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# Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 5, 2024

| Company name:            | AIPHONE CO., LTD.                         |                  |     |              |  |
|--------------------------|---|------------------|-----|--------------|--|
| Stock exchange listing:  | Tokyo, Nagoya                             |                  |     |              |  |
| Stock code:              | 6718 URL https://www.aiphone.co.          | jp/              |     |              |  |
| Representative:          | President (Representative Director)       | Tomio Suzuki     |     |              |  |
|                          | Executive Officer, General Manager,       |                  |     |              |  |
| Inquiries:               | Administrative Headquarters and Corporate | Naoki Isomura    | TEL | 052-228-8181 |  |
|                          | Planning Department                       |                  |     |              |  |
| Scheduled date to file S | emi-annual Securities Report:             | November 7, 2024 |     |              |  |
| Scheduled date to comm   | nence dividend payments:                  | December 2, 2024 |     |              |  |
| Preparation of suppleme  | entary material on financial results:     | Yes              |     |              |  |
| Holding of financial res | ancial results meeting: Yes               |                  |     |              |  |

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

| (1) Consolidated operating results (cumula  | Percentage      | es indica | te year-on-year cl | hanges |                 |        |                                    |        |
|---|-----------------|-----------|--------------------|--------|-----------------|--------|------------------------------------|--------|
|   | Net sales       |           | Operating pr       | ofit   | Ordinary pro    | ofit   | Profit attributat<br>owners of par |        |
|   | Millions of yen | %         | Millions of yen    | %      | Millions of yen | %      | Millions of yen                    | %      |
| Six months ended September 30, 2024   | 30,977          | 2.7       | 2,117              | (29.9) | 2,070           | (40.9) | 1,694                              | (35.8) |
| Six months ended September 30, 2023   | 30,151          | 26.3      | 3,020              | 128.1  | 3,504           | 108.0  | 2,639                              | 109.6  |
| Note: Comprehensive income Six months ended September 30, 2024 ¥1,033 million [(77.6)%] |                 |           |                    |        |                 |        |                                    |        |

Note: Comprehensive incomeSix months ended September 30, 2024¥1,033 million [(77.6)%Six months ended September 30, 2023¥4,605 million [55.6%]

|                                     | Earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------|----------------------------|
|                                     | Yen                | Yen                        |
| Six months ended September 30, 2024 | 103.57             | -                          |
| Six months ended September 30, 2023 | 161.42             | -                          |

(2) Consolidated financial position

|                             | Total assets           | Net assets         | Equity ratio |
|-----------------------------|------------------------|--------------------|--------------|
|                             | Millions of y          | en Millions of yen | %            |
| As of September 30, 2024    | 74,9                   | 68 64,641          | 86.2         |
| As of March 31, 2024        | 78,4                   | 16 64,913          | 82.8         |
| Reference: Equity As of Sep | tember 30, 2024 ¥64,64 | 1 million          |              |

As of March 31, 2024 ¥

¥64,913 million

#### 2. Cash dividends

|                                       |                 | Annual dividends per share |     |       |        |  |  |  |
|---------------------------------------|-----------------|----------------------------|-----|-------|--------|--|--|--|
|                                       | 1st quarter-end | Total                      |     |       |        |  |  |  |
|                                       | Yen             | Yen                        | Yen | Yen   | Yen    |  |  |  |
| Year ended March 31, 2024             | -               | 50.00                      | -   | 80.00 | 130.00 |  |  |  |
| Year ending March 31, 2025            | -               | 50.00                      |     |       |        |  |  |  |
| Year ending March 31, 2025 (Forecast) |                 |                            | _   | 80.00 | 130.00 |  |  |  |

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

| _ | Percentages indicate year-on-year changes |                 |     |                 |        |                 |        |                                  |        |                    |
|---|---|-----------------|-----|-----------------|--------|-----------------|--------|----------------------------------|--------|--------------------|
|   |   | Net sales       |     | Operating pr    | ofit   | Ordinary pro    | ofit   | Profit attributa<br>owners of pa |        | Earnings per share |
|   |   | Millions of yen | %   | Millions of yen | %      | Millions of yen | %      | Millions of yen                  | %      | Yen                |
|   | Full year                                 | 62,300          | 1.6 | 4,500           | (14.6) | 5,000           | (18.4) | 3,600                            | (22.5) | 219.98             |

Note: Revisions to the forecast of financial results most recently announced: No

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
|--|-----|
| Changes in accounting policies due to other reasons:   | No  |
| Changes in accounting estimates:   | No  |
| Restatement of prior period financial statements:  | No  |

(4) Number of issued shares (common shares)

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

|   | As of September 30, 2024                   | I<br>I  | 18,220,000 s  | shares  | As of March 31, 2024                | i | 18,220,000 shares |
|---|--|---------|---------------|---------|-------------------------------------|---|-------------------|
| N | umber of treasury shares at the end of the | e perio | d             |         |                                     |   |                   |
|   | As of September 30, 2024                   | I<br>I  | 1,853,708 s   | shares  | As of March 31, 2024                | i | 1,855,220 shares  |
| Ā | verage number of shares during the perio   | d (cur  | nulative from | the beg | inning of the fiscal year)          |   |                   |
|   | Six months ended September 30, 2024        | I<br>I  | 16,365,603 s  | shares  | Six months ended September 30, 2023 |   | 16,349,565 shares |

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

\* Explanation of proper use of financial results forecast, and other special matters

The forward-looking statements, including the financial results forecast shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

### Semi-annual consolidated financial statements Consolidated balance sheets

|  | As of March 31, 2024 | (Millions of yen)<br>As of September 30, 2024 |
|--|----------------------|---|
| Assets   | As 01 March 31, 2024 | As of September 50, 2024                      |
| Current assets   |                      |   |
| Cash and deposits  | 22,129               | 23,954  |
| Notes and accounts receivable - trade, and contract assets | 10,461               | 9,556   |
| Electronically recorded monetary claims - operating        | 3,249                | 2,641   |
| Securities   | 598                  | 2,011   |
| Finished goods   | 7,183                | 6,478   |
| Work in process  | 2,455                | 2,631   |
| Raw materials  | 11,059               | 9,091   |
| Other  | 784                  | 734   |
| Allowance for doubtful accounts                            | (87)                 | (81   |
| Total current assets                                       | 57,833               | 55,306  |
| Non-current assets   | - ,,                 | ,   |
| Property, plant and equipment                              |                      |   |
| Buildings and structures                                   | 6,867                | 6,869   |
| Accumulated depreciation                                   | (5,011)              | (5,083  |
| Buildings and structures, net                              | 1,855                | 1,786   |
| Machinery, equipment and vehicles                          | 3,225                | 3,290   |
| Accumulated depreciation                                   | (2,351)              | (2,485  |
| Machinery, equipment and vehicles, net                     | 873                  | 805   |
| Tools, furniture and fixtures                              | 8,443                | 8,565   |
| Accumulated depreciation                                   | (7,710)              | (7,860  |
| Tools, furniture and fixtures, net                         | 732                  | 705   |
| Land   | 4,171                | 4,164   |
| Leased assets  | 800                  | 834   |
| Accumulated depreciation                                   | (332)                | (376  |
| Leased assets, net   | 468                  | 458   |
| Construction in progress                                   | 82                   |   |
| Total property, plant and equipment                        | 8,184                | 7,980   |
| Intangible assets  | 0,104                | 7,900   |
| Other  | 0                    | C   |
| Total intangible assets                                    | 0                    | C   |
| -  | 0                    | t   |
| Investments and other assets                               | 0 (22                | 0.500   |
| Investment securities<br>Deferred tax assets               | 9,632                | 8,589   |
| Other  | 1,762                | 2,119<br>973                                  |
| Allowance for doubtful accounts                            | 1,004<br>(0)         |   |
|  |                      | (0  |
| Total more surrent assets                                  | 12,398               | 11,681  |
| Total non-current assets                                   | 20,582               | 19,661  |
| Total assets   | 78,416               | 74,968  |

3

|   |                      | (Millions of yen)        |
|---|----------------------|--------------------------|
|   | As of March 31, 2024 | As of September 30, 2024 |
| Liabilities   |                      |                          |
| Current liabilities                                   |                      |                          |
| Electronically recorded obligations - operating       | 713                  | 420                      |
| Accounts payable - trade                              | 1,932                | 1,748                    |
| Lease liabilities                                     | 209                  | 171                      |
| Income taxes payable                                  | 1,029                | 859                      |
| Contract liabilities                                  | 361                  | 372                      |
| Provision for product warranties                      | 221                  | 167                      |
| Other   | 5,972                | 5,149                    |
| Total current liabilities                             | 10,441               | 8,889                    |
| Non-current liabilities                               |                      |                          |
| Lease liabilities                                     | 250                  | 280                      |
| Deferred tax liabilities                              | 4                    | 3                        |
| Deferred tax liabilities for land revaluation         | 118                  | 118                      |
| Retirement benefit liability                          | 425                  | 469                      |
| Other   | 2,263                | 565                      |
| Total non-current liabilities                         | 3,061                | 1,438                    |
| Total liabilities                                     | 13,502               | 10,327                   |
| Net assets  |                      |                          |
| Shareholders' equity                                  |                      |                          |
| Share capital   | 5,388                | 5,388                    |
| Capital surplus                                       | 5,430                | 5,432                    |
| Retained earnings                                     | 49,011               | 49,397                   |
| Treasury shares                                       | (3,166)              | (3,164                   |
| Total shareholders' equity                            | 56,664               | 57,054                   |
| Accumulated other comprehensive income                |                      |                          |
| Valuation difference on available-for-sale securities | 3,453                | 2,861                    |
| Revaluation reserve for land                          | (426)                | (426                     |
| Foreign currency translation adjustment               | 5,119                | 5,060                    |
| Remeasurements of defined benefit plans               | 101                  | 91                       |
| Total accumulated other comprehensive income          | 8,249                | 7,587                    |
| Total net assets                                      | 64,913               | 64,641                   |
| Total liabilities and net assets                      | 78,416               | 74,968                   |

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

## Consolidated statements of income (cumulative)

|  |                    | (Millions of yen)  |
|--|--------------------|--------------------|
|  | Six months ended   | Six months ended   |
|  | September 30, 2023 | September 30, 2024 |
| Net sales                                    | 30,151             | 30,977             |
| Cost of sales                                | 16,904             | 17,316             |
| Gross profit                                 | 13,246             | 13,660             |
| Selling, general and administrative expenses | 10,226             | 11,543             |
| Operating profit                             | 3,020              | 2,117              |
| Non-operating income                         |                    |                    |
| Interest income                              | 56                 | 61                 |
| Dividend income                              | 117                | 126                |
| Rental income from buildings                 | 11                 | 12                 |
| Foreign exchange gains                       | 301                | -                  |
| Other  | 19                 | 29                 |
| Total non-operating income                   | 505                | 230                |
| Non-operating expenses                       |                    |                    |
| Interest expenses                            | 18                 | 5                  |
| Foreign exchange losses                      | _                  | 264                |
| Other  | 2                  | 6                  |
| Total non-operating expenses                 | 21                 | 277                |
| Ordinary profit                              | 3,504              | 2,070              |
| Extraordinary income                         |                    |                    |
| Gain on sale of non-current assets           | 0                  | 0                  |
| Gain on sale of investment securities        | 180                | 406                |
| Total extraordinary income                   | 180                | 407                |
| Extraordinary losses                         |                    |                    |
| Loss on sale of non-current assets           | 0                  | 0                  |
| Loss on retirement of non-current assets     | 0                  | 4                  |
| Loss on valuation of investment securities   | 66                 | 19                 |
| Impairment losses                            | _                  | 26                 |
| Total extraordinary losses                   | 66                 | 50                 |
| Profit before income taxes                   | 3,618              | 2,427              |
| Income taxes                                 | 979                | 732                |
| Profit                                       | 2,639              | 1,694              |
| Profit attributable to owners of parent      | 2,639              | 1,694              |

## Consolidated statements of comprehensive income (cumulative)

|   |                    | (Millions of yen)  |
|---|--------------------|--------------------|
|   | Six months ended   | Six months ended   |
|   | September 30, 2023 | September 30, 2024 |
| Profit  | 2,639              | 1,694              |
| Other comprehensive income                            |                    |                    |
| Valuation difference on available-for-sale securities | 444                | (592)              |
| Foreign currency translation adjustment               | 1,515              | (59)               |
| Remeasurements of defined benefit plans, net of tax   | 5                  | (9)                |
| Total other comprehensive income                      | 1,966              | (661)              |
| Comprehensive income                                  | 4,605              | 1,033              |
| Comprehensive income attributable to                  |                    |                    |
| Comprehensive income attributable to owners of parent | 4,605              | 1,033              |

### Consolidated statements of cash flows

|   |  | (Millions of yen)                      |
|---|--|--|
|   | Six months ended<br>September 30, 2023 | Six months ended<br>September 30, 2024 |
|   |  |  |
| Cash flows from operating activities                        |  |  |
| Profit before income taxes                                  | 3,618                                  | 2,427                                  |
| Depreciation  | 483                                    | 526                                    |
| Increase (decrease) in allowance for doubtful accounts      | 2                                      | (3                                     |
| Increase (decrease) in retirement benefit liability         | 40                                     | 11                                     |
| Increase (decrease) in provision for product warranties     | (37)                                   | (53                                    |
| Interest income   | (56)                                   | (61                                    |
| Dividend income   | (117)                                  | (126                                   |
| Foreign exchange losses (gains)                             | (89)                                   | 71                                     |
| Interest expenses   | 18                                     | 5                                      |
| Loss (gain) on valuation of investment securities           | 66                                     | 19                                     |
| Loss (gain) on sale of investment securities                | (180)                                  | (406                                   |
| Loss (gain) on sale of non-current assets                   | (0)                                    | (0                                     |
| Loss on retirement of non-current assets                    | 0                                      | 4                                      |
| Impairment losses   | -                                      | 26                                     |
| Decrease (increase) in trade receivables                    | 445                                    | 1,468                                  |
| Decrease (increase) in inventories                          | 1,291                                  | 2,498                                  |
| Increase (decrease) in trade payables                       | (1,018)                                | (438                                   |
| Other, net  | 580                                    | (2,384                                 |
| Subtotal  | 5,047                                  | 3,583                                  |
| Interest and dividends received                             | 175                                    | 196                                    |
| Interest paid   | (18)                                   | (5                                     |
| Income taxes paid   | (188)                                  | (953                                   |
| Net cash provided by (used in) operating activities         | 5,015                                  | 2,820                                  |
| Cash flows from investing activities                        |  |  |
| Payments into time deposits                                 | (154)                                  | (475                                   |
| Proceeds from withdrawal of time deposits                   | 546                                    | 128                                    |
| Proceeds from sale and redemption of securities             | 651                                    | 400                                    |
| Purchase of property, plant and equipment                   | (301)                                  | (373                                   |
| Proceeds from sale of property, plant and equipment         | 0                                      | 0                                      |
| Purchase of investment securities                           | (5)                                    | (24                                    |
| Proceeds from sale of investment securities                 | 211                                    | 498                                    |
| Net cash provided by (used in) investing activities         | 948                                    | 154                                    |
| Cash flows from financing activities                        |  |  |
| Purchase of treasury shares                                 | (0)                                    | (0                                     |
| Repayments of lease liabilities                             | (108)                                  | (125                                   |
| Dividends paid  | (653)                                  | (1,309                                 |
| Net cash provided by (used in) financing activities         | (762)                                  | (1,435                                 |
| Effect of exchange rate change on cash and cash equivalents | 495                                    | (1,455)                                |
| Net increase (decrease) in cash and cash equivalents        | 5,697                                  | 1,453                                  |
| Cash and cash equivalents at beginning of period            | 13,756                                 | 21,587                                 |
|   | · · · · · · · · · · · · · · · · · · ·  |  |
| Cash and cash equivalents at end of period                  | 19,453                                 | 23,04                                  |