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May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 6804
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 Scheduled date of ordinary general meeting of shareholders: June 26, 2025
 Scheduled date to commence dividend payments: June 27, 2025
 Scheduled date to file annual securities report: June 25, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	247,571	13.1	13,573	5.0	14,776	(18.6)	10,037	(13.7)
March 31, 2024	218,910	(21.0)	12,925	(17.9)	18,160	(4.3)	11,632	(8.0)

(Note) Comprehensive income For the fiscal year ended March 31, 2025 10,779 million yen [(26.7%)]
 For the fiscal year ended March 31, 2024 14,702 million yen [1.6%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	194.76	181.88	7.3	7.9	5.5
March 31, 2024	224.23	205.62	8.9	10.2	5.9

(Reference) Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2025 – million yen
 For the fiscal year ended March 31, 2024 – million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	200,279	140,317	70.1	2,757.39
March 31, 2024	175,008	134,870	77.1	2,609.20

(Reference) Equity

As of March 31, 2025 140,317 million yen

As of March 31, 2024 134,870 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	(18,228)	(5,931)	(5,312)	46,769
March 31, 2024	26,931	(8,345)	(7,940)	76,662

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	24.00	—	44.00	68.00	3,515	30.2	2.7
Fiscal year ended March 31, 2025	—	19.00	—	40.00	59.00	3,026	30.1	2.2
Fiscal year ending March 31, 2026 (Forecast)	—	25.00	—	25.00	50.00		30.3	

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

For the year-end dividend for the fiscal year ended March 31, 2025, please refer to the “Notice Regarding Dividends of Surplus” published today, on May 9, 2025.

3. Consolidated financial results forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Six months ending September 30, 2025	213,000	83.3	5,500	(31.0)	4,000	(36.9)	2,800	(36.7)	55.02
Full year	406,000	64.0	13,000	(4.2)	12,000	(18.8)	8,400	(16.3)	165.07

Financial results forecasts are based on the assumption of a foreign exchange rate of 143 yen per U.S. dollar.

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) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

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

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

As of March 31, 2025	60,164,784 shares
As of March 31, 2024	61,410,084 shares

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

As of March 31, 2025	9,277,041 shares
As of March 31, 2024	9,719,522 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	51,534,863 shares
Fiscal year ended March 31, 2024	51,874,411 shares

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	184,699	12.8	6,000	(20.6)	8,555	(32.4)	6,689	(12.3)
March 31, 2024	163,689	(27.2)	7,554	(31.7)	12,664	(17.7)	7,625	(19.2)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	129.81	121.14
March 31, 2024	147.01	134.71

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	151,201	94,490	62.5	1,856.83
March 31, 2024	131,502	93,169	70.9	1,802.46

(Reference) Equity

As of March 31, 2025 94,490 million yen

As of March 31, 2024 93,169 million yen

Notes: 1. Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

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

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.

(Means of access to supplementary material on financial results and contents of financial results briefing)

The materials to be used in the financial result briefing will be available on the Company’s website.

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1. Overview of operating results, etc.

(1) Overview of operating results during the fiscal year ended March 31, 2025

During the fiscal year ended March 31, 2025 (from April 2024 to March 2025), the U.S. economy showed solid growth driven mainly by consumer spending, while Europe saw moderate growth supported by the recovery of consumer spending reflecting a decline in inflation rate. Meanwhile, in China, the growth of personal consumption slowed due to the real estate downturn. Japan's economy temporarily stagnated but is maintaining a recovery on the back of the improvement in personal consumption. Further, the Russia-Ukraine conflict and tensions in the Middle East are adding elements of uncertainty to the global economy, while in the latter half of the fiscal year, concerns grew over an economic downturn worldwide including the U.S. due to the country's massive tariff increase plan.

In the electronics components industry to which the Group belongs, many automobile manufacturers in the automotive-related market have not achieved their sales plans, but sales are increasing slightly. In the mobile communications-related market, sales are in a recovery trend although a full recovery has not been made.

Under such circumstances, the Group recorded an increase in net sales as a whole due to the increases in the net sales of the amusement-related business, mobile communications-related business, and the automotive-related business.

With regard to profits, operating profit increased as sales grew and profitability of the mobile communications-related business improved, although the profit contribution from the weaker yen was not as much as it was a year ago. The foreign exchange gain came to 45 million yen, compared with 4,214 million yen a year ago, and both ordinary profit and profit attributable to owners of parent declined.

As a result, during the fiscal year under review, the Group posted consolidated net sales of 247,571 million yen (up 13.1% year on year), operating profit of 13,573 million yen (up 5.0% year on year), ordinary profit of 14,776 million yen (down 18.6% year on year) with foreign exchange gains of 45 million yen due to foreign exchange fluctuations, and profit attributable to owners of parent of 10,037 million yen (down 13.7% year on year).

The net sales and segment profit or loss for the reportable segments are as follows:

Net sales for the electro-mechanical components segment were 214,651 million yen (up 16.1% year on year) due to increases in the amusement-related and mobile communications-related businesses, and the segment profit was 10,781 million yen (up 15.8% year on year).

Net sales for the acoustic components segment were 20,997 million yen (up 4.0% year on year) due to increases in the automotive-related business, and the segment profit was 1,851 million yen (up 20.8% year on year).

Net sales for the display components segment were 2,201 million yen (down 11.3% year on year) due to a decrease in the automotive-related business, and the segment loss was 270 million yen (segment loss of 431 million yen for the previous fiscal year).

Net sales for the applied equipment and other segment were 9,721 million yen (down 14.5% year on year) due to a decrease in the health device-related business, and the segment profit was 1,210 million yen (down 51.8% year on year).

(2) Overview of financial position for the fiscal year ended March 31, 2025

At the end of the fiscal year under review, total assets increased 25,271 million yen from the end of the previous fiscal year to 200,279 million yen mainly due to increases in trade receivables and inventories despite decreases in cash and deposits and securities. Total liabilities increased 19,825 million yen from the end of the previous fiscal year to 59,962 million yen mainly due to an increase in trade payables while income taxes payable decreased.

Net assets increased 5,446million yen from the end of the previous fiscal year to 140,317 million yen mainly due to an increase in retained earnings, resulting in an equity-to-asset ratio of 70.1%.

(3) Overview of cash flows for the fiscal year ended March 31, 2025

At the end of the fiscal year under review, cash and cash equivalents (the “net cash”) decreased 29,892 million yen from the end of the previous fiscal year to 46,769 million yen (an increase of 10,644 million yen in the previous fiscal year).

The status of respective cash flows during the fiscal year under review and their factors are as follows:

Cash flows from operating activities

Net cash provided by operating activities decreased by 18,228 million yen (an increase of 26,931 million yen in the previous fiscal year). This was mainly due to profit before income taxes of 14,229 million yen (profit before income taxes of 17,210 million yen in the previous fiscal year), depreciation of 3,540 million yen (3,150 million yen in the previous fiscal year), an increase in trade receivables of 10,032 million yen (a decrease of 12,963 million yen in the previous fiscal year), an increase in inventories of 40,172 million yen (a decrease of 10,073 million yen in the previous fiscal year), an increase in trade payables of 20,912 million yen (a decrease of 11,796 million yen in the previous fiscal year), and income taxes paid of 5,617 million yen (6,354 million yen in the previous fiscal year).

Cash flows from investing activities

Net cash provided by investing activities decreased by 5,931 million yen (decrease of 8,345 million yen in the previous fiscal year). This was mainly due to payments into time deposits of 15,048 million yen (12,372 million yen in the previous fiscal year), proceeds from withdrawal of time deposits of 12,629 million yen (10,247 million yen in the previous fiscal year), proceeds from withdrawal of long-term deposits of 3,000 million yen (no payments in the previous fiscal year), and purchase of property, plant and equipment of 6,262 million yen (2,742 million yen in the previous fiscal year).

Cash flows from financing activities

Net cash provided by financing activities decreased by 5,312 million yen (a decrease of 7,940 million yen in the previous fiscal year). This was mainly due to purchase of treasury shares of 3,000 million yen (2,817 million yen in the previous fiscal year), and dividends paid of 3,264 million yen (3,798 million yen in the previous fiscal year).

Trend of the cash flow indicators

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025
Equity-to-asset ratio (%)	67.5	69.7	70.4	77.1	70.1
Equity-to-asset ratio based on market capitalization (%)	40.3	37.1	47.7	57.3	50.5
Cash flows/interest-bearing debt ratio (years)	0.9	—	0.6	0.4	—
Interest coverage ratio (times)	166.1	—	859.4	544.3	—

(Formula) Equity-to-asset ratio = Equity / Total assets

Equity-to-asset ratio based on market capitalization = Market capitalization / Total assets
Cash flows/interest-bearing debt ratio = Interest-bearing debt / Cash flows from operating activities
Interest coverage ratio = Cash flows from operating activities / Interest payment

Notes:

1. Each indicator is calculated based on consolidated financial values.
2. Market capitalization is calculated by multiplying closing stock price at the end of the period by total number of issued shares at the end of the period (deducting treasury shares).
3. Interest-bearing debt represents all of the debt that bears interest of the entire debt recorded in the consolidated balance sheet.
4. Interest payment represents the interest paid in the consolidated statement of cash flows.

(4) Future outlook

As for the outlook, the global economy as a whole is likely to slightly decelerate, as the growth in the U.S. economy and Chinese economy is expected to slow due to the tariff policy and the stagnant real estate market and sluggish growth in consumer spending, respectively, while Europe and Japan are expected to witness gradual growths supported by recovery in domestic demand. At the same time, the geopolitical risks in the two regions continue to fuel uncertainties, and the outlook is increasingly unclear given the current situation where the responses of countries and companies are unknown regarding the U.S. tariff policy aimed at countries around the world.

In the electronics components industry, the automotive-related business as well as industrial devices and telecommunication infrastructure are expected to lead to a steady expansion, even as the outlook is unclear due to heightening uncertainties caused by the U.S. tariff policy. The mobile communication-related business is expected to continue with the recovery trend.

With regard to its financial results, the Company forecasts demand growth in the amusement-related business. The automotive-related business is expected to grow due to the acceleration of advanced driver-assistance systems (ADAS) and electrification. The mobile communication-related business is also expected to register stable growth. The Company will implement all possible measures to increase market share, mechanize, automate, and reduce costs for each market. It has factored in the impact of the U.S. tariff policy to a certain extent.

As a basis of the outlook of consolidated financial results, the Company is currently examining the indirect impact caused by changes in demand and supply chains that would affect various markets such as amusement-related and mobile communication-related markets, in addition to the automotive-related business, in which the Company directly exports to the U.S. Therefore, the indirect impact on these businesses is not included in the grounds of the outlook. Further, soaring prices of materials such as semiconductors, other electronic components, and raw materials, shortages of components, disruptions in logistics, and a reversal to a stronger yen are expected to apply downward pressure on profits. Under such circumstances, the Company forecasts the following consolidated financial results for the fiscal year ending March 31, 2026.

Outlook for consolidated financial results

Net sales	406,000 million yen (up 64.0% year on year)
Operating profit	13,000 million yen (down 4.2% year on year)
Ordinary profit	12,000 million yen (down 18.8% year on year)
Profit attributable to owners of parent	8,400 million yen (down 16.3% year on year)

The above outlook for consolidated financial results is based on the assumption of a foreign exchange rate of 143 yen per U.S. dollar.

Notes on forecasts of financial results, etc.

The forward-looking statements about the future financial results of this document are future forecasts based on the judgment of 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 factors. Therefore, the Company asks readers not to depend highly on these forward-looking statements.

(5) Basic policy on profit distribution and dividends for the current and next fiscal years

The Company considers the return of profits to shareholders as one of its key policies. Meanwhile, in order to enhance corporate value, the Company needs to implement research and development, investments in production facilities and other activities that keep pace with rapid technological innovations. Therefore, the Company will strive to bolster its financial position through increasing business income and ensuring internal reserves, etc., from the long-term perspective, and aim to maintain a payout ratio of approximately 30% based on consolidated financial results on the premise of a stable business environment.

Based on the basic policy on profit distribution, the Company plans to pay a fiscal year-end dividend of 40 yen per share for the fiscal year under review. As a result, the annual dividends for the fiscal year under review will be 59 yen per share, including the interim dividend (19 yen per share).

For the next fiscal year, based on the basic policy on profit distribution, the Company also plans to pay a dividend of 50 yen per share (an interim dividend of 25 yen and a year-end dividend of 25 yen).

(6) Business and other risks

The Group operates global businesses with production, sales and development bases around the world. The electronic component industry, to which the Group belongs, is significantly affected by the world's economic trends, witnesses drastic technological innovations and market price fluctuations, and has fierce competition relating to product development and customer acquisition among competitors.

Business risks surrounding the Group include economic situations of Japan and the rest of the world, development and offering of the Company's new products and demand trend in the market, concentration on major customer groups, increased sales ratio of amusement-related field and order trend thereof, decreasing sales prices, price competitions with other companies, rapid change of the electronic device-related technology, price fluctuations of semiconductors, other electronic components, and raw materials and short supply thereof, logistics disruption, inventory risks, litigation risks, changes in tax systems in various countries, transfer pricing taxation system and other tax issues, intellectual property rights, litigation risks such as product quality issues (PL, recalls and others), regulations on environmentally controlled substances, fund shortage caused by financial contraction, falling price of investment securities held, falling valuations of non-current assets caused by decreasing profitability, foreign exchange rate fluctuations, regulations and revisions of laws and regulations, etc., destruction or falsification of critical data or information leak due to cyberattacks, overseas business related risks, labor shortage and soaring labor costs relating to the production, war, riot, terrorism, climate change, outbreak of a pandemic such as COVID-19, direct and indirect damages caused by large-scale disasters such as fire, earthquake, tidal wave, wind and flood damages and nuclear accident, events adversely affecting the markets where the Company operates business and its supply chains, increasing cost burden relating to tighter environmental regulations, the impact of stock dilution on our stock price, and the risk of acquiring personnel not going to plan due to an aging population with a low birthrate. In addition, the factors affecting financial results, etc. are not limited to these above factors.

2. Management policy

The Company and each group company share the following management policy of the Company and aim to enhance corporate value through increasing the Group's management efficiency as a whole.

(1) Basic policy on corporate management

The Company has contributed to the development of the electronics market by timely supplying high quality and sought-after products, which are backed by advanced technology and a complete quality management system, to the market at all times as an electronic component manufacturer.

Moving forward, while the electronics market demands technologies and products that are more sophisticated and have greater functionality with the rapid evolution of AI technology and advanced driver-assistance system (ADAS) technology and the spread of the Internet of Everything (IoE: everything is connected to the Internet), the Company will support customers' corporate strategies with its unique advanced technology and contribute to the development of the global electronics markets.

In terms of its environmental activities, the Company promotes earth-friendly activities, and will take measures to reduce the environmental burden, including acquiring ISO 14001 certification, reducing product energy consumption and size, and promoting the reduction and total abolition of environmentally controlled substances for its products. Furthermore, the Company recognizes addressing carbon neutrality as a corporate responsibility, and will proactively make efforts in this area and promote appropriate information disclosure.

(2) Medium- to long-term corporate management strategy

The electronics industry, to which the Company belongs, is rapidly changing due to a dizzying pace of technological innovations such as digitalization and networking, and even more promising products and technologies are created one after another there. The smartphone, tablet device and Internet-related devices are expected to witness the progress of high-speed communications and advanced features with an eye to 6G, and will develop and grow further while being combined with conventional consumer electronics/AV and gaming markets, and are expected to come into wider use rapidly. In the automotive-related business, CASE and ADAS are entering a period of diffusion and expansion, and thus the circle (type and quantity) of electronic components and devices used is expanding as onboard electronic devices become more sophisticated. In addition, the growth of markets for medical/health/cosmetics-related devices and electronic devices for nursing care and frailty countermeasures due to the increase in the number of elderly people and the expansion of markets related to IoE for improving productivity, mainly in industrial devices, are also fully expected, and thus the Company believes that the outlook is bright for the electronic component industry as a whole.

Amid such trends, the Company will make efforts to ensure and expand net sales and profits on a consolidated basis and enhance corporate value by offering extensive product lineups, technological capabilities that cater to diverse customer needs, fine-tuned services centered on customer satisfaction, etc. as an electronic component manufacturer.

On the technology front, we are continuing to take action to achieve our medium-term (three-year) technology plan, which aims to strengthen the technology and research and development systems of the Company and group companies. We are taking stock of past technologies and reconstructing the strengths of its own products (devices), which is yielding results such as increased development speed and efficiency. The Company will seek to strongly develop its unique technological products that cater to market needs, including new module products and sensor units for IoE. Specifically, the Company will achieve this by advancing its core technologies including electro-mechanical design technology, high-frequency design technology, acoustic design technology, optical design technology, circuit design technology, metal mold design technology, simulation technology, analytical technology, software development, EMC measure design technology, sensor development, and application technology. IoE

products, in particular, are becoming more widely used as factory DX tools, and needs are increasing for these devices, which are indispensable for solving social issues such as the aging population with a low birthrate, labor shortage, and soaring labor costs. In addition, we are planning to launch a line of products that will help protect lifelines and transportation infrastructure, thereby contributing to society from the standpoint of a comprehensive electronic component manufacturer.

In terms of production, the Company will proceed with automation and labor-saving, including the utilization of industrial robots, with a sense of speed and will work to reduce costs and stabilize quality.

ESG management and contributions to the SDGs are global trends that companies and society are striving to achieve, and we will also continue to work toward these goals proactively.

(3) Issues to be addressed by the Company

The Group will consider bolstering and newly establishing production bases mainly in the ASEAN countries in terms of production. The Group will also further increase efficiency and speed of overall management, and strongly promote mechanization, automation, and labor-saving to further enhance productivity, quality, and cost competitiveness, in order to enhance financial results and bolster its profitability structure.

In addition, we will enhance and bolster compliance system, corporate social responsibility (CSR) system, internal control system, information security management system, risk management system, etc. toward the enhancement of corporate value. To this end, the Company has established the Sustainability Supervisory Committee, and will promote concrete initiatives and make efforts for appropriate information disclosure.

In terms of quality, the Group has acquired ISO 9001 certification in all its production bases. Especially in its production bases for the automotive-related business, the Group acquired IATF 16949 certification and will make efforts to enhance and stabilize its quality.

As for environmental initiatives, the Group will, as a whole, promote the following: acquiring ISO 14001 certification at all its production bases; earth-friendly product design and production activities; environmentally controlled substance measures through green procurement, the RoHS Directive, the REACH regulations, etc.; and the initiatives to reduce the environmental burden including resource conservation/power-saving activities, reduction in waste and recycling. Accordingly, the Group will pay attention to the environment across all of its business activities and continue to improve its environmental management system proactively.

Furthermore, toward the achievement of carbon neutrality, the Company will promote concrete initiatives and make efforts for appropriate information disclosure.

Regarding the action to implement management that is conscious of cost of capital and stock price, the Company considers the difference between ROE and cost of equity as equity spread and recognizes it as creation of corporate value. In general, companies are expected to achieve ROE of around 8%, whereas the Company has achieved to exceed 8%. However, the Company's PBR did not achieve 1 even though its ROE exceeded the expected level. This is believed to be due to insufficient efforts in reducing cost of equity. Based on this recognition, the Company disclosed the Notice on Initiatives for Achieving PBR of 1 and declared to strengthen and enhance IR to promote dialogue with investors in addition to shareholder return measures. Subsequently, the Company has been discussing the issue and has taken measures listed below in addition to the initiative.

- Making available the contents explained at the financial result briefings for securities analysts, message from the president, and summary of questions and answers on the Company's website
- Disclosure of the Medium-Term Management Plan in the Integrated Report
- Building relationship of trust with shareholders and investors through proactive implementation of management improvement measures based on ideas gained from constructive dialogue with them

-Disclosure of annual securities reports (partial) in English
The Company will continue to strive further to strengthen our IR activities.

3. Basic approach to the selection of accounting standards

The Group has its policy to apply Japanese accounting standards for the time being taking into account the comparability of consolidated financial statements among companies. With respect to the application of IFRS, the Group has its policy to take appropriate actions taking into account the circumstances both in Japan and overseas.

4 . Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	72,287	59,564
Notes receivable - trade	1,644	1,224
Accounts receivable - trade	21,110	31,918
Securities	14,624	—
Merchandise and finished goods	9,214	8,220
Work in process	3,730	3,207
Raw materials and supplies	19,638	61,897
Trade accounts receivable	1,188	1,170
Other	2,503	4,496
Allowance for doubtful accounts	(15)	(182)
Total current assets	145,925	171,516
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,966	22,510
Accumulated depreciation and impairment	(15,021)	(15,663)
Buildings and structures, net	6,944	6,847
Machinery, equipment and vehicles	27,160	27,614
Accumulated depreciation and impairment	(22,787)	(22,600)
Machinery, equipment and vehicles, net	4,373	5,013
Land	3,031	3,019
Construction in progress	311	874
Other	30,885	31,340
Accumulated depreciation and impairment	(28,905)	(27,492)
Other, net	1,979	3,847
Total property, plant and equipment	16,641	19,602
Intangible assets	405	508
Investments and other assets		
Investment securities	7,057	7,228
Retirement benefit asset	35	—
Deferred tax assets	674	626
Other	4,554	1,052
Allowance for doubtful accounts	(286)	(254)
Total investments and other assets	12,035	8,652
Total non-current assets	29,082	28,763
Total assets	175,008	200,279

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,673	35,638
Short-term borrowings	1,050	1,050
Current portion of bonds with share acquisition rights	10,008	—
Income taxes payable	3,253	2,127
Provision for bonuses for directors (and other officers)	140	151
Other	5,916	6,269
Total current liabilities	35,042	45,236
Non-current liabilities		
Bonds with share acquisition rights	—	10,190
Deferred tax liabilities	2,167	2,397
Retirement benefit liability	2,307	1,497
Other	620	640
Total non-current liabilities	5,094	14,725
Total liabilities	40,137	59,962
Net assets		
Shareholders' equity		
Share capital	13,660	13,660
Capital surplus	19,596	19,596
Retained earnings	106,744	112,257
Treasury shares	(11,584)	(12,393)
Total shareholders' equity	128,417	133,120
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,500	3,464
Foreign currency translation adjustment	2,272	2,922
Remeasurements of defined benefit plans	680	809
Total accumulated other comprehensive income	6,453	7,196
Total net assets	134,870	140,317
Total liabilities and net assets	175,008	200,279

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	218,910	247,571
Cost of sales	196,164	224,422
Gross profit	22,745	23,148
Selling, general and administrative expenses	9,820	9,575
Operating profit	12,925	13,573
Non-operating income		
Interest income	808	968
Dividend income	142	164
Foreign exchange gains	4,214	45
Other	129	131
Total non-operating income	5,294	1,309
Non-operating expenses		
Interest expenses	41	34
Commission for syndicated loans	–	64
Other	16	8
Total non-operating expenses	58	107
Ordinary profit	18,160	14,776
Extraordinary income		
Gain on sale of non-current assets	14	14
Gain on sale of golf club memberships	–	4
Total extraordinary income	14	18
Extraordinary losses		
Loss on sale and retirement of non-current assets	33	8
Loss on valuation of securities	–	123
Impairment losses	931	432
Other	0	0
Total extraordinary losses	965	565
Profit before income taxes	17,210	14,229
Income taxes – current	5,181	3,876
Income taxes – deferred	396	315
Total income taxes	5,578	4,192
Profit	11,632	10,037
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	11,632	10,037

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	11,632	10,037
Other comprehensive income		
Valuation difference on available-for-sale securities	1,119	(35)
Foreign currency translation adjustment	1,605	650
Remeasurements of defined benefit plans, net of tax	345	128
Total other comprehensive income	3,070	742
Comprehensive income	14,702	10,779
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,702	10,779
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	13,660	19,596	100,808	(10,695)	123,370
Changes during period					
Dividends of surplus			(3,798)		(3,798)
Profit attributable to owners of parent			11,632		11,632
Purchase of treasury shares				(2,817)	(2,817)
Disposal of treasury shares		9		20	29
Cancellation of treasury shares		(9)	(1,897)	1,907	—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	5,936	(889)	5,046
Balance at end of period	13,660	19,596	106,744	(11,584)	128,417

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,381	666	334	3,382	126,753
Changes during period					
Dividends of surplus					(3,798)
Profit attributable to owners of parent					11,632
Purchase of treasury shares					(2,817)
Disposal of treasury shares					29
Cancellation of treasury shares					—
Net changes in items other than shareholders' equity	1,119	1,605	345	3,070	3,070
Total changes during period	1,119	1,605	345	3,070	8,117
Balance at end of period	3,500	2,272	680	6,453	134,870

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	13,660	19,596	106,744	(11,584)	128,417
Changes during period					
Dividends of surplus			(3,264)		(3,264)
Profit attributable to owners of parent			10,037		10,037
Purchase of treasury shares				(3,000)	(3,000)
Disposal of treasury shares		404		528	932
Cancellation of treasury shares		(404)	(1,259)	1,663	—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	5,512	(808)	4,703
Balance at end of period	13,660	19,596	112,257	(12,393)	133,120

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,500	2,272	680	6,453	134,870
Changes during period					
Dividends of surplus					(3,264)
Profit attributable to owners of parent					10,037
Purchase of treasury shares					(3,000)
Disposal of treasury shares					932
Cancellation of treasury shares					—
Net changes in items other than shareholders' equity	(35)	650	128	742	742
Total changes during period	(35)	650	128	742	5,446
Balance at end of period	3,464	2,922	809	7,196	140,317

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	17,210	14,229
Depreciation	3,150	3,540
Impairment losses	931	432
Increase (decrease) in allowance for doubtful accounts	(73)	140
Increase (decrease) in retirement benefit liability	(436)	(627)
Interest and dividend income	(950)	(1,132)
Interest expenses	41	34
Loss (gain) on sale and retirement of non-current assets	19	(5)
Loss (gain) on valuation of investment securities	–	123
Decrease (increase) in trade receivables	12,963	(10,032)
Decrease (increase) in inventories	10,073	(40,172)
Decrease (increase) in operating accounts receivable	380	17
Decrease (increase) in other assets	1,095	(1,667)
Increase (decrease) in trade payables	(11,796)	20,912
Increase (decrease) in other liabilities	(38)	91
Other, net	(173)	451
Subtotal	32,394	(13,665)
Interest and dividends received	940	1,086
Interest paid	(49)	(31)
Income taxes paid	(6,354)	(5,617)
Net cash provided by (used in) operating activities	26,931	(18,228)
Cash flows from investing activities		
Payments into time deposits	(12,372)	(15,048)
Proceeds from withdrawal of time deposits	10,247	12,629
Payments into long-term deposits	(3,500)	–
Proceeds from withdrawal of long-term deposits	–	3,000
Purchase of property, plant and equipment	(2,742)	(6,262)
Proceeds from sale of property, plant and equipment	97	78
Purchase of investment securities	–	(149)
Purchase of intangible assets	(179)	(255)
Other, net	103	75
Net cash provided by (used in) investing activities	(8,345)	(5,931)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,187)	–
Redemption of bonds with share acquisition rights	–	(9,085)
Proceeds from the issuance of bonds with share acquisition rights	–	10,135
Purchase of treasury shares	(2,817)	(3,000)
Dividends paid	(3,798)	(3,264)
Other, net	(137)	(97)
Net cash provided by (used in) financing activities	(7,940)	(5,312)
Effect of exchange rate change on cash and cash equivalents	(1)	(420)
Net increase (decrease) in cash and cash equivalents	10,644	(29,892)
Cash and cash equivalents at beginning of period	66,017	76,662
Cash and cash equivalents at end of period	76,662	46,769

(5) Notes to consolidated financial statements

Notes on going concern assumption

None applicable.

Notes on changes in accounting policies

(Application of Accounting Standard for Current Income Taxes)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan [ASBJ] Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standards”) and other standards from the beginning of the consolidated accounting period.

With regard to the amendments to the classification of corporate taxes, etc. (taxation on other comprehensive income), the Company follows the transitional treatment set forth in the proviso to paragraph 20-3 of the 2022 Revised Accounting Standards and the transitional treatment set forth in the proviso to paragraph 65-2(2) of the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 Revised Implementation Guidance”). This treatment has no impact on the consolidated financial statements.

In addition, with regard to the amendments related to the revision of the treatment in consolidated financial statements when profits and losses on sales of subsidiary shares, etc. between consolidated companies are deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the consolidated accounting period. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year are after retrospective application.

This retrospective treatment has no impact on the consolidated financial statements for the previous fiscal year.

Significant matters serving as the basis for preparation of consolidated financial statements

a. Matters regarding scope of consolidation

The Company has all of its subsidiaries consolidated, and the number of consolidated subsidiaries is 22.

It newly established Hosiden India Private Limited and included it in the scope of consolidation from the fiscal year under review.

Domestic consolidated subsidiaries

Hosiden Seiko Corporation, Hosiden Kyushu Corporation, Hosiden F.D. Corporation, Hosiden Wakayama Corporation, Hosiden Plastics Corporation, and Hosiden Service Corporation

Overseas consolidated subsidiaries

Korea Hosiden Electronics Co., Ltd., Hong Kong Hosiden Ltd., Hosiden America Corp., Hosiden Singapore Pte. Ltd., Hosiden Electronics (Malaysia) Sdn. Bhd, Hosiden Besson Ltd., Hosiden Europe GmbH, Qingdao Hosiden Electronics Co., Ltd., Hosiden Electronics (Shanghai) Co., Ltd., Hosiden (Shenzhen) Co., Ltd., Hosiden Technology (Qingdao) Co., Ltd., Hosiden (Thailand) Co., Ltd., Hosiden Vietnam (Bac Giang) Co., Ltd., China Hosiden Co., Ltd., Hosiden Cambodia Co., Ltd., and Hosiden India Pte. Ltd.

b. Matters regarding fiscal year of consolidated subsidiaries

Of consolidated subsidiaries, the closing date of the following six overseas consolidated subsidiaries is December 31: Qingdao Hosiden Electronics Co., Ltd., Hosiden Electronics (Shanghai) Co., Ltd., Hosiden (Shenzhen) Co., Ltd., Hosiden Technology (Qingdao) Co., Ltd., Hosiden Vietnam (Bac Giang) Co., Ltd., and China Hosiden Co., Ltd. In preparing consolidated financial statements for the fiscal year under review, the Company uses the financial statements as of December 31, but made necessary consolidation adjustments for significant transactions that occurred thereafter until the consolidated closing date.

c. Matters regarding accounting policies

1. Valuation standards and methods for significant assets

Securities

Available-for-sale securities Non-marketable securities other than stocks, etc.

..... Market value method (Valuation difference is recognized directly into net assets in full, and the cost of securities sold is calculated based on the moving average method.) Non-marketable securities, stocks, etc.

..... Moving average cost method

Derivatives

..... Market value method

Inventories

..... The Company and domestic consolidated subsidiaries mainly use the periodic average method (values on the balance sheet are subject to the carrying amount reduction method based on decreased profitability). Meanwhile, overseas consolidated subsidiaries use the lower of cost or market method (using the first-in, first-out - 16 - Hosiden Corporation (6804) Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 method) for merchandise, and mainly the periodic average or weighted average method for finished goods, work in process, raw materials and supplies.

2. Depreciation and amortization method for significant depreciable assets

Property, plant and equipment

..... The Company and domestic consolidated subsidiaries use the diminishing balance method. However, the straight-line method is used for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and for facilities attached to buildings and also structures acquired on or after April 1, 2016. Overseas consolidated subsidiaries mainly use the straight-line method.

The useful lives of principal assets are as follows.

Buildings and structures: 31-50 years

Machinery, equipment and vehicles: 5-9 years

Intangible assets

..... Straight-line method. Software for internal use is amortized by the straight-line method based on the internal usable period (five years).

3. Standards for recognizing significant provisions

Allowance for doubtful accounts

..... To prepare for bad debt expenses, the estimated uncollectable amounts regarding normal receivables are recognized using the loan loss ratio, and the estimated uncollectable amounts regarding certain receivables, such as doubtful receivables, are recognized by separately examining their collectability.

Provision for bonuses for directors (and other officers)

..... To prepare for bonus payments to directors and other officers, the relevant provision is recognized based on the estimated payment amount.

4. Accounting method for retirement benefits

Period attribution method for the expected retirement benefits

..... For calculating retirement benefit obligations, the benefit formula standards are used regarding the method of attributing the expected retirement benefits to the periods until the fiscal year under review.

Expensing method for actuarial gains and losses and past service costs

..... Past service costs are amortized by the straight-line method over a period within the average remaining service years for employees at the time of recognition (mainly five years).

..... Actuarial gains and losses are amortized by the straight-line method over a period within the average remaining service years for employees at the time of recognition (mainly five years), and allocated proportionately from the fiscal year following the respective fiscal year of recognition.

Accounting method for unrecognized actuarial gains and losses and unrecognized past service costs

..... Unrecognized actuarial gains and losses and unrecognized past service costs are recognized at the remeasurements of defined benefit plans item of accumulated other comprehensive income in net assets after adjusting tax effects.

5. Standards for recognition of significant revenues and expenses

The Group's principal business is developing, manufacturing, and selling electronic components. Sales transactions to customers are based on the terms and conditions determined by agreement with the customer, and revenue is recognized when the performance obligation is satisfied by the transfer of control of the product to the customer. For product sales, the Company determines that the performance obligation is satisfied when the customer obtains control over the product at the time of delivery. However, for domestic product sales, the Company recognizes revenue at the time of shipment to the domestic delivery location designated by the customer.

6. Scope of net cash in the consolidated statement of cash flows

The scope of net cash (cash and cash equivalents) in the consolidated statement of cash flows includes cash on hand, deposits drawable at any time, and short-term investments that are readily convertible to cash, are exposed to insignificant risks of changes in value and are redeemable within three months.

7. Accounting treatment for non-deductible consumption taxes on assets

Non-deductible consumption taxes and local consumption taxes on assets are treated as expenses for the fiscal year under review.

Segment information, etc.

Segment information

1. Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and which the Board of Directors regularly reviews to make decisions regarding the allocation of management resources and evaluate operating performance.

The Company develops, manufactures and sells electronic components as its main business, and sets four reportable segments taking into account the product types and similarities of their businesses: electro-mechanical components, acoustic components, display components, and applied equipment and other.

The electro-mechanical components segment primarily includes connectors, jacks and switches. The acoustic components segment primarily includes microphones, headphones, headsets, speakers and receivers. The display components segment primarily includes touch panels components. The applied equipment and other segment represents the applied devices that do not belong to the above segments.

2. Calculation of net sales, profit or loss, assets and other items by reportable segment

Accounting methods for the reportable business segments are generally consistent with those described in the section "Significant matters serving as the basis for preparation of consolidated financial statements."

Reportable segment profit is based on operating profit. Inter-segment sales and transfers are based on the actual transaction volume.

3. Net sales, profit or loss, assets and other items by reportable segment

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments					Adjustments or company- wide (Note 1)	Amounts in consolidated financial statements (Note 2)
	Electro- mechanical components	Acoustic components	Display components	Applied equipment and other	Total		
Net sales							
Sales to unaffiliated customers	184,874	20,183	2,481	11,371	218,910	—	218,910
Inter-segment sales and transfers	—	—	—	—	—	—	—
Total	184,874	20,183	2,481	11,371	218,910	—	218,910
Segment profit (loss)	9,310	1,533	(431)	2,513	12,925	—	12,925
Segment assets	61,152	12,087	1,341	5,410	79,992	95,015	175,008
Other items							
Depreciation	2,338	526	46	239	3,150	—	3,150
Increase in property, plant and equipment and intangible assets	1,556	604	248	235	2,644	188	2,833

Notes: 1. The adjustments are as follows:

- (1) The company-wide assets of 95,015 million yen for segment assets include cash and deposits, securities, investment securities and deferred tax assets, etc.
- (2) Of the increase in property, plant and equipment and intangible assets, 188 million yen is company-wide assets that are not allocated to each reportable segment.

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

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments					Adjustments or company- wide (Note 1)	Amounts in consolidated financial statements (Note 2)
	Electro- mechanical components	Acoustic components	Display components	Applied equipment and other	Total		
Net sales							
Sales to unaffiliated customers	214,651	20,997	2,201	9,721	247,571	—	247,571
Inter-segment sales and transfers	—	—	—	—	—	—	—
Total	214,651	20,997	2,201	9,721	247,571	—	247,571
Segment profit (loss)	10,781	1,851	(270)	1,210	13,573	—	13,573
Segment assets	113,592	13,589	626	4,145	131,954	68,324	200,279
Other items							
Depreciation	2,740	509	37	253	3,540	—	3,540
Increase in property, plant and equipment and intangible assets	5,261	732	218	221	6,434	299	6,733

Notes: 1. The adjustments are as follows:

- (1) The company-wide assets of 68,324 million yen for segment assets include cash and deposits, securities, investment securities and deferred tax assets, etc.
- (2) Of the increase in property, plant and equipment and intangible assets, 299 million yen is company-wide assets that are not allocated to each reportable segment.

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

Per share information

(Yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net assets per share	2,609.20	2,757.39
Basic earnings per share	224.23	194.76
Diluted earnings per share	205.62	181.88

Note: The basis for calculation is as follows.

1. Basic earnings per share and diluted earnings per share

	Previous fiscal year (From April 1, 2023 to March 31, 2022)	Current fiscal year (From April 1, 2024 to March 31, 2025)
(1) Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	11,632	10,037
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (Millions of yen)	11,632	10,037
Average number of common shares outstanding during the period (Thousands of shares)	51,874	51,534
(2) Diluted earnings per share		
Adjustment to profit attributable to owners of parent (Millions of yen)	(14)	(12)
(Of which, amortization amount of bonds discount and expenses (after deducting the tax-equivalent amount))* (Millions of yen)	[(14)]	[(12)]
Increase in common shares (Thousands of shares)	4,624	3,581
Overview of potential shares that were not included in the calculation of diluted earnings due to lack of a dilutive effect	—	—

Note: This represents the amortization amount (after deducting the tax-equivalent amount) relating to the difference occurred due to the issuance of bonds at the value higher than the face value.

2. Net assets per share

	Previous fiscal year-end (March 31, 2024)	Current fiscal year-end (March 31, 2025)
Total net assets (Millions of yen)	134,870	140,317
Amount to be deducted from total net assets (Millions of yen)	—	—
Year-end net assets relating to common shares (Millions of yen)	134,870	140,317
Number of year-end common shares used for the calculation of net assets per share (Thousands of shares)	51,690	50,887

Significant subsequent events

None applicable

5. Others

(1) Changes in the representative

None applicable.

(2) Changes in other directors and officers (scheduled for June 26, 2025)

1. Candidates for New Directors

Director Shingo Sato (currently Executive Officer and Business Unit Manager, General Components& Product Business Unit, the Company)

2. Candidates for New Outside Directors

Director Yukiko Hirazawa (currently Director of Yukiko Hirazawa Tax Accountant Office)
Former District Director, Kadoma Tax Office

3. Candidates for New Audit & Supervisory Board Member

Full-time Audit & Supervisory Board Member Tatsuo Kamitani (currently Specialist, President's Office, the Company)

4. Retiring Outside Director

Director Hiroshi Horie

5. Retiring Audit & Supervisory Board Member

Full-time Audit & Supervisory Board Member Shinji Hombo