

# **FINANCIAL RELEASE**

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

**HOSIDEN CORPORATION**

## 1. Consolidated Results For The Six Months Ended September.30, 2019

## (1)Consolidated Operating Results(Six months ended Sep.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	%
Six months ended Sep.30,2019	100,040	(26.4)	5,664	(0.8)	5,179	(43.4)	4,461	(36.2)
Six months ended Sep.30,2018	135,995	(3.5)	5,712	(3.5)	9,157	37.3	6,991	20.3

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
Six months ended Sep.30,2019	76.32	71.11
Six months ended Sep.30,2018	117.58	109.88

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

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of Sep.30,2019	159,703	96,856	60.6
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	-	10.00			
2020(Projected)			-	10.00	20.00

## 3.Consolidated Forecasts for 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
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 Sep.30,2019	
<b>Current assets</b>			
1. Cash and deposits	53,863	51,083	
2. Notes receivable and accounts receivable-trade	21,687	34,527	
3. Short-term investment securities	16,300	8,000	
4. Inventories	17,387	38,010	
5. Other current assets	3,637	5,064	
6. Allowance for doubtful receivables	(25)	(28)	
Total of current assets	112,851	136,658	
<b>Fixed assets</b>			
Property, plant and equipment	14,260	16,701	
Intangible assets	367	356	
<b>Investments and other assets</b>			
1. Investment securities	4,390	4,064	
2. Other investments	2,010	2,213	
Allowance for doubtful receivables	(410)	(290)	
Total of investments and other assets	5,991	5,987	
Total of fixed assets	20,619	23,044	
Total assets	133,470	159,703	

Yen (millions)

<b>LIABILITIES</b>		
<b>ACCOUNT ITEMS</b>	<b>As of March.31,2019</b>	<b>As of Sep.30,2019</b>
<b>Current liabilities</b>		
1. Notes payable and accounts payable-trade	14,168	37,403
2. Short-term debt	2,768	2,516
3. Income tax payable	1,837	1,388
4. Other current liabilities	4,271	4,941
<b>Total of current liabilities</b>	<b>23,046</b>	<b>46,249</b>
<b>Long-term liabilities</b>		
1. Convertible bond-type bonds with subscription rights to shares	10,116	10,105
2. Retirement allowance	4,332	4,330
3. Other long-term liabilities	1,862	2,162
<b>Total of long-term liabilities</b>	<b>16,310</b>	<b>16,597</b>
<b>Total liabilities</b>	<b>39,357</b>	<b>62,847</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	73,403
4. Treasury stock	(8,660)	(8,661)
<b>Total of owner's equity</b>	<b>94,477</b>	<b>97,999</b>
<b>Accumulated other comprehensive income</b>		
1. Unrealized gains on other securities	1,950	1,948
2. Foreign currency translation adjustments	(2,548)	(3,293)
3. Remeasurements of defined benefit plans	232	201
<b>Total of accumulated other comprehensive income</b>	<b>(364)</b>	<b>(1,143)</b>
<b>Total shareholders' equity</b>	<b>94,113</b>	<b>96,856</b>
<b>Total liabilities and shareholders' equity</b>	<b>133,470</b>	<b>159,703</b>

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2018	Six months ended Sep.30,2019
Net sales	135,995	100,040
Cost of sales	124,836	89,438
Gross profit	11,158	10,601
Selling, general and administrative expenses	5,446	4,936
Operating income	5,712	5,664
Non-operating income	3,515	241
1. Interest income	73	103
2. Dividends received	50	57
3. Exchange gain	3,330	-
4. Other	61	80
Non-operating expenses	(70)	(726)
1. Interest expenses	(64)	(63)
2. Exchange loss	-	(549)
3. Other	(5)	(112)
Ordinary income	9,157	5,179
Extraordinary income	247	329
1. Gains on sales of fixed assets	2	4
2. Gains on sales of investment securities	-	313
3. Gains on liquidation of subsidiaries	240	-
4. Other	4	11
Extraordinary loss	(0)	(31)
1. Loss on disposal and sales of fixed assets	(0)	(16)
2. Loss on valuation of investment securities	-	(14)
Income before income taxes	9,404	5,478
Income taxes	2,413	1,016
1. Current income taxes	1,497	895
2. Deferred income taxes	915	121
Net income	6,991	4,461
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	6,991	4,461

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2018	Six months ended Sep.30,2019
Net income	6,991	4,461
Other comprehensive income		
Net unrealized holding gains on securities	70	(2)
Foreign currency translation adjustments	(524)	(745)
Remeasurements of defined benefit plans	(38)	(31)
Total other comprehensive income	(493)	(778)
Comprehensive income	6,497	3,682
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,497	3,682
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Six months ended Sep.30,2018	Six months ended Sep.30,2019
<b>Operating activities</b>		
1. Profit before income taxes	9,404	5,478
2. Depreciation	1,483	1,413
3. Decrease(Increase) in notes and accounts receivables- trade	(9,484)	(13,873)
4. Decrease(Increase) in inventories	(7,026)	(21,168)
5. Decrease(Increase) in accounts receivables from sub-contractors	(270)	(354)
6. Increase(Decrease) in notes and accounts payable-trade	(1,616)	24,659
7. Other-net	601	(1,738)
Sub-total	(6,908)	(5,584)
8. Interest and dividends - received	107	152
9. Interest - paid	(64)	(64)
10. Income taxes - paid	(1,278)	(1,713)
11. Income taxes - refunded	34	220
Net cash provided by operating activities	(8,109)	(6,989)
<b>Investing activities</b>		
1. Decrease(Increase) from deposits	(1,063)	380
2. Capital expenditures	(2,262)	(3,211)
3. Gains on sales of investment securities	-	621
4. Other-net	103	423
Net cash used in investing activities	(3,223)	(1,786)
<b>Financing activities</b>		
1. Increase(Decrease) in short-term debt	(1,453)	(37)
2. Purchases of treasury stock	(0)	(0)
3. Dividends paid	(891)	(876)
4. Other-net	(5)	(54)
Net cash used in financing activities	(2,351)	(969)
Effect of exchange rate changes on cash and cash equivalents	94	(554)
Net increase (Decrease) in cash and cash equivalents	(13,589)	(10,300)
Cash and cash equivalents at beginning of period	52,405	68,061
Cash and cash equivalents at end of period	38,816	57,760

NET SALES BY PRODUCTS

Yen (millions)

	Six months ended Sep.30,2019	
	Amount	%
Electro-mechanical components	83,778	83.8
Acoustic components	7,998	8.0
Display components	4,533	4.5
Applied equipment and others	3,729	3.7
Total	100,040	100.0