

# **FINANCIAL RELEASE**

**FROM APRIL 1,2018  
TO JUNE 30,2018**

**HOSIDEN CORPORATION**

## 1. Consolidated Results For The Three Months Ended June.30, 2018

## (1)Consolidated Operating Results(Three months ended June.30 ,2018)

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.30,2018	61,609	10.0	2,241	1.2	4,458	95.8	3,437	85.5
Three months ended June.30,2017	55,988	99.8	2,215	-	2,277	-	1,853	-

	Net Income	Diluted Net
	Per Share	Income Per Share
	Yen	Yen
Three months ended June.30,2018	57.81	54.02
Three months ended June.30,2017	31.17	-

## (2)Consolidated Financial Position(As of June.30,2018 and as of March.31,2018)

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of June.30,2018	159,413	88,928	55.8
As of March.31,2018	138,192	86,992	63.0

## 2.Dividends(Years ended March.31,2018 and the year ending March.31,2019)

	Dividends per Share(Yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
2018	-	5.00	-	15.00	20.00
2019	-				
2019(Projected)		10.00	-	10.00	20.00

## 3.Consolidated Forecasts for the six months ending September.30,2018 and the year ending March.31,2019

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.30,2018	147,000	4.3	4,400	(25.7)	4,400	(34.0)	3,300	(43.2)	55.50
Year ending March.31,2019	310,000	3.5	10,000	(23.3)	10,000	(5.2)	7,500	(26.7)	126.14

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2018	As of June.30,2018	
<b>Current assets</b>			
1. Cash and deposits	45,087	48,902	
2. Notes receivable and accounts receivable-trade	30,494	34,108	
3. Short-term investment securities	8,100	7,502	
4. Inventories	28,869	43,414	
5. Other current assets	4,751	4,347	
6. Allowance for doubtful receivables	(25)	(24)	
Total of current assets	117,279	138,252	
<b>Fixed assets</b>			
Property, plant and equipment	13,998	14,183	
Intangible assets	339	323	
<b>Investments and other assets</b>			
1. Investment securities	5,170	5,235	
2. Other investments	1,758	1,829	
Allowance for doubtful receivables	(353)	(410)	
Total of investments and other assets	6,575	6,654	
Total of fixed assets	20,913	21,161	
Total assets	138,192	159,413	

Yen (millions)

<b>LIABILITIES</b>		
<b>ACCOUNT ITEMS</b>	<b>As of March.31,2018</b>	<b>As of June.30,2018</b>
<b>Current liabilities</b>		
1. Notes payable and accounts payable-trade	24,390	43,879
2. Short-term debt	5,064	4,838
3. Income tax payable	1,320	937
4. Other current liabilities	4,607	4,236
<b>Total of current liabilities</b>	<b>35,383</b>	<b>53,891</b>
<b>Long-term liabilities</b>		
1. Convertible bond-type bonds with subscription rights to shares	10,137	10,132
2. Retirement allowance	4,481	4,530
3. Other long-term liabilities	1,197	1,930
<b>Total of long-term liabilities</b>	<b>15,816</b>	<b>16,592</b>
<b>Total liabilities</b>	<b>51,199</b>	<b>70,484</b>
<b>SHAREHOLDERS' EQUITY</b>		
<b>Owner's equity</b>		
1. Common stock	13,660	13,660
2. Additional paid-in capital	19,596	19,596
3. Retained earnings	60,658	63,203
4. Treasury stock	(7,750)	(7,750)
<b>Total of owner's equity</b>	<b>86,165</b>	<b>88,710</b>
<b>Accumulated other comprehensive income</b>		
1. Unrealized gains on other securities	2,298	2,550
2. Foreign currency translation adjustments	(1,703)	(2,538)
3. Remeasurements of defined benefit plans	233	206
<b>Total of accumulated other comprehensive income(loss)</b>	<b>827</b>	<b>218</b>
<b>Total shareholders' equity</b>	<b>86,992</b>	<b>88,928</b>
<b>Total liabilities and shareholders' equity</b>	<b>138,192</b>	<b>159,413</b>

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2017	Three months ended June.30,2018
Net sales	55,988	61,609
Cost of sales	51,098	56,623
Gross profit	4,890	4,985
Selling, general and administrative expenses	2,675	2,744
Operating income	2,215	2,241
Non-operating income	106	2,252
1. Interest income	12	25
2. Dividends received	39	44
3. Exchange gain	38	2,170
4. Other	15	10
Non-operating expenses	(44)	(35)
1. Interest expenses	(42)	(29)
2. Other	(1)	(6)
Ordinary income	2,277	4,458
Extraordinary income	2	240
1. Gains on sales of fixed assets	2	-
2. Gains on liquidation of subsidiaries	-	240
Extraordinary loss	(0)	(0)
1. Loss on disposal and sales of fixed assets	(0)	(0)
Income before income taxes	2,280	4,699
Income taxes	426	1,261
1. Current income taxes	342	626
2. Deferred income taxes	84	635
Net income	1,853	3,437
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,853	3,437

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2017	Three months ended June.30,2018
Net income	1,853	3,437
Other comprehensive income		
Net unrealized holding gains on securities	221	251
Foreign currency translation adjustments	(22)	(834)
Remeasurements of defined benefit plans	(16)	(26)
Total other comprehensive income	181	(609)
Comprehensive income	2,034	2,827
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,034	2,827
Comprehensive income attributable to non-controlling interests	-	-

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30.2017	Three months ended June.30.2018
<b>Operating activities</b>		
1. Profit before income taxes	2,280	4,699
2. Depreciation	649	708
3. Decrease(Increase) in notes and accounts receivables – trade	(5,336)	(3,391)
4. Decrease(Increase) in inventories	(11,472)	(13,862)
5. Decrease(Increase) in accounts receivables from sub-contractors	(419)	(489)
6. Increase(Decrease) in notes and accounts payable-trade	12,429	18,420
7. Other - net	(378)	374
<b>Sub-total</b>	<b>(2,247)</b>	<b>6,458</b>
8. Interest and dividends – received	53	66
9. Interest – paid	(40)	(27)
10. Income taxes– paid	(573)	(1,110)
11. Income taxes– refunded	48	23
<b>Net cash provided by operating activities</b>	<b>(2,759)</b>	<b>5,411</b>
<b>Investing activities</b>		
1. Decrease(Increase) from deposits	(259)	100
2. Capital expenditures	(1,543)	(1,163)
3. Other - net	27	64
<b>Net cash used in investing activities</b>	<b>(1,776)</b>	<b>(998)</b>
<b>Financing activities</b>		
1. Increase(Decrease) in short-term debt	(158)	(307)
2. Purchases of treasury stock	(0)	-
3. Dividends paid	(297)	(891)
4. Other - net	-	(2)
<b>Net cash used in financing activities</b>	<b>(455)</b>	<b>(1,202)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(40)</b>	<b>(187)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(5,032)</b>	<b>3,023</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>45,457</b>	<b>52,405</b>
<b>Cash and cash equivalents at end of period</b>	<b>40,425</b>	<b>55,428</b>

NET SALES BY PRODUCTS

Yen (millions)

	Three months ended June.30,2018	
	Amount	%
Electro-mechanical components	53,846	87.3
Acoustic components	4,420	7.2
Display components	2,070	3.4
Applied equipment and others	1,272	2.1
Total	61,609	100.0