

FINANCIAL RELEASE

**FROM APRIL 1,2016
TO JUNE 30,2016**

HOSIDEN CORPORATION

1. Consolidated Results For The Three Months Ended June.30, 2016

(1) Consolidated Operating Results (Three months ended June.30, 2016)

Percentages indicate year - on - year changes

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June.30,2016	28,029	(20.7)	(573)	-	(2,623)	-	(2,765)	-
Three months ended June.30,2015	35,332	33.1	(797)	-	(307)	-	(488)	-

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
Three months ended June.30,2016	(44.99)	-
Three months ended June.30,2015	(7.87)	-

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

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of June.30,2016	106,073	72,370	68.2
As of March.31,2016	106,716	76,162	71.4

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

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

3. Consolidated Forecasts for the six months ending September.30,2016 and the year ending March.31,2017

Percentages indicate year - on - year changes

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Net Income Per Share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Six Months ending September.30,2016	59,000	(23.8)	(300)	-	(300)	-	(500)	-	(8.14)	
Year ending March.31,2017	152,000	8.6	2,200	-	2,200	-	1,700	-	27.66	

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2016	As of June.30,2016	
Current Assets			
1. Cash and Deposits	31,629	43,340	
2. Notes Receivable and Accounts Receivable-Trade	17,318	19,194	
3. Short-Term Investment Securities	22,701	10,100	
4. Inventories	14,751	13,864	
5. Other Current Assets	4,904	4,547	
6. Allowance for Doubtful Receivables	(25)	(24)	
Total of Current Assets	91,280	91,022	
Fixed Assets			
Property, Plant and Equipment	10,457	10,603	
Intangible Assets	230	226	
Investments and Other Assets			
1. Investment Securities	3,483	3,114	
2. Other Investments	1,605	1,513	
Allowance for Doubtful Receivables	(341)	(406)	
Total of Investments and Other Assets	4,748	4,221	
Total of Fixed Assets	15,435	15,051	
Total Assets	106,716	106,073	

Yen (millions)

LIABILITIES		
ACCOUNT ITEMS	As of March.31,2016	As of June.30,2016
Current Liabilities		
1. Notes Payable and Accounts Payable-Trade	11,741	16,285
2. Short-term Debt	6,865	6,333
3. Income Tax Payable	687	413
4. Other Current Liabilities	3,599	3,348
Total of Current Liabilities	22,893	26,379
Long-term Liabilities		
1. Retirement Allowance	5,402	5,178
2. Other Long-term Liabilities	2,257	2,144
Total of Long-term Liabilities	7,660	7,323
Total Liabilities	30,553	33,702
SHAREHOLDERS' EQUITY		
Owner's Equity		
1. Common Stock	13,660	13,660
2. Additional Paid-in Capital	19,596	19,596
3. Retained Earnings	51,336	48,264
4. Treasury Stock	(7,599)	(7,599)
Total of Owner's Equity	76,994	73,922
Accumulated Other Comprehensive Income		
1. Unrealized Gains on other Securities	1,241	981
2. Foreign Currency Translation Adjustments	(2,016)	(2,482)
3. Remeasurements of Defined Benefit Plans	(56)	(49)
Total of Accumulated Other Comprehensive Income(Loss)	(832)	(1,551)
Total Shareholders' Equity	76,162	72,370
Total Liabilities and Shareholders' Equity	106,716	106,073

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2015	Three months ended June.30,2016
Net Sales	35,332	28,029
Cost of Sales	33,441	26,039
Gross Profit	1,891	1,989
Selling, General and Administrative Expenses	2,688	2,562
Operating Income(Loss)	(797)	(573)
Non-Operating Income	529	71
1. Interest Income	12	11
2. Dividends Received	32	33
3. Exchange Gain	449	-
4. Other	36	27
Non-Operating Expenses	(39)	(2,121)
1. Interest Expenses	(34)	(33)
2. Exchange Loss	-	(2,087)
3. Other	(5)	(1)
Ordinary Income(Loss)	(307)	(2,623)
Extraordinary Income	8	0
1. Gains on Sales of Fixed Assets	8	0
Extraordinary Loss	(0)	(1)
1. Loss on Disposal and sales of Fixed Assets	(0)	(1)
2. Other	(0)	(0)
Income (Loss) before Income Taxes	(299)	(2,623)
Income Taxes	189	141
1. Current Income Taxes	58	99
2. Deferred Income Taxes	131	41
Net Income(Loss)	(488)	(2,765)
Profit (loss) attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	(488)	(2,765)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2015	Three months ended June.30,2016
Net Income(Loss)	(488)	(2,765)
Other Comprehensive Income		
Net unrealized Holding Gains(Loss)on Securities	98	(259)
Foreign Currency Translation Adjustments	118	(466)
Remeasurements of Defined Benefit Plans	4	7
Total Other Comprehensive Income	221	(719)
Comprehensive Income	(267)	(3,484)
Comprehensive Income attributable to		
Comprehensive income attributable to owners of parent	(267)	(3,484)
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2015	Three months ended June.30,2016
Operating Activities		
1. Profit(-loss) before income taxes	(299)	(2,623)
2. Depreciation	611	330
3. Decrease(-increase) in notes and accounts receivables – trade	1,096	(3,682)
4. Decrease(-increase) in inventories	(1,413)	(134)
5. Decrease(-increase) in accounts receivables from sub-contractors	(181)	(234)
6. Increase(-decrease) in notes and accounts payable-trade	1,433	7,348
7. Other –net	101	455
Sub-total	1,349	1,459
8. Interest and dividends – received	44	44
9. Interest – paid	(27)	(27)
10. Income taxes– paid	(1,211)	(780)
11. Income taxes– refunded	16	217
Net cash provided by operating activities	170	912
Investing Activities		
1. Decrease(-increase) from deposits	55	-
2. Capital expenditures	(625)	(789)
3. Other-net	59	33
Net cash used in investing activities	(511)	(755)
Financing Activities		
1. Increase(-decrease) in short-term debt	320	57
2. Purchases of treasury stock	(1,600)	(0)
3. Dividends paid	(316)	(307)
Net cash used in financing activities	(1,596)	(250)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	174	(769)
Net Increase (-Decrease) in Cash and Cash Equivalents	(1,762)	(862)
Cash and Cash Equivalents at Beginning of Period	55,744	54,015
Cash and Cash Equivalents at End of Period	53,982	53,152

NET SALES BY PRODUCTS

Yen (millions)

	Three months ended June.30,2016	
	Amount	%
Electro-mechanical Components	21,013	74.9
Acoustic Components	3,997	14.3
Display Components	2,129	7.6
Applied Equipment and Others	888	3.2
Total	28,029	100.0