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February 10, 2023

## Consolidated Financial Results for the First Nine Months Ended December 31, 2022 (Under Japanese GAAP)

Company name: Hosiden Corporation  
 Listing: Tokyo Stock Exchange  
 Securities code: 6804  
 URL: <https://www.hosiden.com/en/>  
 Representative: Kenji Furuhashi, President and CEO  
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 Scheduled date to file quarterly securities report: February 13, 2023  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

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

### 1. Consolidated financial results for the first nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2022	205,992	32.3	13,177	34.4	15,890	35.9	10,869	23.0
December 31, 2021	155,694	(17.9)	9,806	(1.6)	11,690	34.2	8,834	28.0

(Note) Comprehensive income For the first nine months ended December 31, 2022 13,930 million yen [41.9%]  
 For the first nine months ended December 31, 2021 9,820 million yen [20.0%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	199.10	183.87
December 31, 2021	156.48	145.24

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2022	190,122	126,207	66.4
March 31, 2022	171,525	119,533	69.7

(Reference) Equity

As of December 31, 2022 126,207 million yen  
 As of March 31, 2022 119,533 million yen

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	–	10.00	–	55.00	65.00
Fiscal year ending March 31, 2023	–	23.00	–		
Fiscal year ending March 31, 2023 (Forecast)				44.00	67.00

(Note) Revision of cash dividend forecast most recently announced: Yes

For the revision of the cash dividend forecast, please refer to the “Notice Regarding Revisions of Financial Results Forecasts and Cash Dividend Forecast” published today, on February 10, 2023.

## 3. Consolidated financial results forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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
Full year	265,000	27.6	15,300	30.5	18,000	14.0	12,000	0.8	221.14

(Note) Revision of financial results forecast most recently announced: Yes

- Financial results forecasts are based on the assumption of a foreign exchange rate of 132 yen per U.S. dollar.
- For the revision of the financial results forecasts, please refer to the “Notice Regarding Revisions of Financial Results Forecasts and Cash Dividend Forecast” published today, on February 10, 2023.

## Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: – companies (Company name)

Excluded: – companies (Company name)

- (2) Application of specific accounting for preparing quarterly consolidated financial statements: None

- (3) 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

- (4) Number of issued shares (common shares)

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

As of December 31, 2022	64,710,084 shares
As of March 31, 2022	64,710,084 shares

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

As of December 31, 2022	11,431,680 shares
As of March 31, 2022	9,755,041 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	54,592,933 shares
Nine months ended December 31, 2021	56,455,679 shares

Notes: 1. Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

2. Explanation on proper use of earnings forecasts, and other special matters

(1) For matters related to forecasts, please refer to the “Notice Regarding Revisions of Financial Results Forecasts and Cash Dividend Forecast” published today, on February 10, 2023.

(2) The forward-looking statements about the future financial results of this document are future forecasts based on the judgment of Hosiden Corporation (the “Company”) taking into account the information currently available, and the Company does not intend to make a warranty of their achievement. These forward-looking statements contain various potential risks and uncertainties, and actual results may be materially different from the forward-looking statements due to various material factors. Therefore, the Company asks not to depend highly on these forward-looking statements.

**Quarterly consolidated financial statements and significant notes thereto****Quarterly consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	49,794	59,488
Notes and accounts receivable - trade, and contract assets	25,864	36,594
Securities	13,699	13,500
Merchandise and finished goods	9,923	9,619
Work in process	3,117	3,675
Raw materials and supplies	38,526	35,777
Other	4,690	5,803
Allowance for doubtful accounts	(45)	(46)
<b>Total current assets</b>	<b>145,572</b>	<b>164,411</b>
Non-current assets		
Property, plant and equipment	18,559	18,727
Intangible assets	451	460
Investments and other assets		
Investment securities	4,809	4,488
Other	2,423	2,321
Allowance for doubtful accounts	(290)	(287)
<b>Total investments and other assets</b>	<b>6,942</b>	<b>6,522</b>
<b>Total non-current assets</b>	<b>25,952</b>	<b>25,710</b>
<b>Total assets</b>	<b>171,525</b>	<b>190,122</b>

## Hosiden Corporation (6804) Consolidated Financial Results for the First Nine Months Ended December 31, 2022

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	23,614	36,196
Short-term borrowings	2,040	2,293
Income taxes payable	3,179	2,933
Other	7,470	6,710
Total current liabilities	36,305	48,133
Non-current liabilities		
Bonds with share acquisition rights	10,051	10,035
Retirement benefit liability	3,577	3,358
Other	2,057	2,386
Total non-current liabilities	15,686	15,780
Total liabilities	51,991	63,914
Net assets		
Shareholders' equity		
Share capital	13,660	13,660
Capital surplus	19,596	19,603
Retained earnings	94,320	100,902
Treasury shares	(9,586)	(12,563)
Total shareholders' equity	117,990	121,603
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,495	2,274
Foreign currency translation adjustment	(1,334)	2,051
Remeasurements of defined benefit plans	381	277
Total accumulated other comprehensive income	1,542	4,604
Total net assets	119,533	126,207
Total liabilities and net assets	171,525	190,122

**Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income**
**Quarterly consolidated statements of income**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	155,694	205,992
Cost of sales	138,486	185,475
Gross profit	17,208	20,517
Selling, general and administrative expenses	7,401	7,340
Operating profit	9,806	13,177
Non-operating income		
Interest income	64	226
Dividend income	108	126
Foreign exchange gains	1,511	2,149
Subsidies for employment adjustment	138	109
Other	104	134
Total non-operating income	1,927	2,746
Non-operating expenses		
Interest expenses	23	16
Commission for syndicated loans	13	10
Other	6	5
Total non-operating expenses	44	32
Ordinary profit	11,690	15,890
Extraordinary income		
Gain on sale of non-current assets	360	136
Gain on sale of investment securities	225	–
Other	1	–
Total extraordinary income	588	136
Extraordinary losses		
Loss on sale and retirement of non-current assets	32	10
Loss on liquidation of subsidiaries	–	220
Total extraordinary losses	32	231
Profit before income taxes	12,246	15,795
Income taxes - current	3,223	4,448
Income taxes - deferred	188	477
Total income taxes	3,412	4,926
Profit	8,834	10,869
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	8,834	10,869

**Quarterly consolidated statements of comprehensive income**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	8,834	10,869
Other comprehensive income		
Valuation difference on available-for-sale securities	48	(220)
Foreign currency translation adjustment	1,039	3,386
Remeasurements of defined benefit plans, net of tax	(102)	(104)
Total other comprehensive income	985	3,061
Comprehensive income	9,820	13,930
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,820	13,930
Comprehensive income attributable to non-controlling interests	-	-

**Quarterly consolidated statements of cash flows**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	12,246	15,795
Depreciation	2,230	2,472
Decrease (increase) in trade receivables	(7,464)	(8,291)
Decrease (increase) in inventories	(9,146)	4,715
Decrease (increase) in operating accounts receivable	(20)	3
Increase (decrease) in trade payables	(1,413)	8,808
Other, net	726	(1,003)
Subtotal	(2,841)	22,499
Interest and dividends received	155	309
Interest paid	(20)	(11)
Subsidies for employment adjustment received	138	109
Income taxes paid	(3,626)	(5,132)
Net cash provided by (used in) operating activities	(6,194)	17,775
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	271	(3,503)
Purchase of property, plant and equipment	(3,246)	(2,473)
Proceeds from sale of property, plant and equipment	394	419
Proceeds from sale of investment securities	342	-
Other, net	(8)	139
Net cash provided by (used in) investing activities	(2,246)	(5,418)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(185)	-
Purchase of treasury shares	(1)	(3,000)
Dividends paid	(1,411)	(4,287)
Other, net	(64)	(99)
Net cash provided by (used in) financing activities	(1,662)	(7,386)
Effect of exchange rate change on cash and cash equivalents	383	911
Net increase (decrease) in cash and cash equivalents	(9,719)	5,881
Cash and cash equivalents at beginning of period	69,522	62,479
Cash and cash equivalents at end of period	59,803	68,361

**Segment information, etc.**

## Segment information

## I The first nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

## 1. Net sales, and profit or loss by reportable segment

(Millions of yen)

	Reportable segments					Adjustments	Amounts in quarterly consolidated statements of income (Note)
	Electro-mechanical components	Acoustic components	Display components	Applied equipment and other	Total		
Net sales							
Sales to unaffiliated customers	133,256	10,279	5,906	6,252	155,694	–	155,694
Inter-segment sales and transfers	–	–	–	–	–	–	–
Total	133,256	10,279	5,906	6,252	155,694	–	155,694
Segment profit	7,458	934	200	1,213	9,806	–	9,806

Note: The total amount of segment profit is equal to the operating profit in the quarterly consolidated statements of income.

## II The first nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

## 1. Net sales, and profit or loss by reportable segment

(Millions of yen)

	Reportable segments					Adjustments	Amounts in quarterly consolidated statements of income (Note)
	Electro-mechanical components	Acoustic components	Display components	Applied equipment and other	Total		
Net sales							
Sales to unaffiliated customers	184,087	12,480	3,294	6,129	205,992	–	205,992
Inter-segment sales and transfers	–	–	–	–	–	–	–
Total	184,087	12,480	3,294	6,129	205,992	–	205,992
Segment profit (loss)	11,490	1,129	(466)	1,023	13,177	–	13,177

Note: The total amount of segment profit (loss) is equal to the operating profit in the quarterly consolidated statements of income.