the semi-annual consolidated financial statements for the six months ended September 30, 2024, have been adjusted accordingly. As a result, ¥0 million, which had been included in “Other, net” under “Cash flows from operating activities” in the consolidated statement of cash flows for the six months ended September 30, 2024, has been reclassified as “Share of loss (profit) of entities accounted for using equity method” under “Cash flows from operating activities.”

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (April 1, 2024 to September 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Total	Adjustment (Note) 1	Amounts on consolidated financial statements (Note)2
	Speaker	Mobile audio	Other			
Net sales						
Sales to external customers	54,273	7,560	4,779	66,612	-	66,612
Inter-segment sales or transfers	-	-	1,876	1,876	(1,876)	-
Total	54,273	7,560	6,656	68,489	(1,876)	66,612
Segment profit (loss)	3,211	607	(197)	3,622	-	3,622

Note: 1 The amount of adjustment for segment profit (loss) is the elimination of inter-segment transactions.

2 The total amount of segment profit (loss) is adjusted to operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

II. The Interim Consolidated Accounting Period (April 1, 2025 to September 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Reportable segments			Total	Adjustment (Note) 1	Amounts on consolidated financial statements (Note)2
	Speaker	Mobile audio	Other			
Net sales						
Sales to external customers	54,789	6,594	5,270	66,654	-	66,654
Inter-segment sales or transfers	-	-	1,604	1,604	(1,604)	-
Total	54,789	6,594	6,874	68,258	(1,604)	66,654
Segment profit	3,753	375	199	4,327	-	4,327

Note 1 The amount of segment profit adjustment is the elimination of inter-segment transactions.

2 The total amount of segment profit is adjusted to the operating income in the interim consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.