

# **FINANCIAL RELEASE**

**FROM APRIL 1,2019  
TO JUNE 30,2019**

**HOSIDEN CORPORATION**

## 1. Consolidated Results For The Three Months Ended June.30, 2019

## (1)Consolidated Operating Results(Three months ended June.30 ,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	%
Three months ended June.30,2019	33,938	(44.9)	1,450	(35.3)	865	(80.6)	864	(74.8)
Three months ended June.30,2018	61,609	10.0	2,241	1.2	4,458	95.8	3,437	85.5

	Net Income	Diluted Net
	Per Share	Income Per Share
	Yen	Yen
Three months ended June.30,2019	14.79	13.75
Three months ended June.30,2018	57.81	54.02

## (2)Consolidated Financial Position(As of June.30,2019 and as of March.31,2019)

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of June.30,2019	142,995	93,513	65.4
As of March.31,2019	133,470	94,113	70.5

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

	Dividends per Share(Yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
2019	-	10.00	-	15.00	25.00
2020	-				
2020(Projected)		10.00	-	10.00	20.00

## 3.Consolidated Forecasts for the six months ending September.30,2019 and the year ending March.31,2020

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.30,2019	95,000	(30.1)	3,000	(47.5)	3,000	(67.2)	2,200	(68.5)	37.64
Year ending March.31,2020	245,000	5.0	8,000	(30.2)	8,000	(40.1)	6,000	(44.0)	102.64

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2019	As of June.30,2019	
<b>Current assets</b>			
1. Cash and deposits	53,863		55,652
2. Notes receivable and accounts receivable-trade	21,687		23,648
3. Short-term investment securities	16,300		14,200
4. Inventories	17,387		23,143
5. Other current assets	3,637		4,673
6. Allowance for doubtful receivables	(25)		(26)
<b>Total of current assets</b>	<b>112,851</b>		<b>121,293</b>
<b>Fixed assets</b>			
Property, plant and equipment	14,260		16,035
Intangible assets	367		350
<b>Investments and other assets</b>			
1. Investment securities	4,390		3,726
2. Other investments	2,010		1,880
Allowance for doubtful receivables	(410)		(290)
<b>Total of investments and other assets</b>	<b>5,991</b>		<b>5,316</b>
<b>Total of fixed assets</b>	<b>20,619</b>		<b>21,702</b>
<b>Total assets</b>	<b>133,470</b>		<b>142,995</b>

Yen (millions)

<b>LIABILITIES</b>		
<b>ACCOUNT ITEMS</b>	<b>As of March.31,2019</b>	<b>As of June.30,2019</b>
<b>Current liabilities</b>		
1. Notes payable and accounts payable-trade	14,168	23,666
2. Short-term debt	2,768	2,768
3. Income tax payable	1,837	928
4. Other current liabilities	4,271	5,451
<b>Total of current liabilities</b>	<b>23,046</b>	<b>32,814</b>
<b>Long-term liabilities</b>		
1. Convertible bond-type bonds with subscription rights to shares	10,116	10,110
2. Retirement allowance	4,332	4,335
3. Other long-term liabilities	1,862	2,221
<b>Total of long-term liabilities</b>	<b>16,310</b>	<b>16,668</b>
<b>Total liabilities</b>	<b>39,357</b>	<b>49,482</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	69,881	69,807
4. Treasury stock	(8,660)	(8,660)
<b>Total of owner's equity</b>	<b>94,477</b>	<b>94,403</b>
<b>Accumulated other comprehensive income</b>		
1. Unrealized gains on other securities	1,950	1,701
2. Foreign currency translation adjustments	(2,548)	(2,809)
3. Remeasurements of defined benefit plans	232	217
<b>Total of accumulated other comprehensive income(loss)</b>	<b>(364)</b>	<b>(890)</b>
<b>Total shareholders' equity</b>	<b>94,113</b>	<b>93,513</b>
<b>Total liabilities and shareholders' equity</b>	<b>133,470</b>	<b>142,995</b>

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2018	Three months ended June.30,2019
Net sales	61,609	33,938
Cost of sales	56,623	30,011
Gross profit	4,985	3,927
Selling, general and administrative expenses	2,744	2,477
Operating income	2,241	1,450
Non-operating income	2,252	125
1. Interest income	25	48
2. Dividends received	44	50
3. Exchange gain	2,170	-
4. Other	10	25
Non-operating expenses	(35)	(709)
1. Interest expenses	(29)	(36)
2. Exchange loss	-	(660)
3. Other	(6)	(12)
Ordinary income	4,458	865
Extraordinary income	240	340
1. Gains on sales of fixed assets	-	0
2. Gains on sales of investment securities	-	313
3. Gains on liquidation of subsidiaries	240	-
Extraordinary loss	(0)	(15)
1. Loss on disposal and sales of fixed assets	(0)	(15)
Income before income taxes	4,699	1,163
Income taxes	1,261	298
1. Current income taxes	626	29
2. Deferred income taxes	635	269
Net income	3,437	864
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	3,437	864

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2018	Three months ended June.30,2019
Net income	3,437	864
Other comprehensive income		
Net unrealized holding gains on securities	251	(249)
Foreign currency translation adjustments	(834)	(261)
Remeasurements of defined benefit plans	(26)	(15)
Total other comprehensive income	(609)	(525)
Comprehensive income	2,827	338
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,827	338
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2018	Three months ended June.30,2019
<b>Operating activities</b>		
1. Profit before income taxes	4,699	1,163
2. Depreciation	708	649
3. Decrease(Increase) in notes and accounts receivables – trade	(3,391)	(2,305)
4. Decrease(Increase) in inventories	(13,862)	(6,076)
5. Decrease(Increase) in accounts receivables from sub-contractors	(489)	(267)
6. Increase(Decrease) in notes and accounts payable-trade	18,420	10,131
7. Other - net	374	(959)
<b>Sub-total</b>	<b>6,458</b>	<b>2,335</b>
8. Interest and dividends – received	66	90
9. Interest – paid	(27)	(35)
10. Income taxes– paid	(1,110)	(1,276)
11. Income taxes– refunded	23	-
<b>Net cash provided by operating activities</b>	<b>5,411</b>	<b>1,113</b>
<b>Investing activities</b>		
1. Decrease(Increase) from deposits	100	90
2. Capital expenditures	(1,163)	(1,056)
3. Gains on sales of investment securities	-	621
4. Other - net	64	462
<b>Net cash used in investing activities</b>	<b>(998)</b>	<b>118</b>
<b>Financing activities</b>		
1. Increase(Decrease) in short-term debt	(307)	71
2. Purchases of treasury stock	-	(0)
3. Dividends paid	(891)	(876)
4. Other - net	(2)	(31)
<b>Net cash used in financing activities</b>	<b>(1,202)</b>	<b>(836)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(187)</b>	<b>(257)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,023</b>	<b>138</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>52,405</b>	<b>68,061</b>
<b>Cash and cash equivalents at end of period</b>	<b>55,428</b>	<b>68,199</b>

NET SALES BY PRODUCTS

Yen (millions)

	Three months ended June.30,2019	
	Amount	%
Electro-mechanical components	25,819	76.1
Acoustic components	3,917	11.5
Display components	2,244	6.6
Applied equipment and others	1,957	5.8
Total	33,938	100.0