

# **FINANCIAL RELEASE**

**FROM APRIL 1,2020  
TO JUNE 30,2020**

**HOSIDEN CORPORATION**

## 1. Consolidated Results For The Three Months Ended June.30, 2020

## (1)Consolidated Operating Results(Three months ended June.30 ,2020)

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.30,2020	50,688	49.4	1,589	9.6	1,436	66.0	1,113	28.8
Three months ended June.30,2019	33,938	(44.9)	1,450	(35.3)	865	(80.6)	864	(74.8)

	Net Income	Diluted Net
	Per Share	Income Per Share
	Yen	Yen
Three months ended June.30,2020	19.05	17.70
Three months ended June.30,2019	14.79	13.75

## (2)Consolidated Financial Position(As of June.30,2020 and as of March.31,2020)

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of June.30,2020	153,391	101,071	65.9
As of March.31,2020	150,161	100,767	67.1

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

	Dividends per Share(Yen)				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
2020	-	10.00	-	15.00	25.00
2021	-				
2021(Projected)		10.00	-	-	-

## 3.Consolidated Forecasts for the six months ending September.30,2020

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.30,2020	115,000	15.0	4,000	(29.4)	4,000	(22.8)	2,800	(37.2)	47.90	

CONSOLIDATED BALANCE SHEET

Yen (millions)

ASSETS			
ACCOUNT ITEMS	As of March.31,2020	As of June.30,2020	
<b>Current assets</b>			
1. Cash and deposits	49,213	49,972	
2. Notes receivable and accounts receivable-trade	26,183	30,875	
3. Short-term investment securities	14,599	11,800	
4. Inventories	33,051	33,764	
5. Other current assets	4,445	4,722	
6. Allowance for doubtful receivables	(27)	(25)	
Total of current assets	127,468	131,109	
<b>Fixed assets</b>			
Property, plant and equipment	16,797	16,235	
Intangible assets	393	373	
<b>Investments and other assets</b>			
1. Investment securities	3,683	3,944	
2. Other investments	2,102	2,012	
Allowance for doubtful receivables	(284)	(285)	
Total of investments and other assets	5,501	5,672	
Total of fixed assets	22,693	22,281	
Total assets	150,161	153,391	

Yen (millions)

<b>LIABILITIES</b>		
<b>ACCOUNT ITEMS</b>	<b>As of March.31,2020</b>	<b>As of June.30,2020</b>
<b>Current liabilities</b>		
1. Notes payable and accounts payable-trade	25,050	29,310
2. Short-term debt	1,990	1,982
3. Income tax payable	1,819	699
4. Other current liabilities	4,362	3,712
<b>Total of current liabilities</b>	<b>33,223</b>	<b>35,704</b>
<b>Long-term liabilities</b>		
1. Convertible bond-type bonds with subscription rights to shares	10,094	10,089
2. Retirement allowance	4,434	4,474
3. Other long-term liabilities	1,641	2,050
<b>Total of long-term liabilities</b>	<b>16,170</b>	<b>16,614</b>
<b>Total liabilities</b>	<b>49,394</b>	<b>52,319</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	77,791	78,027
4. Treasury stock	(8,661)	(8,661)
<b>Total of owner's equity</b>	<b>102,386</b>	<b>102,623</b>
<b>Accumulated other comprehensive income</b>		
1. Unrealized gains on other securities	1,676	1,868
2. Foreign currency translation adjustments	(3,334)	(3,452)
3. Remeasurements of defined benefit plans	38	33
<b>Total of accumulated other comprehensive income(loss)</b>	<b>(1,619)</b>	<b>(1,551)</b>
<b>Total shareholders' equity</b>	<b>100,767</b>	<b>101,071</b>
<b>Total liabilities and shareholders' equity</b>	<b>150,161</b>	<b>153,391</b>

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2019	Three months ended June.30,2020
Net sales	33,938	50,688
Cost of sales	30,011	46,841
Gross profit	3,927	3,846
Selling, general and administrative expenses	2,477	2,257
Operating income	1,450	1,589
Non-operating income	125	95
1. Interest income	48	25
2. Dividends received	50	48
3. Other	25	20
Non-operating expenses	(709)	(247)
1. Interest expenses	(36)	(15)
2. Exchange loss	(660)	(227)
3. Other	(12)	(4)
Ordinary income	865	1,436
Extraordinary income	314	167
1. Gains on sales of fixed assets	0	167
2. Gains on sales of investment securities	313	-
Extraordinary loss	(15)	(25)
1. Loss on disposal and sales of fixed assets	(15)	(1)
2. Loss on valuation of investment securities	-	(12)
3. Loss on liquidation of subsidiaries	-	(11)
4. Other	-	(0)
Income before income taxes	1,163	1,577
Income taxes	298	464
1. Current income taxes	29	292
2. Deferred income taxes	269	171
Net income	864	1,113
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	864	1,113

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2019	Three months ended June.30,2020
Net income	864	1,113
Other comprehensive income		
Net unrealized holding gains on securities	(249)	192
Foreign currency translation adjustments	(261)	(118)
Remeasurements of defined benefit plans	(15)	(5)
Total other comprehensive income	(525)	68
Comprehensive income	338	1,181
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	338	1,181
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Three months ended June.30,2019	Three months ended June.30,2020
<b>Operating activities</b>		
1. Profit before income taxes	1,163	1,577
2. Depreciation	649	723
3. Decrease(Increase) in notes and accounts receivables – trade	(2,305)	(4,922)
4. Decrease(Increase) in inventories	(6,076)	(919)
5. Decrease(Increase) in accounts receivables from sub-contractors	(267)	(430)
6. Increase(Decrease) in notes and accounts payable-trade	10,131	4,761
7. Other - net	(959)	(685)
<b>Sub-total</b>	<b>2,335</b>	<b>104</b>
8. Interest and dividends – received	90	63
9. Interest – paid	(35)	(10)
10. Income taxes– paid	(1,276)	(1,472)
11. Income taxes– refunded	-	4
<b>Net cash provided by operating activities</b>	<b>1,113</b>	<b>(1,310)</b>
<b>Investing activities</b>		
1. Decrease(Increase) from deposits	90	(6)
2. Capital expenditures	(1,056)	(341)
3. Proceeds from sales of fixed assets	88	351
4. Proceeds from sales of investment securities	621	-
5. Other - net	374	164
<b>Net cash used in investing activities</b>	<b>118</b>	<b>167</b>
<b>Financing activities</b>		
1. Increase(Decrease) in short-term debt	71	72
2. Purchases of treasury stock	(0)	-
3. Dividends paid	(876)	(876)
4. Other - net	(31)	(29)
<b>Net cash used in financing activities</b>	<b>(836)</b>	<b>(834)</b>
Effect of exchange rate changes on cash and cash equivalents	(257)	(83)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>138</b>	<b>(2,060)</b>
Cash and cash equivalents at beginning of period	68,061	62,649
Cash and cash equivalents at end of period	68,199	60,588

NET SALES BY PRODUCTS

Yen (millions)

	Three months ended June.30,2020	
	Amount	%
Electro-mechanical components	46,059	90.9
Acoustic components	1,991	3.9
Display components	933	1.8
Applied equipment and others	1,703	3.4
Total	50,688	100.0