

Financial Results Briefing for the First Half of the Fiscal Year Ending March 31, 2022

Foster Electric Company, Limited
(Stock code: 6794, First Section, Tokyo Stock Exchange)
November 11, 2021

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I. Overview of Financial Results for the First Half of the Fiscal Year Ending March 31, 2022

1H FY03/22 Results

(Millions of yen)

	1H FY03/21	1H FY03/22 (Actual)		
			Amount of change (YoY)	Percentage change (YoY)
Net sales	39,528	43,976	4,448	11.3%
Operating income (loss)	(688)	(1,568)	(880)	—
<i>Operating income (loss) to net sales</i>	<i>(1.7%)</i>	<i>(3.6%)</i>		
Ordinary income (loss)	(488)	(1,433)	(945)	—
<i>Ordinary income (loss) to net sales</i>	<i>(1.2%)</i>	<i>(3.3%)</i>		
Net income (loss)*	(829)	(2,093)	(1,264)	—
<i>Net income (loss) to net sales**</i>	<i>(2.1%)</i>	<i>(4.8%)</i>		
Dividends per share (in exact yen)	10.00	10.00	0.00	0.0%
Exchange rates	106.33 yen/USD 121.65 yen/EUR	110.13 yen/USD 131.20 yen/EUR		

*Net income (loss) attributable to owners of the parent. **Net income (loss) to net sales attributable to owners of the parent.

Segment Performance

FOSTER

(Millions of yen)

		1H FY03/21	Composition ratio	1H FY03/22	Composition ratio	Percentage change (YoY)
	Net sales	39,528		43,976		11.3%
	Operating income (loss)	(688)		(1,568)		—
	<i>Income ratio</i>	<i>(1.7%)</i>		<i>(3.6%)</i>		
Speaker	Sales	23,892	60.3%	33,294	75.7%	39.4%
	Operating income (loss)	(584)	—	(1,045)	—	—
	<i>Income ratio</i>	<i>(2.4%)</i>		<i>(3.1%)</i>		
Mobile Audio	Sales	12,593	31.8%	7,137	16.2%	(43.3%)
	Operating income (loss)	5	—	(631)	—	—
	<i>Income ratio</i>	<i>0.0%</i>		<i>(8.8%)</i>		
Other	Sales	3,176	7.9%	3,880	8.1%	22.2%
	Operating income (loss)	(109)	—	108	—	—
	<i>Income ratio</i>	<i>(3.4%)</i>		<i>2.8%</i>		

Segment sales increased YoY; operating income finished at a loss.

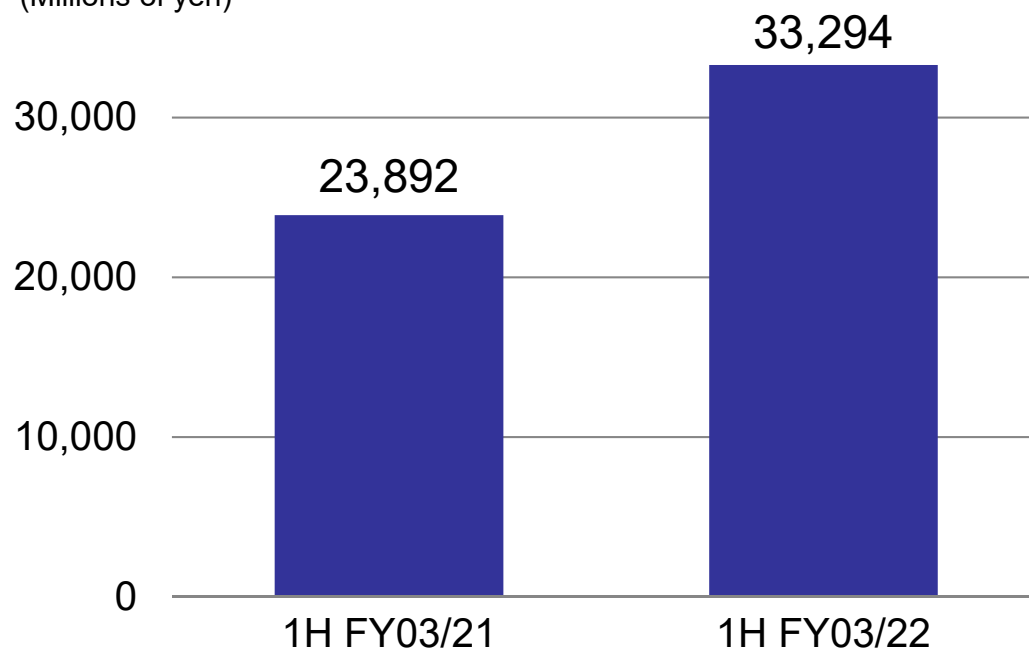
- Segment sales were up as automobile sales recovered from the COVID-19-related slump.
- Operating income was affected by the rise in transportation costs, soaring raw material and component costs, and lower operating rates due to COVID-19's impact on production bases.

(Millions of yen)

		1H FY03/21	1H FY03/22	Composition ratio	Percentage change (YoY)
Speaker	Sales	23,892	33,294	75.7%	39.4%
	Operating income (loss)	(584)	(1,045)	—	—
	Income ratio	(2.4%)	(3.1%)		

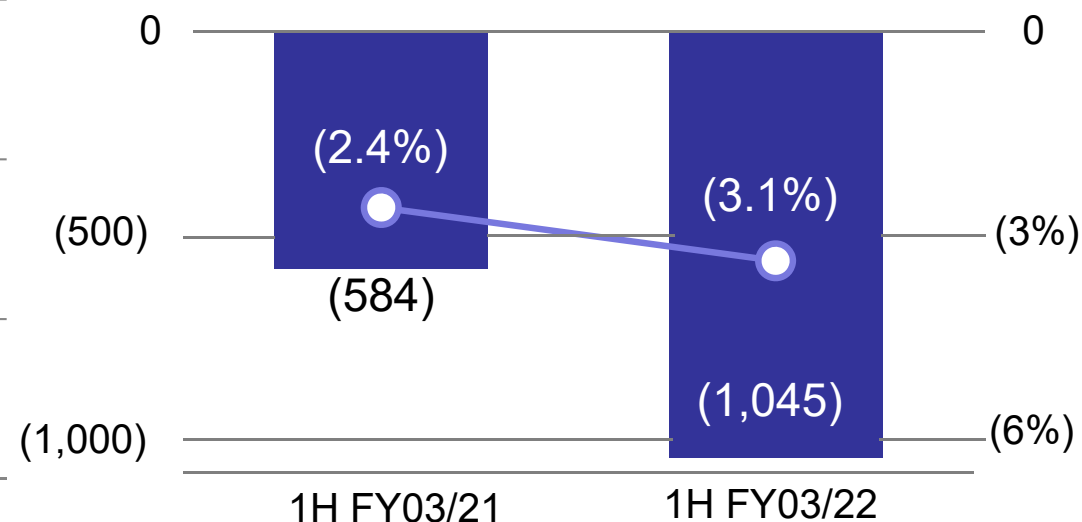
Sales

(Millions of yen)



Operating income and income ratio

(Millions of yen)



Segment sales and operating income declined YoY.

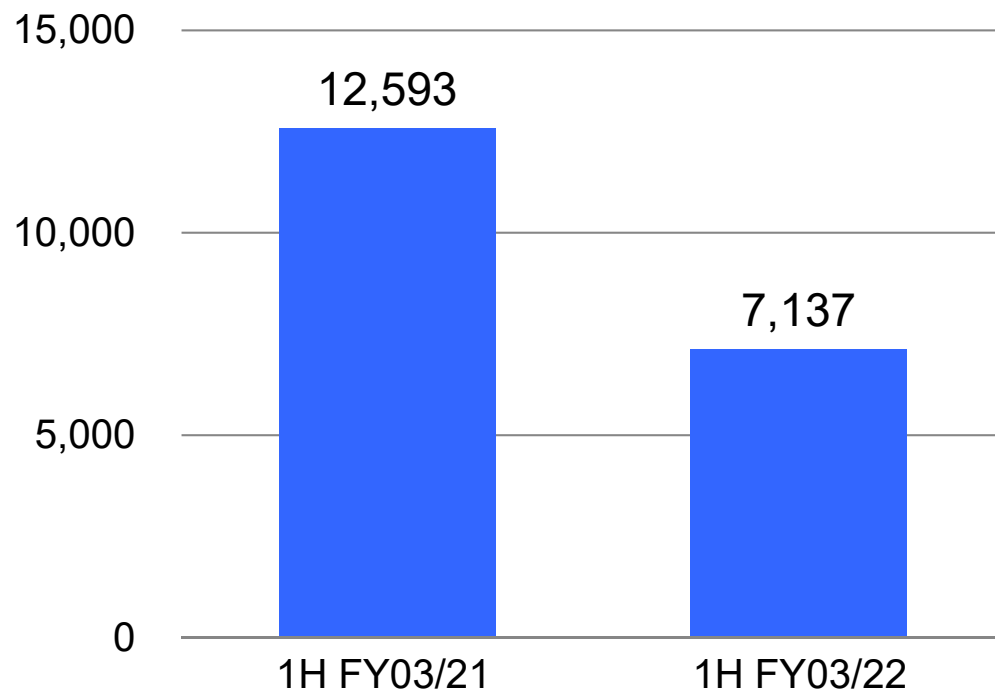
- Shipments of actuators remained strong.
- Meanwhile, sales of headsets bundled with smartphones were nearing an end.

(Millions of yen)

		1H FY03/21	1H FY03/22	Composition ratio	Percentage change (YoY)
Mobile Audio	Sales	12,593	7,137	16.2%	(43.3%)
	Operating income (loss)	5	(631)	—	—
	<i>Income ratio</i>	<i>0.0%</i>	<i>(8.8%)</i>		

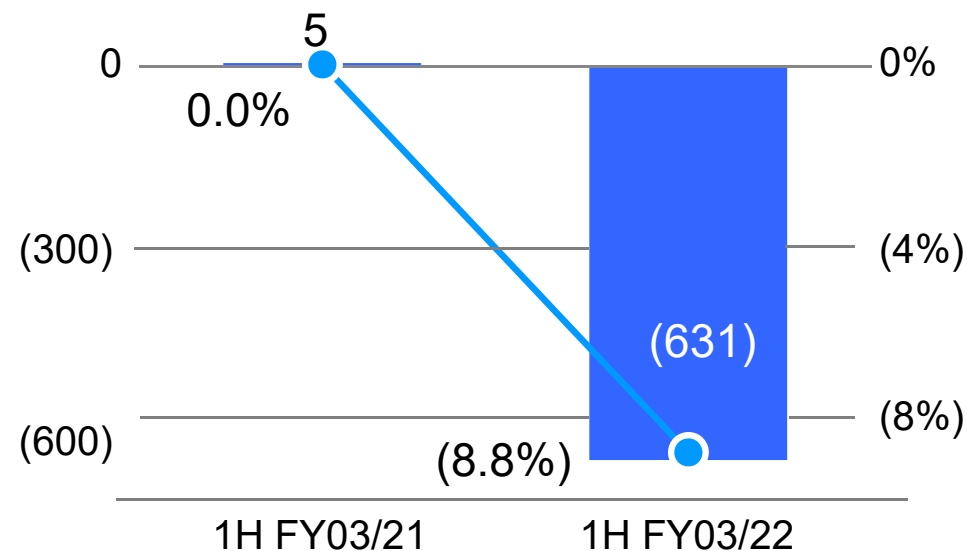
Sales

(Millions of yen)



Operating income and income ratio

(Millions of yen)



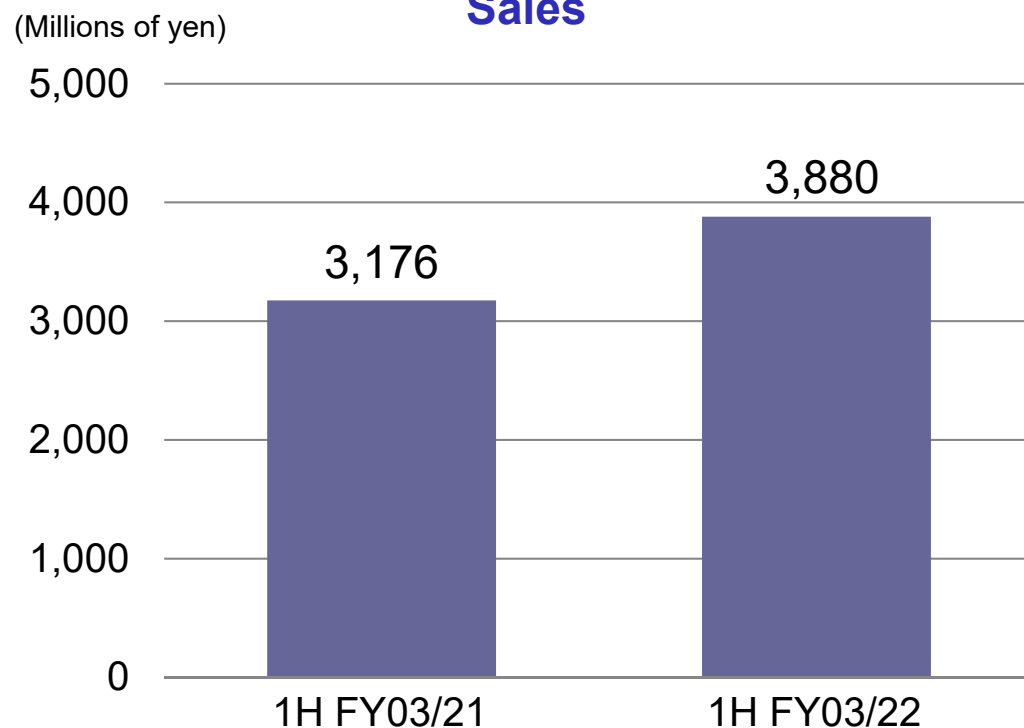
Segment sales and operating income increased YoY.

➤ Results were robust for micro acoustic components, one of our strategic focus areas.

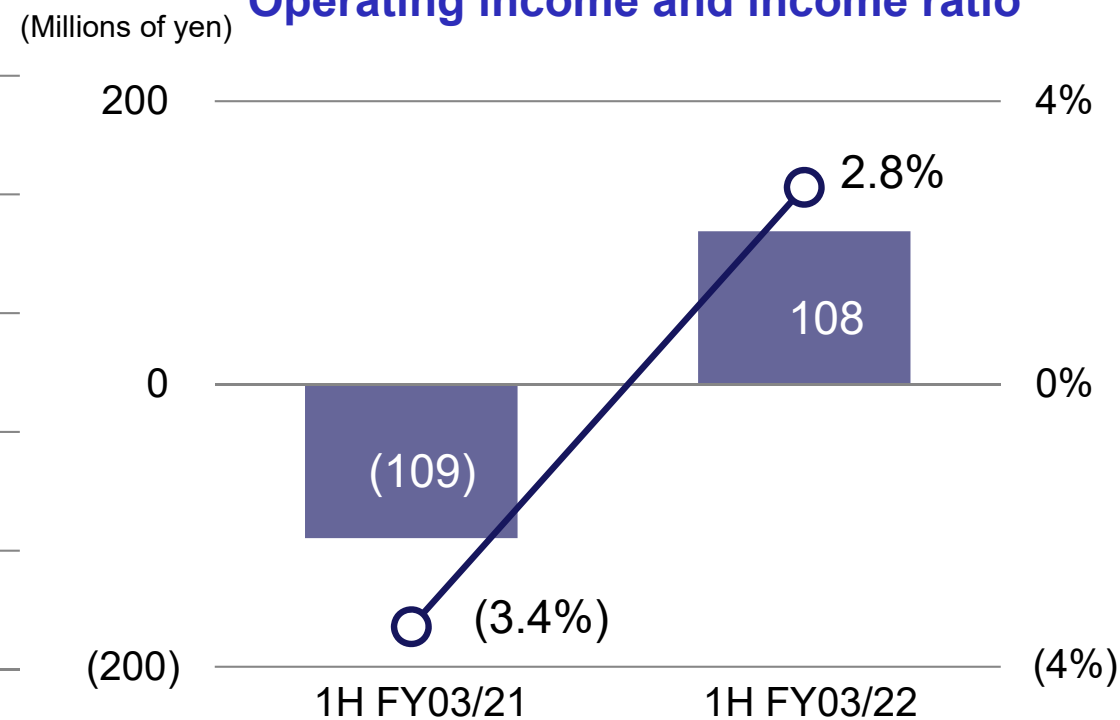
(Millions of yen)

		1H FY03/21	1H FY03/22	Composition ratio	Percentage change (YoY)
Other	Sales	3,176	3,880	8.1%	22.2%
	Operating income (loss)	(109)	108	—	—
	<i>Income ratio</i>	<i>(3.4%)</i>	<i>2.8%</i>		

Sales



Operating income and income ratio



Consolidated Balance Sheet

FOSTER

Equity ratio as of September 30, 2021 was 61.0% (65.6% as of March 31, 2021).

(Millions of yen)

	End-FY03/21	End-1H FY03/22	Amount of change
Current assets	59,040	62,814	3,774
Cash and deposits	15,470	15,499	29
Notes and accounts receivable – trade	16,945	17,196	251
Inventories	18,479	25,555	7,076
Other	8,146	4,564	(3,582)
Non-current assets	18,193	18,247	54
Property, plant and equipment	15,213	15,190	(23)
Intangible assets	189	194	5
Investments and other assets	2,790	2,863	73
Total assets	77,233	81,062	3,829
Current liabilities	18,738	23,931	5,193
Notes and accounts payable – trade	8,735	9,300	565
Short-term bank loans	2,556	6,674	4,118
Current portion of long-term debt	1,528	1,534	6
Other	5,919	6,423	504
Non-current liabilities	2,501	2,067	(434)
Long-term debt	1,118	631	(487)
Other	1,383	1,436	53
Net assets	55,993	55,063	(930)
Shareholders' equity	50,837	48,646	(2,191)
Total accumulated other comprehensive income	(198)	788	986
Non-controlling interests	5,354	5,628	274
Total liabilities and net assets	77,233	81,062	3,829

Statement of Cash Flows

FOSTER

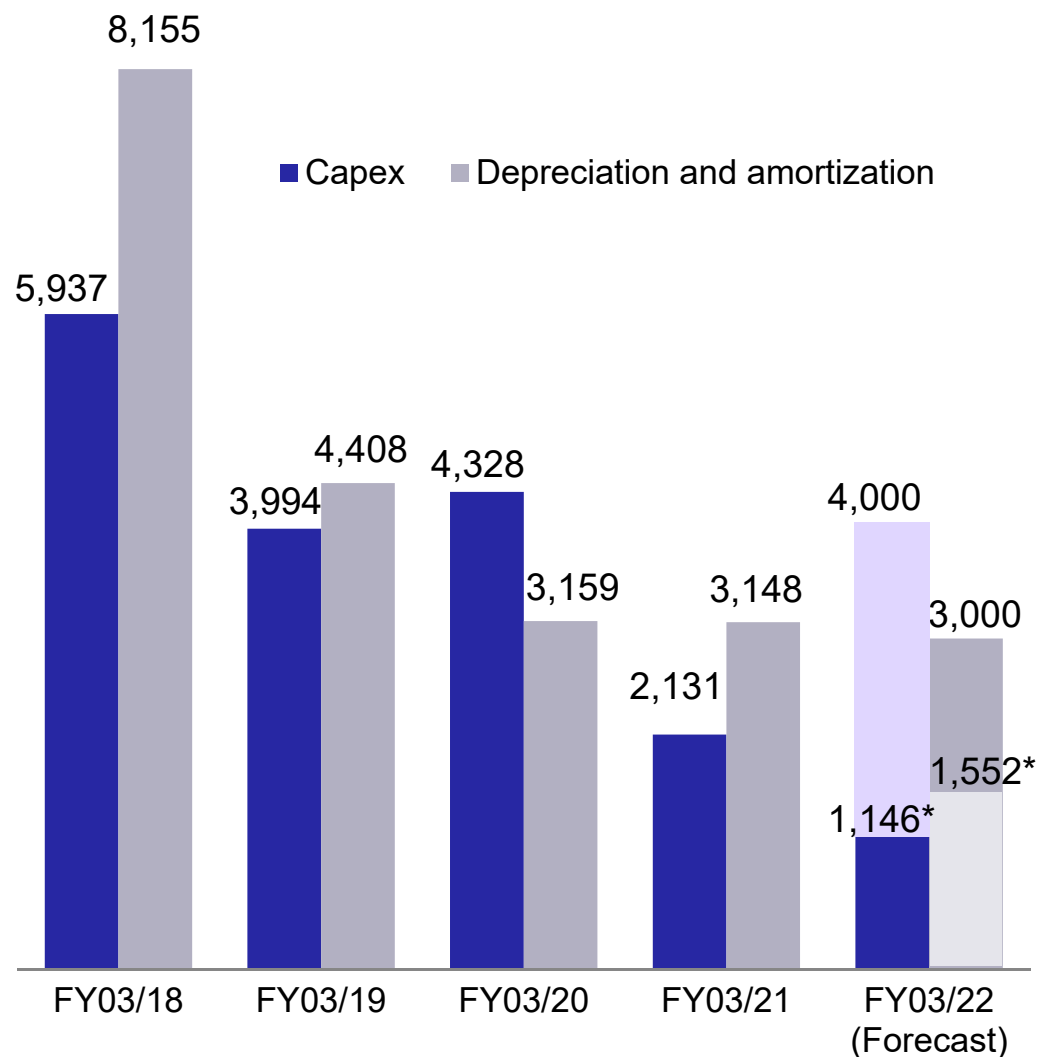
Free cash flow for 1H FY03/22 was -7.59 billion yen.

		(Millions of yen)	
	1H FY03/21	1H FY03/22	Amount of change
Operating activities	1,317	(6,191)	(7,508)
Investing activities	(1,597)	(1,400)	197
Free cash flow*	(280)	(7,591)	(7,311)
Financing activities	(1,695)	3,367	5,062
Net decrease in cash and cash equivalents	(2,391)	(3,980)	(1,589)
Cash and cash equivalents at the end of the period	21,539	16,392	(5,147)

*Free cash flow = Cash flow from operating activities + cash flow from investing activities

Capex, depreciation and amortization

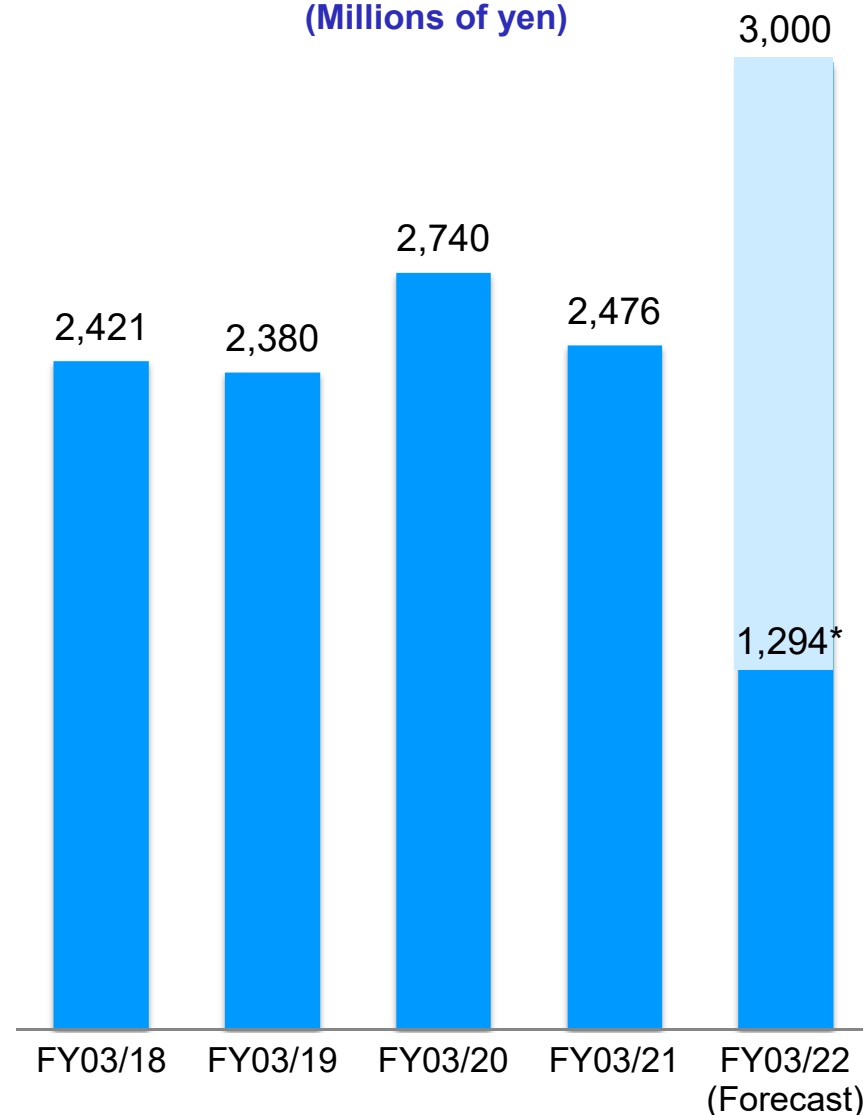
(Millions of yen)



*1H FY03/22 (Actual)

R&D expenses

(Millions of yen)



II. Summary of the First Half and Forecasts for Fiscal Year Ending March 31, 2022

Net sales were in line with the initial plan, but profits struggled.

1

Growth in car speaker sales, capturing the recovery in automobile sales after the COVID-19-related slump
(However, due to semiconductor shortages, etc., recovery was slower than initially expected)
Strong sales in actuators for game consoles and micro acoustic components

2

Impact of COVID-19 exceeding our initial plan assumptions
(Higher transportation costs, surge in material costs, drop in plant operating rates)

3

Steady progress in efforts to win orders to achieve our medium-term business plan

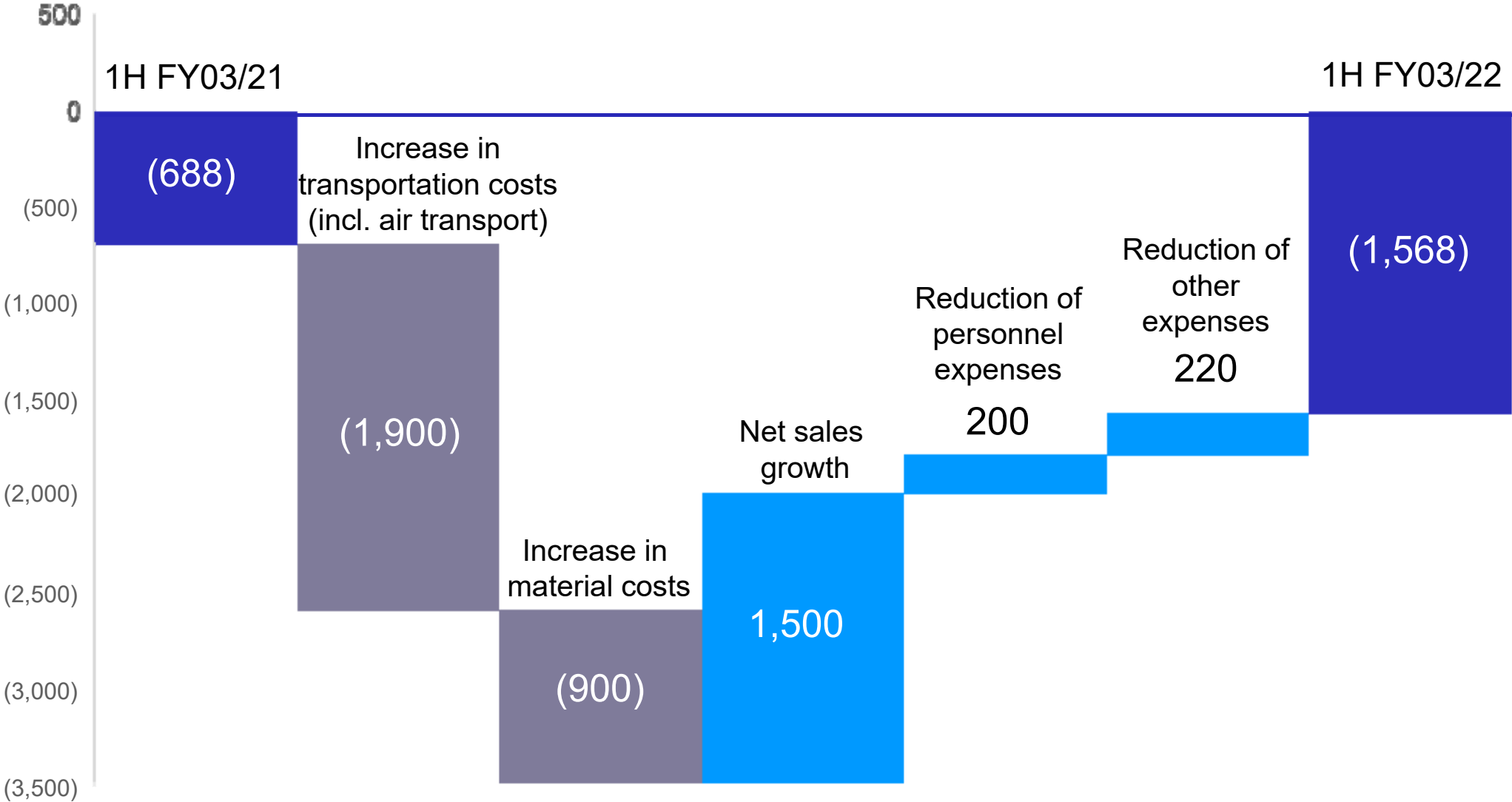
4

Implementation of measures to strengthen corporate structure
(Expense reduction, rationalization of operations, further workstyle reform)

Breakdown of YoY Change in Operating Income



(Millions of yen)

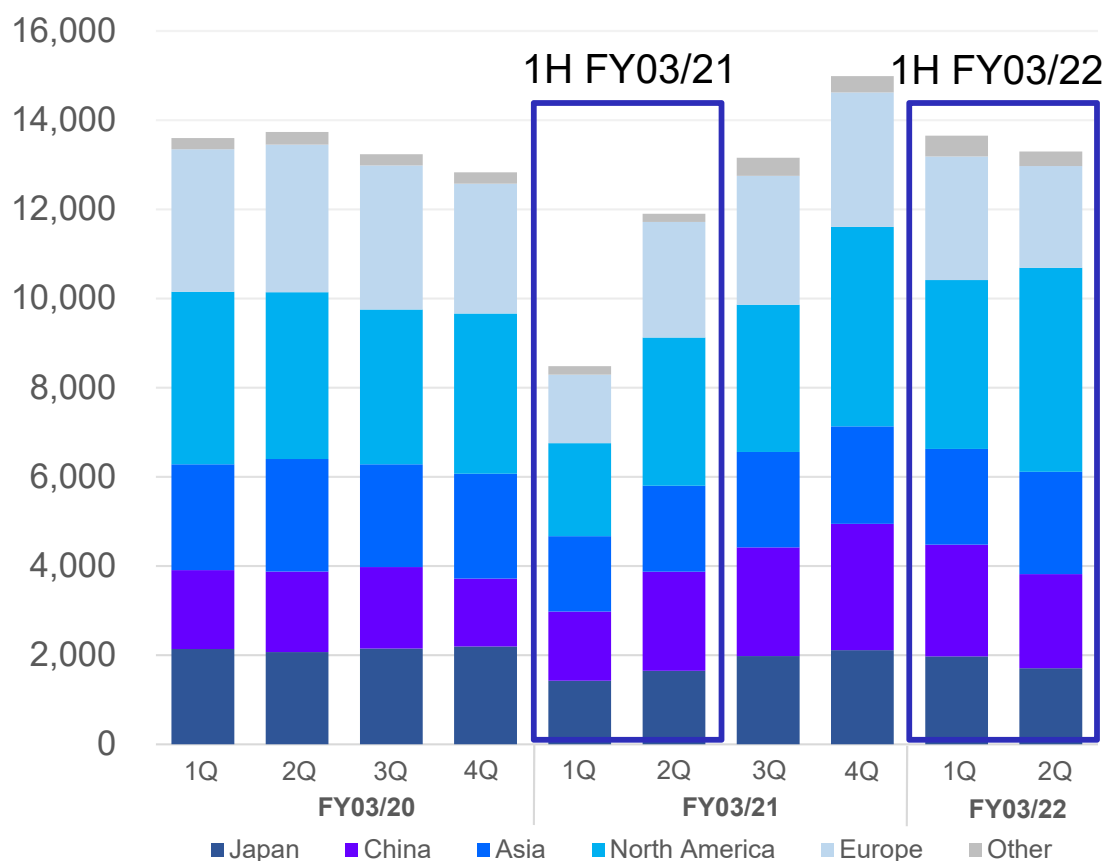


Car Speaker Sales by Region

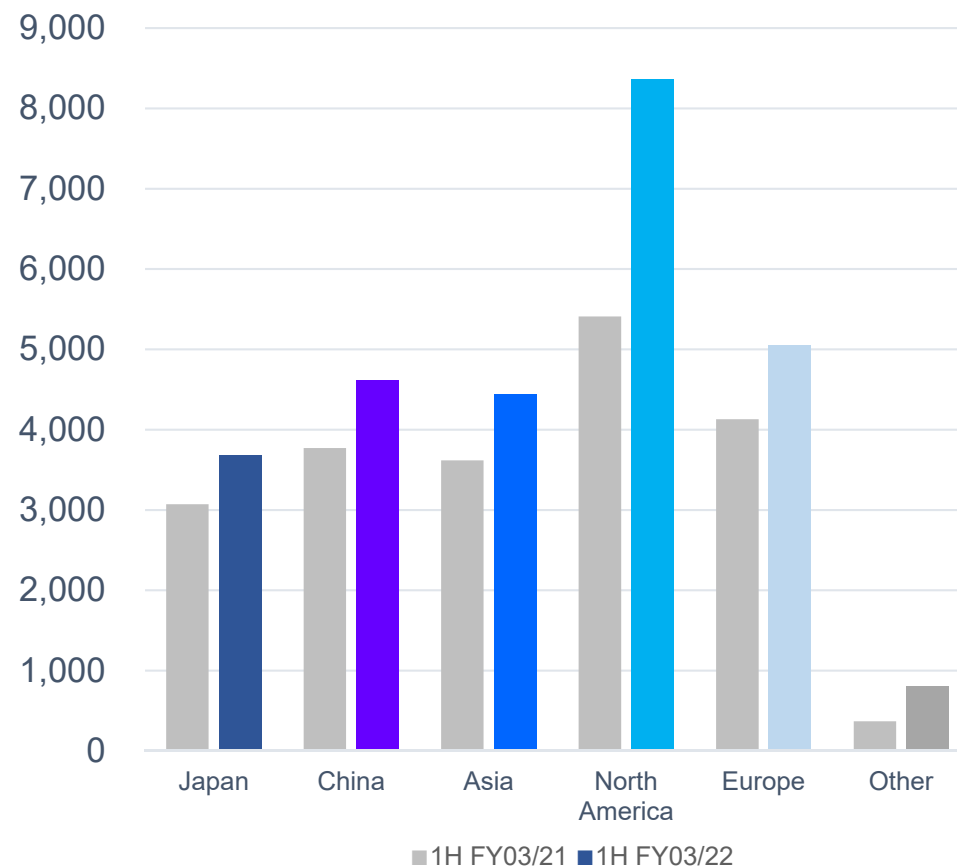
- 1H sales exceeded the year-ago level. Despite the effect of automobile production cutbacks, car speaker sales declined only slightly from 1Q to 2Q.
- While automobile production will decrease in 2H due to semiconductor shortages, we expect a gradual recovery.

(Millions of yen)

Quarterly car speaker sales by region



Car speaker sales by region (versus 1H FY03/21)



Increase in transportation costs

- We saw container freight rates surge, and secured space at spot rates due to container shortages.
- We also used air transport.

Increase in material costs owing to sharp rise in raw material prices

- Prices of our main raw materials including iron, copper, resin, and rare earth soared across the board.

Drop in plant operating rates due to spread of COVID-19 in Southeast Asia

- The spread of COVID-19 variants posed significant impact on production, particularly in Vietnam.
- Operations at some of our plants had to be suspended.

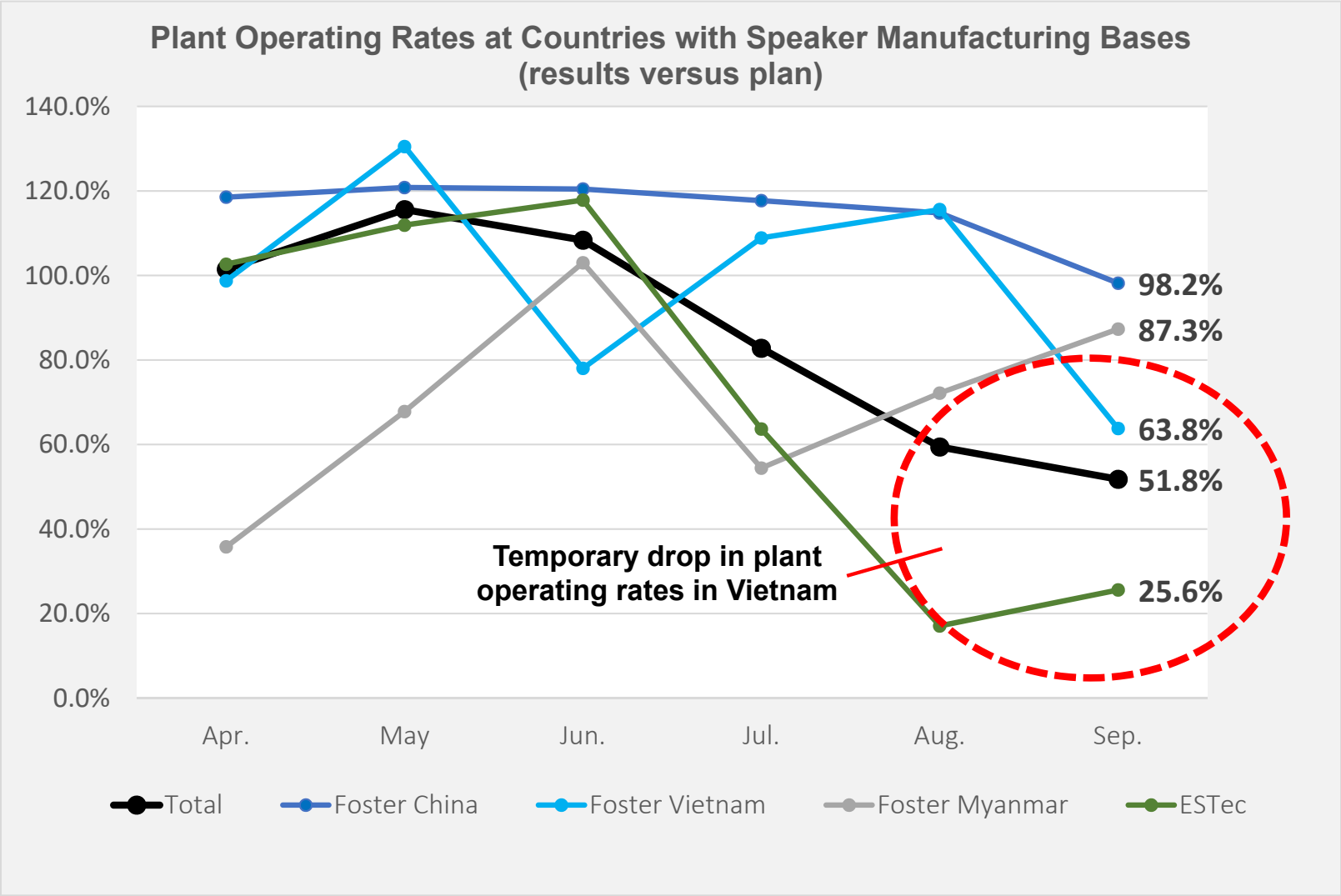


Implementation of various measures centered on passing costs onto prices

(Although the business environment is challenging, many customers have showed understanding toward price increases)

Plant Operating Rates at Countries with Speaker Manufacturing Bases

➤ Due to the spread of COVID-19 in Southeast Asia, plant operating rates fell in Vietnam (August–September).



At present, operating rates are improving, thanks to the easing of restrictions on activities.

Impact on 2H transportation costs (air transport costs)

- Despite expected earnings improvement in 2H from passing costs onto prices and other measures, we downwardly revised our forecast from the initial plan, due to the additional expenses earmarked for recovery from the operating rate decline in Vietnam.

(Millions of yen)

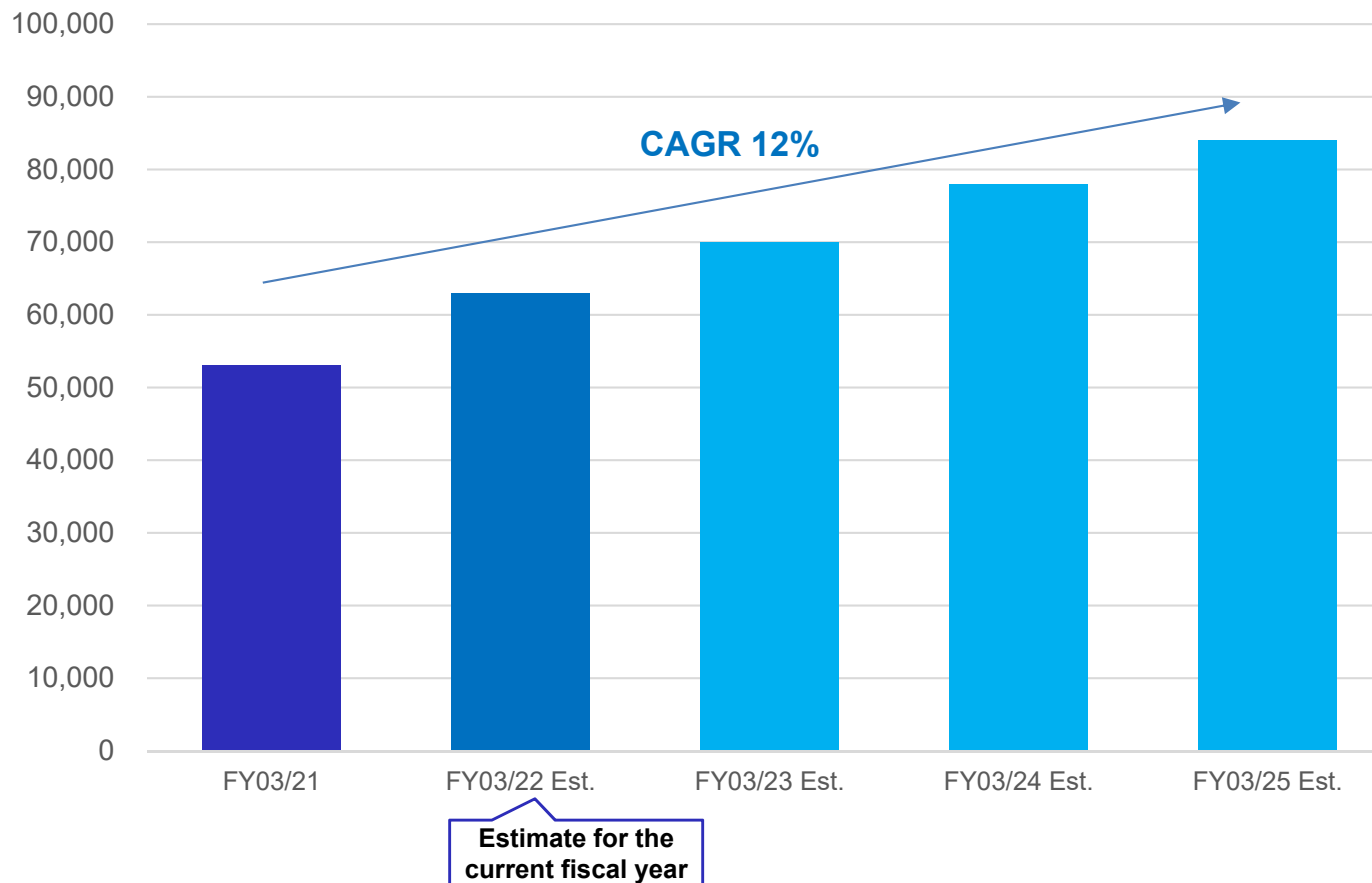
	FY03/21	FY03/22 Initial forecast	FY03/22 Revised forecast	Amount of change (vs. FY03/21)	Percentage change (vs. FY03/21)	Amount of change (vs. initial forecast)	Percentage change (vs. initial forecast)
Net sales	85,220	90,000	90,000	4,780	5.6%	0	0.0%
Operating income (loss)	0.7	1,000	(3,500)	(3,501)	—	(4,500)	—
<i>Operating income (loss) to net sales</i>	<i>0.0%</i>	<i>1.1%</i>	<i>(3.9%)</i>				
Ordinary income (loss)	219	1,000	(3,500)	(3,719)	—	(4,500)	—
<i>Ordinary income (loss) to net sales</i>	<i>0.3%</i>	<i>1.1%</i>	<i>(3.9%)</i>				
Net income (loss)*	(3,363)	300	(3,500)	(137)	—	(3,800)	—
<i>Net income (loss) to net sales**</i>	<i>(3.9%)</i>	<i>0.3%</i>	<i>(3.9%)</i>				
Net income (loss) per share (in exact yen)	(148.47)	13.48	(157.28)	(8.81)	—	(170.76)	—
Dividends per share (in exact yen)	15.00	20.00	20.00	5.00	33.3%	0.00	0.0%
Dividend payout ratio	—	151.1%	—				
Exchange rates	105.95 yen/USD 124.06 yen/EUR	108.00 yen/USD 128.00 yen/EUR	108.00 yen/USD 128.00 yen/EUR				

*Net income (loss) attributable to owners of the parent. **Net income (loss) to net sales attributable to owners of the parent.

III. Progress of Medium-Term Business Plan

TOPICS

Automotive Business Sales Projections



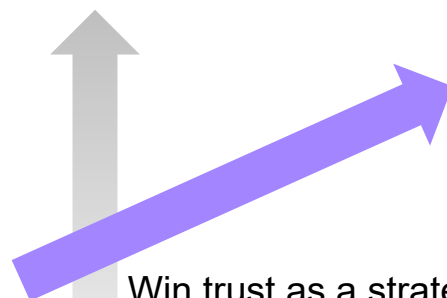
- Already secured roughly 70% of orders targeted for FY03/25, the final year of our current medium-term business plan
- Products for Japanese top brands: Won new orders and sales are slated to begin in FY03/23
- Products for European luxury car makers: Won a large project and sales are slated to begin in FY03/25
- Consistently receiving inquiries on micro acoustic components (buzzers, AVAS/eCall speakers, etc.)

* The automotive business covers all Foster Group products made for automotive use, including car speakers, micro acoustic components (buzzers, etc.), car headphones, etc.

* The figures above change significantly, subject to changes in various factors such as future trends in automobile sales and the status of our orders.

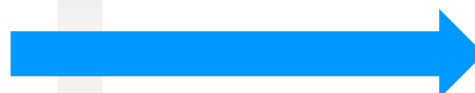
Expanding Automobile Market

Accurately grasp the changes in power structure caused by the paradigm shift, and strengthen our proposal capability to address needs



Win trust as a strategic partner and forge stronger relationships

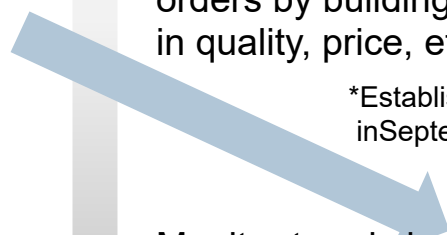
Target customers in Japan, US, and Europe



Launch new brand*, and win orders by building up superiority in quality, price, etc.

Chinese local manufacturers

*Established "Guangzhou Fourstar Electroacoustic Tech Co., Ltd." in September 2021



Monitor trends including collaborations and relations with finished car manufacturers, and take necessary steps

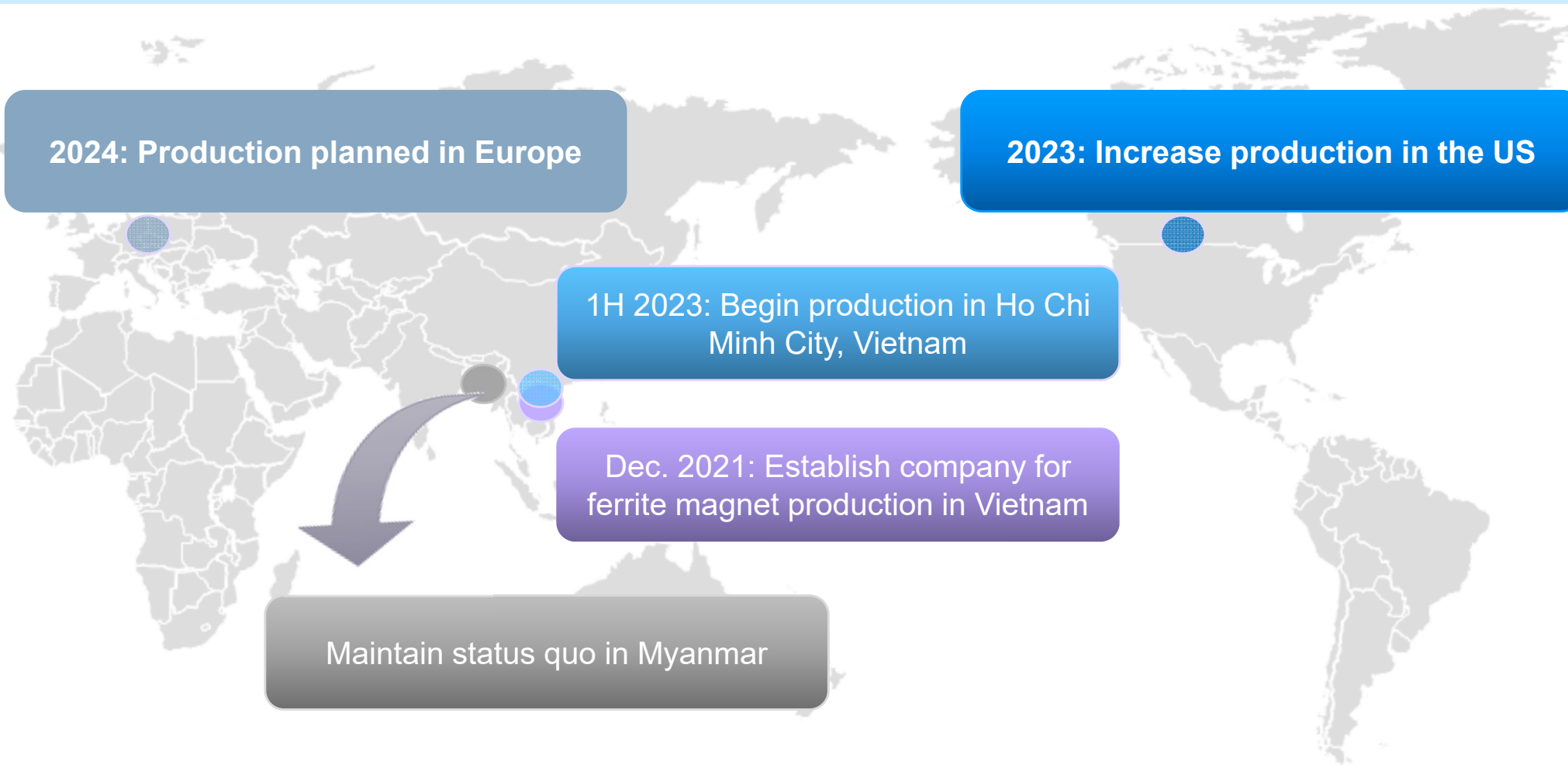
New market entrants such as IT companies

Survival of the fittest

We will accurately grasp the winning and losing players in the expanding automobile market centered on the shift to EVs, conduct businesses that address individual needs, and steadily achieve our medium-term business plan.

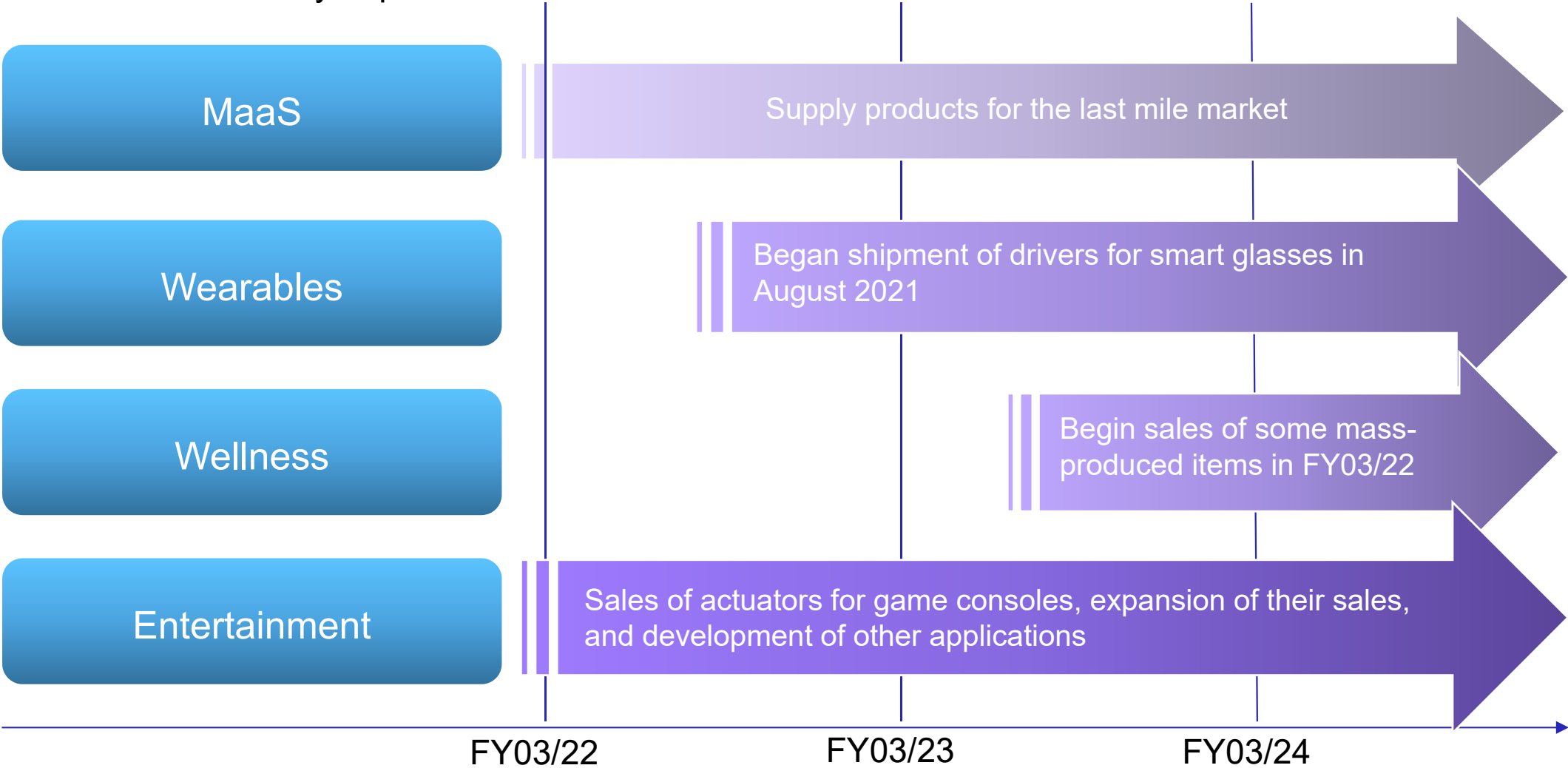
Speaker production strategy

- Meet demand by building an optimal production system based on local production for local consumption
- Establish a joint venture in Vietnam for the manufacture of ferrite magnets, the core parts for speakers



Progress in Areas Other than the Automotive Business **FOSTER**

- In the Mobile Audio Segment and new business domains, we will work to step up proactive and proposal-based marketing by expanding our customer touchpoints, and also develop and commercialize our next key product (innovation).
- We will pursue added value and launch products in markets where we can leverage our strengths such as our ability to provide human sensibilities.



Selected as a Constituent of the “FTSE Blossom Japan Index” for the first time

FOSTER

Foster Electric Co., Ltd. has for the first time been selected as a constituent of "FTSE Blossom Japan Index" by FTSE Russell, a global index provider, for its outstanding practices in meeting various evaluation criteria in E (Environment), S (Social) and G (Governance).

The ESG index provides a performance benchmark and tool for the creation of index-tracking investments, financial instruments or fund products focused on sustainable investment.

*229 companies were selected in June 2021

About the “FTSE Blossom Japan Index”

<https://www.ftserussell.com/products/indices/blossom-japan>



**FTSE Blossom
Japan**

IV. Reference Materials

Our Corporate Creed is “Sincerity.”

Our Vision is “To make contributions to future society through acoustics.”

Company name	Foster Electric Company, Limited
Representative	Hiromi Yoshizawa, CEO Atsushi Narikawa, COO
Founded	June 20, 1949
Headquarters	1-1-109 Tsutsujigaoka, Akishima, Tokyo 196-8550
Stock exchange	Second Section of the Tokyo Stock Exchange (May 1962) First Section of the Tokyo Stock Exchange (September 1999)
Common stock	6,770 million yen (as of September 30, 2021)
Business domain	Production and sales of speakers, audio equipment, and electronic equipment
Number of employees	Consolidated: 17,446 (including employees at a contract manufacturer in Panyu, China) Non-consolidated: 444 (as of September 30, 2021 for both consolidated and non-consolidated)

We provide acoustic products, leveraging our original analog technologies mainly through ODMs and OEMs.

Speaker Segment

- Audio and TV speakers and speaker systems; car speakers and speaker systems

TV speakers



Car speakers



Car speaker systems



Mobile Audio Segment

- Headsets, headphones, micro speakers, and vibration actuators

Headphones



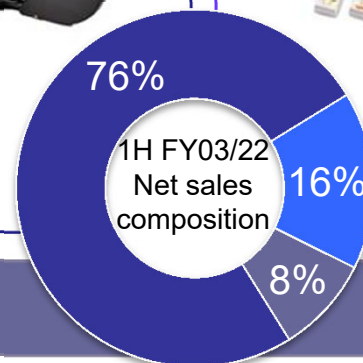
Headsets



Micro speakers for PCs and smartphones



Actuators



Other Segment

- Alarm buzzers and sounders, FOSTEX brand products, and logistics services

Micro acoustic components



FOSTEX products

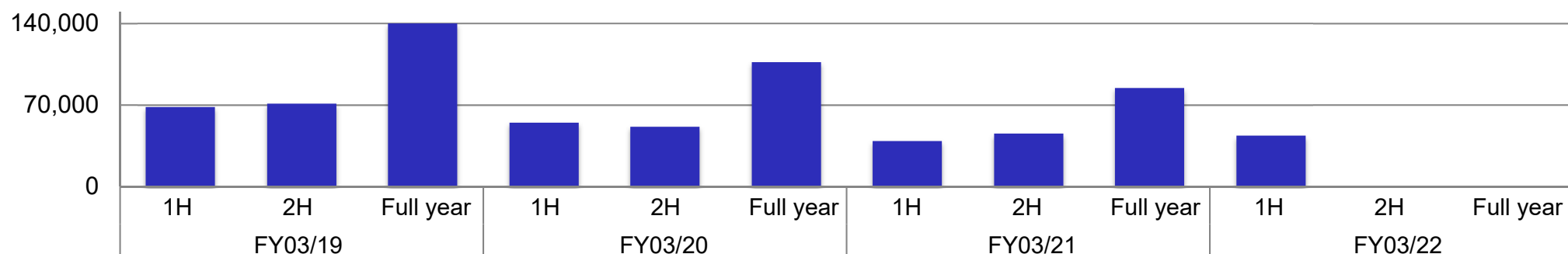


Half-Year and Full-Year Results

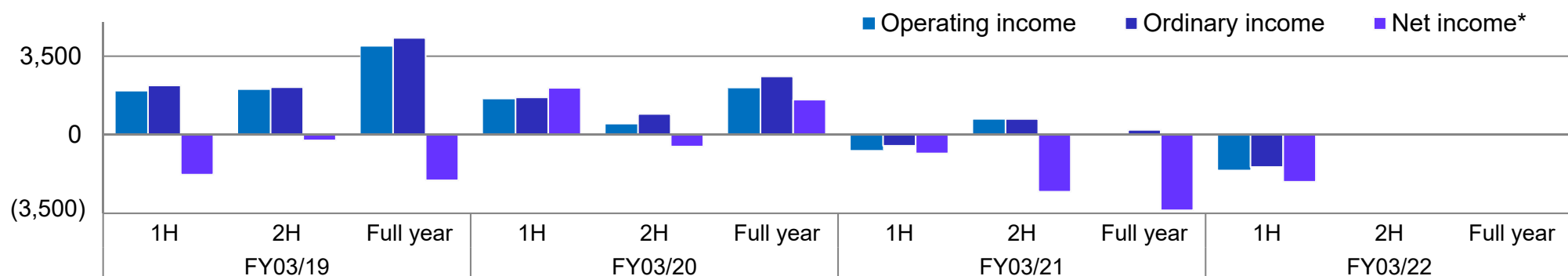
Results (Millions of yen)

	FY03/19			FY03/20			FY03/21			FY03/22		
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year
Net sales	68,758	71,545	140,303	55,277	52,021	107,298	39,528	45,692	85,220	43,976		
Operating income	1,938	1,999	3,937	1,594	470	2,064	(688)	688	0.7	(1,568)		
Ordinary income	2,198	2,120	4,318	1,668	931	2,599	(488)	707	219	(1,433)		
Net income*	(1,776)	(250)	(2,026)	2,090	(525)	1,565	(829)	(2,534)	(3,363)	(2,093)		
Income ratio	2.8%	2.8%	2.8%	2.9%	0.9%	1.9%	(1.7%)	1.5%	0.0%	(3.6%)		
Ordinary income to net sales	3.2%	3.0%	3.1%	3.0%	1.8%	2.4%	(1.2%)	1.5%	0.3%	(3.3%)		
Net income to net sales**	(2.6%)	(0.3%)	(1.4%)	3.8%	(1.0%)	1.5%	(2.1%)	(5.5%)	(3.9%)	(4.8%)		

Net sales (Millions of yen)



Profits (Millions of yen)



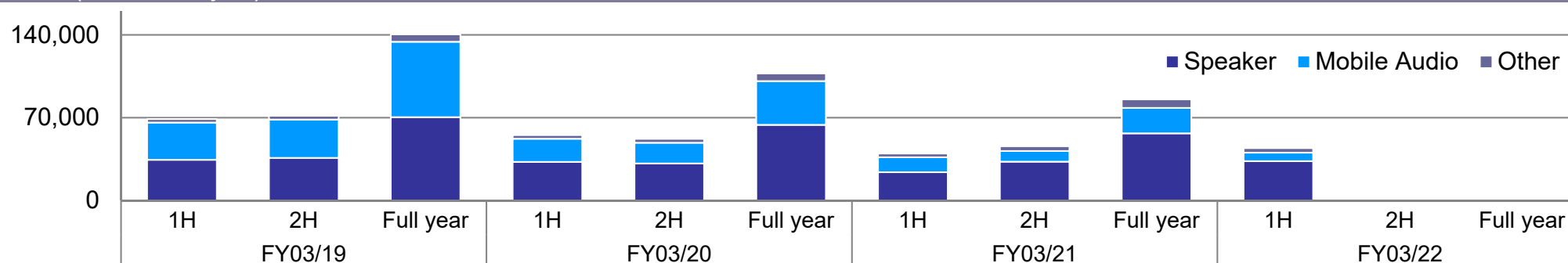
*Net income attributable to owners of the parent. **Net income to net sales attributable to owners of the parent.

Half-Year and Full-Year Results by Segment

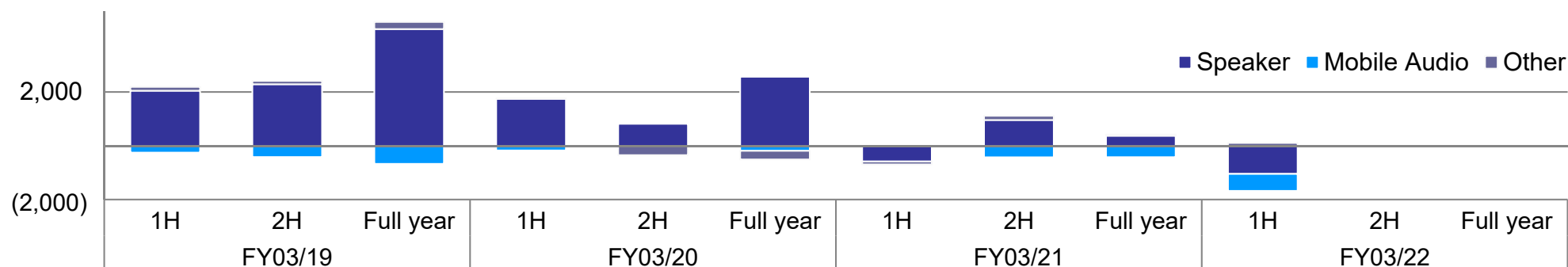
Results (Millions of yen)

	FY03/19			FY03/20			FY03/21			FY03/22		
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year
Net sales												
Speaker	34,450	35,953	70,403	32,631	31,324	63,955	23,892	32,844	56,736	33,294		
Mobile Audio	31,407	32,444	63,851	19,603	17,456	37,059	12,593	8,981	21,574	7,137		
Other	2,990	3,234	6,224	3,107	3,347	6,454	3,176	4,068	7,244	3,880		
Operating income												
Speaker	2,050	2,293	4,343	1,754	817	2,571	(584)	961	377	(1,045)		
Mobile Audio	(254)	(416)	(670)	(170)	(17)	(187)	5	(429)	(424)	(631)		
Other	143	122	265	10	(330)	(320)	(109)	156	47	108		

Net sales (Millions of yen)



Operating income (Millions of yen)

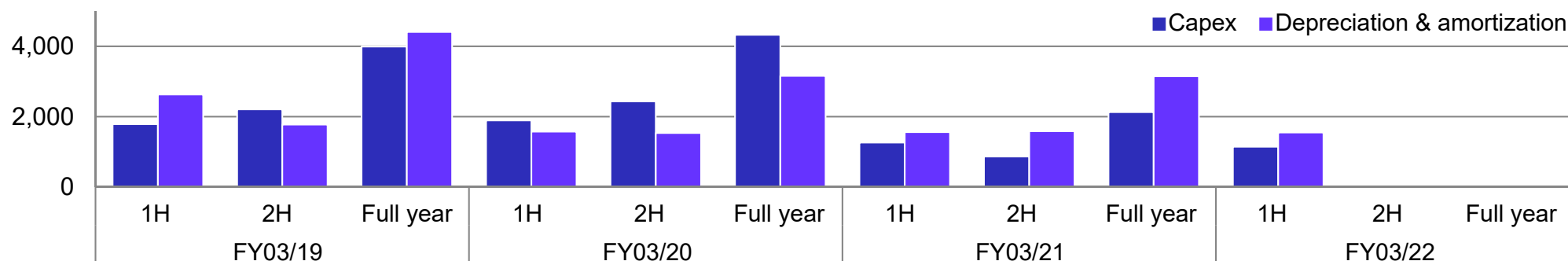


Half-Year and Full-Year Capex, Depreciation and Amortization, and R&D Expenses

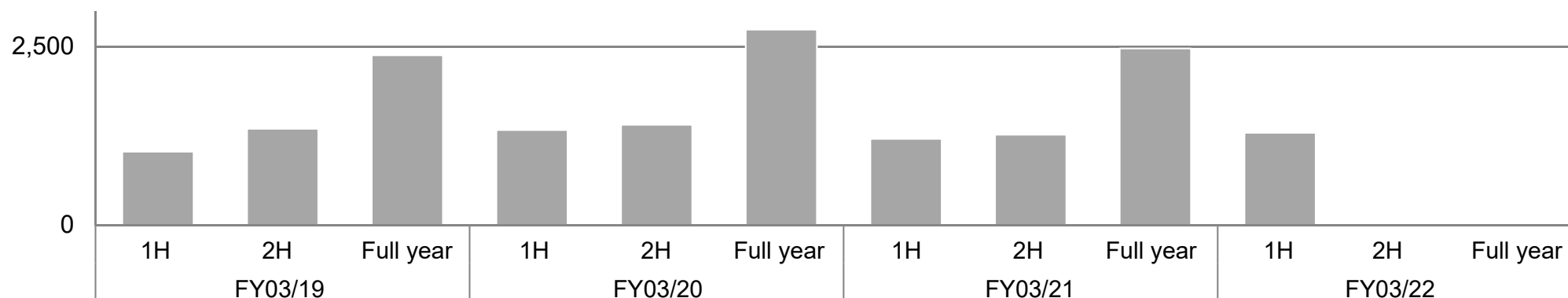
Capex, depreciation & amortization, and R&D expenses (Millions of yen)

	FY03/19			FY03/20			FY03/21			FY03/22		
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year
Capex	1,786	2,208	3,994	1,894	2,434	4,328	1,263	868	2,131	1,146		
Depreciation & amortization	2,631	1,777	4,408	1,576	1,583	3,159	1,560	1,588	3,148	1,552		
R&D expenses	1,029	1,351	2,380	1,333	1,407	2,740	1,209	1,267	2,476	1,294		

Capex, depreciation & amortization (Millions of yen)



R&D expenses (Millions of yen)

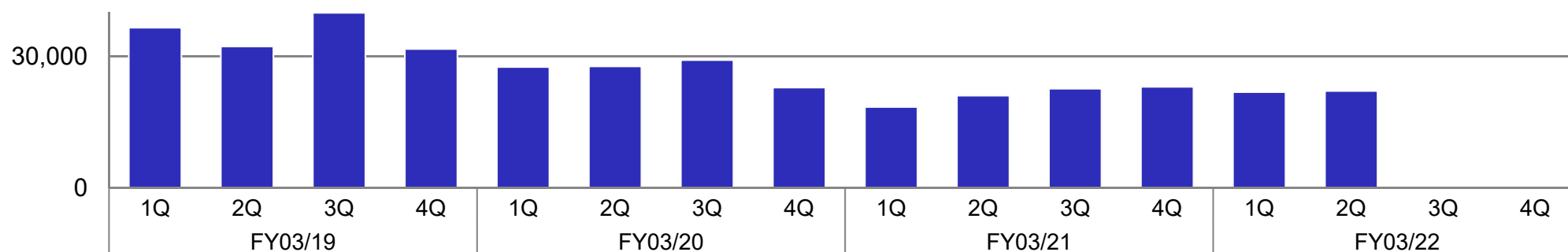


Quarterly Results

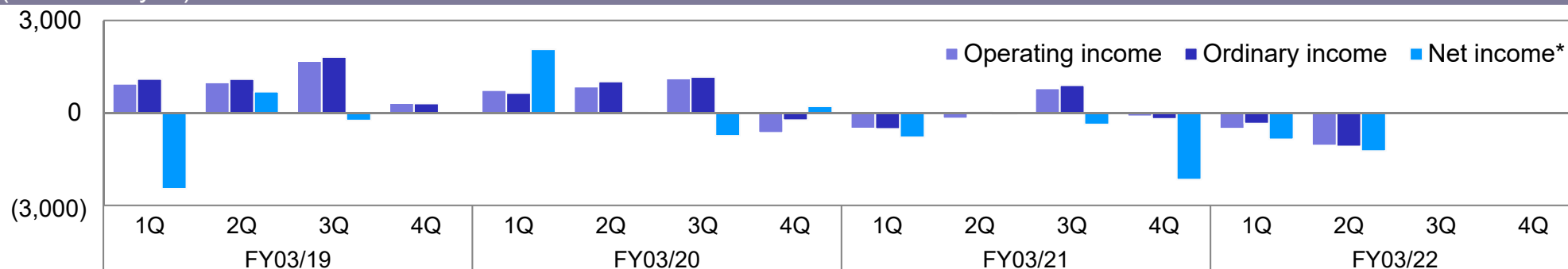
Results (Millions of yen)

	FY03/19				FY03/20				FY03/21				FY03/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	36,512	32,246	39,894	31,651	27,561	27,716	29,132	22,889	18,480	21,048	22,641	23,051	21,860	22,116		
Operating income	947	991	1,682	317	741	853	1,117	(647)	(507)	(181)	799	(110)	(511)	(1,057)		
Ordinary income	1,101	1,097	1,815	305	648	1,020	1,166	(235)	(518)	30	900	(193)	(345)	(1,088)		
Net income*	(2,464)	688	(244)	(6)	2,067	23	(740)	215	(791)	(38)	(373)	(2,161)	(857)	(1,236)		
Income ratio	2.6%	3.1%	4.2%	1.0%	2.7%	3.1%	3.8%	(2.8%)	(2.7%)	(0.9%)	3.5%	(0.5%)	(2.3%)	(4.8%)		
Ordinary income to net sales	3.0%	3.4%	4.5%	1.0%	2.4%	3.7%	4.0%	(1.0%)	(2.8%)	0.1%	4.0%	(0.8%)	(1.6%)	(4.9%)		
Net income to net sales**	(6.7%)	2.1%	(0.6%)	(0.0%)	7.5%	0.1%	(2.5%)	0.9%	(4.3%)	(0.2%)	(1.6%)	(9.4%)	(3.9%)	(5.6%)		

Net sales (Millions of yen)



Profits (Millions of yen)



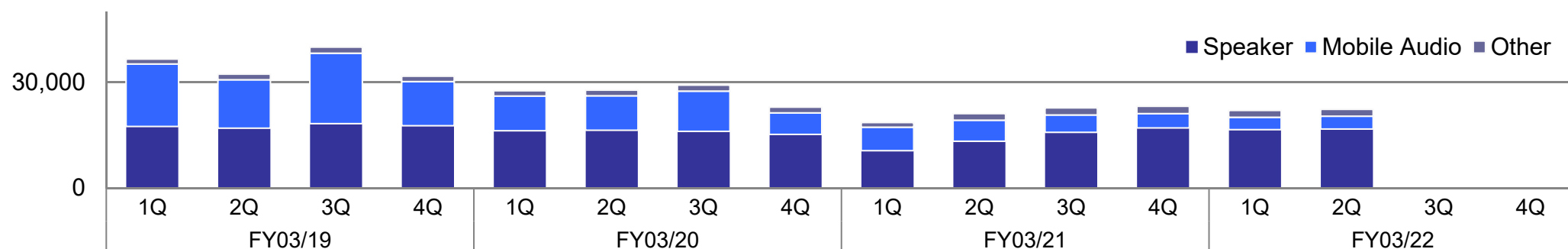
*Net income attributable to owners of the parent. **Net income to net sales attributable to owners of the parent.

Quarterly Results by Segment

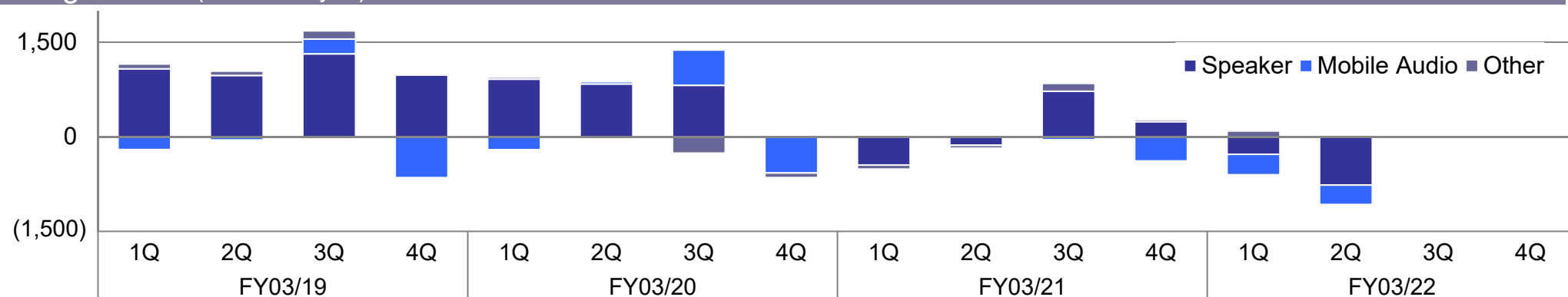
Results (Millions of yen)

	FY03/19				FY03/20				FY03/21				FY03/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales																
Speaker	17,462	16,988	18,269	17,684	16,253	16,378	16,097	15,227	10,619	13,273	15,802	17,042	16,553	16,741		
Mobile Audio	17,693	13,714	19,941	12,503	9,826	9,777	11,374	6,082	6,633	5,960	4,909	4,072	3,508	3,629		
Other	1,399	1,591	1,731	1,503	1,511	1,596	1,706	1,641	1,321	1,855	2,010	2,058	1,947	1,933		
Operating income																
Speaker	1,077	973	1,315	978	915	839	817	0	(448)	(136)	722	239	(279)	(766)		
Mobile Audio	(203)	(51)	235	(651)	(205)	35	558	(575)	6	(1)	(46)	(383)	(323)	(308)		
Other	76	67	130	(8)	30	(20)	(258)	(72)	(65)	(44)	123	33	91	17		

Net sales (Millions of yen)



Operating income (Millions of yen)



Quarterly Balance Sheet and Statement of Cash Flows



Balance sheet (Millions of yen)

	FY03/19				FY03/20				FY03/21				FY03/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Total current assets	73,361	73,013	70,263	67,773	67,221	65,381	60,986	59,952	55,066	55,396	58,394	59,040	59,947	62,814		
Cash and deposits	11,003	13,108	15,255	11,854	19,839	12,575	18,295	14,770	17,985	21,401	21,987	15,470	18,556	15,499		
Notes and accounts receivable – trade	19,939	19,324	22,174	19,261	18,721	19,289	19,187	15,145	15,351	16,018	16,794	16,945	16,571	17,196		
Other	42,419	40,581	32,834	36,658	28,661	33,517	23,504	30,037	21,730	17,977	19,613	26,625	24,820	30,119		
Total non-current assets	24,231	24,332	23,340	23,497	22,840	22,227	22,847	20,872	20,524	20,160	18,606	18,193	18,309	18,247		
Net property, plant and equipment	18,768	18,922	18,357	18,475	18,927	18,116	18,013	17,980	17,673	17,312	15,787	15,213	15,234	15,190		
Total intangible assets	1,259	1,182	1,139	1,171	314	433	212	217	201	198	198	189	196	194		
Total investments and other assets	4,203	4,227	3,844	3,851	3,598	3,677	4,621	2,675	2,649	2,649	2,621	2,790	2,877	2,863		
Total assets	97,593	97,346	93,604	91,271	90,062	87,609	83,833	80,825	75,590	75,556	77,001	77,233	78,256	81,062		
Total current liabilities	25,748	24,338	26,788	25,453	23,802	22,439	18,816	17,783	15,241	15,623	18,041	18,738	19,953	23,931		
Notes and accounts payable – trade	11,295	9,535	9,184	8,334	7,507	8,067	8,086	7,390	5,604	6,296	8,491	8,735	8,969	9,300		
Short-term loans and bonds payable	7,322	6,952	9,953	9,497	9,473	7,586	3,859	3,904	4,479	3,669	3,697	4,084	5,247	8,208		
Other	7,131	7,851	7,651	7,622	6,822	6,786	6,871	6,489	5,158	5,658	5,853	5,919	5,737	6,423		
Total non-current liabilities	8,555	9,293	7,380	6,523	6,088	5,567	5,232	4,047	3,144	2,916	2,699	2,501	2,341	2,067		
Long-term debt and bonds payable	7,529	8,243	5,455	5,108	4,490	3,918	3,365	2,637	1,850	1,606	1,362	1,118	875	631		
Other	1,026	1,050	1,925	1,415	1,598	1,649	1,867	1,410	1,294	1,310	1,337	1,383	1,466	1,436		
Total net assets	63,289	63,714	59,436	59,294	60,171	59,602	59,785	58,995	57,205	57,015	56,260	55,993	55,962	55,063		
Shareholders' equity	58,634	58,155	54,328	54,322	56,162	56,185	55,120	55,335	54,201	54,169	53,568	50,837	49,868	48,646		
Accumulated other comprehensive income	263	975	154	27	(931)	(1,474)	(310)	(1,563)	(1,952)	(2,132)	(2,486)	(198)	473	788		
Non-controlling interests	4,391	4,583	4,952	4,944	4,939	4,891	4,975	5,224	4,956	4,978	5,178	5,354	5,621	5,628		
Total liabilities and net assets	97,593	97,346	93,604	91,271	90,062	87,609	83,833	80,825	75,590	75,556	77,001	77,233	78,256	81,062		

Statement of cash flows (Millions of yen)

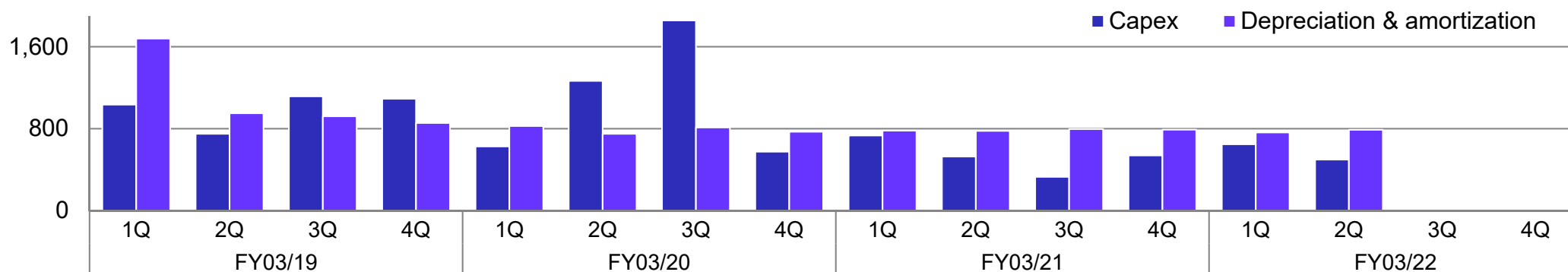
	FY03/19				FY03/20				FY03/21				FY03/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Operating activities	675	2,942	7,373	6,971	873	2,375	4,250	3,594	(2,309)	3,626	960	(1,538)	(2,351)	(3,840)		
Investing activities	(556)	(1,598)	(533)	(738)	1,862	(690)	(1,322)	666	(1,246)	(351)	(144)	(219)	(228)	(1,172)		
Financing activities	2,043	(885)	(3,315)	(780)	(1,023)	(2,308)	(4,758)	(734)	(691)	(1,004)	(384)	(545)	658	2,709		
Foreign exchange impact	(320)	510	(318)	(96)	(229)	(269)	(75)	195	(375)	(40)	(76)	778	201	42		
Net increase (decrease) in cash flow	1,840	972	3,204	5,357	1,482	(892)	(1,905)	3,721	(4,622)	2,231	357	(1,523)	(1,720)	(2,260)		
Cash at the end of period	11,991	12,962	16,167	21,514	23,007	22,114	20,209	23,930	19,307	21,539	21,895	20,373	18,653	16,392		

Quarterly Capex, Depreciation and Amortization, and R&D Expenses

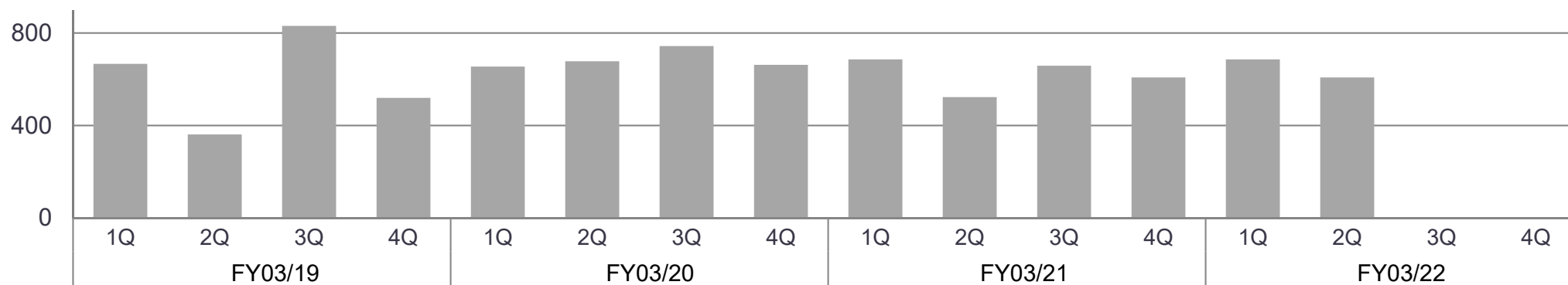
Capex, depreciation & amortization, and R&D expenses (Millions of yen)

	FY03/19				FY03/20				FY03/21				FY03/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Capex	1,036	750	1,116	1,092	627	1,267	1,858	576	734	528	330	538	648	498		
Depreciation & amortization	1,680	951	921	856	826	750	812	771	781	779	797	791	763	789		
R&D expenses	667	362	831	520	655	678	744	663	686	523	659	608	697	597		

Capex, depreciation & amortization (Millions of yen)



R&D expenses (Millions of yen)

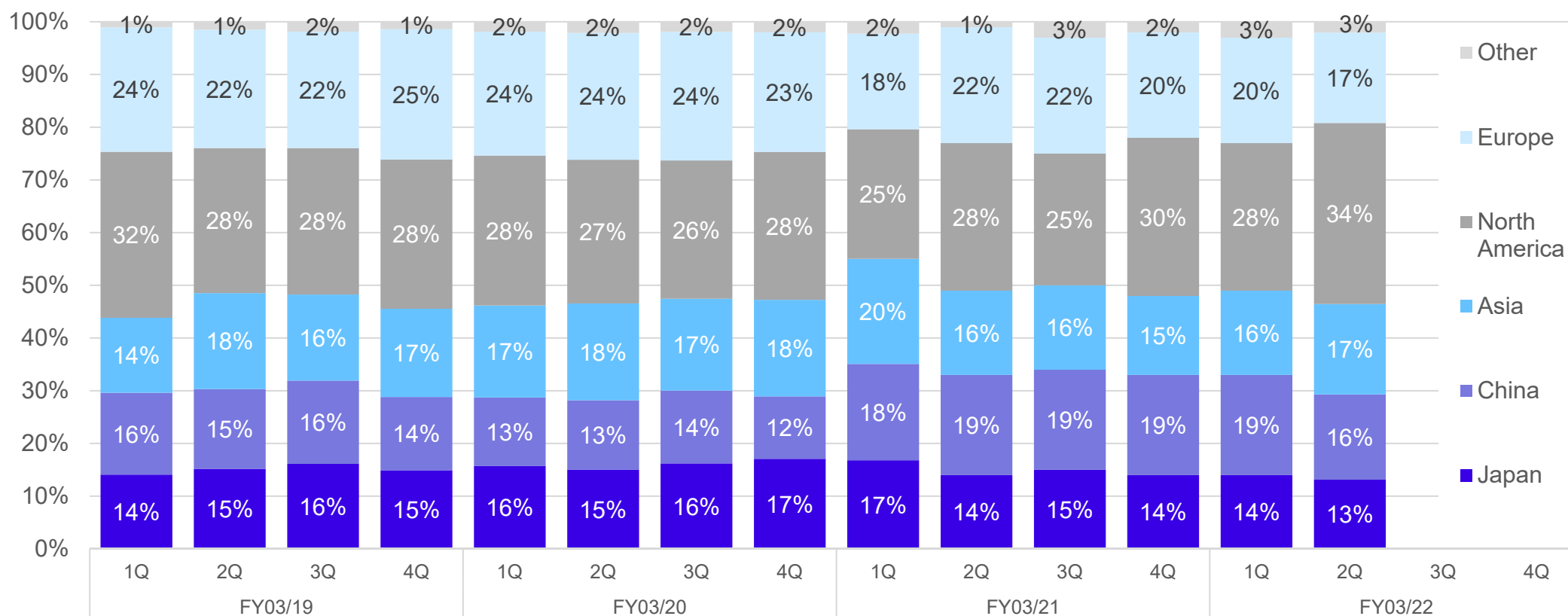


Quarterly Sales Weighting of Car Speakers by Region

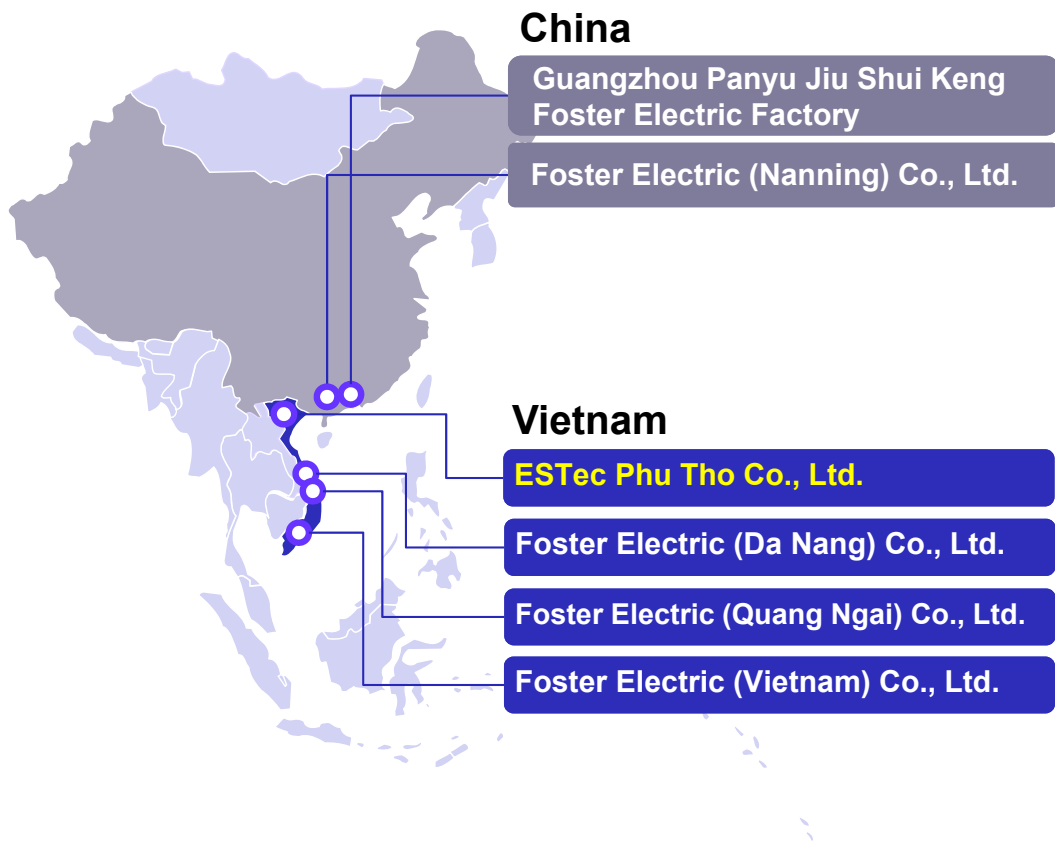


Sales weighting of car speakers by region

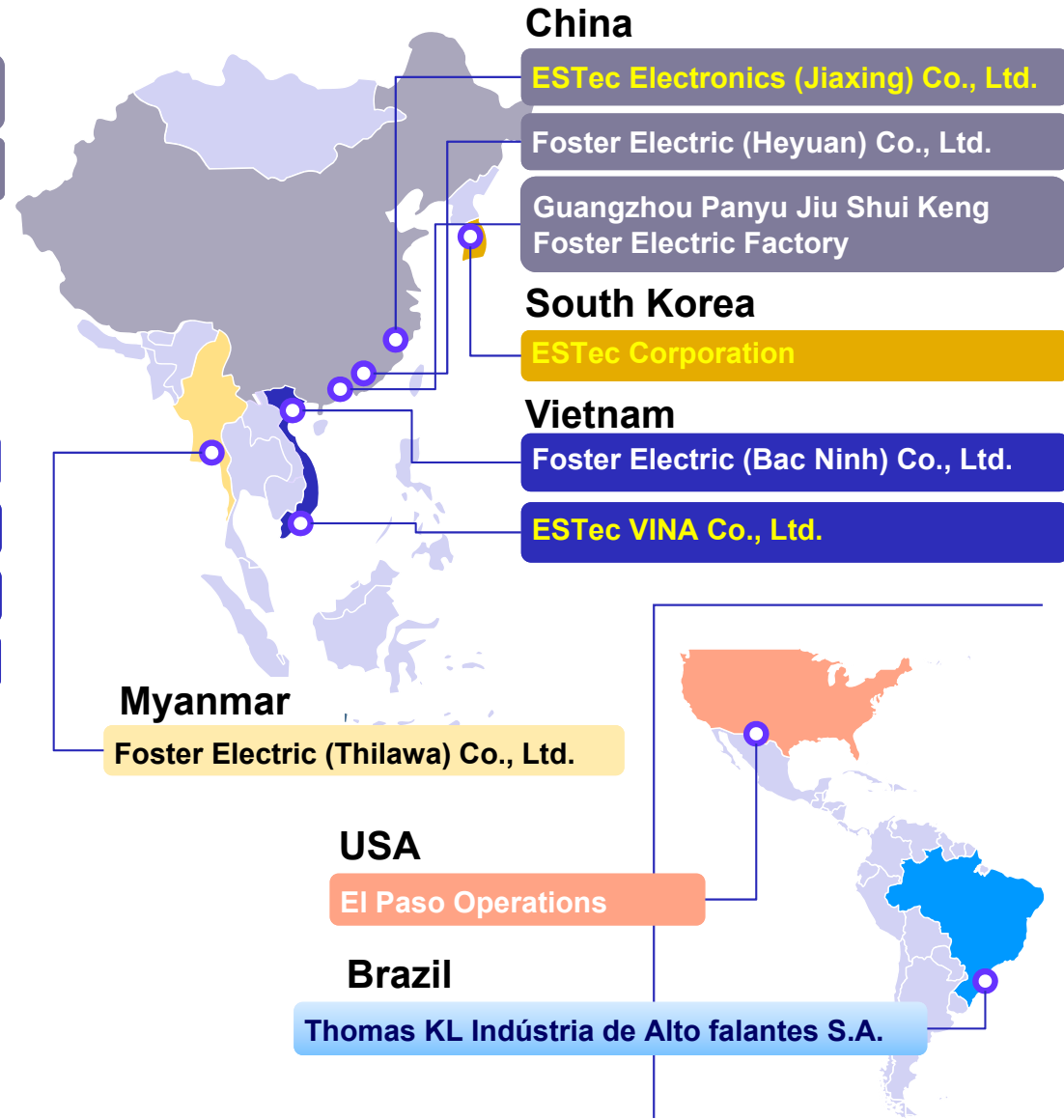
	FY03/19				FY03/20				FY03/21				FY03/22			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Japan	14%	15%	16%	15%	16%	15%	16%	17%	17%	14%	15%	14%	14%	13%		
China	16%	15%	16%	14%	13%	13%	14%	12%	18%	19%	19%	19%	19%	16%		
Asia	14%	18%	16%	17%	17%	18%	17%	18%	20%	16%	16%	15%	16%	17%		
North America	32%	28%	28%	28%	28%	27%	26%	28%	25%	28%	25%	30%	28%	34%		
Europe	24%	22%	22%	25%	24%	24%	24%	23%	18%	22%	22%	20%	20%	17%		
Other	1%	1%	2%	1%	2%	2%	2%	2%	2%	1%	3%	2%	3%	3%		
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Total sales (Millions of yen)	15,165	14,611	14,820	14,739	13,598	13,735	13,233	12,840	8,478	11,898	13,155	14,985	13,652	13,295		



Mobile Audio



Speaker



(As of September 30, 2021)

[Precautionary Statement]

All forward-looking statements contained in this material, including forecasts, plans, and outlooks on current or future earnings, are based on currently available information and assumptions on risks and uncertainties that may affect future earnings. Actual results may differ from forecasts or estimates due to a range of factors, including economic conditions surrounding the Group's operations, business conditions of related markets and at OEM customers, the competitive environment and pricing competition in Japan and overseas, raw material prices, foreign exchange rates, risks affecting overseas business, regulations in Japan and overseas, disasters or accidents, and share prices.

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