

# **FINANCIAL RELEASE**

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

**HOSIDEN CORPORATION**

## 1. Consolidated Results For The Six Months Ended September.30, 2018

## (1)Consolidated Operating Results(Six months ended Sep.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	%
Six months ended Sep.30,2018	135,995	(3.5)	5,712	(3.5)	9,157	37.3	6,991	20.3
Six months ended Sep.30,2017	140,905	145.2	5,919	-	6,669	-	5,809	-

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
Six months ended Sep.30,2018	117.58	109.88
Six months ended Sep.30,2017	97.71	96.58

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

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of Sep.30,2018	144,776	92,598	64.0
As of Mar.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	-	10.00			
2019(Projected)			-	10.00	20.00

## 3.Consolidated Forecasts for 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
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 Sep.30,2018	
<b>Current assets</b>			
1. Cash and deposits	45,087	38,384	
2. Notes receivable and accounts receivable-trade	30,494	40,835	
3. Short-term investment securities	8,100	2,601	
4. Inventories	28,869	37,285	
5. Other current assets	4,751	4,590	
6. Allowance for doubtful receivables	(25)	(26)	
Total of current assets	117,279	123,672	
<b>Fixed assets</b>			
Property, plant and equipment	13,998	14,361	
Intangible assets	339	327	
<b>Investments and other assets</b>			
1. Investment securities	5,170	4,968	
2. Other investments	1,758	1,857	
Allowance for doubtful receivables	(353)	(410)	
Total of investments and other assets	6,575	6,415	
Total of fixed assets	20,913	21,104	
<b>Total assets</b>	<b>138,192</b>	<b>144,776</b>	

Yen (millions)

<b>LIABILITIES</b>		
ACCOUNT ITEMS	As of March.31,2018	As of Sep.30,2018
<b>Current liabilities</b>		
1. Notes payable and accounts payable-trade	24,390	25,261
2. Short-term debt	5,064	3,702
3. Income tax payable	1,320	1,781
4. Other current liabilities	4,607	4,518
<b>Total of current liabilities</b>	<b>35,383</b>	<b>35,263</b>
<b>Long-term liabilities</b>		
1. Convertible bond-type bonds with subscription rights to shares	10,137	10,126
2. Retirement allowance	4,481	4,581
3. Other long-term liabilities	1,197	2,206
<b>Total of long-term liabilities</b>	<b>15,816</b>	<b>16,914</b>
<b>Total liabilities</b>	<b>51,199</b>	<b>52,178</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	66,757
4. Treasury stock	(7,750)	(7,750)
<b>Total of owner's equity</b>	<b>86,165</b>	<b>92,264</b>
<b>Accumulated other comprehensive income</b>		
1. Unrealized gains on other securities	2,298	2,368
2. Foreign currency translation adjustments	(1,703)	(2,228)
3. Remeasurements of defined benefit plans	233	194
<b>Total of accumulated other comprehensive income</b>	<b>827</b>	<b>334</b>
<b>Total shareholders' equity</b>	<b>86,992</b>	<b>92,598</b>
<b>Total liabilities and shareholders' equity</b>	<b>138,192</b>	<b>144,776</b>

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2017	Six months ended Sep.30,2018
Net sales	140,905	135,995
Cost of sales	129,529	124,836
Gross profit	11,376	11,158
Selling, general and administrative expenses	5,457	5,446
Operating income	5,919	5,712
Non-operating income	859	3,515
1. Interest income	34	73
2. Dividends received	44	50
3. Exchange gain	716	3,330
4. Other	65	61
Non-operating expenses	(109)	(70)
1. Interest expenses	(73)	(64)
2. Bond issuance costs	(29)	-
3. Other	(6)	(5)
Ordinary income	6,669	9,157
Extraordinary income	2	247
1. Gains on sales of fixed assets	2	2
2. Gains on liquidation of subsidiaries	-	240
3. Other	-	4
Extraordinary loss	(1)	(0)
1. Loss on disposal and sales of fixed assets	(0)	(0)
2. Loss on sales of investment securities	(0)	-
Income before income taxes	6,670	9,404
Income taxes	861	2,413
1. Current income taxes	931	1,497
2. Deferred income taxes	(70)	915
Net income	5,809	6,991
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	5,809	6,991

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2017	Six months ended Sep.30,2018
Net income	5,809	6,991
Other comprehensive income		
Net unrealized holding gains on securities	184	70
Foreign currency translation adjustments	10	(524)
Remeasurements of defined benefit plans	(27)	(38)
Total other comprehensive income	167	(493)
Comprehensive income	5,977	6,497
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,977	6,497
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2017	Six months ended Sep.30,2018
<b>Operating activities</b>		
1. Profit before income taxes	6,670	9,404
2. Depreciation	1,529	1,483
3. Decrease(Increase) in notes and accounts receivables- trade	(13,587)	(9,484)
4. Decrease(Increase) in inventories	(14,349)	(7,026)
5. Decrease(Increase) in accounts receivables from sub-contractors	(745)	(270)
6. Increase(Decrease) in notes and accounts payable-trade	13,905	(1,616)
7. Other-net	940	601
Sub-total	(5,635)	(6,908)
8. Interest and dividends - received	76	107
9. Interest - paid	(70)	(64)
10. Income taxes - paid	(634)	(1,278)
11. Income taxes - refunded	52	34
Net cash provided by operating activities	(6,212)	(8,109)
<b>Investing activities</b>		
1. Decrease(Increase) from deposits	(280)	(1,063)
2. Capital expenditures	(3,540)	(2,262)
3. Other-net	(48)	103
Net cash used in investing activities	(3,869)	(3,223)
<b>Financing activities</b>		
1. Increase(Decrease) in short-term debt	(139)	(1,453)
2. Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	10,120	-
3. Purchases of treasury stock	(1)	(0)
4. Dividends paid	(297)	(891)
5. Other-net	-	(5)
Net cash used in financing activities	9,683	(2,351)
Effect of exchange rate changes on cash and cash equivalents	118	94
Net increase (Decrease) in cash and cash equivalents	(280)	(13,589)
Cash and cash equivalents at beginning of period	45,457	52,405
Cash and cash equivalents at end of period	45,176	38,816

NET SALES BY PRODUCTS

Yen (millions)

	Six months ended Sep.30,2018	
	Amount	%
Electro-mechanical components	119,928	88.2
Acoustic components	8,845	6.5
Display components	4,408	3.2
Applied equipment and others	2,811	2.1
Total	135,995	100.0