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October 31, 2025

Consolidated Financial Results for the Six Months (First Half) Ended September 30, 2025 (Under IFRS)

Company name: JVCKENWOOD Corporation
 Listing: Prime Market of the Tokyo Stock Exchange
 Securities code: 6632
 URL: <https://www.jvckenwood.com/en.html>
 Representative: EGUCHI Shoichiro, Representative Director of the Board, President and CEO
 Inquiries: MIYAMOTO Masatoshi, Representative Director of the Board, Senior Managing Executive Officer, CFO
 Telephone: +81-45-444-5232
 Scheduled date to file semi-annual securities report: September 12, 2025
 Scheduled date to commence dividend payments: December 1, 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.)

	Revenue		Core operating income*		Operating profit		Profit before tax	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	169,321	-4.1	8,319	-36.1	9,633	-28.9	10,292	-28.9
September 30, 2024	176,574	1.1	13,015	23.9	13,556	38.2	14,473	48.6

*Core operating income is calculated by deducting cost of sales, selling and general administrative expenses from revenue, and does not include other income, other expenses, and foreign exchange gains and losses, which are nonrecurring items that mainly occur temporarily.

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	Million yen	%	Million yen	%	Yen	Yen
September 30, 2025	7,500	-32.4	10,514	89.7	50.97	50.84
September 30, 2024	11,093	64.4	5,542	-70.5	73.55	73.01

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Million yen	Million yen	Million yen	%
September 30, 2025	313,588	137,647	131,730	42.0
March 31, 2025	313,336	131,399	125,103	39.9

2. 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	-	5.00	-	10.00	15.00
Fiscal year ending March 31, 2026	-	6.00			
Fiscal year ending March 31, 2026 (Forecast)			-	12.00	18.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(% indicate year-on-year changes)

	Revenue		Core operating income		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	360,000	-2.8	21,000	-17.0	20,500	-5.9	21,000	-10.6	15,500	-23.6	105.29

Note: Revisions to recently announced earnings forecasts: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of September 30, 2025	164,000,201 shares
As of March 31, 2025	164,000,201 shares

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

As of September 30, 2025	16,718,325 shares
As of March 31, 2025	15,960,655 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2025	147,146,050 shares
Six months ended September 30, 2024	150,827,111 shares

* JVCKENWOOD Corporation's shares owned by the trust relating to the share-based payment plan are included in the number of treasury stock.

* Review of the Japanese-language originals of the attached consolidated semi-annual financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters:

A Cautionary Note on Forward-Looking Statements

This report contains forward-looking statements including those concerning future performance of JVCKENWOOD Corporation (the "Company"), and those statements are based on the Company's current assumptions, expectations and beliefs in light of the information currently possessed by it. Various factors may cause the Company's actual results to be materially different from any future performance expressed or implied by these forward-looking statements. Therefore, these statements do not constitute a guarantee by the Company that such future performance will be realized. For cautionary notes with respect to forward-looking statements, please refer to the "(3) Explanation of Future Forecast Information such as Consolidated Financial Forecast" in "1. Overview of Business Performance."

Access to Supplementary Financial Materials and Earnings Presentations

The Company plans to hold an online earnings results presentation for analysts and institutional investors on Tuesday, November 4, 2025. The presentation materials to be used on that day will be available for download from the Company's website.

(Appendix)

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1. Overview of Business Performance

(1) Operating Results

Overview of the First Half of the Fiscal Year Ending March 31, 2026

Revenue of JVCKENWOOD Corporation (the “Company”) and its consolidated subsidiaries (the “Group”) for the first half of the fiscal year ending March 31, 2026 decreased from the same period a year earlier due to a significant impact from a decrease in production and sales caused by insufficient supply of components in the Communications Systems Business of the Safety & Security Sector, as well as the impact of the U.S. tariff measures in the Mobility & Telematics Services Sector and the Media Business of the Entertainment Solutions Sector.

Due to the impact of revenue decrease, the line-item profits of core operating income through to the profit attributable to owners of the parent also decreased from the same period a year earlier.

A summary of consolidated operating results for the first half of the fiscal year ending March 31, 2026 is as follows.
(Million yen)

	H1 of FYE3/25	H1 of FYE3/26	Year-on-year change	
			Amount	Percentage
Revenue	176,574	169,321	-7,252	-4.1%
Core operating income*	13,015	8,319	-4,696	-36.1%
Operating profit	13,556	9,633	-3,922	-28.9%
Profit before income taxes	14,473	10,292	-4,181	-28.9%
Profit attributable to owners of the parent	11,093	7,500	-3,593	-32.4%

* Core operating income is calculated by deducting cost of sales and selling, general and administrative expenses from revenue, and does not include other income, other expenses, and foreign exchange losses (gains), which are primarily due to one-time factors. The evaluation of business sector performance is explained using core operating income.

The exchange rates used for financial reporting purposes for the first half of the fiscal year ending March 31, 2026 are as follows.

		Q1	Q2	H1 (reference)
FYE3/26	U.S. dollar	Approx. 145 yen	Approx. 147 yen	Approx. 146 yen
	Euro	Approx. 164 yen	Approx. 172 yen	Approx. 168 yen
FYE3/25 (for reference)	U.S. dollar	Approx. 156 yen	Approx. 150 yen	Approx. 153 yen
	Euro	Approx. 168 yen	Approx. 164 yen	Approx. 166 yen

Revenue

Revenue of the Group for the first half of the fiscal year ending March 31, 2026 decreased approximately 7,300 million yen, or 4.1%, from the same period a year earlier to 169,321 million yen. This was because of the significant impact of a decrease in production and sales caused by insufficient supply of components in the Communications Systems Business of the Safety & Security Sector, as well as the impact of the U.S. tariff measures in the Mobility & Telematics Services Sector and the Media Business of the Entertainment Solutions Sector.

Core Operating Income

The Company defines core operating income as revenue less cost of sales and selling, general and administrative expenses.

Core operating income for the first half of the fiscal year ending March 31, 2026 decreased approximately 4,700 million yen, or 36.1%, from a year earlier to 8,319 million yen, mainly because of reflecting a decrease in revenue.

Operating Profit

Operating profit for the first half of the fiscal year ending March 31, 2026 decreased approximately 3,900 million yen, or 28.9%, from a year earlier to 9,633 million yen, mainly due to a decrease in core operating income despite improvement in other income.

Profit Before Income Taxes

Profit before income taxes for the first half of the fiscal year ending March 31, 2026 decreased approximately 4,200

million yen, or 28.9%, from a year earlier to 10,292 million yen. This was mainly due to a decrease in operating profit.

Profit Attributable to Owners of the Parent

Profit attributable to owners of the parent for the first half of the fiscal year ending March 31, 2026 decreased approximately. 3,600 million yen, or 32.4%, from a year earlier to 7,500 million yen, mainly due to a decrease in profit before income taxes.

Revenue and Profit (Loss) by Business Sector

Revenue and core operating income by business sector are as follows.

First half of the fiscal year ending March 31, 2026 (April 1, 2025, to September 30, 2025)

(Million yen)

Business Sector		H1 of FYE3/25	H1 of FYE3/26	Year-on-year change
Mobility & Telematics Services Sector	Revenue	96,709	95,432	-1,276
	Core operating income	1,922	2,545	+553
Safety & Security Sector	Revenue	48,586	43,725	-4,861
	Core operating income	9,916	5,122	-4,793
Entertainment Solutions Sector	Revenue	26,631	25,866	-765
	Core operating income	965	526	-438
Others	Revenue	4,646	4,297	-349
	Core operating income	142	124	-17
Total	Revenue	176,574	169,321	-7,252
	Core operating income	13,015	8,319	-4,696

Mobility & Telematics Services Sector

Revenue of the Mobility & Telematics Services Sector for the first half of the fiscal year ending March 31, 2026 decreased approximately. 1,300 million yen, or 1.3%, from a year earlier to 95,432 million yen. Core operating income grew approximately. 600 million yen, or 27.8%, from a year earlier to 2,545 million yen.

Revenue

Revenue of the OEM Business increased from a year earlier mainly due to solid performance of the dealer-installed option business in Japan as well as sales of in-vehicle speakers, amplifiers, antennas and cables at ASK Industries S.p.A., despite a decrease in sales of JVCKENWOOD Hong Kong Holdings Limited (“JKHL”) engaged in OEM of automotive components and electronic devices, mainly due to the impact of the U.S. tariff measures.

Revenue of the Aftermarket Business decreased from a year earlier mainly due to impacts of the U.S. tariff measures.

Revenue of the Telematics Service Business decreased from a year earlier due to a decline in sales of the connected-type dashcams for auto insurance companies.

Core Operating Income

Core operating income of the entire Mobility & Telematics Services Sector increased from a year earlier. This was because, while JKHL in the OEM Business and the Aftermarket Business were affected by a decrease in revenue due to the U.S. tariff measures, profitability in the Aftermarket Business improved due to pass-through to product prices and fixed cost reductions across the sector.

Safety & Security Sector

Revenue of the Safety & Security Sector for the first half of the fiscal year ending March 31, 2026 decreased approximately. 4,900 million yen, or 10.0%, from a year earlier to 43,725 million yen. Core operating income decreased approximately. 4,800 million yen, or 48.3%, from a year earlier to 5,122 million yen.

Revenue

Revenue of the Communications Systems Business decreased approximately. 4,800 million yen from a year earlier, mainly due to a significant impact from a decrease in production and sales caused by insufficient supply of components. Revenue of the Professional Systems Business decreased approximately. 100 million yen from a year earlier mainly due to an impact from a decrease in sales of JVCKENWOOD Public & Industrial Systems Corporation.

Core Operating Income

Core operating income of the Safety & Security Sector as a whole reported a decrease from a year earlier. This was mainly because of a significant impact from insufficient supply of components in the Communications Systems Business.

Entertainment Solutions Sector

Revenue of the Entertainment Solutions Sector for the first half of the fiscal year ending March 31, 2026 fell approximately. 800 million yen, or 2.9%, from a year earlier to 25,866 million yen. Core operating income decreased approximately. 400 million yen, or 45.5%, from a year earlier to 526 million yen.

Revenue

Revenue of the Media Business decreased approximately. 2,100 million yen from a year earlier mainly due to impacts of the U.S. tariff measures.

Revenue of the Entertainment Business increased approximately. 1,300 million yen from a year earlier mainly due to solid sales in the Content Business.

Core Operating Income

The Entertainment Solutions Sector as a whole reported a decrease in core operating income from a year earlier mainly due to a decrease in revenue of the Media Business, although the Entertainment Business recorded an increase in core operating income due to increased revenue.

(2) Financial Position

Analysis of Assets, Liabilities, Equity, Etc.

Assets

Total assets increased approximately. 300 million yen from the end of the previous fiscal year to 313,588 million yen. This was mainly due to increases in intangible assets and other financial assets, despite a decreases in trade and other receivables.

Liabilities

Total liabilities were down approximately. 6,000 million yen from the end of the previous fiscal year to 175,941 million yen. This was mainly due to a decrease in other current liabilities including trade and other payables and accrued expenses.

Equity

Total equity rose approximately. 6,200 million yen from the end of the previous fiscal year to 137,647 million yen. This was mainly due to an increase in other components of equity reflecting the depreciation of yen since the previous fiscal year-end, in addition to an increase of approximately. 6,000 million yen in retained earnings.

The ratio of equity attributable to owners of the parent to total assets increased 2.1 percentage points from the end of the previous fiscal year to 42.0%. This was due to an increase in retained earnings.

Cash Flow Analysis

Cash Flows from Operating Activities

Net cash provided by operating activities for the first half of the fiscal year ending March 31, 2026 was 16,087 million yen, an increase of approximately. 100 million yen from the same period of the previous fiscal year. This was mainly due to an improvement in working capital despite a decrease in profit before income taxes.

Cash Flows from Investing Activities

Net cash used in investing activities for the first half of the fiscal year ending March 31, 2026 was 11,139 million yen, an increase of approximately 3,300 million yen from the same period of the previous fiscal year. This was mainly due to increases in purchases of intangible assets and long-term prepaid expenses, despite the proceeds from sale of real estate.

Cash Flows from Financing Activities

Net cash used in financing activities for the first half of the fiscal year ending March 31, 2026 was 5,048 million yen, a decrease of approximately 5,200 million yen from the same period of the previous fiscal year. This was mainly due to an increase in proceeds from short-term borrowings, despite an increase in acquisition of treasury stock.

Cash and cash equivalents at the end of the first half of the fiscal year ending March 31, 2026 decreased approximately 4,700 million yen from the same period of the previous fiscal year to 49,623 million yen.

(3) Explanation of Future Forecast Information such as Consolidated Financial Forecast

Earnings Forecast for the Fiscal Year Ending March 31, 2026

For the first half of the fiscal year ending March 31, 2026, despite a significant impact from a decrease in production and sales caused by insufficient supply of components in the Communications Systems Business of the Safety & Security Sector, the Mobility & Telematics Services Sector performed better than expected.

From the third quarter of the fiscal year ending March 31, 2026, although the timing of recovery production following the resolution of insufficient supply of components is slightly delayed in the Communications Systems Business, the impact of the U.S. tariff measures is expected to be mitigated through various initiatives undertaken to date.

Accordingly, the consolidated earnings forecast for the fiscal year ending March 31, 2026 initially announced on May 1, 2025, has been revised as detailed separately today in the “Revision of Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026.”

(Million yen)						
		Consolidated earnings for the fiscal year ended March 31, 2025	Consolidated earnings forecast for the fiscal year ending March 31, 2026 (As of 1 May, 2025)	Consolidated earnings forecast for the fiscal year ending March 31, 2026 (As of 31 October, 2025)	Comparison with the previous forecast	Year-on-year change
Revenue		370,308	358,000	360,000	+2,000	-10,308
Core operating income*		25,307	20,000	21,000	+1,000	-4,307
Operating profit		21,792	19,000	20,500	+1,500	-1,292
Profit before income taxes		23,490	19,500	21,000	+1,500	-2,490
Profit attributable to owners of the parent		20,276	14,000	15,500	+1,500	-4,776
Exchange rate	U.S. dollar	153 yen	150 yen	150 yen	±0 yen	-3 yen
	Euro	164 yen	157 yen	172 yen	+15 yen	+8 yen

*Core operating income is calculated by deducting cost of sales and selling, general and administrative expenses from revenue, and does not include other income, other expenses, and foreign exchange losses (gains), which are primarily due to one-time factors.

The exchange rates used as assumptions in the earnings forecast is: USD 1 = JPY150 and EUR 1 = JPY172. The earning forecast was prepared by the Company based on information available at the time of releasing this document. Actual business results may differ from the forecast values due to various factors.

2. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	48,597	49,623
Trade and other receivables	71,738	61,875
Contract assets	6,682	7,206
Other financial assets	2,228	3,044
Inventories	58,498	61,333
Right to recover products	346	342
Income taxes receivable	934	832
Other current assets	6,885	7,267
Subtotal	195,912	191,525
Assets classified as held for sale	913	—
Total current assets	196,825	191,525
Non-current assets		
Property, plant and equipment	62,067	61,956
Goodwill	886	953
Intangible assets	22,920	25,839
Net defined benefit assets	635	572
Investment property	3,991	3,987
Investments accounted for using the equity method	8,044	8,971
Other financial assets	8,472	10,447
Deferred tax assets	8,760	7,845
Other non-current assets	733	1,485
Total non-current assets	116,510	122,062
Total assets	313,336	313,588

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	50,578	48,832
Contract liabilities	4,285	4,082
Refund liabilities	4,280	4,066
Short-term borrowings	26,121	29,064
Other financial liabilities	4,449	4,565
Income taxes payable	1,981	1,879
Provisions	2,117	2,107
Other current liabilities	31,471	27,309
Subtotal	125,285	121,908
Liabilities directly associated with assets classified as held for sale	862	—
Total current liabilities	126,148	121,908
Non-current liabilities		
Long-term borrowings	24,253	23,517
Other financial liabilities	11,198	10,526
Net defined benefit liabilities	15,659	15,291
Provisions	1,316	1,312
Deferred tax liabilities	2,288	2,345
Other non-current liabilities	1,072	1,038
Total non-current liabilities	55,789	54,032
Total liabilities	181,937	175,941
Equity		
Capital stock	13,645	13,645
Capital surplus	42,357	41,725
Retained earnings	58,086	64,106
Treasury stock	(11,589)	(13,179)
Other components of equity	22,602	25,432
Equity attributable to owners of the parent	125,103	131,730
Non-controlling interests	6,295	5,916
Total equity	131,399	137,647
Total liabilities and equity	313,336	313,588

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated Statement of Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Revenue	176,574	169,321
Cost of sales	118,490	117,756
Gross profit	58,084	51,565
Selling, general and administrative expenses	45,068	43,245
Other income	1,481	1,803
Other expenses	1,192	421
Foreign exchange gains (losses)	251	(68)
Operating profit	13,556	9,633
Finance income	584	516
Finance expenses	697	661
Share of profit (loss) of investments accounted for using the equity method	1,030	803
Profit before income taxes	14,473	10,292
Income tax expenses	2,863	2,557
Profit	11,610	7,735
Profit attributable to:		
Owners of the parent	11,093	7,500
Non-controlling interests	516	234
Profit	11,610	7,735
Earnings per share		
Basic earnings per share	73.55 yen	50.97 yen
Diluted earnings per share	73.01 yen	50.84 yen

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	11,610	7,735
Other comprehensive income (“OCI”)		
Items that will not be reclassified subsequently to profit or loss		
Financial assets measured at fair value through OCI	(426)	876
Total items that will not be reclassified subsequently to profit or loss	(426)	876
Items that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	(4,354)	2,008
Cash flow hedges	(1,342)	(233)
Share of OCI of investments accounted for using the equity method	55	127
Total items that may be reclassified subsequently to profit or loss	(5,641)	1,902
OCI, net of income tax	(6,067)	2,779
Comprehensive income	5,542	10,514
Total comprehensive income attributable to:		
Owners of the parent	5,387	10,330
Non-controlling interests	155	184
Comprehensive income	5,542	10,514

(3) Consolidated Statement of Changes in Equity

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

(Millions of yen)

	Equity attributable to owners of the parent						
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity		
					Remeasurement of defined benefit plans	Financial assets measured at fair value through other comprehensive income	Exchange differences arising on translation of foreign operations
Balance as of April 1, 2024	13,645	42,209	40,004	(7,125)	—	1,106	22,313
Profit			11,093				
Other comprehensive income						(426)	(4,104)
Comprehensive income	—	—	11,093	—	—	(426)	(4,104)
Acquisition of treasury stock				(1)			
Disposal of treasury stock							
Share-based payment transactions		122		22			
Dividends paid			(1,809)				
Changes in ownership interests in subsidiaries		(68)					
Total transactions with the owners	—	53	(1,809)	20	—	—	—
Balance as of September 30, 2024	13,645	42,263	49,288	(7,104)	—	680	18,209

(Millions of yen)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total		
	Cash flow hedges	Fair value of investment property	Total			
Balance as of April 1, 2024	2,256	391	26,067	114,801	6,418	121,220
Profit			—	11,093	516	11,610
Other comprehensive income	(1,176)		(5,706)	(5,706)	(361)	(6,067)
Comprehensive income	(1,176)	—	(5,706)	5,387	155	5,542
Acquisition of treasury stock			—	(1)		(1)
Disposal of treasury stock			—	—		—
Share-based payment transactions			—	144		144
Dividends paid			—	(1,809)	(21)	(1,830)
Changes in ownership interests in subsidiaries			—	(68)	68	—
Total transactions with the owners	—	—	—	(1,734)	47	(1,687)
Balance as of September 30, 2024	1,080	391	20,361	118,454	6,620	125,075

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

(Millions of yen)

	Equity attributable to owners of the parent						
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity		
					Remeasurement of defined benefit plans	Financial assets measured at fair value through other comprehensive income	Exchange differences arising on translation of foreign operations
Balance as of April 1, 2025	13,645	42,357	58,086	(11,589)	—	909	20,529
Profit			7,500				
Other comprehensive income						876	2,208
Comprehensive income	—	—	7,500	—	—	876	2,208
Acquisition of treasury stock		(1)		(2,000)			
Disposal of treasury stock				0			
Share-based payment transactions		(303)		410			
Dividends paid			(1,480)				
Changes in ownership interests in subsidiaries		(326)					
Total transactions with the owners	—	(631)	(1,480)	(1,590)	—	—	—
Balance as of September 30, 2025	13,645	41,725	64,106	(13,179)	—	1,785	22,737

(Millions of yen)

	Equity attributable to owners of the parent				Non- controlling interests	Total equity
	Other components of equity			Total		
	Cash flow hedges	Fair value of investment property	Total			
Balance as of April 1, 2025	772	391	22,602	125,103	6,295	131,399
Profit			—	7,500	234	7,735
Other comprehensive income	(254)		2,829	2,829	(50)	2,779
Comprehensive income	(254)	—	2,829	10,330	184	10,514
Acquisition of treasury stock			—	(2,002)		(2,002)
Disposal of treasury stock			—	0		0
Share-based payment transactions			—	106		106
Dividends paid			—	(1,480)	(168)	(1,649)
Changes in ownership interests in subsidiaries			—	(326)	(394)	(721)
Total transactions with the owners	—	—	—	(3,702)	(563)	(4,266)
Balance as of September 30, 2025	517	391	25,432	131,730	5,916	137,647

(4) Consolidated Statement 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	14,473	10,292
Depreciation and amortization	8,737	8,579
Increase (decrease) in net defined benefit liabilities	(640)	(435)
Decrease (increase) in net defined benefit assets	108	62
Finance income	(584)	(516)
Finance expenses	697	661
Loss (gain) on valuation of financial assets measured at fair value through profit or loss	204	67
Loss (gain) on sales of property, plant and equipment	(1,227)	(1,205)
Loss on disposal of property, plant and equipment	371	33
Share of loss (profit) of investments accounted for using the equity method	(1,030)	(803)
Decrease (increase) in trade and other receivables	4,705	11,318
Decrease (increase) in inventories	(4,106)	(1,147)
Increase (decrease) in trade and other payables	(242)	(1,500)
Increase (decrease) in accrued expenses	(2,132)	(4,344)
Increase (decrease) in other current liabilities	1,029	(484)
Other, net	(2,337)	(2,355)
Subtotal	18,027	18,222
Interest received	528	430
Dividend received	55	83
Interest paid	(627)	(602)
Income taxes paid	(2,025)	(2,046)
Net cash provided by operating activities	15,958	16,087
Cash flows from investing activities		
Purchases of property, plant and equipment	(6,571)	(4,011)
Proceeds from sales of property, plant and equipment	4,115	1,380
Purchases of intangible assets	(5,746)	(6,216)
Payments for acquisition of long-term prepaid expenses	(164)	(969)
Other, net	496	(1,323)
Net cash used in investing activities	(7,870)	(11,139)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	3,285	41,299
Repayment of short-term borrowings	(5,897)	(37,638)
Proceeds from long-term borrowings	3,437	8,004
Repayment of long-term borrowings	(6,518)	(9,938)
Repayment of lease liabilities	(2,168)	(1,845)
Acquisition of treasury stock	(1)	(2,000)
Cash dividends paid	(1,809)	(1,480)
Cash dividends paid to non-controlling interests	(517)	(715)
Payments for acquisition of subsidiaries not resulting in change in scope of consolidation	—	(721)
Other, net	(57)	(11)
Net cash used in financing activities	(10,246)	(5,048)
Effect of exchange rate changes on cash and cash equivalents	(1,439)	1,125
Net increase (decrease) in cash and cash equivalents	(3,597)	1,025
Cash and cash equivalents at beginning of year	57,874	48,597
Cash and cash equivalents at end of period	54,276	49,623

(5) Notes to Consolidated Financial Statements

(Assumption for Going Concern): None

(Segment Information)

(1) Outline of reportable segments

Reportable segments are the Company's constituent business units for which separate financial information can be obtained and those which are periodically examined by the Board of Directors for the purposes of determining the allocation of resources and evaluating results of operations.

The Group appoints a chief operating officer ("COO") in each sector to formulate comprehensive strategies and engage in business activities for their products and services and conducts their worldwide operations.

The Group is taking a step forward and going from being a traditional manufacturing and sales company to being one that creates customer value by providing solutions to their problems and operates three business segments: the Mobility & Telematics Services Sector, the Safety & Security Sector, and the Entertainment Solutions Sector. The Group's reportable segments are consistent with these business segments.

The major products, services, and business details of each segment are as follows:

Mobility & Telematics Services Sector	Manufacture and sales of car AV systems, car navigation systems, dashcams; in-vehicle speakers, amplifiers, antennas, and cables; in-vehicle devices, etc., and telematics solutions
Safety & Security Sector	Manufacture and sales of professional wireless communications devices, communications devices for general consumers, professional video surveillance equipment, professional audio equipment, medical image display systems, etc.
Entertainment Solutions Sector	Manufacture and sales of projectors, headphones, home audio equipment, portable power supplies, professional video cameras, etc.; entrusted business of CDs and DVDs (packaged software), etc.; manufacture of CDs and DVDs (packaged software); content business of audio and video software, content distribution, etc.
Others	Service parts, etc.

(2) Revenue, profit or loss for each reportable segment

Revenue, profit or loss of each segment are as follows:

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

(Millions of yen)

	Reportable segments				Other	Total	Reconciliations	Consolidated financial statements
	Mobility & Telematics Service Sector	Safety & Security Sector	Entertainment Solutions Sector	Total				
Revenue								
Revenue from customers	96,709	48,586	26,631	171,927	4,646	176,574	—	176,574
Intersegment revenue or transfers	—	—	—	—	—	—	—	—
Total	96,709	48,586	26,631	171,927	4,646	176,574	—	176,574
Segment profit (Note)	1,992	9,916	965	12,873	142	13,015	—	13,015
Other income								1,481
Other expenses								1,192
Foreign exchange gains (losses)								251
Operating profit								13,556
Finance income								584
Finance expenses								697
Share of profit (loss) of investments accounted for using the equity method								1,030
Profit before income taxes								14,473

Note: Segment profit is indicated with core operating income and calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

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

(Millions of yen)

	Reportable segments				Other	Total	Reconciliations	Consolidated financial statements
	Mobility & Telematics Service Sector	Safety & Security Sector	Entertainment Solutions Sector	Total				
Revenue								
Revenue from customers	95,432	43,725	25,866	165,024	4,297	169,321	—	169,321
Intersegment revenue or transfers	—	—	—	—	—	—	—	—
Total	95,432	43,725	25,866	165,024	4,297	169,321	—	169,321
Segment profit (Note)	2,545	5,122	526	8,195	124	8,319	—	8,319
Other income								1,803
Other expenses								421
Foreign exchange gains (losses)								(68)
Operating profit								9,633
Finance income								516
Finance expenses								661
Share of profit (loss) of investments accounted for using the equity method								803
Profit before income taxes								10,292

Note: Segment profit is indicated with core operating income and calculated by deducting cost of sales and selling, general and administrative expenses from revenue.