

FINANCIAL RELEASE

FROM APRIL 1,2017
TO SEPTEMBER 30,2017

HOSIDEN CORPORATION

1. Consolidated Results For The Six Months Ended September.30, 2017

(1)Consolidated Operating Results(Six months ended Sep.30 ,2017)

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	%
Six months ended Sep.30,2017	140,905	145.2	5,919	-	6,669	-	5,809	-
Six months ended Sep.30,2016	57,461	(25.8)	(450)	-	(3,533)	-	(3,588)	-

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
Six months ended Sep.30,2017	97.71	96.58
Six months ended Sep.30,2016	(58.39)	-

(2)Consolidated Financial Position(As of Sep.30,2017 and as of March.31,2017)

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of Sep.30,2017	149,552	82,340	55.1
As of Mar.31,2017	119,045	76,661	64.4

2.Dividends(Years ended March.31,2017 and the year ending March.31,2018)

	Dividends per Share(Yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
2017	-	3.00	-	5.00	8.00
2018	-	5.00			
2018(Projected)			-	5.00	10.00

3.Consolidated Forecasts for the year ending March.31,2018

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
Year ending March.31,2018	280,000	86.6	10,000	321.4	10,000	454.1	7,000	240.9	117.73

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2017	As of Sep.30,2017	
Current assets			
1. Cash and deposits	40,275		42,180
2. Notes receivable and accounts receivable-trade	28,752		42,192
3. Short-term investment securities	5,500		3,600
4. Inventories	20,495		34,979
5. Other current assets	5,395		5,850
6. Allowance for doubtful receivables	(33)		(29)
Total of current assets	100,386		128,773
Fixed assets			
Property, plant and equipment	12,517		14,390
Intangible assets	243		250
Investments and other assets			
1. Investment securities	4,929		5,160
2. Other investments	1,374		1,384
Allowance for doubtful receivables	(406)		(406)
Total of investments and other assets	5,898		6,138
Total of fixed assets	18,658		20,778
Total assets	119,045		149,552

Yen (millions)

LIABILITIES		
ACCOUNT ITEMS	As of March.31,2017	As of Sep.30,2017
Current liabilities		
1. Notes payable and accounts payable-trade	24,227	38,078
2. Short-term debt	5,769	5,623
3. Income tax payable	705	1,225
4. Other current liabilities	4,170	4,512
Total of current liabilities	34,872	49,439
Long-term liabilities		
1. Convertible bond-type bonds with subscription rights to shares	-	10,148
2. Retirement allowance	5,013	5,066
3. Other long-term liabilities	2,497	2,557
Total of long-term liabilities	7,511	17,771
Total liabilities	42,384	67,211
SHAREHOLDERS' EQUITY		
Owner's equity		
1. Common stock	13,660	13,660
2. Additional paid-in capital	19,596	19,596
3. Retained earnings	52,898	56,532
4. Treasury stock	(9,626)	(7,749)
Total of owner's equity	76,528	82,039
Accumulated other comprehensive income		
1. Unrealized gains on other securities	2,106	2,291
2. Foreign currency translation adjustments	(2,107)	(2,097)
3. Remeasurements of defined benefit plans	134	106
Total of accumulated other comprehensive income(loss)	132	300
Total shareholders' equity	76,661	82,340
Total liabilities and shareholders' equity	119,045	149,552

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2016	Six months ended Sep.30,2017
Net sales	57,461	140,905
Cost of sales	52,873	129,529
Gross profit	4,588	11,376
Selling, general and administrative expenses	5,038	5,457
Operating income(loss)	(450)	5,919
Non-operating income	106	859
1. Interest income	26	34
2. Dividends received	37	44
3. Exchange gain	-	716
4. Other	43	65
Non-operating expenses	(3,189)	(109)
1. Interest expenses	(58)	(73)
2. Exchange loss	(3,127)	-
3. Bond issuance costs	-	(29)
4. Other	(2)	(6)
Ordinary income(loss)	(3,533)	6,669
Extraordinary income	267	2
1. Gains on sales of fixed assets	267	2
2. Other	0	-
Extraordinary loss	(92)	(1)
1. Loss on disposal and sales of fixed assets	(6)	(0)
2. Loss on sales of investment securities	-	(0)
3. Loss on valuation of investment securities	(85)	-
4. Other	(0)	-
Income (loss) before income taxes	(3,357)	6,670
Income taxes	230	861
1. Current income taxes	252	931
2. Deferred income taxes	(22)	(70)
Net income(loss)	(3,588)	5,809
Profit (loss) attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	(3,588)	5,809

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2016	Six months ended Sep.30,2017
Net income(loss)	(3,588)	5,809
Other comprehensive income		
Net unrealized holding gains(loss)on securities	21	184
Foreign currency translation adjustments	(383)	10
Remeasurements of defined benefit plans	14	(27)
Total other comprehensive income	(348)	167
Comprehensive income	(3,936)	5,977
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,936)	5,977
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2016	Six months ended Sep.30,2017
Operating activities		
1. Profit(-loss) before income taxes	(3,357)	6,670
2. Depreciation	730	1,529
3. Decrease(-increase) in notes and accounts receivables-trade	(3,775)	(13,587)
4. Decrease(-increase) in inventories	(3,307)	(14,349)
5. Decrease(-increase) in accounts receivables from sub-contractors	(239)	(745)
6. Increase(-decrease) in notes and accounts payable-trade	10,703	13,905
7. Other-net	31	940
Sub-total	785	(5,635)
8. Interest and dividends - received	63	76
9. Interest - paid	(57)	(70)
10. Income taxes - paid	(906)	(634)
11. Income taxes - refunded	227	52
Net cash provided by operating activities	113	(6,212)
Investing Activities		
1. Decrease(-increase) from deposits	(0)	(280)
2. Capital expenditures	(2,224)	(3,540)
3. Other-net	449	(48)
Net cash used in investing activities	(1,774)	(3,869)
Financing activities		
1. Increase(-decrease) in short-term debt	(327)	(139)
2. Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	-	10,120
3. Purchases of treasury stock	(0)	(1)
4. Dividends paid	(307)	(297)
Net cash used in financing activities	(635)	9,683
Effect of exchange rate changes on cash and cash equivalents	(1,187)	118
Net increase (-decrease) in cash and cash equivalents	(3,484)	(280)
Cash and cash equivalents at beginning of period	54,015	45,457
Cash and cash equivalents at end of period	50,531	45,176

NET SALES BY PRODUCTS

Yen (millions)

	Six months ended Sep.30,2017	
	Amount	%
Electro-mechanical components	125,489	89.1
Acoustic components	8,644	6.1
Display components	5,016	3.6
Applied equipment and others	1,755	1.2
Total	140,905	100.0