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MEMBERSHIP

May 13, 2022

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under Japanese GAAP)

Company name: Hosiden Corporation  
 Listing: Tokyo Stock Exchange  
 Securities code: 6804  
 URL: <https://www.hosiden.com/index.html>  
 Representative: Kenji Furuhashi, President and CEO  
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Scheduled date of ordinary general meeting of shareholders: June 29, 2022  
 Scheduled date to commence dividend payments: June 30, 2022  
 Scheduled date to file annual securities report: June 29, 2022  
 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, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	207,608	(11.3)	11,725	(5.3)	15,786	17.8	11,901	15.1
March 31, 2021	233,934	10.4	12,377	10.3	13,401	18.0	10,338	9.6

(Note) Comprehensive income For the fiscal year ended March 31, 2022 13,469 million yen [12.9%]  
 For the fiscal year ended March 31, 2021 11,932 million yen [45.9%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2022	211.57	196.32	10.4	9.5	5.6
March 31, 2021	178.70	166.28	9.8	8.6	5.3

(Reference) Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2022 – million yen  
 For the fiscal year ended March 31, 2021 – 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, 2022	171,525	119,533	69.7	2,175.11
March 31, 2021	161,894	109,250	67.5	1,935.14

(Reference) Equity

As of March 31, 2022 119,533 million yen  
As of March 31, 2021 109,250 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, 2022	(1,230)	(3,059)	(3,748)	62,479
March 31, 2021	12,590	(2,360)	(3,860)	69,522

## 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			
Fiscal year ended March 31, 2021	Yen –	Yen 10.00	Yen –	Yen 15.00	Yen 25.00	Millions of yen 1,431	% 13.8	% 1.4
Fiscal year ended March 31, 2022	–	10.00	–	55.00	65.00	3,587	30.1	3.1
Fiscal year ending March 31, 2023 (Forecast)	–	23.00	–	23.00	46.00		29.7	

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

## 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
Six months ending September 30, 2022	89,000	(8.0)	4,200	(36.3)	4,700	(36.6)	3,600	(39.9)	65.51
Full year	210,000	1.2	10,000	(14.7)	11,000	(30.3)	8,500	(28.6)	154.67

Financial results forecasts are based on the assumption of a foreign exchange rate of 125 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

- (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, 2022	64,710,084 shares
As of March 31, 2021	67,710,084 shares

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

As of March 31, 2022	9,755,041 shares
As of March 31, 2021	11,253,893 shares

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

Fiscal year ended March 31, 2022	56,255,530 shares
Fiscal year ended March 31, 2021	57,856,544 shares

## (Reference) Overview of non-consolidated financial results

### 1. Non-consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	161,003	(18.3)	6,775	0.9	11,424	36.3	14,064	52.8
March 31, 2021	197,085	18.0	6,717	33.0	8,381	47.0	9,206	101.6

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	250.01	232.03
March 31, 2021	159.13	148.05

**(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, 2022	133,435	88,939	66.7	1,618.40
March 31, 2021	131,109	78,137	59.6	1,384.03

(Reference) Equity

As of March 31, 2022 88,939 million yen  
As of March 31, 2021 78,137 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.

**Consolidated financial statements and significant notes thereto****Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	52,371	49,794
Notes and accounts receivable - trade	25,738	–
Notes receivable - trade	–	1,253
Accounts receivable - trade	–	24,611
Securities	18,400	13,699
Merchandise and finished goods	5,494	9,923
Work in process	1,846	3,117
Raw materials and supplies	29,373	38,526
Trade accounts receivable	2,072	2,208
Other	2,875	2,482
Allowance for doubtful accounts	(35)	(45)
<b>Total current assets</b>	<b>138,138</b>	<b>145,572</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	18,749	19,577
Accumulated depreciation and impairment	(13,273)	(13,736)
Buildings and structures, net	5,476	5,840
Machinery, equipment and vehicles	23,448	25,754
Accumulated depreciation and impairment	(17,888)	(19,532)
Machinery, equipment and vehicles, net	5,560	6,221
Land	3,299	3,290
Construction in progress	71	777
Other	32,290	31,975
Accumulated depreciation and impairment	(30,198)	(29,546)
Other, net	2,091	2,429
<b>Total property, plant and equipment</b>	<b>16,499</b>	<b>18,559</b>
Intangible assets	416	451
<b>Investments and other assets</b>		
Investment securities	4,945	4,809
Retirement benefit asset	116	267
Deferred tax assets	942	1,025
Other	1,126	1,130
Allowance for doubtful accounts	(290)	(290)
<b>Total investments and other assets</b>	<b>6,840</b>	<b>6,942</b>
<b>Total non-current assets</b>	<b>23,756</b>	<b>25,952</b>
<b>Total assets</b>	<b>161,894</b>	<b>171,525</b>

## Hosiden Corporation (6804) Consolidated Financial Results for the Fiscal Year Ended March 31, 2022

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	27,137	23,614
Short-term borrowings	1,941	2,040
Income taxes payable	2,214	3,179
Provision for bonuses for directors (and other officers)	152	155
Other	5,163	7,315
Total current liabilities	36,609	36,305
Non-current liabilities		
Bonds with share acquisition rights	10,073	10,051
Deferred tax liabilities	1,209	1,253
Retirement benefit liability	3,973	3,577
Other	778	803
Total non-current liabilities	16,034	15,686
Total liabilities	52,644	51,991
Net assets		
Shareholders' equity		
Share capital	13,660	13,660
Capital surplus	19,596	19,596
Retained earnings	86,668	94,320
Treasury shares	(10,649)	(9,586)
Total shareholders' equity	109,276	117,990
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,570	2,495
Foreign currency translation adjustment	(2,951)	(1,334)
Remeasurements of defined benefit plans	355	381
Total accumulated other comprehensive income	(25)	1,542
Total net assets	109,250	119,533
Total liabilities and net assets	161,894	171,525

**Consolidated statements of income and consolidated statements of comprehensive income****Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	233,934	207,608
Cost of sales	211,578	185,884
Gross profit	22,355	21,724
Selling, general and administrative expenses	9,977	9,999
Operating profit	12,377	11,725
Non-operating income		
Interest income	101	103
Dividend income	109	118
Foreign exchange gains	689	3,558
Subsidies for employment adjustment	112	192
Other	112	150
Total non-operating income	1,126	4,122
Non-operating expenses		
Interest expenses	70	35
Commission for syndicated loans	17	17
Other	14	8
Total non-operating expenses	102	61
Ordinary profit	13,401	15,786
Extraordinary income		
Gain on sale of non-current assets	210	370
Gain on sale of investment securities	0	225
Other	4	1
Total extraordinary income	215	598
Extraordinary losses		
Loss on sale and retirement of non-current assets	23	34
Impairment losses	233	43
Other	28	–
Total extraordinary losses	286	78
Profit before income taxes	13,330	16,306
Income taxes - current	3,131	4,391
Income taxes - deferred	(140)	12
Total income taxes	2,991	4,404
Profit	10,338	11,901
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	10,338	11,901

**Consolidated statements of comprehensive income**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	10,338	11,901
Other comprehensive income		
Valuation difference on available-for-sale securities	894	(75)
Foreign currency translation adjustment	382	1,616
Remeasurements of defined benefit plans, net of tax	316	26
Total other comprehensive income	1,593	1,567
Comprehensive income	11,932	13,469
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,932	13,469
Comprehensive income attributable to non-controlling interests	—	—

**Consolidated statements of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	13,330	16,306
Depreciation	3,136	3,185
Impairment losses	233	43
Increase (decrease) in allowance for doubtful accounts	1	(30)
Increase (decrease) in retirement benefit liability	(77)	(364)
Interest and dividend income	(211)	(221)
Interest expenses	70	35
Loss (gain) on sale and retirement of non-current assets	(186)	(336)
Loss (gain) on valuation of investment securities	12	–
Decrease (increase) in trade receivables	932	2,183
Decrease (increase) in inventories	(3,809)	(13,115)
Decrease (increase) in operating accounts receivable	(501)	(135)
Decrease (increase) in other assets	41	612
Increase (decrease) in trade payables	2,022	(7,274)
Increase (decrease) in other liabilities	250	1,687
Other, net	174	(230)
Subtotal	15,420	2,346
Interest and dividends received	189	199
Interest paid	(75)	(26)
Subsidies for employment adjustment received	112	192
Income taxes paid	(3,063)	(3,942)
Income taxes refund	7	–
Net cash provided by (used in) operating activities	12,590	(1,230)
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	22	275
Purchase of property, plant and equipment	(2,663)	(3,823)
Proceeds from sale of property, plant and equipment	465	404
Purchase of investment securities	–	(100)
Proceeds from sale of investment securities	0	342
Purchase of intangible assets	(135)	(134)
Other, net	(50)	(24)
Net cash provided by (used in) investing activities	(2,360)	(3,059)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(306)	(456)
Purchase of treasury shares	(1,987)	(1,775)
Dividends paid	(1,461)	(1,411)
Other, net	(105)	(104)
Net cash provided by (used in) financing activities	(3,860)	(3,748)
Effect of exchange rate change on cash and cash equivalents	504	995
Net increase (decrease) in cash and cash equivalents	6,873	(7,042)
Cash and cash equivalents at beginning of period	62,649	69,522
Cash and cash equivalents at end of period	69,522	62,479

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

Previous fiscal year (from April 1, 2020 to March 31, 2021)

(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	203,465	12,386	8,551	9,529	233,934	–	233,934
Inter-segment sales and transfers	–	0	–	–	0	(0)	–
Total	203,465	12,386	8,551	9,529	233,934	(0)	233,934
Segment profit	10,157	208	169	1,841	12,377	–	12,377
Segment assets	70,237	8,119	2,858	3,553	84,767	77,127	161,894
Other items							
Depreciation	2,356	539	41	199	3,136	–	3,136
Increase in property, plant and equipment and intangible assets	2,622	453	56	183	3,316	160	3,476

Notes: 1. The adjustments are as follows:

- (1) The company-wide assets of 77,127 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, 160 million yen is company-wide assets that are not allocated to each reportable segment.
2. The total amount of segment profit is equal to the operating profit in the consolidated statements of income.

Current fiscal year (from April 1, 2021 to March 31, 2022)

(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	177,211	13,817	8,431	8,147	207,608	–	207,608
Inter-segment sales and transfers	–	–	–	–	–	–	–
Total	177,211	13,817	8,431	8,147	207,608	–	207,608
Segment profit	9,078	1,148	213	1,284	11,725	–	11,725
Segment assets	83,314	11,310	3,520	3,478	101,623	69,901	171,525
Other items							
Depreciation	2,350	473	135	226	3,185	–	3,185
Increase in property, plant and equipment and intangible assets	2,877	658	67	270	3,873	305	4,178

Notes: 1. The adjustments are as follows:

- (1) The company-wide assets of 69,901 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, 305 million yen is company-wide assets that are not allocated to each reportable segment.
2. The total amount of segment profit is equal to the operating profit in the consolidated statements of income.

**Sales performance by segment**

	Current fiscal year (From April 1, 2021 to March 31, 2022)	
Segment name	Amount (Millions of yen)	Composition ratio
Electro-mechanical components	177,211	85.3%
Acoustic components	13,817	6.7%
Display components	8,431	4.1%
Applied equipment and other	8,147	3.9%
Total	207,608	100.0%