

FINANCIAL RELEASE

**FROM APRIL 1,2019
TO DECEMBER 31,2019**

HOSIDEN CORPORATION

1. Consolidated Results For The Nine Months Ended Dec.31,2019

(1)Consolidated Operating Resultss(Nine months ended Dec.31,2019)

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	%
Nine months ended Dec.31,2019	165,794	(16.7)	9,832	5.6	10,053	(10.6)	8,024	(6.4)
Nine months ended Dec.31,2018	199,121	(15.0)	9,308	(12.5)	11,240	(1.4)	8,572	(13.9)

	Net Income	Diluted Net
	Per Share	Income Per Share
	Yen	Yen
Nine months ended Dec.31,2019	137.27	127.95
Nine months ended Dec.31,2018	144.17	134.69

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

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of Dec.31,2019	150,922	100,758	66.8
As of Mar.31,2019	133,470	94,113	70.5

2.Dividends(Year 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)				15.00	25.00

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 Mar.31,2020	213,000	(8.8)	11,000	(4.0)	11,000	(17.6)	8,500	(20.6)	145.40

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2019	As of Dec.31,2019	
Current assets			
1. Cash and deposits	53,863	48,584	
2. Notes receivable and accounts receivable-trade	21,687	36,832	
3. Short-term investment securities	16,300	6,000	
4. Inventories	17,387	30,984	
5. Other current assets	3,637	5,032	
6. Allowance for doubtful receivables	(25)	(26)	
Total of current assets	112,851	127,408	
Fixed assets			
Property, plant and equipment	14,260	16,677	
Intangible assets	367	382	
Investments and other assets			
1. Investment securities	4,390	4,791	
2. Other investments	2,010	1,953	
Allowance for doubtful receivables	(410)	(290)	
Total of investments and other assets	5,991	6,454	
Total of fixed assets	20,619	23,513	
Total assets	133,470	150,922	

Yen (millions)

LIABILITIES		
ACCOUNT ITEMS	As of March.31,2019	As of Dec.31,2019
Current liabilities		
1. Notes payable and accounts payable-trade	14,168	25,111
2. Short-term debt	2,768	2,513
3. Income tax payable	1,837	1,371
4. Other current liabilities	4,271	4,182
Total of current liabilities	23,046	33,178
Long-term liabilities		
1. Convertible bond-type bonds with subscription rights to shares	10,116	10,099
2. Retirement allowance	4,332	4,322
3. Other long-term liabilities	1,862	2,562
Total of long-term liabilities	16,310	16,985
Total liabilities	39,357	50,164
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	76,382
4. Treasury stock	(8,660)	(8,661)
Total of owner's equity	94,477	100,978
Accumulated other comprehensive income		
1. Unrealized gains on other securities	1,950	2,454
2. Foreign currency translation adjustments	(2,548)	(2,860)
3. Remeasurements of defined benefit plans	232	185
Total of accumulated other comprehensive income	(364)	(220)
Total shareholders' equity	94,113	100,758
Total liabilities and shareholders' equity	133,470	150,922

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Nine months ended Dec.31,2018	Nine months ended Dec.31,2019
Net sales	199,121	165,794
Cost of sales	181,731	148,591
Gross profit	17,390	17,203
Selling, general and administrative expenses	8,082	7,370
Operating income	9,308	9,832
Non-operating income	2,039	380
1. Interest income	119	145
2. Dividends received	92	96
3. Exchange gain	1,731	58
4. Other	95	80
Non-operating expenses	(107)	(159)
1. Interest expenses	(94)	(89)
2. Other	(12)	(69)
Ordinary income	11,240	10,053
Extraordinary income	249	345
1. Gains on sales of fixed assets	5	15
2. Gains on sales of investment securities	-	313
2. Gains on liquidation of subsidiaries	240	-
3. Other	4	15
Extraordinary loss	(2)	(144)
1. Loss on disposal and sales of fixed assets	(2)	(129)
3. Other	(-)	(15)
Income before income taxes	11,487	10,254
Income taxes	2,915	2,229
1. Current income taxes	1,802	1,930
2. Deferred income taxes	1,113	299
Net income	8,572	8,024
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	8,572	8,024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Nine months ended Dec.31,2018	Nine months ended Dec.31,2019
Net income	8,572	8,024
Other comprehensive income		
Net unrealized holding gains on securities	(648)	503
Foreign currency translation adjustments	(632)	(312)
Remeasurements of defined benefit plans	(58)	(46)
Total other comprehensive income	(1,339)	144
Comprehensive income	7,232	8,169
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,232	8,169
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Nine months ended Dec.31,2018	Nine months ended Dec.31,2019
Operating Activities		
1. Profit before income taxes	11,487	10,254
2. Depreciation	2,336	2,289
3. Decrease(Increase) in notes and accounts receivables- trade	(5,218)	(15,509)
4. Decrease(Increase) in inventories	10,580	(14,053)
5. Decrease(Increase) in accounts receivables from sub-contractors	203	(39)
6. Increase(Decrease) in notes and accounts payable-trade	(6,966)	11,762
7. Other-net	687	(1,827)
Sub-total	13,110	(7,123)
8. Interest and dividends - received	186	223
9. Interest - paid	(96)	(90)
10. Income taxes - paid	(1,928)	(2,873)
11. Income taxes - refunded	34	219
Net cash provided by operating activities	11,307	(9,644)
Investing Activities		
1. Decrease(Increase) from deposits	(1,065)	472
2. Capital expenditures	(2,978)	(4,428)
3. Gains on sales of investment securities	-	621
4. Other-net	(2)	152
Net cash used in investing activities	(4,046)	(3,182)
Financing Activities		
1. Increase(Decrease) in short-term debt	(2,253)	(26)
2. Purchases of treasury stock	(0)	(0)
3. Dividends paid	(1,486)	(1,461)
4. Other-net	(8)	(110)
Net cash used in financing activities	(3,748)	(1,599)
Effect of exchange rate changes on cash and cash equivalents	(132)	(336)
Net increase (Decrease) in cash and cash equivalents	3,380	(14,762)
Cash and cash equivalents at beginning of period	52,405	68,061
Cash and cash equivalents at end of period	55,786	53,298

NET SALES BY PRODUCTS

Yen (millions)

	Nine months ended Dec.31,2019	
	Amount	%
Electro-mechanical components	141,490	85.3
Acoustic components	11,835	7.1
Display components	6,415	3.9
Applied equipment and others	6,052	3.7
Total	165,794	100.0