

Supplementary Document Ended December 31, 2019

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

Quarterly Results

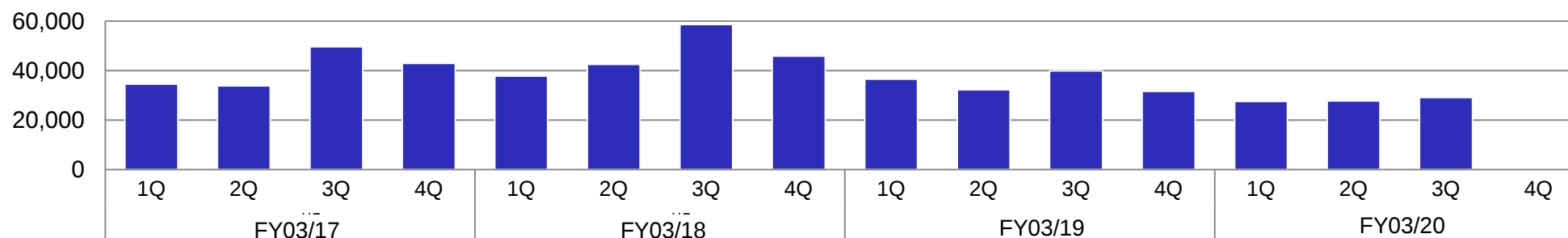
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Results (Millions of yen)

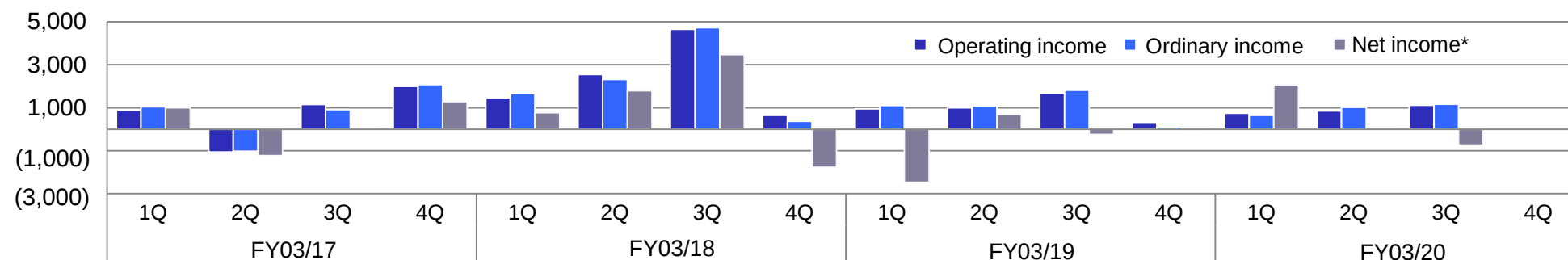
	FY03/17				FY03/18				FY03/19				FY03/20			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	34,555	33,787	49,645	42,909	37,800	42,486	58,660	45,854	36,512	32,246	39,894	31,651	27,561	27,716	29,132	
Operating income	885	(1,067)	1,148	1,997	1,468	2,547	4,647	645	947	991	1,682	317	741	853	1,117	
Ordinary income	1,048	(1,020)	908	2,081	1,656	2,317	4,722	367	1,101	1,097	1,815	105	648	1,020	1,166	
Net income*	997	(1,224)	28	1,287	770	1,789	3,474	(1,768)	(2,464)	688	(244)	(6)	2,067	23	(740)	

Operating income to net sales	2.6%	(3.2%)	2.3%	4.7%	3.9%	6.0%	7.9%	1.4%	2.6%	3.1%	4.2%	1.0%	2.7%	3.1%	3.8%	
Ordinary income to net sales	3.0%	(3.0%)	1.8%	4.8%	4.4%	5.5%	8.0%	0.8%	3.0%	3.4%	4.5%	0.3%	2.4%	3.7%	4.0%	
Net income to net sales**	2.9%	(3.6%)	0.1%	3.0%	2.0%	4.2%	5.9%	(3.9%)	(6.7%)	2.1%	(0.6%)	(0.0%)	7.5%	0.1%	(2.5%)	

Net sales (Millions of yen)



Profits (Millions of yen)



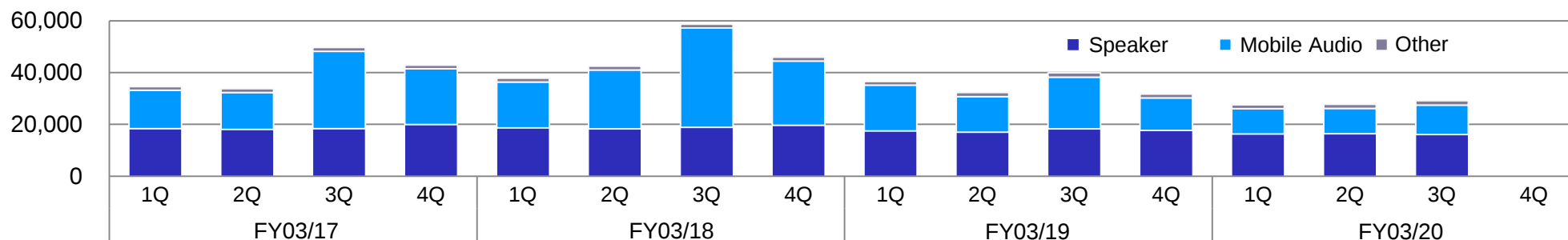
*Net income (loss) attributable to owners of the parent. **Net income (loss) to net sales attributable to owners of the parent.

Quarterly Results by Segment

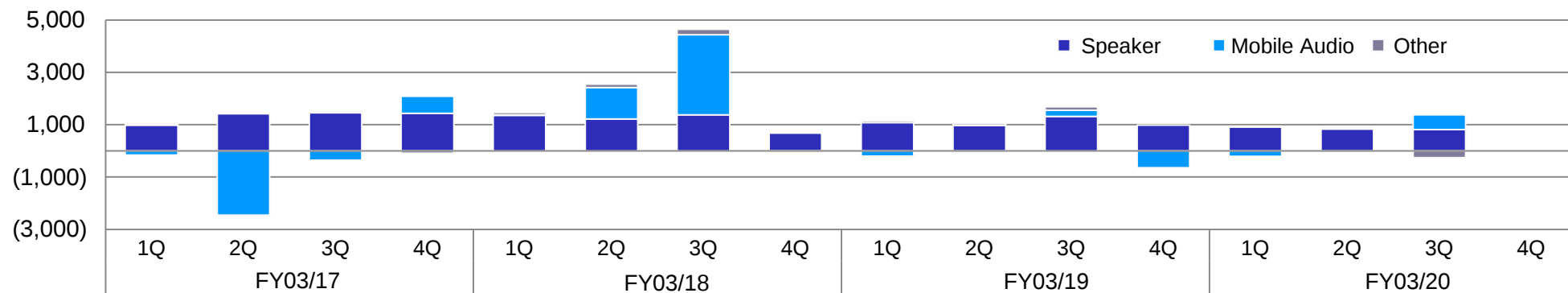
Results (Millions of yen)

	FY03/17				FY03/18				FY03/19				FY03/20			
Sales	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Speaker	18,351	18,086	18,412	19,991	18,647	18,299	18,879	19,695	17,462	16,988	18,269	17,684	16,253	16,378	16,097	
Mobile Audio	14,799	14,251	29,767	21,476	17,719	22,721	38,306	24,767	17,693	13,714	19,941	12,503	9,826	9,777	11,374	
Other	1,404	1,449	1,467	1,442	1,434	1,466	1,536	1,450	1,399	1,591	1,731	1,503	1,511	1,596	1,706	
Operating income																
Speaker	979	1,417	1,453	1,439	1,359	1,220	1,375	682	1,077	973	1,315	978	915	839	817	
Mobile Audio	(161)	(2,459)	(353)	648	16	1,196	3,059	(12)	(203)	(51)	235	(651)	(205)	35	558	
Other	67	(25)	48	(89)	92	131	214	(24)	76	67	130	(8)	30	(20)	(258)	

Sales (Millions of yen)



Operating income (Millions of yen)



Quarterly Balance Sheet and Statement of Cash Flows



Balance sheet (Millions of yen)

	FY03/17				FY03/18				FY03/19				FY03/20			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Total current assets	63,208	65,776	75,523	69,315	70,265	76,770	82,913	73,614	73,361	73,013	70,263	67,773	67,221	65,381	60,986	
Cash and deposits	10,588	9,419	10,583	10,258	6,992	7,233	9,239	9,704	11,003	13,108	15,255	11,854	19,839	12,575	18,295	
Notes and accounts receivable – trade	22,779	22,031	27,396	19,479	18,817	20,534	27,107	22,243	19,939	19,324	22,174	19,261	18,721	19,289	19,187	
Other	29,841	34,326	37,544	39,578	44,456	49,003	46,567	41,667	42,419	40,581	32,834	36,658	28,661	33,517	23,504	
Total non-current assets	29,566	31,781	34,587	33,094	31,910	31,701	30,349	27,255	24,231	24,332	23,340	23,497	22,840	22,227	22,847	
Net property, plant and equipment	23,335	23,749	26,445	25,945	25,157	24,914	23,727	21,120	18,768	18,922	18,357	18,475	18,927	18,116	18,013	
Total intangible assets	1,436	1,383	1,435	1,429	1,451	1,435	1,409	1,300	1,259	1,182	1,139	1,171	314	433	212	
Total investments and other assets	4,794	6,648	6,706	5,718	5,301	5,351	5,212	4,835	4,203	4,227	3,844	3,851	3,598	3,677	4,621	
Total assets	92,775	97,557	110,111	102,409	102,175	108,471	113,263	100,870	97,593	97,346	93,604	91,271	90,062	87,609	83,833	
Total current liabilities	27,062	32,087	37,073	29,390	29,106	33,227	34,594	25,953	25,748	24,338	26,788	25,453	23,802	22,439	18,816	
Notes and accounts payable – trade	10,939	15,425	19,428	15,512	14,605	16,103	19,157	13,113	11,295	9,535	9,184	8,334	7,507	8,067	8,086	
Short-term loans and bonds payable	7,757	8,296	7,233	5,240	7,011	8,170	5,728	4,603	7,322	6,952	9,953	9,497	9,473	7,586	3,859	
Other	8,366	8,366	10,412	8,638	7,490	8,954	9,709	8,237	7,131	7,851	7,651	7,622	6,822	6,786	6,871	
Total non-current liabilities	2,427	4,556	9,590	9,116	9,147	8,855	8,592	8,124	8,555	9,293	7,380	6,523	6,088	5,567	5,232	
Long-term debt and bonds payable	1,241	3,428	8,238	8,135	8,095	7,726	7,507	7,098	7,529	8,243	5,455	5,108	4,490	3,918	3,365	
Other	1,186	1,128	1,352	981	1,052	1,129	1,085	1,026	1,026	1,050	1,925	1,415	1,598	1,649	1,867	
Total net assets	63,285	60,913	63,447	63,901	63,922	66,388	70,076	66,792	63,289	63,714	59,436	59,294	60,171	59,602	59,785	
Shareholders' equity	61,282	60,057	58,247	58,972	59,099	60,887	63,845	62,077	58,634	58,155	54,328	54,322	56,162	56,185	55,120	
Accumulated other comprehensive income	(1,961)	(2,857)	1,393	620	633	1,230	1,691	(15)	263	975	154	27	(931)	(1,474)	(310)	
Non-controlling interests	3,964	3,713	3,807	4,309	4,188	4,270	4,539	4,731	4,391	4,583	4,952	4,944	4,939	4,891	4,975	
Total liabilities and net assets	92,775	97,557	110,111	102,409	102,175	108,471	113,263	100,870	97,593	97,346	93,604	91,271	90,062	87,609	83,833	

Statement of cash flows (Millions of yen)

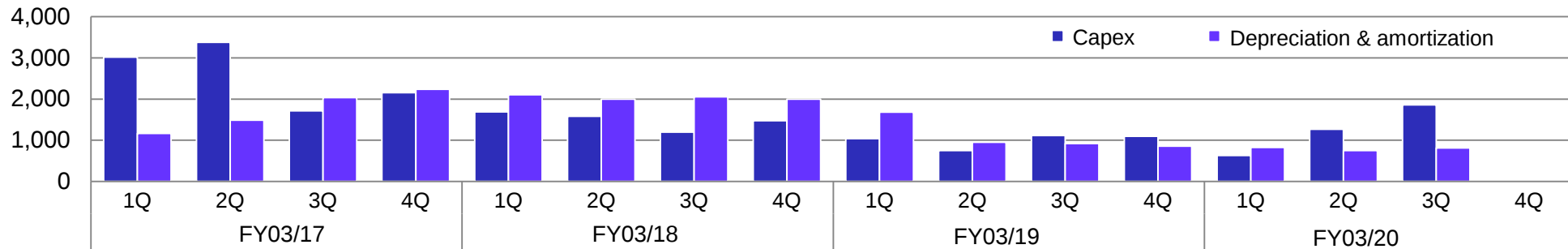
	FY03/17				FY03/18				FY03/19				FY03/20			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Operating activities	(1,015)	1,260	(106)	4,233	(2,243)	884	6,742	2,770	675	2,942	7,373	6,971	873	2,375	4,250	
Investing activities	(3,080)	(5,137)	(1,837)	(1,035)	(1,738)	(1,927)	(2,311)	(1,155)	(556)	(1,598)	(533)	(738)	1,862	(690)	(1,322)	
Financing activities	(330)	2,665	1,940	(2,585)	859	801	(3,188)	(1,331)	2,043	(885)	(3,315)	(780)	(1,023)	(2,308)	(4,758)	
Foreign exchange impact	(1,493)	(332)	1,089	(59)	(420)	140	377	(146)	(320)	510	(318)	(96)	(229)	(269)	(75)	
Net increase (decrease) in cash flow	(5,920)	(1,541)	1,085	556	(3,541)	(104)	1,622	137	1,840	972	3,204	5,357	1,482	(892)	(1,905)	
Cash flow at the end of period	11,938	10,397	11,481	12,037	8,495	8,392	10,013	10,150	11,991	12,962	16,167	21,514	23,007	22,114	20,209	

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

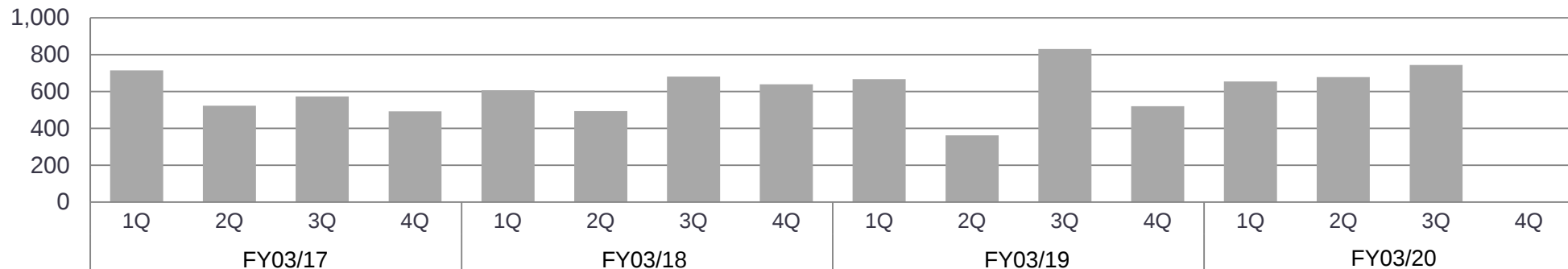
Capex, depreciation & amortization, and R&D expenses (Millions of yen)

	FY03/17				FY03/18				FY03/19				FY03/20			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Capex	3,018	3,377	1,713	2,153	1,687	1,579	1,198	1,473	1,036	750	1,116	1,092	627	1,267	1,858	
Depreciation & amortization	1,166	1,485	2,037	2,234	2,103	1,999	2,057	1,996	1,680	951	921	856	826	750	812	
R&D expenses	715	523	574	493	607	494	681	639	667	362	831	520	655	678	744	

Capex, depreciation & amortization (Millions of yen)

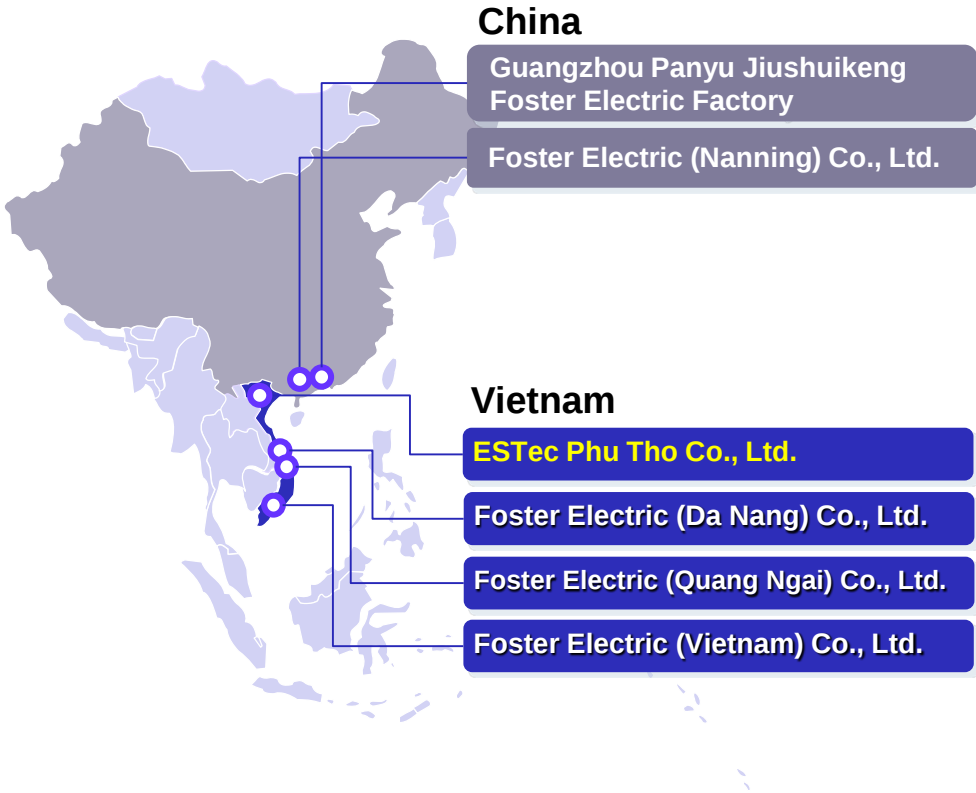


R&D expenses (Millions of yen)

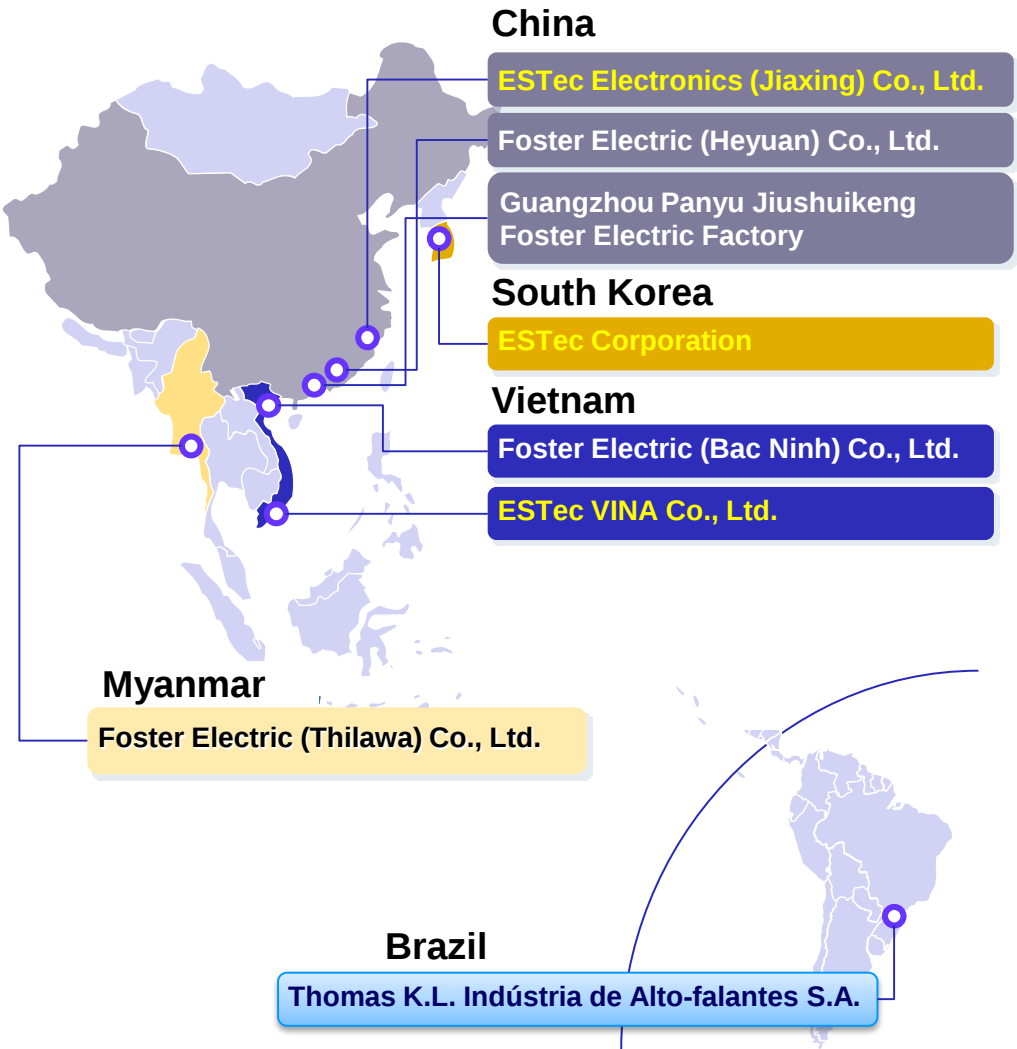


The Group's Major Manufacturing Sites

Headphones and Headsets



Speakers



(As of December 31, 2019)

[Precautionary Statement]

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

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