



Financial Results Briefing for the Fiscal Year Ended March 31, 2026

**HOSIDEN CORPORATION
May 14, 2026**

Agenda

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Part1 FY2026/03 Full-Year Results

Part2 FY2027/03 Full-Year Forecast

Part3 Topics

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**Part1 Message from Kenji Furuhashi,
President & CEO**

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Overview of Business Results for FY26/03

• Full-Year Result : [Increase in Sales and Profit](#)

(Unit : Billions of yen)

Sales	FY25/03	▶	FY26/03	Difference +200.7 (+81.1%)	Amusement	+208.6
	247.6		448.3		Mobile Communications	△8.3
					Automotive	+2.9
					Other	△2.5
Operating profit	FY25/03	▶	FY26/03	Difference +5.7 (+41.7%)	*Foreign exchange gain	
	13.6		19.2		FY25/03 :	45 millions of yen
					FY26/03 :	4,182 millions of yen
Exchange rate	152.56 Yen/USD		150.78 Yen/USD			

Point

- Net sales amounted to ¥448.3 billion, approximately 1.8 times year-on-year, as strong sales to the amusement market and increased sales for automotive market more than offset declines in sales to the mobile communications and other markets.
- In terms of profitability, driven mainly by growth in sales to the amusement market, operating profit increased by 41.7% year-on-year to ¥19.2 billion. In addition, foreign exchange gains of approximately ¥4.2 billion contributed to a 66.8% increase in ordinary profit to ¥24.6 billion.
- Net profit attributable to owners of the parent reached a record high of ¥16.2 billion. With a payout ratio of 30%, the year-end dividend is expected to be ¥73 per share, and together with the interim dividend of ¥25, the annual dividend is planned to be ¥98 per share.

FY26/03 Full-Year Results: Sales by Market

	FY25/03		FY26/03				YoY	
	Full-Year		H1	H2	Full-Year		(millions)	(%)
	(millions)	(%)	(millions)	(millions)	(millions)	(%)		
Amusement	145,479	58.7	197,162	156,900	354,062	79.0	+208,583	+143.4
Mobile Communications	54,231	21.9	23,985	21,918	45,903	10.2	▲8,328	▲15.4
Automotive	30,629	12.4	15,589	17,990	33,579	7.5	+2,950	+9.6
Other	17,232	7.0	8,690	6,016	14,706	3.3	▲2,526	▲14.7
Total	247,571	100.0	245,426	202,824	448,250	100.0	+200,679	+81.1

FY26/03 Full-Year Results: Sales by Market

(Unit: Billions of yen)

Amusement
354.1

YoY : +208.6 (+143.4%)

→Sales of major customers' new products are performing well.

Mobile Communications
45.9

YoY : ▲8.3 (▲15.4%)

→Sales to key customers were exceptionally strong in Q1 of the previous fiscal year. In addition, a decline in share for some mid-range models in FY26/03 had an impact; however, orders for successor models are being secured in FY27/03.

Automotive
33.6

YoY : +3.0 (+9.6%)

→Mainly due to increased sales of mechanical components to Japanese automotive manufacturers

Other
14.7

YoY : ▲2.5 (▲14.7%)

→Although there was an increase in sales for wearables, the decline in medical, healthcare-related, and AV equipment segments had an impact.

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Forecast for the Fiscal Year Ending FY27/03

• H1 Forecast

(Unit : Billions of yen)

Sales	FY26/03 H1	▶	FY27/03 H1	Difference △7.4 (△3.0%)	Amusement	△11.0
	245.4		238.0		Mobile Communications	+3.0
Operating profit	FY26/03 H1	▶	FY27/03 H1	Difference +1.5 (+18.5%)	Automotive	+2.0
	8.1		9.6		Other	△1.4
Exchange rate	146.04 Yen/USD		155 Yen/USD		In the first half of FY26/03, operating profit was negatively affected by a sharp appreciation of the yen in the Q1; however, no such foreign exchange impact is assumed in our forecast for FY27/03.	



• Full-Year Forecast

Sales	FY26/03	▶	FY27/03	Difference △12.3 (△2.7%)	Amusement	△20.9
	448.3		436.0		Mobile Communications	+7.0
Operating profit	FY26/03	▶	FY27/03	Difference △1.2 (△6.4%)	Automotive	+2.3
	19.2		18.0		Other	△0.7
Exchange rate	150.78 Yen/USD		155 Yen/USD		Operating profit is forecast to decrease by 6.4% year-on-year to ¥18.0 billion.	

FY27/03 Full-Year Forecast

	FY26/03		FY27/03 Forecast				YoY	
	(millions) Profit Margin(%)		H1 (millions)	H2 (millions)	Full-Year (millions) Profit Margin(%)		(millions)	(%)
Net sales	448,250	-	238,000	198,000	436,000	-	▲12,250	▲2.7
Operating profit	19,236	4.3	9,600	8,400	18,000	4.1	▲1,236	▲6.4
Ordinary profit	24,644 (+4,182)	5.5	9,100 (▲1,000)	8,900 (-)	18,000 (▲1,000)	4.1	▲6,644	▲27.0
Net profit	16,206	3.6	6,400	6,100	12,500	2.9	▲3,706	▲22.9

FY27/03 Full-Year Forecast

(Unit: Billions of yen)

Sales
436.0

- Please refer to “Full-Year Forecast: Sales by Market” on the following pages.

Operating profit
18.0

- In FY26/03, operating profit was negatively impacted by approximately ¥2.4 billion due to the rapid appreciation of the yen in Q1. However, for FY27/03, we assume an exchange rate of ¥155, and do not expect any foreign exchange impact on operating profit.

Ordinary profit
18.0

- In FY26/03, non-operating income included approximately ¥1.2 billion in interest and dividend income and approximately ¥4.2 billion in foreign exchange gains. In FY27/03, we assume approximately ¥1.0 billion in interest and dividend income (¥0.5 billion in H1 and ¥0.5 billion in H2) and approximately ¥1.0 billion in foreign exchange losses (in H1).

FY27/03 Full-Year Forecast: Sales by Market

(Unit : Billions of yen)

Amusement

- YonY : 354.1 → **333.2** (▲**5.9%**)
- We expect sales to major customers to decline.

Mobile Communications

- YonY : 45.9 → **52.9** (**+15.2%**)
- We expect increased demand from major customers and a recovery in market share.

Automotive

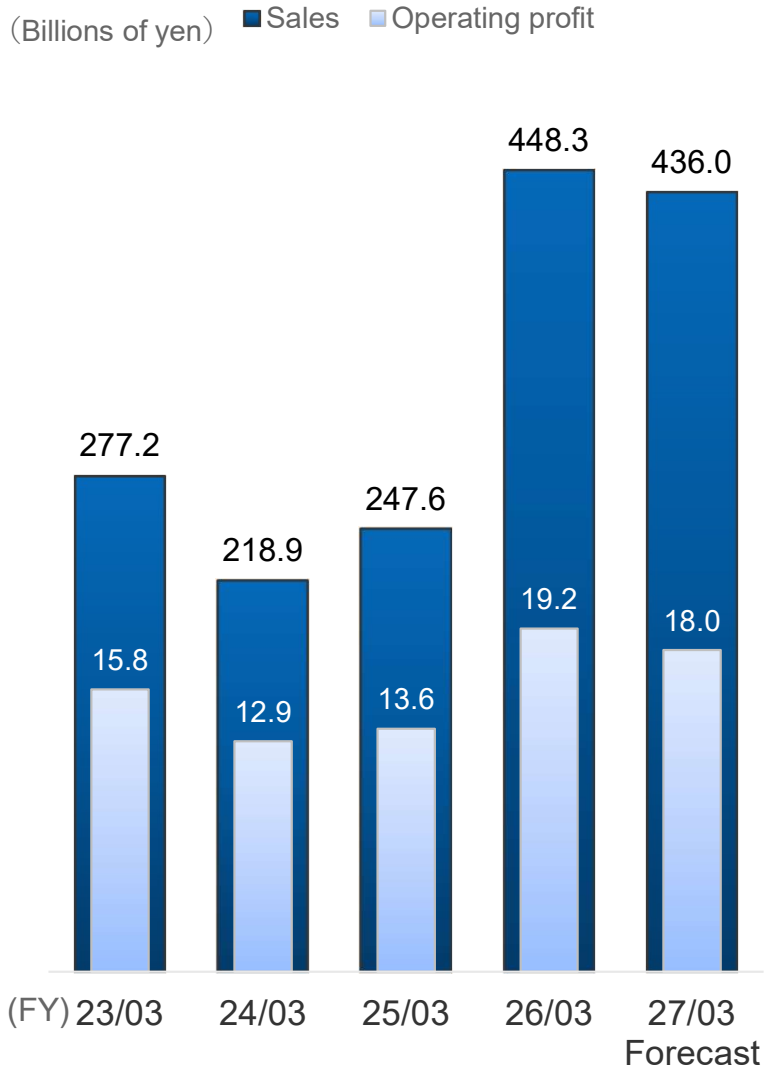
- YonY : 33.6 → **35.9** (**+6.9%**)
- Growth is expected mainly in mechanical components.

Other

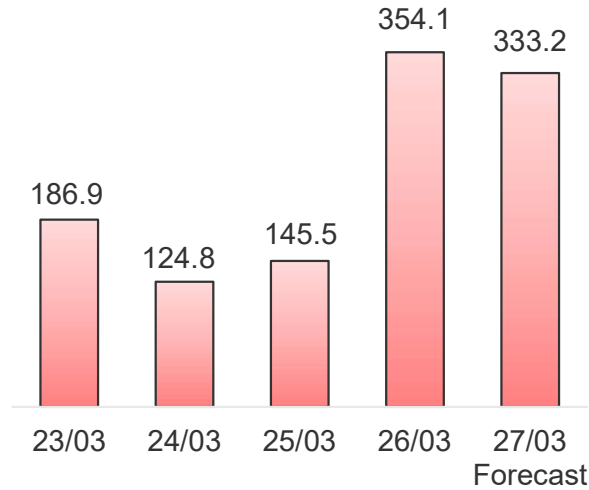
- YonY : 14.7 → **14.0** (▲**4.8%**)
- Although recovery is expected in medical, healthcare related, a decline is anticipated in the AV equipment segment.

Full-year Sales Transition by Market

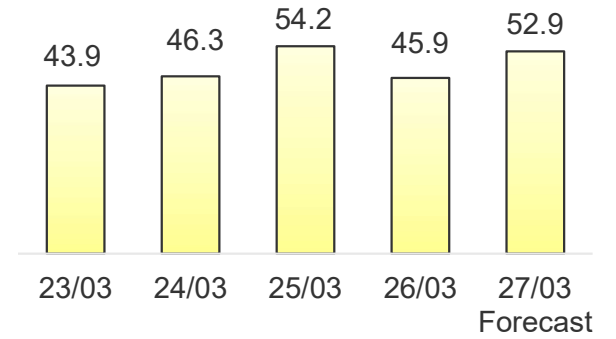
Sales · Operating Profit



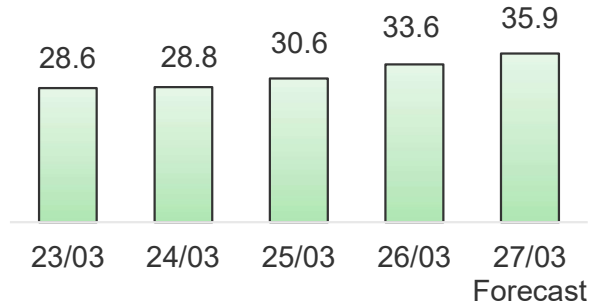
Amusement



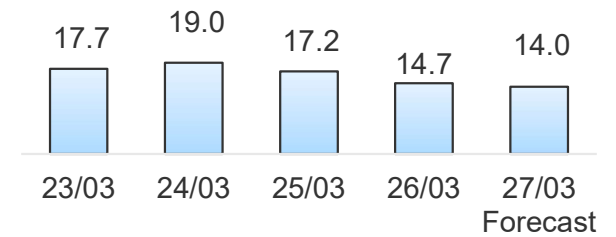
Mobile Communications



Automotive



Other



Full-year Sales Transition by Market (H1/H2)

Sales

300.0

250.0

200.0

150.0

100.0

50.0

0.0

(FY)

25/03
H1

25/03
H2

26/03
H1

26/03
H2

27/03
H1

27/03
H2

(Forecast)

116.2

9.3

15.2

30.3

61.4

131.4

7.9

15.5

23.9

84.1

245.4

8.7

15.6

24.0

197.2

202.8

6.0

18.0

21.9

156.9

238.0

7.3

17.6

27.0

186.2

198.0

6.7

18.3

26.0

147.1

(Billions of yen)

Other

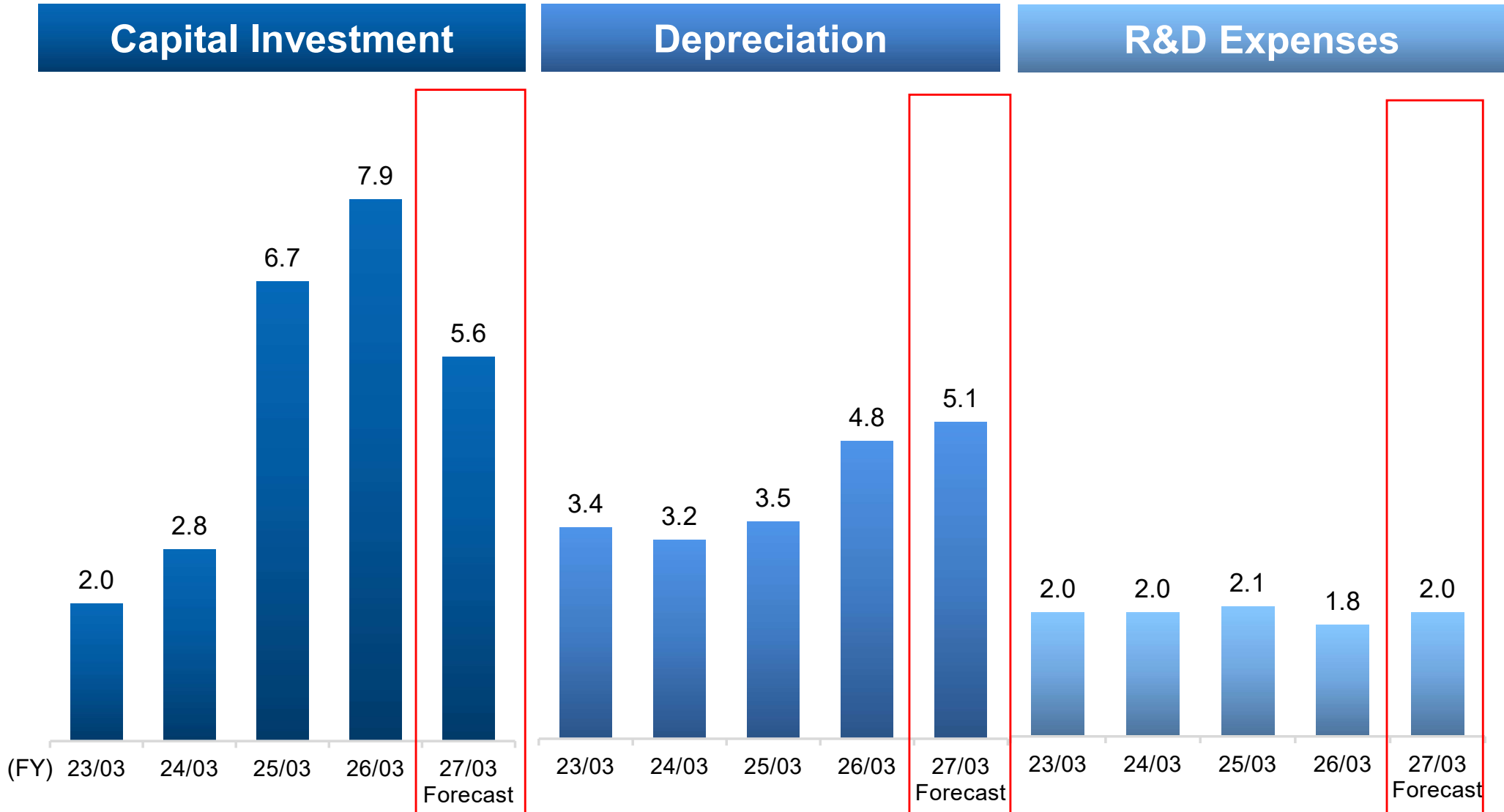
Automotive

Mobile communications

Amusement

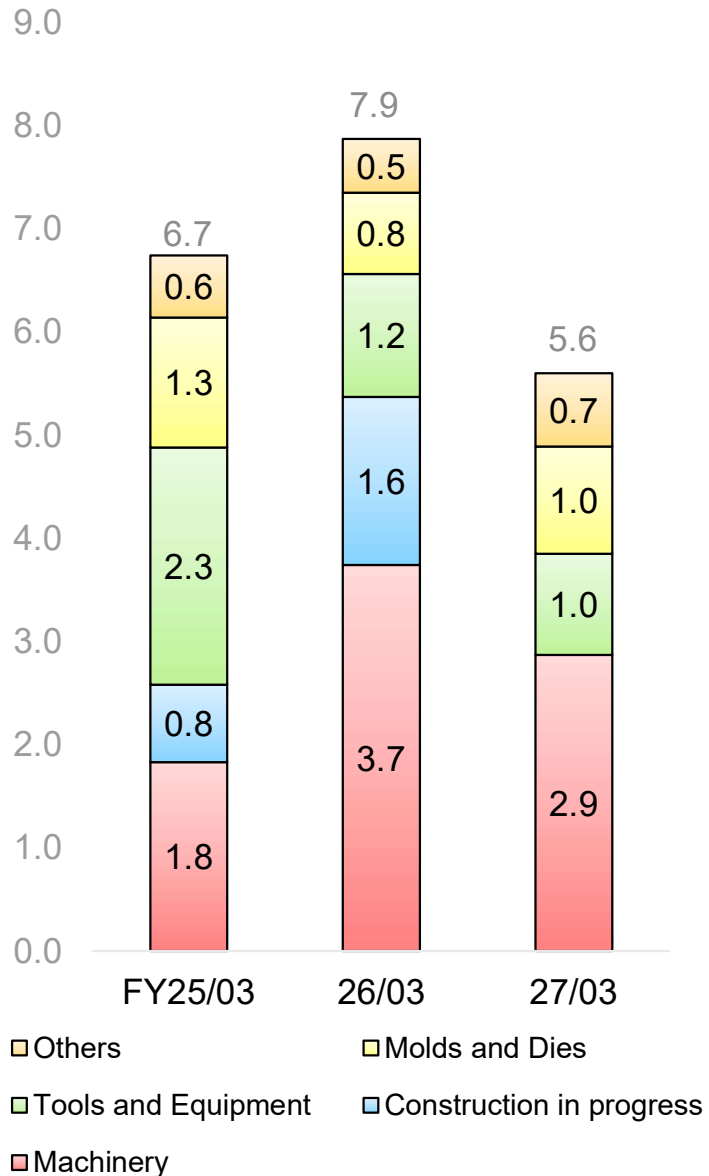
Full-year forecast for capital investment, depreciation, and R&D expenses

(Billions of yen)



Capital Investment

(Billions of yen)



FY	Main investment objectives
25/03	<ul style="list-style-type: none"> Capital investments in machinery, tools and equipment, and dies and molds associated with the launch of new products mainly for the amusement market. CIP related to the construction of a new building in Vietnam for the amusement market. Automation investments for the mobile communications market. Investments for the automotive equipment and other markets.
26/03	<ul style="list-style-type: none"> Capital investments in machinery, tools and equipment, and dies and molds associated with increased production and in-house manufacturing of new products mainly for the amusement market. Construction in progress related to the construction of a new building in Vietnam for the amusement market. Automation investments for the mobile communications market. Construction in progress associated with the startup of a new plant in India. Investments for the automotive equipment and other markets.
27/03	<ul style="list-style-type: none"> Capital investments in machinery, tools and equipment, and dies and molds associated with the shift to in-house manufacturing and automation of new products mainly for the amusement market are expected. Automation investments for the mobile communications segment. Investments for the Automotive equipment and other markets.



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Record-high net profit for the full year

(Billions of yen)

	Net profit
FY2001/03 (Record)	14.5
FY2026/03	16.2

*Net income for FY2026/03 surpassed the previous record set in FY2001/03.

Cash Position

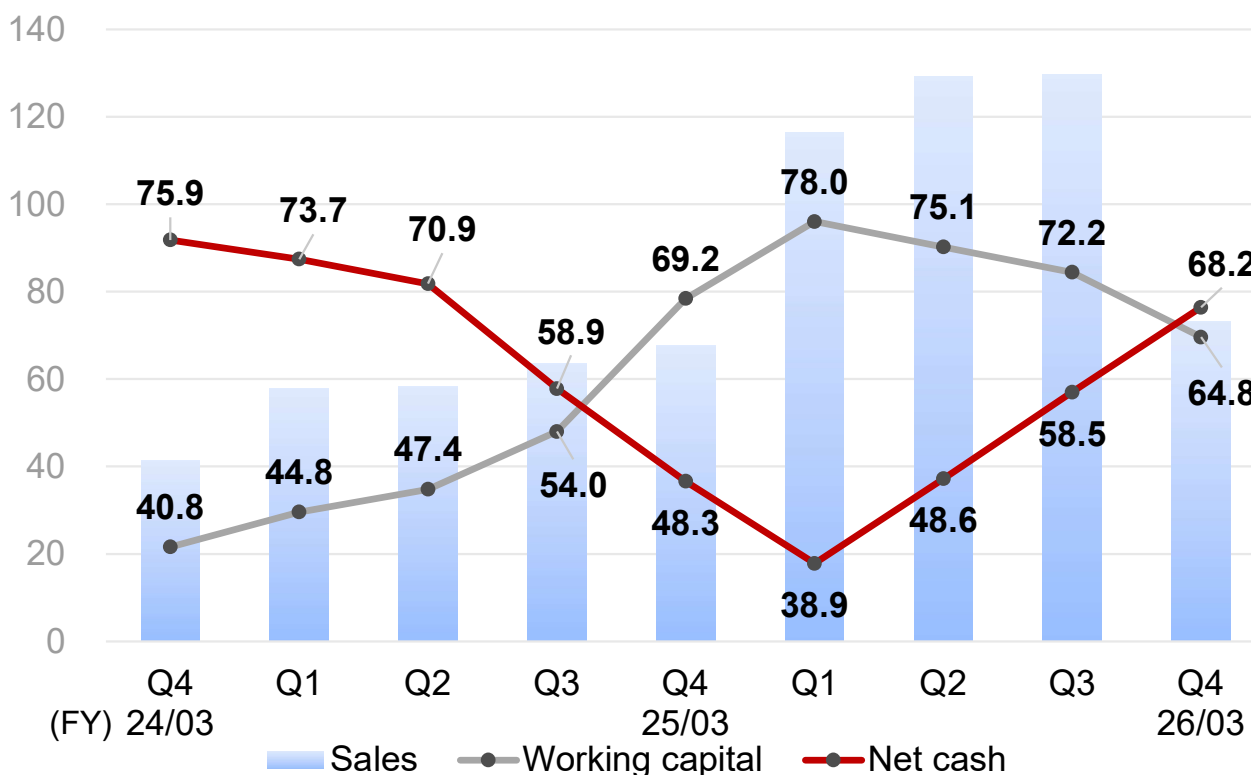
(Billions of yen)	24/03	25/03			26/03				
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales	41.4	57.9	58.3	63.6	67.8	116.3	129.1	129.6	73.2
Working capital *	40.8	44.8	47.4	54.0	69.2	78.0	75.1	72.2	64.8
Net cash	75.9	73.7	70.9	58.9	48.3	38.9	48.6	58.5	68.2

* (Account receivable + Receivables from subcontractors + Inventory) – Accounts payable

【Explanation】

During periods of rising sales (light blue bars), required working capital (gray line) increases, while net cash (red line) declines significantly. When cash becomes constrained, we avoid external financing as much as possible and instead share funds within the Group, thereby preventing deterioration in ROA.

Assuming a seasonally driven increase in sales in the first half of FY27/03, net cash is expected to decrease sharply in Q2.



Shareholder Returns(Current Status and Goals)

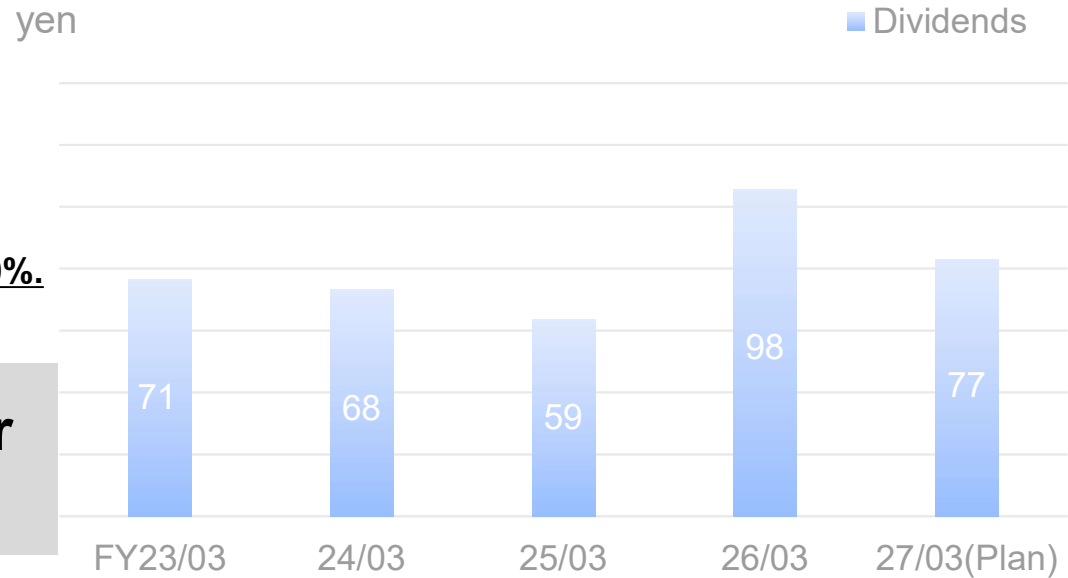
Final dividend per share

【Dividend Policy】

Stable Dividend

- Set a dividend payout ratio of 30%.

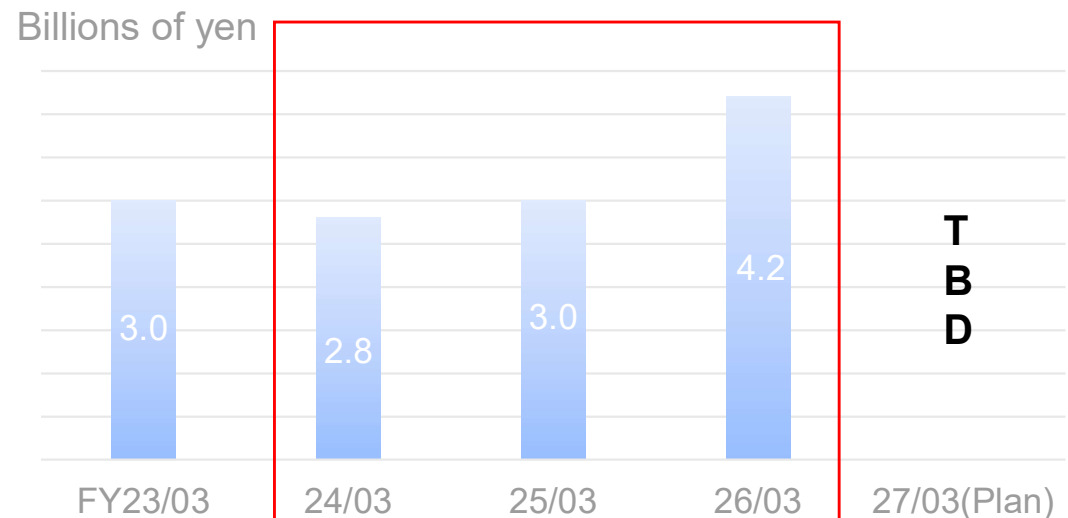
FY27/03 **77 yen/year**
(FY26/03 98yen/year)



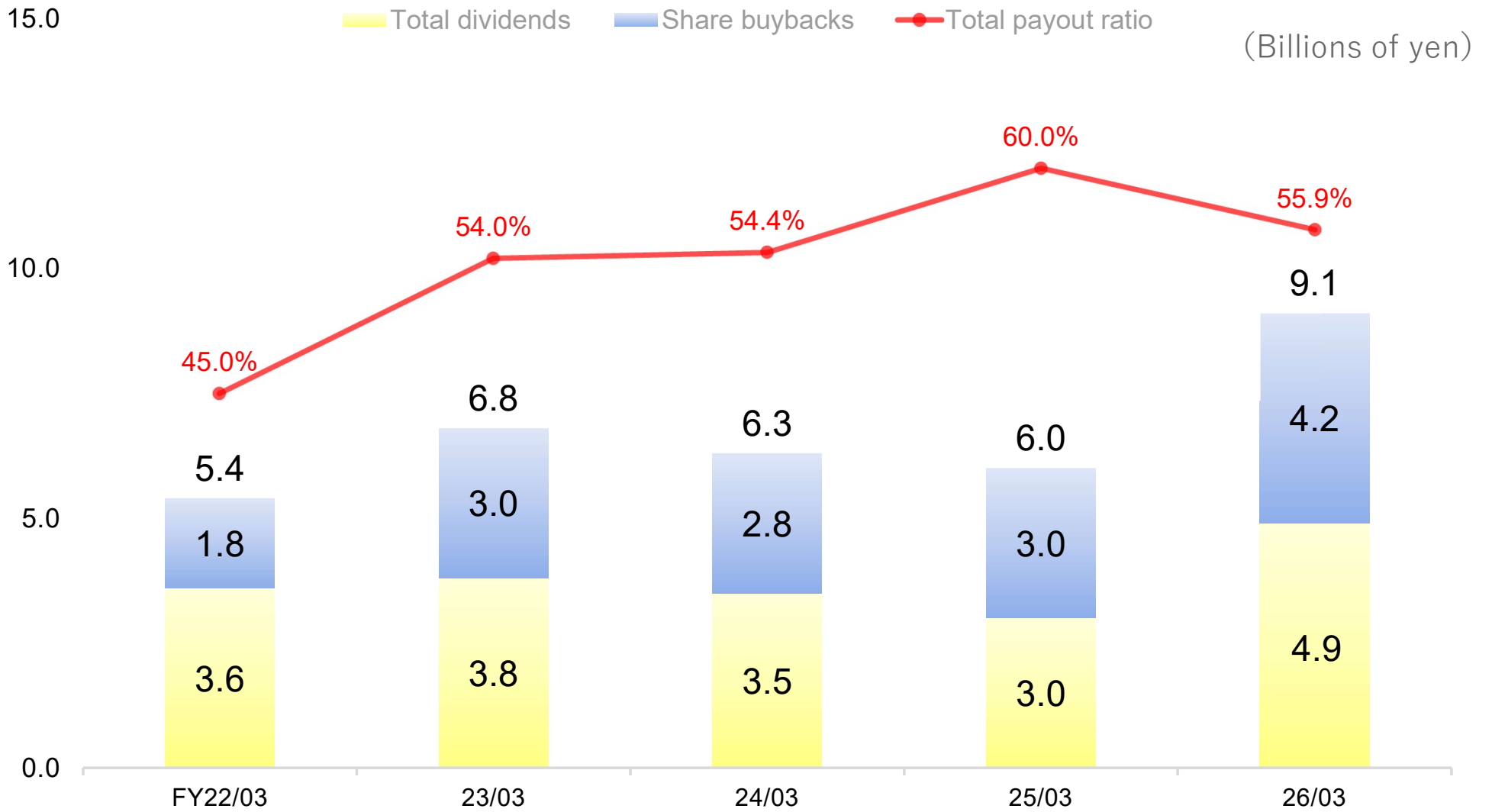
Treasury stock investment

【Share Repurchase Policy】

- Achieved cumulative share buybacks and cancellations of more than 10 billion yen by FY26/03



Shareholder returns



DPS	65yen	71yen	68yen	59yen	98yen
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Construction of a new factory in Vietnam

Purposes

- To increase production capacity
(in the past there were 6 factories in China, now there are 2)
- Expansion in countries and regions other than China, including tariff measures in the United States

New Factory

- Building 8 of Hosiden Vietnam (Bac Ninh Province)
- Floor area: 24,000m² (1 floor 6,000m² x 4 floors, solar panels installed on the roof)
- Operations will commence in March 2026 (solar panels are scheduled to begin operation around summer 2026).



Hosiden Vietnam (Bac Ninh Province)

(Building 8)

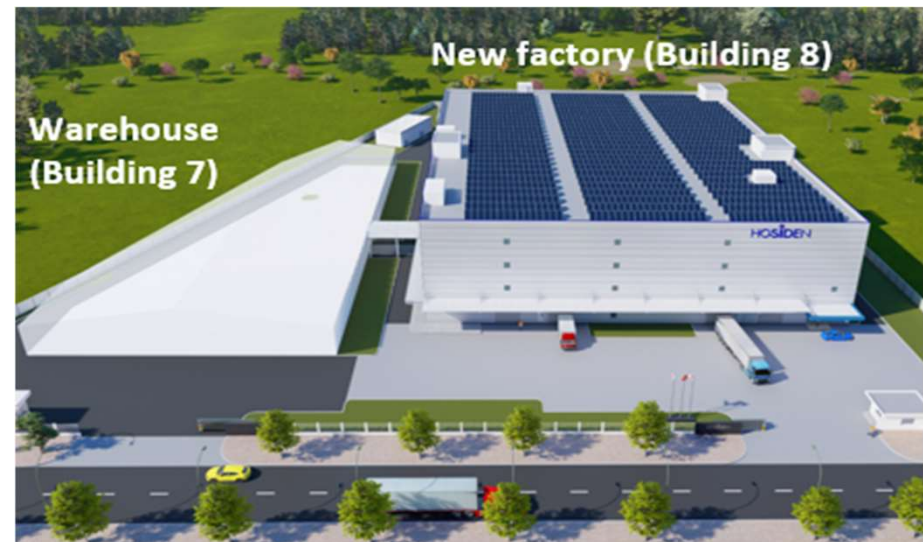


Image of Building 8

India new factory

Purposes

- Expansion of production within India and sales both domestically and internationally.

New Factory

- Initially, production and sales were planned for in-vehicle microphones and air-conditioner remote controls.
- "Office building: three stories; Production building: two stories.
- Construction to begin in FY26/03, scheduled to operate in FY27/03.



Image

Installation of Solar Panels

In operation



Hosiden Wakayama



Hosiden Kyusyu



Hosiden Besson 1st phase
(United Kingdom)



Hosiden Tokyo Engineering
& Production Dept.

In operation



Hosiden Head Office
Building No.5

Starting operation in FY27/03(summer)



Hosiden Vietnam (Bac Ninh Province)
(Image of new building 8)



Hosiden Vietnam (Bac Ninh Province)
(Image of new building 1,2,3)

Initiatives for Carbon Neutrality

CO2 reduction targets

- Long-term target: Aim for 42% reduction by the end of FY2030 compared to FY2023 levels.(Scope1,2)
- Long-term target: Aim for 25% reduction by the end of FY2030 compared to FY2023 levels.(Scope3)

Site	Annual CO2 reduction	CO2 reduction rate	Operation started from
Hosiden Wakayama	83 ton	38.10%	Oct. 2022
Hosiden Kyushu	180 ton	15.19%	Feb. 2023
Hosiden Besson (UK)	31 ton	37.57%	Apr. 2023 (1 st phase) Sep. 2023 (2 nd phase)
Hosiden Tokyo Engineering & Production Dept.	39 ton	33.07%	Sep. 2024
Hosiden Head Office Building 5	96 ton	8.22%	Dec. 2024
Hosiden Vietnam (Building1,2,3)	630 ton	3.69%	FY26/03 summer (Plan)
Hosiden Vietnam (Building 8)	700 ton	4.10%	FY26/03 summer (Plan)

- Installed solar panels on the roof of our head office building 3 beginning April 2014
- Working to switch to LED lighting in offices and production buildings, purchasing electricity using renewable energy, etc.



• CDP (Carbon Disclosure Project) Score

*CDP is an international NGO founded in the United Kingdom in 2000.

*A criterion used by both institutional and individual investors in selecting investments.

Hosiden's CDP score history

FY	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CDP Score (Climate change)	D ⁻	D ⁻	D	D ⁻	D ⁻	D ⁻	D	C	B	B	B

We aim to elevate our position even further.



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1 .President's Message

1-1 Current Challenges

- Current challenges can be summarized into the following three points:
 - ① Synthetic resins
 - Unstable supply; rising prices; limited impact on amusement business
 - ② Memory
 - Sharp price increases; procurement difficulties
 - ③ Rare metals
 - Usage minimized, but supply remains unstable

1-2 Full-year forecast for FY2027/03

- Regarding the Company's forecast, visibility is clear for the first half, while the second half remains uncertain, and sales are expected to decline in the January–March period; furthermore, it was difficult to formulate the full-year forecast this time due to the overlap of the earnings announcement date with that of a major customer, and we aim to increase production volume by utilizing the facilities at the new plant.

1-3 Overview by Market

1) Amusement

- The launch of the new product business was very strong, and the Vietnam factory operated at full capacity. In Vietnam, large-scale manufacturers have been increasingly entering the market, making it more difficult to hire workers. Intensifying wage competition has led to a significant decline in employee retention. Wages increased by approximately 40% in the previous year. While Vietnam was once characterized by low wages and an abundant labor supply, hiring has now become more challenging and labor costs have surged. We will continue to make every effort to maintain production quality.

2) Mobile Communications

- Sales in the first half of FY2026/03 declined by approximately 20%, but partially recovered in the second half, resulting in an overall decline of around 15% for the full year. For FY2027/03, orders for new products have already been secured, and a recovery is expected. We will continue to focus on this segment.

3) Automotive

- EV-related challenges persist, but OEM performance is improving. Most Japanese and U.S. automakers are near plan achievement, with Europe also recovering. No current business with Chinese OEMs due to payment terms and inventory risks; monitoring the situation. Transportation sales grew 9% last year and are expected to grow ~7% this year.

4) Others

- Declines in AV equipment and medical, healthcare related segments; recovery expected to take time.
Continued focus on growth in other markets.

1-4 Capital investment

- Capital investment have increased from ¥2.8 billion in FY24/03 to ¥6.7 billion in FY25/03 and ¥7.9 billion in FY26/03. The most significant recent increase has been in machinery-related investments. In Vietnam, due to labor shortages and rising labor costs, we will continue to actively promote automation investments. For the construction of Building No. 8 in Vietnam, we selected a Japanese contractor with a proven track record, taking durability into account. The facility is well-equipped with advanced production equipment. While no major investments in buildings are planned for FY27/03, we expect to maintain a certain level of capital investment going forward.

1-5 New Business

- As part of our new business initiatives, we are focusing on sensor technologies. As reported by some media outlets, we aim to develop sensing solutions that can quickly transmit signs of natural disasters and other events wirelessly to local governments and national authorities. Although other companies are also working on sensors, the market is relatively small and characterized by high-mix, low-volume production, resulting in limited participation. However, we aim to leverage our core technologies to expand our product lineup and develop a business that can contribute to a wide range of industries.

1-6 Cash

- Although it is sometimes said that the Company holds excessive cash, the amusement business requires a significant amount of working capital. If chargeable materials increase suddenly, cash levels can decline rapidly.
- Due to seasonality, after the Christmas and Black Friday sales periods, production adjustments are made, resulting in reduced payments and increased collections, which in turn raise the Company's cash balance at the end of March.
- On the other hand, cash becomes tighter toward the year-end sales season. Although the Company has not relied on borrowings for many years, the situation this year will depend on order volumes.
- Approximately 90% of transactions are denominated in U.S. dollars, and borrowing in U.S. dollars would require relatively high interest payments.



Q & A

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Q&A

Q-1 Will amusement production increase from Q1 FY2027/03?

A-1 It will definitely increase compared to Q4 of the previous fiscal year.

Q-2 In the amusement business, if materials are provided on a chargeable basis, will price increases in those materials lead to higher sales?

A-2 Sales will increase; however, if processing fees remain unchanged, profit margins will decline.

- Q-3** For the FY2027/03 plan, will automation have an impact on profits? Also, is an improvement in profit margins expected this fiscal year?
- A-3** It is difficult to realize the benefits of automation from the first year. In addition, the initial setup is not easy, and the increase in labor costs may outweigh the benefits of automation. Therefore, an improvement in profit margins is unlikely this fiscal year. The effects are expected to materialize from FY2028/03 onward.
- Q-4** You mentioned procurement issues as a risk factor. Do you have visibility on countermeasures for this year?
- A-4** We are currently in negotiations regarding procurement. However, it is not possible to continue the business without any changes in procurement prices. It will be important to continue discussions with customers to determine how much of the cost increases can be passed on.

Q-5 For the FY2027/03 plan, have risk factors been incorporated?

A-5 At this stage, we have been able to manage the situation, and no specific risks have been factored into the plan. However, there remains a possibility that impacts may arise going forward.

Q-6 In announcing the medium-term management plan, are there any key strategies for growth in the automotive and smartphone markets?

A-6 We will formulate a new three-year medium-term plan this year. As a basic policy, we aim to ensure growth in sales outside the amusement business. In particular, in the automotive business, we are taking actions with a long-term perspective. For smartphones, while significant growth is not expected, we aim to achieve steady annual growth of a few percent.

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THANK YOU !

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