



Consolidated Earnings Report for the First Quarter of Fiscal 2025 [Japanese GAAP]

July 29, 2025

Company Name: **KOITO MANUFACTURING CO., LTD.**
 Stock Listing: Prime Market, Tokyo Stock Exchange
 Code Number: 7276
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 Scheduled Payment of Dividends: —
 Supplementary explanatory materials prepared: Yes
 Explanatory meeting: Yes

(¥ millions are rounded down)

1. Consolidated Results for the First Quarter of Fiscal 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(¥ millions; percentage figures represent changes)

First Quarter	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal 2025	219,725	△4.4%	11,907	31.6%	12,605	6.1%	10,120	38.7%
Fiscal 2024	229,772	1.7%	9,045	△38.6%	11,886	△33.7%	7,296	△50.0%

Note: Comprehensive income: June 30, 2025: ¥9,192 million (△56.9%), June 30, 2024: ¥21,351 million (△49.7%)

First Quarter	Net income per share (¥)	Net income per share (diluted) (¥)
Fiscal 2025	35.72	35.71
Fiscal 2024	23.87	23.86

(2) Consolidated Financial Position

(¥ millions)

	Total assets	Net assets	Equity ratio (%)	Net assets per share (¥)
June 30, 2025	878,919	674,876	71.0	2,210.05
March 31, 2025	889,952	679,865	70.5	2,210.09

Note: Equity: June 30, 2025: ¥623,666 million, March 31, 2025: ¥627,105 million

2. Dividends

	Dividend per share (¥)				
	First Quarter	Second Quarter	Third Quarter	Year End	Full-Year
Fiscal 2024	—	28.00	—	28.00	56.00
Fiscal 2025	—				
Fiscal 2025 (forecast)		28.00	—	28.00	56.00

Notes: Revisions to recent dividend forecasts: None

3. Forecast of Consolidated Results for Fiscal 2025 (April 1, 2025 to March 31, 2026)

(¥ millions; percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share (¥)
First half	429,000	△3.4%	15,000	△17.0%	16,500	△17.0%	8,500	△24.7%	30.12
Full-year	880,000	△4.0%	36,000	△19.8%	41,000	△16.6%	22,500	△51.3%	79.73

Note: Revisions to recent consolidated business forecasts: Yes

***Notes**

(1) Changes to important subsidiaries during the first quarter of fiscal 2025: None

(2) Application of special accounting methods in the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles, accounting estimates and restatements

①Changes in accounting policies in conjunction with revisions to accounting standards: None

②Changes other than ①: None

③Changes in accounting estimates: None

④Restatements: None

(4) Number of shares issued (common stock)

①Number of shares issued (including treasury stock):

Fiscal 2025, 1Q	307,833,172	Fiscal 2024	307,833,172
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②Number of treasury stock:

Fiscal 2025, 1Q	25,637,607	Fiscal 2024	24,086,647
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③Average number of stock during the first quarter:

Fiscal 2025, 1Q	283,358,680	Fiscal 2024, 1Q	305,722,019
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*Review of accompanying Quarterly Consolidated Financial Statements by certified public accountants or auditing firms:
None

*Explanations concerning proper use of business forecasts and other noteworthy matters

(Notes on future assumptions)

The above forecasts are based on information available, and certain assumptions that are judged to be reasonable, at the time of the release of this report. KOITO is not promising that the Company will achieve these forecasts. Actual results could differ from forecasts due to a variety of factors.

The exchange conversion rate based on the full-year business forecast for fiscal 2025, the year ending March 2026, is calculated as 1 US\$ = ¥140.9 and 1 CNY = ¥19.2

(Supplementary materials for financial results)

Supplementary materials will be available on our website. (<https://www.koito.co.jp/english/ir/>)

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1. Qualitative Information Concerning Quarterly Financial Statements and Other Matters

(1) Explanation Regarding Consolidated Operating Results

During the first quarter of fiscal 2025, the economic environment in Japan showed signs of improvement in employment and income, but consumption remained weak primarily due to rising prices. In addition, concerns about a global economic slowdown caused by the U.S. tariff policy, sluggish domestic demand in China, persistently high interest rates in Asia, and heightened geopolitical risks have increased uncertainty about the global economy.

Automobile production volumes increased slightly in Japan, as domestic production recovered from a decline caused by certification issues, while exports decreased. In overseas market, sales of gasoline vehicles and EVs were sluggish in the Americas, and sales remained weak in Thailand, Indonesia, and other regions due to persistently high interest rates. Meanwhile, in China, overall sales increased due to aggressive price cuts by local manufacturers, but Japanese vehicles continued to face sales slumps and declining market share. As a result, global automobile production increased compared to the same period last year.

Under these circumstances, consolidated net sales for the first quarter decreased by 4.4% year-on-year to ¥219.7 billion. This decline reflects strong sales of ordered vehicle models in Japan, which contributed to domestic revenue growth, offset by a downturn in overseas markets due to foreign exchange impacts from the stronger yen and decreased sales in China and Europe.

Operating profit increased by 31.6% to ¥11.9 billion, ordinary profit increased by 6.1% to ¥12.6 billion, and net profit attributable to owners of the parent increased by 38.7% to ¥10.1 billion, all year-on-year, reflecting the effects of cost reduction and rationalization efforts, along with the advance recovery of certain expenses during the current period.

(2) Explanation Regarding Consolidated Financial Position

- 1. Analysis of Assets, Liabilities, and Net Assets

Total assets at the end of the first quarter decreased by ¥11.0 billion from the end of the previous fiscal year to ¥878.9 billion, primarily due to a decrease in accounts receivable.

Total liabilities decreased by ¥6.0 billion from the end of the previous fiscal year to ¥204.0 billion, primarily due to a decrease in trade notes and accounts payable.

Total net assets decreased by ¥4.9 billion from the end of the previous fiscal year to ¥674.8 billion, primarily due to an acquisition of own shares and a decrease in foreign currency translation adjustments.

- 2. Analysis of Cash flows

Net cash provided by operating activities was ¥36.5 billion, mainly due to income before income taxes of ¥12.7 billion and depreciation of ¥10.1 billion. Cash flows from the operating activities was ¥33.7 billion (first quarter of the previous fiscal year: ¥24.1 billion) after reflecting income taxes paid.

Net cash used in investing activities resulted in revenue of ¥29.5 billion (first quarter of the previous fiscal year: expenditures of ¥32.5 billion), mainly capital expenditures of ¥16.5 billion and net proceeds of ¥45.8 billion from deposits and withdrawals of time deposits.

Cash flows from financing activities resulted in expenditures of ¥17.8 billion (first quarter of the previous fiscal year: ¥22.7 billion), the result of mainly reflecting the acquisition of own shares of ¥2.7 billion and the dividend paid of ¥10.3 billion.

As a result, the balance of cash and cash equivalents at the end of the period increased by ¥45.5 billion from the end of the previous fiscal year to ¥146.8 billion.

(3) Explanation Regarding Forecast of Consolidated Results for Fiscal 2025 and Other Future Projections

The global automobile production volume for the fiscal year ending March 2026 is expected to be uncertain due to concerns such as the impact of U.S. tariff policies, delays in the transitions to EVs, and delays in new vehicle development by some OEMs.

Although new orders have been received in Japan and the Americas, consolidated net sales are expected to decline year-on-year due to foreign exchange impacts, the continued slump in sales of Japanese vehicles in China, and the discontinuation of production for a certain ordered vehicle model in Europe.

Regarding profits, due to a decline in revenue and increased investment in R&D for future growth, we anticipate a year-over-year decrease in operating profit, ordinary profit, and net profit attributable to shareholders of the parent.

Under these circumstances, we will implement a global restructuring of our production system to match production volume and vigorously promote rationalization activities such as improving productivity and reducing fixed costs.

Additionally, we have revised the consolidated business forecasts for the second quarter (first half) and full-year of the fiscal year ending March 2026, which were previously disclosed in the “Consolidated Earnings Report for Fiscal 2024” announced on April 24, 2025. For details, please refer to the “Announcement Regarding the Revision of the Business Results Forecast” disclosed today.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(¥ millions)

	Fiscal 2024	First Quarter of Fiscal 2025
	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets:		
Cash and time deposits	270,845	270,593
Trade notes	1,103	1,461
Electronically recorded monetary claims-operating	8,909	8,486
Accounts receivable	132,507	114,960
Contract assets	2,385	1,967
Marketable securities	5,302	6,201
Inventories	95,100	95,347
Other current assets	30,280	29,635
Allowance for doubtful accounts	△72	△83
Total current assets	546,361	528,571
Non-current assets:		
Property, plant and equipment:		
Buildings and structures (net)	59,240	59,296
Machinery and transportation equipment (net)	81,038	80,452
Fixtures, equipment and tools (net)	19,343	17,743
Land	20,052	20,392
Construction in progress	23,399	33,135
Other property, plant and equipment	6,568	6,322
Total property, plant and equipment	209,643	217,344
Intangible fixed assets		
Goodwill	9,740	9,191
Other intangible fixed assets	5,874	6,161
Total intangible fixed assets	15,614	15,353
Investments and other assets:		
Investment securities	100,620	96,990
Claims provable in bankruptcy, claims provable in rehabilitation and other	444	435
Deferred income tax assets	10,309	12,953
Net defined assets for retirement benefits	4,114	4,000
Other investments	3,390	3,807
Allowance for doubtful accounts	△547	△537
Total investments and other assets	118,332	117,649
Total non-current assets	343,590	350,348
Total assets	889,952	878,919

(¥ millions)

	Fiscal 2024 As of March 31, 2025	First Quarter of Fiscal 2025 As of June 30, 2025
Liabilities		
Current liabilities:		
Trade notes and accounts payable	100,990	95,299
Electronically recorded monetary obligations-operating	3,734	3,046
Short-term loans	5,728	880
Accrued expenses	29,924	30,288
Income taxes payable	2,878	4,224
Contract liabilities	3,731	6,110
Allowance for employees' bonuses	6,372	9,974
Reserve for product warranties	2,540	2,608
Provision for loss on business liquidation	842	13
Other current liabilities	16,616	17,954
Total current liabilities	173,359	170,400
Non-current liabilities:		
Deferred income tax liabilities	14,183	12,064
Allowance for directors' and corporate auditors' retirement benefits	363	267
Reserve for product warranties	2,899	2,883
Net defined liability for retirement benefits	13,312	12,729
Other non-current liabilities	5,967	5,696
Total non-current liabilities	36,726	33,642
Total liabilities	210,086	204,042
Net assets		
Shareholders' equity:		
Common stock	14,270	14,270
Additional paid-in capital	13,235	13,235
Retained earnings	553,720	555,896
Treasury common stock, at cost	△49,941	△52,683
Total shareholders' equity	531,285	530,719
Accumulated other comprehensive income:		
Other valuation adjustment on marketable securities	28,113	26,919
Foreign currency translation adjustments	62,671	61,415
Adjustments in defined benefit plans	5,033	4,611
Total accumulated other comprehensive income	95,819	92,946
Subscription rights to shares	97	97
Non-controlling interests	52,663	51,113
Total net assets	679,865	674,876
Total liabilities and net assets	889,952	878,919

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(First quarter, for the three months ended June 30)

(¥ millions)

	First Quarter of Fiscal 2024 April 1, 2024 to June 30, 2024	First Quarter of Fiscal 2025 April 1, 2025 to June 30, 2025
Net sales	229,772	219,725
Cost of sales	207,986	192,889
Gross profit	21,786	26,836
Selling, general and administrative expenses	12,741	14,929
Operating profit	9,045	11,907
Non-operating profit:		
Interest income	1,254	1,276
Dividends	836	786
Foreign exchange gains	816	—
Other non-operating profit	522	445
Total non-operating profit	3,429	2,507
Non-operating expenses:		
Interest expenses	113	18
Shares of loss of entities accounted for using equity method	4	1
Foreign exchange losses	—	1,449
Loss on investment partnership management	107	65
Other non-operating expenses	362	274
Total non-operating expenses	588	1,809
Ordinary profit	11,886	12,605
Extraordinary gains:		
Gain on sales of property and equipment	5	8
Gain on sales of investment securities	—	90
Gain on revision of retirement benefit plan	—	438
Total extraordinary gains	5	537
Extraordinary losses:		
Loss on sales and disposal of property and equipment	605	204
Loss on business liquidation	—	152
Other extraordinary losses	—	42
Total extraordinary losses	605	398
Income before income taxes	11,286	12,744
Total income taxes	2,666	1,659
Profit	8,619	11,084
(Breakdown)		
Profit attributable to non-controlling interests	1,323	964
Profit attributable to owners of parent	7,296	10,120

	(¥ millions)	
	First Quarter of Fiscal 2024 April 1, 2024 to June 30, 2024	First Quarter of Fiscal 2025 April 1, 2025 to June 30, 2025
Other comprehensive income or loss		
Valuation adjustment on marketable securities	△2,624	△1,172
Foreign currency translation adjustments	15,096	△297
Adjustments in defined benefit plans	258	△422
Share of other comprehensive income of entities accounted for using equity method	1	0
Total other comprehensive income	12,732	△1,892
Comprehensive income	21,351	9,192
(Breakdown)		
Comprehensive income attributable to non-controlling interests	3,034	1,944
Comprehensive income attributable to owners of parent	18,316	7,248

(3) Quarterly Consolidated Statements of Cash Flows

(¥ millions)

	First Quarter of Fiscal 2024 April 1, 2024 to June 30, 2024	First Quarter of Fiscal 2025 April 1, 2025 to June 30, 2025
Cash flows from operating activities		
Income before income taxes	11,286	12,744
Depreciation	10,580	10,162
Depreciation of goodwill	—	240
Gain on revision of retirement benefit plan	—	△438
Loss on business liquidation	—	152
Provision for loss on business liquidation	—	△812
Equity in earnings of affiliated companies	4	1
Increase or decrease in allowance for doubtful accounts	△96	7
Net defined assets and liability for retirement benefits	△591	△654
Provision for reserve for bonuses	3,446	3,563
Reserve for product warranties	89	46
Interest and dividends received	△2,090	△2,062
Interest payments	113	18
Gain or loss on sales of marketable and investment securities	—	△90
Gain or loss on valuation of marketable and investment securities	107	65
Gain or loss on sale of property and equipment	599	195
Increase or decrease in trade notes and accounts receivable	15,787	17,993
Increase or decrease in inventories	594	△476
Increase or decrease in other current assets	2,066	667
Increase or decrease in trade notes and accounts payable	△9,216	△6,243
Increase or decrease in accrued expenses and other current liabilities	93	367
Others	△1,720	1,088
Subtotal	31,056	36,535
Interest and dividends received	2,072	2,062
Interest paid	△113	△18
Payments for business liquidation	—	△20
Income taxes paid	△8,907	△4,829
Cash flows from operating activities	24,107	33,730
Cash flows from investing activities		
Payments into time deposits	△66,615	△11,160
Proceeds from the redemption of time deposits	43,898	56,973
Payments for purchase of marketable and investment securities	△58	△33
Proceeds from sales of marketable and investment securities	2,500	1,550
Acquisition of property and equipment	△12,339	△16,556
Gain or loss on sale of property and equipment	△384	△117
Payments for new loans	△0	△0
Proceeds from loan repayments	0	0
Others	449	△1,060
Net cash used in investing activities	△32,549	29,596

(¥ millions)

	First Quarter of Fiscal 2024 April 1, 2024 to June 30, 2024	First Quarter of Fiscal 2025 April 1, 2025 to June 30, 2025
Cash flows from financing activities		
Increase or decrease in short-term loans	△3,626	△4,652
Payments for repurchase of treasury stock	△9,942	△2,742
Dividends paid by parent company	△7,991	△7,359
Dividends paid to non-controlling shareholders	△1,004	△3,010
Others	△219	△107
Net cash used in financing activities	△22,784	△17,871
Effect of exchange rate changes on cash and cash equivalents	963	87
Increase or decrease in cash and cash equivalents	△30,263	45,541
Cash and cash equivalents at beginning of the year	134,560	101,265
Cash and cash equivalents the at end of the quarter	104,297	146,807

(4) Notes on Quarterly Consolidated Financial Statements

(Going Concern Assumption)

None

(Note Regarding Significant Changes in Shareholders' Equity)

The Company resolved at a meeting of the Board of Directors held on May 29, 2025, the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act. The Company is proceeding with the acquisition of own shares from June 2, 2025 to May 29, 2026, with a maximum number of 37 million shares to be repurchased and a total amount of ¥50.0 billion. As a result, the Company acquired approximately 1 million of its own shares, equivalent to about ¥2.7 billion during the first quarter of this fiscal year. As a result, treasury common stock amounted to ¥52.6 billion at the end of the first quarter of this fiscal year.

(Notes on Segment Information)

【Segment Information】

I. First Quarter of Fiscal 2024 (April 1, 2024 to June 30, 2024)

1. Information Concerning Net Sales and Operating Profit or Loss for Each Segment

	Japan	Americas	China	Asia	Europe	Total	Adjustment (Note 1)	(¥ millions) Amount recorded on quarterly consolidated financial statements (Note 3)
Net sales								
Sales to outside customers	78,545	85,330	17,268	37,079	11,548	229,772	—	229,772
Inter-segment sales or transfers	5,278	216	2,622	264	51	8,432	(8,432)	—
Total	83,823	85,547	19,890	37,343	11,599	238,205	(8,432)	229,772
Segment operating profit or loss (△)	2,235	2,716	△259	3,728	41	8,462	582	9,045

Notes: 1. The adjustment in segment operating profit or loss includes ¥2,092 million in intersegment eliminations and ¥△1,510 million in unallocated expenses. Unallocated expenses comprise expenses related to management divisions such as administrative divisions of the head office of the parent company.

2. The breakdown of countries and regions other than Japan and China is as follows:

(1) Americas: United States, Mexico and Brazil

(2) Asia: Thailand, Indonesia, Taiwan, India and Malaysia

(3) Europe: United Kingdom and Czech Republic

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

II. First Quarter of Fiscal 2025 (April 1, 2025 to June 30, 2025)

1. Information Concerning Net Sales and Operating Profit or Loss for Each Segment

	Japan	Americas	China	Asia	Europe	Total	Adjustment (Note 1)	(¥ millions) Amount recorded on quarterly consolidated financial statements (Note 3)
Net sales								
Sales to outside customers	82,857	77,409	13,715	37,235	8,507	219,725	—	219,725
Inter-segment sales or transfers	4,087	65	3,497	24	26	7,702	(7,702)	—
Total	86,944	77,474	17,213	37,259	8,534	227,427	(7,702)	219,725
Segment operating profit or loss (△)	3,805	2,735	661	4,209	△69	11,343	563	11,907

Notes: 1. The adjustment in segment operating profit or loss includes ¥2,206 million in intersegment eliminations and ¥△1,643 million in unallocated expenses. Unallocated expenses comprise expenses related to management divisions such as administrative divisions of the head office of the parent company.

2. The breakdown of countries and regions other than Japan and China is as follows:

- (1) Americas: United States, Mexico and Brazil
- (2) Asia: Thailand, Indonesia, Taiwan, India and Malaysia
- (3) Europe: United Kingdom and Czech Republic

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

2. Notes Concerning Changes for Each Segment

From the first quarter of fiscal 2025, the reportable segments previously classified as “North America” and “Others” have been consolidated into the “Americas” segment in line with the review of business management categories within the Group.

The segment information for the first quarter of fiscal 2024 is listed based on the revised reporting segment categories.

(Reference) Net sales and segment operating profit or loss for each business segments are as follows.

First Quarter of Fiscal 2025 (April 1, 2025 to June 30, 2025)

							(¥ millions)
	Automotive lighting equipment business	Non-automotive electrical equipment business	Sensor business	Other business	Total	Adjustment	Amount recorded on quarterly consolidated financial statements
Net sales							
Sales to outside customers	208,530	6,587	422	4,184	219,725	—	219,725
Inter-segment sales or transfers	4	2	—	1,018	1,025	(1,025)	—
Total	208,535	6,590	422	5,203	220,751	(1,025)	219,725
Segment operating profit or loss (△)	15,345	△232	△2,003	435	13,545	(1,638)	11,907

Notes: Principal products for each segment

- (1) Automotive lighting equipment business:
LED headlamps, headlamps, fog lamps, signaling lamps and other lighting equipments, etc.
- (2) Non-automotive electrical equipment business:
Controlling devices for railroad cars, traffic signals and traffic controlling systems, etc.
- (3) Sensor business: Sensor system (LiDAR).
- (4) Other business: Aviation products, headlamp cleaners, seats for railroad cars and transportation service, etc.