

FINANCIAL RELEASE

**FROM APRIL.1,2019
TO MARCH.31,2020**

HOSIDEN CORPORATION

1. Consolidated Results For The Years Ended March.31, 2020 And 2019

(1)Consolidated Operating Results(Years ended March.31,2020 and 2019)

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	%
2020	211,912	(9.2)	11,219	(2.1)	11,353	(15.0)	9,433	(11.9)
2019	233,435	(22.0)	11,457	(12.2)	13,357	26.6	10,709	4.7

	Net Income Per Share		Diluted Net Income Per Share		Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen		Yen		%	%	%
2020	161.37		150.38		9.7	8.0	5.3
2019	180.62		168.70		11.8	9.8	4.9

(2)Consolidated Financial Position(As of March.31,2020 and 2019)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
2020	150,161	100,767	67.1	1,723.79
2019	133,470	94,113	70.5	1,609.93

(3)Consolidated Cash Flows(Years ended March.31,2020 and 2019)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash Flows from Equivalents (FY End)
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
2020	2,122	(4,775)	(2,147)	62,649
2019	25,593	(5,168)	(4,544)	68,061

2.Dividends(Years ended March.31,2020 and 2019,and the year ending March.31,2021)

	Dividends per Share(Yen)			Dividends in Total (annual)	Dividend Payout Ratio (consolidated)	Dividends on Net Assets
	Interim	Year-End	Annual			
	Yen	Yen	Yen	Millions of yen	%	%
2019	10.00	15.00	25.00	1,471	13.7	1.6
2020	10.00	15.00	25.00	1,461	15.5	1.5
2021 (Projected)	-	-	-		-	

Reference:

The forecast of cash dividends for the fiscal year ending March 31, 2021 have yet to be determined at this point.

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2021(from April 1, 2020 to March 31, 2021)

The forecast of consolidated earnings for the fiscal year ending March 31, 2021 have yet to be determined at this point, because of the effect of the spread of the novel coronavirus. We will carefully assess the impact and announce it promptly when we can disclose reasonable forecast.

(Reference)Non-Consolidated Results

1.Non-Consolidated Results For The Years Ended March.31, 2020 and 2019

(1)Non-Consolidated Operating Results(Years ended March.31,2020 and 2019)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2020	167,075	(10.6)	5,052	(18.2)	5,701	(35.3)	4,566	(30.6)
2019	186,942	(22.1)	6,173	(29.5)	8,811	23.4	6,584	(3.0)

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
2020	78.12	72.68
2019	111.05	103.63

(2)Non-Consolidated Financial Position(As of March.31,2020 and 2019)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
2020	121,913	71,484	58.6	1,222.87
2019	110,821	68,655	62.0	1,174.45

CONSOLIDATED BALANCE SHEETS

Yen (millions)

ASSETS		
ACCOUNT ITEMS	Mar.31,2019	Mar.31,2020
Current assets		
1. Cash and deposits	53,863	49,213
2. Notes receivable and accounts receivable-trade	21,687	26,183
3. Short-term investment securities	16,300	14,599
4. Inventories	17,387	33,051
5. Accounts receivable from sub-contractors	1,569	1,571
6. Other current assets	2,068	2,874
Allowance for doubtful receivables	(25)	(27)
Total of current assets	112,851	127,468
Fixed assets		
(1) Property plant and equipment		
1. Buildings and structures	3,961	4,600
2. Machinery, equipment and vehicles	4,559	6,097
3. Land	3,483	3,445
4. Construction in progress	480	432
5. Other property plant and equipment	1,775	2,221
Total of property plant and equipment	14,260	16,797
(2) Intangible assets	367	393
(3) Investments and other assets		
1. Investment securities	4,390	3,683
2. Net defined benefit assets	79	231
3. Deferred tax assets	925	915
4. Other investments	1,005	955
Allowance for doubtful receivables	(410)	(284)
Total of investments and other assets	5,991	5,501
Total of fixed assets	20,619	22,693
Total assets	133,470	150,161

Yen (millions)

LIABILITIES		
ACCOUNT ITEMS	Mar.31,2019	Mar.31,2020
Current liabilities		
1. Notes payable and accounts payable-trade	14,168	25,050
2. Short-term debt	2,768	1,990
3. Income tax payable	1,837	1,819
4. Provision for directors' bonuses	123	166
5. Other current liabilities	4,147	4,196
Total of current liabilities	23,046	33,223
Long-term liabilities		
1. Convertible bond-type bonds with subscription rights to shares	10,116	10,094
2. Deferred tax liabilities	1,094	780
3. Net defined benefit liabilities	4,332	4,434
4. Other long-term liabilities	767	861
Total of long-term liabilities	16,310	16,170
Total liabilities	39,357	49,394
SHAREHOLDERS' EQUITY		
Owner's equity		
1. Common stock	13,660	13,660
2. Additional paid-in capital	19,596	19,596
3. Retained earnings	69,881	77,791
4. Treasury stock	(8,660)	(8,661)
Total of owner's equity	94,477	102,386
Accumulated other comprehensive income		
1. Unrealized gains on other securities	1,950	1,676
2. Translation adjustments	(2,548)	(3,334)
3. Remeasurements of defined benefit plans	232	38
Total of accumulated other comprehensive income	(364)	(1,619)
Total shareholders' equity	94,113	100,767
Total liabilities and shareholders' equity	133,470	150,161

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Year ended Mar.31,2019	Year ended Mar.31,2020
Net sales	233,435	211,912
Cost of sales	211,175	190,571
Gross profit	22,260	21,341
Selling, general and administrative expenses	10,802	10,121
Operating income	11,457	11,219
Non-operating income	2,048	423
1. Interest income	182	196
2. Dividend income	98	104
3. Exchange gain	1,598	-
4. Other	169	122
Non-operating expenses	(148)	(290)
1. Interest expenses	(111)	(107)
2. Exchange loss	-	(108)
3. Commission for syndicate loan	(17)	(42)
4. Other	(18)	(32)
Ordinary income	13,357	11,353
Extraordinary income	251	351
1. Gain on sales of fixed assets	6	20
2. Gain on sales of investment securities	0	313
3. Gain on liquidation of subsidiaries	240	-
4. Other	4	16
Extraordinary loss	(4)	(171)
1. Loss on disposal and sales of fixed assets	(4)	(156)
2. Other	-	(14)
Income before income taxes	13,603	11,532
Income taxes	2,894	2,099
1. Current income taxes	2,133	2,338
2. Deferred income taxes	761	(239)
Net income	10,709	9,433
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	10,709	9,433

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Year ended Mar.31,2019	Year ended Mar.31,2020
Net income	10,709	9,433
Other comprehensive income		
Net unrealized holding gains on securities	(347)	(274)
Foreign currency translation adjustments	(844)	(786)
Remeasurements of defined benefit plans	(0)	(193)
Total other comprehensive income	(1,192)	(1,254)
Comprehensive income	9,516	8,178
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,516	8,178
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Year ended Mar.31,2019	Year ended Mar.31,2020
Operating activities		
1. Profit before income taxes	13,603	11,532
2. Depreciation	3,233	3,213
3. Increase(Decrease) in allowance for doubtful receivables	35	4
4. Increase(Decrease) in net defined benefit liabilities	(155)	(80)
5. Interest and dividends income	(280)	(301)
6. Interest expense	111	107
7. Loss(Gain) on disposal and sales of fixed assets	(1)	136
8. Loss(Gain) on valuation of investment securities	-	14
9. Decrease(Increase) in notes and accounts receivables- trade	8,759	(5,173)
10. Decrease(Increase) in inventories	11,935	(15,965)
11. Decrease(Increase) in accounts receivables from sub-contractors	122	(2)
12. Decrease(Increase) in other assets	919	(887)
13. Increase(Decrease) in notes and accounts payables-trade	(10,979)	11,650
14. Increase (Decrease) in other liabilities	(87)	230
15. Other -net	176	101
Sub-total	27,392	4,580
16. Interest and dividends - received	253	282
17. Interest - paid	(116)	(103)
18. Income taxes- paid	(1,970)	(2,872)
19. Income taxes- refunded	34	236
Net cash provided by operating activities	25,593	2,122

ACCOUNT ITEMS	Yen (millions)	
	Year ended Mar.31,2019	Year ended Mar.31,2020
Investing activities		
1. Decrease(Increase) from deposits	(1,066)	535
2. Capital expenditures	(3,999)	(5,996)
3. Proceeds from sales of fix assets	202	146
4. Payments for purchases of investment securities	(15)	-
5. Proceeds from sales of investment securities	0	621
6. Increase from intangible assets	(150)	(148)
7. Other-net	(140)	65
Net cash used in investing activities	(5,168)	(4,775)
Financing activities		
1. Increase(Decrease) in short-term debt	(2,119)	(550)
2. Purchases of treasury stock	(910)	(1)
3. Dividends paid	(1,486)	(1,461)
4. Other	(28)	(133)
Net cash used in financing activities	(4,544)	(2,147)
Effect of exchange rate changes on cash and Cash Equivalents	(225)	(611)
Net increase (decrease) in cash and cash equivalents	15,655	(5,411)
Cash and cash equivalents at beginning of year	52,405	68,061
Cash and cash equivalents at end of year	68,061	62,649

SEGMENT INFORMATION

Information Regarding Amount of Sales, Profit or Loss, Asset, And Other Items of Individual Segment Information

The Year Ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

Yen (millions)

	Reportable segments					Adjusted amount or corporate	Amount on consolidated
	Electro-mechanical components	Acoustic components	Display components	Applied equipment and others	Total		
Sales							
Sales to customers	179,862	15,383	8,577	8,143	211,967	(54)	211,912
Inter-segment sales or Transfer	-	-	-	-	-	-	-
Total	179,862	15,383	8,577	8,143	211,967	(54)	211,912
Segment profit	9,223	794	214	1,126	11,359	(140)	11,219
Segment asset	68,952	6,961	2,844	2,939	81,702	68,463	150,161
Other items							
Depreciation expense	2,713	673	199	283	3,869	(656)	3,213
Increase in tangible fixed asset and intangible fixed asset	4,888	741	96	173	5,899	85	5,985

NET SALES BY PRODUCTS

Yen (millions)

	Years ended March.31,2020	
	Amount	%
Electro-mechanical components	179,701	84.9
Acoustic components	15,525	7.3
Display components	8,550	4.0
Applied equipment and others	8,134	3.8
Total	211,912	100.0