

May 12, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: AIPHONE CO., LTD.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 6718
 URL: <https://www.aiphone.co.jp/>
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (Scheduled to be live-streamed online for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	62,983	(0.5)	2,802	(26.5)	3,171	(23.8)	2,466	(31.9)
March 31, 2025	63,316	3.2	3,814	(27.6)	4,162	(32.1)	3,619	(22.1)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥5,396 million [35.8%]
 For the fiscal year ended March 31, 2025: ¥3,973 million [(49.8)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	150.69	-	3.6	4.0	4.4
March 31, 2025	221.18	-	5.5	5.4	6.0

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	79,957	70,034	87.6	4,279.04
March 31, 2025	77,037	66,763	86.7	4,079.37

Reference: Equity
 As of March 31, 2026: ¥70,034 million
 As of March 31, 2025: ¥66,763 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	2,169	(2,277)	(2,344)	22,817
March 31, 2025	5,717	(729)	(2,414)	24,326

2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
March 31, 2025	-	50.00	-	80.00	130.00	2,127	58.8	3.2
March 31, 2026	-	50.00	-	80.00	130.00	2,127	86.3	3.1
March 31, 2027 (Forecast)		50.00		80.00	130.00		66.5	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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
Six months ending September 30, 2026	30,700	1.6	1,200	34.5	1,300	35.1	900	5.2	54.99
Fiscal year ending March 31, 2027	65,800	4.5	4,000	42.7	4,500	41.9	3,200	29.8	195.52

The above consolidated earnings forecasts are based on the Company's judgment based on information available at the time of publication. The impact of future increases in parts prices due to the situation in the Middle East and other factors is not included in this forecast because it is difficult to make a reasonable earnings forecast at this time.

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	17,640,000 shares
As of March 31, 2025	18,220,000 shares

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

As of March 31, 2026	1,273,167 shares
As of March 31, 2025	1,853,891 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	16,366,706 shares
Fiscal year ended March 31, 2025	16,365,874 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

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.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	25,229	23,598
Notes receivable - trade	503	364
Electronically recorded monetary claims - operating	2,897	3,179
Accounts receivable - trade	10,044	11,340
Contract assets	43	47
Securities	299	298
Finished goods	5,449	6,069
Work in process	3,080	3,150
Raw materials	8,036	7,476
Other	829	835
Allowance for doubtful accounts	(79)	(69)
Total current assets	56,333	56,289
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,054	7,407
Accumulated depreciation	(5,213)	(5,498)
Buildings and structures, net	1,841	1,908
Machinery, equipment and vehicles	3,704	4,229
Accumulated depreciation	(2,701)	(3,117)
Machinery, equipment and vehicles, net	1,002	1,111
Tools, furniture and fixtures	8,647	9,152
Accumulated depreciation	(7,992)	(8,421)
Tools, furniture and fixtures, net	654	731
Land	4,175	4,212
Leased assets	844	934
Accumulated depreciation	(426)	(602)
Leased assets, net	417	331
Construction in progress	139	2,684
Total property, plant and equipment	8,231	10,980
Intangible assets		
Other	0	0
Total intangible assets	0	0
Investments and other assets		
Investment securities	9,059	9,725
Deferred tax assets	1,879	1,289
Retirement benefit asset	646	827
Other	888	845
Allowance for doubtful accounts	(0)	(1)
Total investments and other assets	12,472	12,686
Total non-current assets	20,704	23,667
Total assets	77,037	79,957

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	418	489
Accounts payable - trade	2,186	1,778
Lease liabilities	170	164
Income taxes payable	289	221
Contract liabilities	363	318
Provision for product warranties	162	178
Other	5,273	5,361
Total current liabilities	8,863	8,512
Non-current liabilities		
Lease liabilities	243	159
Deferred tax liabilities	-	1
Deferred tax liabilities for land revaluation	121	121
Retirement benefit liability	479	618
Other	565	508
Total non-current liabilities	1,410	1,410
Total liabilities	10,274	9,923
Net assets		
Shareholders' equity		
Share capital	5,388	5,388
Capital surplus	5,432	5,407
Retained earnings	50,503	49,877
Treasury shares	(3,164)	(2,173)
Total shareholders' equity	58,160	58,501
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,023	3,924
Revaluation reserve for land	(429)	(429)
Foreign currency translation adjustment	5,471	7,505
Remeasurements of defined benefit plans	537	532
Total accumulated other comprehensive income	8,602	11,533
Total net assets	66,763	70,034
Total liabilities and net assets	77,037	79,957

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	63,316	62,983
Cost of sales	36,076	36,471
Gross profit	27,240	26,511
Selling, general and administrative expenses	23,425	23,708
Operating profit	3,814	2,802
Non-operating income		
Interest income	105	117
Dividend income	215	229
Rental income from buildings	25	22
Royalty income	150	150
Other	71	42
Total non-operating income	567	562
Non-operating expenses		
Interest expenses	11	14
Foreign exchange losses	170	150
Other	37	28
Total non-operating expenses	219	193
Ordinary profit	4,162	3,171
Extraordinary income		
Gain on sale of non-current assets	0	10
Gain on sale of investment securities	406	682
Reversal of impairment losses	-	15
Total extraordinary income	407	708
Extraordinary losses		
Loss on sale of non-current assets	0	18
Loss on retirement of non-current assets	4	11
Loss on valuation of investment securities	23	459
Impairment losses	27	6
Total extraordinary losses	55	494
Profit before income taxes	4,513	3,385
Income taxes - current	1,079	721
Income taxes - deferred	(185)	197
Total income taxes	893	919
Profit	3,619	2,466
Profit attributable to owners of parent	3,619	2,466

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	3,619	2,466
Other comprehensive income		
Valuation difference on available-for-sale securities	(430)	901
Revaluation reserve for land	(3)	-
Foreign currency translation adjustment	351	2,034
Remeasurements of defined benefit plans, net of tax	435	(5)
Total other comprehensive income	353	2,930
Comprehensive income	3,973	5,396
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,973	5,396

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,388	5,430	49,011	(3,166)	56,664
Changes during period					
Dividends of surplus			(2,127)		(2,127)
Profit attributable to owners of parent			3,619		3,619
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		2		2	5
Net changes in items other than shareholders' equity					
Total changes during period	-	2	1,492	1	1,496
Balance at end of period	5,388	5,432	50,503	(3,164)	58,160

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,453	(426)	5,119	101	8,249	64,913
Changes during period						
Dividends of surplus						(2,127)
Profit attributable to owners of parent						3,619
Purchase of treasury shares						(1)
Disposal of treasury shares						5
Net changes in items other than shareholders' equity	(430)	(3)	351	435	353	353
Total changes during period	(430)	(3)	351	435	353	1,850
Balance at end of period	3,023	(429)	5,471	537	8,602	66,763

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,388	5,432	50,503	(3,164)	58,160
Changes during period					
Dividends of surplus			(2,127)		(2,127)
Profit attributable to owners of parent			2,466		2,466
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		1		1	2
Cancellation of treasury shares		(25)	(964)	990	-
Reversal of revaluation reserve for land			(0)		(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	(24)	(625)	991	340
Balance at end of period	5,388	5,407	49,877	(2,173)	58,501

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,023	(429)	5,471	537	8,602	66,763
Changes during period						
Dividends of surplus						(2,127)
Profit attributable to owners of parent						2,466
Purchase of treasury shares						(0)
Disposal of treasury shares						2
Cancellation of treasury shares						-
Reversal of revaluation reserve for land						(0)
Net changes in items other than shareholders' equity	901	0	2,034	(5)	2,930	2,930
Total changes during period	901	0	2,034	(5)	2,930	3,271
Balance at end of period	3,924	(429)	7,505	532	11,533	70,034

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	4,513	3,385
Depreciation	1,225	1,062
Increase (decrease) in allowance for doubtful accounts	(8)	(10)
Decrease (increase) in retirement benefit asset	(646)	(180)
Increase (decrease) in retirement benefit liability	673	76
Increase (decrease) in provision for product warranties	(59)	14
Interest income	(105)	(117)
Dividend income	(215)	(229)
Foreign exchange losses (gains)	(54)	(147)
Interest expenses	11	14
Loss (gain) on valuation of investment securities	23	459
Loss (gain) on sale of investment securities	(406)	(682)
Loss (gain) on sale of property, plant and equipment	(0)	7
Loss on retirement of property, plant and equipment	4	11
Reversal of impairment loss	-	(15)
Impairment losses	27	6
Decrease (increase) in trade receivables	149	(1,005)
Decrease (increase) in inventories	4,321	659
Increase (decrease) in trade payables	(74)	(529)
Other, net	(2,234)	(88)
Subtotal	7,145	2,690
Interest and dividends received	320	346
Interest paid	(11)	(14)
Income taxes paid	(1,736)	(852)
Net cash provided by (used in) operating activities	5,717	2,169
Cash flows from investing activities		
Payments into time deposits	(1,808)	(1,046)
Proceeds from withdrawal of time deposits	1,469	1,258
Proceeds from sale and redemption of securities	600	501
Purchase of property, plant and equipment	(1,080)	(3,416)
Proceeds from sale of property, plant and equipment	0	52
Purchase of investment securities	(410)	(510)
Proceeds from sale of investment securities	498	883
Net cash provided by (used in) investing activities	(729)	(2,277)
Cash flows from financing activities		
Purchase of treasury shares	(1)	(0)
Repayments of lease liabilities	(285)	(216)
Dividends paid	(2,127)	(2,127)
Net cash provided by (used in) financing activities	(2,414)	(2,344)
Effect of exchange rate change on cash and cash equivalents	165	942
Net increase (decrease) in cash and cash equivalents	2,739	(1,509)
Cash and cash equivalents at beginning of period	21,587	24,326
Cash and cash equivalents at end of period	24,326	22,817

(Notes on segment information, etc.)

Segment Information

1 Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Company and its consolidated subsidiaries for which separate financial information is available, and is subject to periodic review by the Board of Directors and the Management Committee in order to determine the allocation of management resources and evaluate business performance.

The Group conducts sales activities in a single business field that manufactures and sells telecommunications equipment, and products are produced by Aiphone Communications (Thailand) in Thailand and Aiphone Communications (Vietnam) in Vietnam. In North America, Aiphone Corporation and in Europe, Aiphone S.A.S. and Aiphone UK sell the product. Each of these subsidiaries is an independent management unit, and we formulate a comprehensive strategy for each region and develop business activities for the products (parts) we handle.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment

The accounting methods for the reported business segments are generally the same as those described in the "Fundamental Important Matters for the Preparation of Consolidated Financial Statements."

Earnings for reporting segments are based on operating income, while internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Japan	North America	Europe	Thailand	Vietnam	Total				
Sales										
Revenues from external customers	45,593	11,777	4,335	-	-	61,706	1,609	63,316	-	63,316
Transactions with other segments	10,602	139	4	11,219	6,552	28,518	0	28,518	(28,518)	-
Total	56,195	11,917	4,339	11,219	6,552	90,224	1,609	91,834	(28,518)	63,316
Segment profit (loss)	2,556	(13)	(65)	620	351	3,450	70	3,520	293	3,814
Segment Assets	59,401	7,608	3,141	10,850	3,997	84,999	880	85,879	(8,841)	77,037
Segment Debt	8,950	1,381	1,125	1,377	785	13,620	206	13,827	(3,552)	10,274
Other items										
Depreciation	413	63	199	272	201	1,150	32	1,183	-	1,183
Increase in property, plant and equipment and intangible assets	555	113	196	284	45	1,195	26	1,221	-	1,221

Note 1 The "Other" category is a business segment that is not included in the reporting segments and includes business activities in Australia and Singapore.

2 The adjustment amount is as follows.

(1) Adjustments for segment profits or losses are due to the elimination of inter-segment transactions.

(2) The amount of adjustments to segment assets is due to the elimination of inter-segment transactions and company-wide assets. The amount of company-wide assets was 1,286 million yen in the current fiscal year, and bank stocks were included in long-term investment funds (investment securities).

(3) The adjustment of segment liabilities is due to the elimination of inter-segment transactions.

3 Segment profit or loss (loss) is adjusted for operating income in the consolidated financial statements.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Japan	North America	Europe	Thailand	Vietnam	Total				
Sales										
Revenues from external customers	47,558	9,504	4,235	-	-	61,298	1,685	62,983	-	62,983
Transactions with other segments	6,303	276	2	11,014	6,820	24,417	0	24,417	(24,417)	-
Total	53,861	9,780	4,238	11,014	6,820	85,715	1,685	87,401	(24,417)	62,983
Segment Profit	1,590	147	35	463	325	2,562	33	2,595	207	2,802
Segment Assets	58,589	8,039	3,417	11,998	4,403	86,447	1,011	87,459	(7,502)	79,957
Segment Debt	8,583	1,251	1,123	1,123	709	12,791	226	13,017	(3,094)	9,923
Other items										
Depreciation	396	80	101	292	145	1,016	37	1,053	-	1,053
Increase in property, plant and equipment and intangible assets	3,033	75	74	270	110	3,564	17	3,582	-	3,582

Note 1 The "Other" category is a business segment that is not included in the reporting segments and includes business activities in Australia and Singapore.

2 The adjustment amount is as follows.

(1) The adjustment of segment profit is due to the elimination of inter-segment transactions.

(2) The amount of adjustments to segment assets is due to the elimination of inter-segment transactions and company-wide assets. The amount of company-wide assets was 2,033 million yen in the current fiscal year, and bank stocks were included in long-term investment funds (investment securities).

(3) The adjustment of segment liabilities is due to the elimination of inter-segment transactions.

3 Segment profit is adjusted to operating income in consolidated financial statements.

Information on impairment losses on fixed assets by reporting segment

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments						Other	Unallocated amounts and elimination	Total
	Japan	North America	Europe	Thailand	Vietnam	Total			
Impairment losses	-	-	-	27	-	27	-	-	27

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments						Other	Unallocated amounts and elimination	Total
	Japan	North America	Europe	Thailand	Vietnam	Total			
Impairment losses	-	-	6	-	-	6	-	-	6