

FINANCIAL RELEASE

FROM APRIL 1,2016
TO SEPTEMBER 30,2016

HOSIDEN CORPORATION

1. Consolidated Results For The Six Months Ended September.30, 2016

(1)Consolidated Operating Results(Six months ended Sep.30 ,2016)

Percentages indicate year - on - year changes

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep.30,2016	57,461	(25.8)	(450)	-	(3,533)	-	(3,588)	-
Six months ended Sep.30,2015	77,468	36.3	(1,422)	-	(1,419)	-	(4,711)	-

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
Six months ended Sep.30,2016	(58.39)	-
Six months ended Sep.30,2015	(76.28)	-

(2)Consolidated Financial Position(As of Sep.30,2016 and as of March.31,2016)

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of Sep.30,2016	106,656	71,917	67.4
As of Mar.31,2016	106,716	76,162	71.4

2.Dividends(Years ended March.31,2016 and the year ending March.31,2017)

	Dividends per Share(Yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
2016	-	5.00	-	5.00	10.00
2017	-	3.00	-	-	-
2017(Projected)	-	-	-	3.00	6.00

3.Consolidated Forecasts for the year ending March.31,2017

Percentages indicate year - on - year changes

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Net Income Per Share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Year ending March.31,2017	152,000	8.6	2,200	-	300	-	300	-	4.88	

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2016	As of Sep.30,2016	
Current Assets			
1. Cash and Deposits	31,629		42,421
2. Notes Receivable and Accounts Receivable-Trade	17,318		18,609
3. Short-Term Investment Securities	22,701		8,400
4. Inventories	14,751		16,346
5. Other Current Assets	4,904		4,888
6. Allowance for Doubtful Receivables	(25)		(25)
Total of Current Assets	91,280		90,642
Fixed Assets			
Property, Plant and Equipment	10,457		10,992
Intangible Assets	230		239
Investments and Other Assets			
1. Investment Securities	3,483		3,737
2. Other Investments	1,605		1,451
Allowance for Doubtful Receivables	(341)		(406)
Total of Investments and Other Assets	4,748		4,783
Total of Fixed Assets	15,435		16,014
Total Assets	106,716		106,656

Yen (millions)

LIABILITIES		
ACCOUNT ITEMS	As of March.31,2016	As of Sep.30,2016
Current Liabilities		
1. Notes Payable and Accounts Payable-Trade	11,741	17,977
2. Short-term Debt	6,865	5,527
3. Income Tax Payable	687	475
4. Other Current Liabilities	3,599	3,309
Total of Current Liabilities	22,893	27,289
Long-term Liabilities		
1. Retirement Allowance	5,402	5,207
2. Other Long-term Liabilities	2,257	2,241
Total of Long-term Liabilities	7,660	7,449
Total Liabilities	30,553	34,738
SHAREHOLDERS' EQUITY		
Owner's Equity		
1. Common Stock	13,660	13,660
2. Additional Paid-in Capital	19,596	19,596
3. Retained Earnings	51,336	47,440
4. Treasury Stock	(7,599)	(7,599)
Total of Owner's Equity	76,994	73,098
Accumulated Other Comprehensive Income		
1. Unrealized Gains on other Securities	1,241	1,262
2. Foreign Currency Translation Adjustments	(2,016)	(2,400)
3. Remeasurements of Defined Benefit Plans	(56)	(42)
Total of Accumulated Other Comprehensive Income(Loss)	(832)	(1,180)
Total Shareholders' Equity	76,162	71,917
Total Liabilities and Shareholders' Equity	106,716	106,656

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2015	Six months ended Sep.30,2016
Net Sales	77,468	57,461
Cost of Sales	73,420	52,873
Gross Profit	4,048	4,588
Selling, General and Administrative Expenses	5,470	5,038
Operating Income(Loss)	(1,422)	(450)
Non-Operating Income	140	106
1. Interest Income	26	26
2. Dividends Received	35	37
3. Other	79	43
Non-Operating Expenses	(138)	(3,189)
1. Interest Expenses	(70)	(58)
2. Exchange Loss	(60)	(3,127)
3. Other	(8)	(2)
Ordinary Income(Loss)	(1,419)	(3,533)
Extraordinary Income	29	267
1. Gains on Sales of Fixed Assets	29	267
2. Other	-	0
Extraordinary Loss	(1,299)	(92)
1. Loss on Disposal and sales of Fixed Assets	(1)	(6)
2. Impairment Losses on Fixed Assets	(1,297)	-
3. Loss on Valuation of Investment Securities	-	(85)
4. Other	(0)	(0)
Income (Loss) before Income Taxes	(2,690)	(3,357)
Income Taxes	2,020	230
1. Current Income Taxes	244	252
2. Deferred Income Taxes	1,776	(22)
Net Income(Loss)	(4,711)	(3,588)
Profit (loss) attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	(4,711)	(3,588)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2015	Six months ended Sep.30,2016
Net Income(Loss)	(4,711)	(3,588)
Other Comprehensive Income		
Net unrealized Holding Gains(Loss)on Securities	(367)	21
Foreign Currency Translation Adjustments	(291)	(383)
Remeasurements of Defined Benefit Plans	8	14
Total Other Comprehensive Income	(650)	(348)
Comprehensive Income	(5,361)	(3,936)
Comprehensive Income attributable to		
Comprehensive income attributable to owners of parent	(5,361)	(3,936)
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2015	Six months ended Sep.30,2016
Operating Activities		
1. Profit(-loss) before income taxes	(2,690)	(3,357)
2. Depreciation	1,299	730
3. Impairment losses on fixed assets	1,297	-
4. Decrease(-increase) in notes and accounts receivables- trade	(1,518)	(3,775)
5. Decrease(-increase) in inventories	(1,785)	(3,307)
6. Decrease(-increase) in accounts receivables from sub-contractors	57	(239)
7. Increase(-decrease) in notes and accounts payable-trade	2,601	10,703
8. Other -net	(685)	31
Sub-total	(1,422)	785
9. Interest and dividends - received	61	63
10. Interest - paid	(69)	(57)
11. Income taxes- paid	(1,293)	(906)
12. Income taxes- refunded	37	227
Net cash provided by operating activities	(2,686)	113
Investing Activities		
1. Decrease(-increase) from deposits	54	(0)
2. Capital expenditures	(889)	(2,224)
3. Other-net	144	449
Net cash used in investing activities	(690)	(1,774)
Financing Activities		
1. Increase(-decrease) in short-term debt	410	(327)
2. Purchases of treasury stock	(1,600)	(0)
3. Dividends paid	(316)	(307)
Net cash used in financing activities	(1,506)	(635)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(7)	(1,187)
Net Increase (-Decrease) in Cash and Cash Equivalents	(4,890)	(3,484)
Cash and Cash Equivalents at Beginning of Period	55,744	54,015
Cash and Cash Equivalents at End of Period	50,854	50,531

NET SALES BY PRODUCTS

Yen (millions)

	Six months ended Sep.30,2016	
	Amount	%
Electro-mechanical Components	43,252	75.3
Acoustic Components	8,125	14.1
Display Components	4,441	7.7
Applied Equipment and Others	1,642	2.9
Total	57,461	100.0