

# **FINANCIAL RELEASE**

**FROM APRIL.1,2017  
TO MARCH.31,2018**

**HOSIDEN CORPORATION**

## 1. Consolidated Results For The Years Ended March.31, 2018 And 2017

## (1)Consolidated Operating Results(Years ended March.31,2018 and 2017)

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	%
2018	299,440	99.5	13,043	449.6	10,548	484.5	10,233	398.4
2017	150,082	7.2	2,373	-	1,804	-	2,053	-

	Net Income Per Share	Diluted Net Income Per Share	Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
2018	172.11	165.35	12.5	8.2	4.4
2017	33.59	-	2.7	1.6	1.6

## (2)Consolidated Financial Position(As of March.31,2018 and 2017)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
2018	138,055	86,992	63.0	1,463.09
2017	119,045	76,661	64.4	1,289.30

## (3)Consolidated Cash Flows(Years ended March.31,2018 and 2017)

	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
2018	3,757	(5,673)	8,832	52,405
2017	(1,572)	(3,456)	(3,192)	45,457

## 2.Dividends(Years ended March.31,2018 and 2017,and the year ending March.31,2019)

	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	%	%
2017	3.00	5.00	8.00	481	23.5	0.6
2018	5.00	15.00	20.00	1,189	11.6	1.5
2019 (Projected)	10.00	10.00	20.00		15.9	

## 3.Consolidated Forecasts for the year ending March.31,2019

	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
Interim Period	147,000	4.3	4,400	(25.7)	4,400	(34.0)	3,300	(43.2)	55.50
Entire Year	310,000	3.5	10,000	(23.3)	10,000	(5.2)	7,500	(26.7)	126.14

(Reference)Non-Consolidated Results

1.Non-Consolidated Results For The Years Ended March.31, 2018 And 2017

(1)Non-Consolidated Operating Results(Years ended March.31,2018 and 2017)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2018	239,879	138.4	8,753	928.7	7,143	341.5	6,789	321.9
2017	100,622	7.9	850	-	1,617	-	1,609	-

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
2018	114.19	109.66
2017	26.32	-

(2)Non-Consolidated Financial Position(As of March.31,2018 and 2017)

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Millions of yen
2018	120,325	64,739	53.8	1,088.82
2017	103,465	58,355	56.4	981.42

CONSOLIDATED BALANCE SHEETS

Yen (millions)

ASSETS		
ACCOUNT ITEMS	Mar.31,2017	Mar.31,2018
<b>Current assets</b>		
1. Cash and deposits	40,275	45,087
2. Notes receivable and accounts receivable-trade	28,752	30,494
3. Short-term investment securities	5,500	8,100
4. Inventories	20,495	28,869
5. Deferred tax assets	610	689
6. Accounts receivable from sub-contractors	1,441	1,688
7. Other current assets	3,342	3,063
Allowance for doubtful receivables	(33)	(25)
<b>Total of current assets</b>	<b>100,386</b>	<b>117,968</b>
<b>Fixed assets</b>		
<b>(1) Property plant and equipment</b>		
1. Buildings and structures	4,013	4,029
2. Machinery, equipment and vehicles	2,604	4,274
3. Land	3,604	3,496
4. Construction in progress	121	48
5. Other property plant and equipment	2,172	2,150
<b>Total of property plant and equipment</b>	<b>12,517</b>	<b>13,998</b>
<b>(2) Intangible assets</b>	<b>243</b>	<b>339</b>
<b>(3) Investments and other assets</b>		
1. Investment securities	4,929	5,170
2. Net defined benefit assets	2	2
3. Deferred tax assets	479	-
4. Other investments	892	928
Allowance for doubtful receivables	(406)	(353)
<b>Total of investments and other assets</b>	<b>5,898</b>	<b>5,748</b>
<b>Total of fixed assets</b>	<b>18,658</b>	<b>20,086</b>
<b>Total assets</b>	<b>119,045</b>	<b>138,055</b>

Yen (millions)

<b>LIABILITIES</b>		
ACCOUNT ITEMS	Mar.31,2017	Mar.31,2018
<b>Current liabilities</b>		
1. Notes payable and accounts payable-trade	24,227	24,390
2. Short-term debt	5,769	5,064
3. Income tax payable	705	1,320
4. Deferred tax liabilities	2	2
5. Provision for directors' bonuses	-	100
6. Other current liabilities	4,168	4,507
<b>Total of current liabilities</b>	<b>34,872</b>	<b>35,386</b>
<b>Long-term liabilities</b>		
1. Convertible bond-type bonds with subscription rights to shares	-	10,137
2. Deferred tax liabilities	1,736	272
3. Net defined benefit liabilities	5,013	4,481
4. Other long-term liabilities	761	784
<b>Total of long-term liabilities</b>	<b>7,511</b>	<b>15,675</b>
<b>Total liabilities</b>	<b>42,384</b>	<b>51,062</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	52,898	60,658
4. Treasury stock	(9,626)	(7,750)
<b>Total of owner's equity</b>	<b>76,528</b>	<b>86,165</b>
<b>Accumulated other comprehensive income</b>		
1. Unrealized gains on other securities	2,106	2,298
2. Translation adjustments	(2,107)	(1,703)
3. Remeasurements of defined benefit plans	134	233
<b>Total of accumulated other comprehensive income(loss)</b>	<b>132</b>	<b>827</b>
<b>Total shareholders' equity</b>	<b>76,661</b>	<b>86,992</b>
<b>Total liabilities and shareholders' equity</b>	<b>119,045</b>	<b>138,055</b>

CONSOLIDATED STATEMENT OF INCOME

Yen (millions)

ACCOUNT ITEMS	Year ended Mar.31,2017	Year ended Mar.31,2018
Net sales	150,082	299,440
Cost of sales	137,304	275,174
Gross profit	12,778	24,266
Selling, general and administrative expenses	10,405	11,223
Operating income	2,373	13,043
Non-operating income	227	317
1. Interest income	68	99
2. Dividend income	69	81
3. Dividends income of insurance	7	32
4. Other	82	104
Non-operating expenses	(796)	(2,812)
1. Interest expenses	(116)	(131)
2. Exchange loss	(655)	(2,627)
3. Other	(23)	(53)
Ordinary income	1,804	10,548
Extraordinary income	615	50
1. Gain on sales of fixed assets	607	2
2. Gain on sales of investment securities	7	0
3. Gain on sales of golf memberships	-	45
4. Other	-	2
Extraordinary loss	(113)	(215)
1. Loss on disposal and sales of fixed assets	(23)	(1)
2. Impairment losses on fixed assets	-	(212)
3. Loss on valuation of investment securities	(85)	-
4. Other	(4)	(0)
Income before income taxes	2,306	10,384
Income taxes	252	151
1. Current income taxes	425	1,330
2. Deferred income taxes	(172)	(1,179)
Net income	2,053	10,233
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,053	10,233

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Yen (millions)

ACCOUNT ITEMS	Year ended Mar.31,2017	Year ended Mar.31,2018
Net income	2,053	10,233
Other comprehensive income (loss)		
Net unrealized holding gains(losses)on securities	865	191
Foreign currency translation adjustments	(91)	404
Remeasurements of defined benefit plans	190	99
Total other comprehensive income	964	695
Comprehensive income	3,018	10,928
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,018	10,928
Comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENTS OF CASH FLOWS

Yen (millions)

ACCOUNT ITEMS	Year ended Mar.31,2017	Year ended Mar.31,2018
<b>Operating activities</b>		
1. Profit(Loss) before income taxes	2,306	10,384
2. Depreciation	1,878	3,580
3. Impairment losses on fixed assets	-	212
4. Increase(Decrease) in allowance for doubtful receivables	74	(27)
5. Increase(Decrease) in net defined benefit liabilities	(124)	(426)
6. Interest and dividends income	(137)	(180)
7. Interest expense	116	131
8. Loss(Gain) on disposal and sales of fixed assets	(584)	(0)
9. Loss(Gain) on valuation of investment securities	85	-
10. Decrease(Increase) in notes and accounts receivables- trade	(11,868)	(2,255)
11. Decrease(Increase) in inventories	(5,972)	(9,373)
12. Decrease(Increase) in accounts receivables from sub-contractors	(296)	(252)
13. Decrease(Increase) in other assets	252	194
14. Increase(Decrease) in notes and accounts payables-trade	13,034	2,157
15. Increase (Decrease) in other liabilities	408	237
16. Other -net	226	284
<b>Sub-total</b>	<b>(599)</b>	<b>4,665</b>
17. Interest and dividends - received	136	168
18. Interest - paid	(114)	(133)
19. Income taxes- paid	(1,222)	(1,031)
20. Income taxes- refunded	227	89
<b>Net cash provided by operating activities</b>	<b>(1,572)</b>	<b>3,757</b>



ACCOUNT ITEMS	Yen (millions)	
	Year ended Mar.31,2017	Year ended Mar.31,2018
<b>Investing activities</b>		
1. Decrease(Increase) from deposits	14	(456)
2. Capital expenditures	(4,010)	(5,305)
3. Proceeds from sales of fix assets	846	268
4. Payments for purchases of investment securities	(308)	-
5. Proceeds from sales of investment securities	18	32
6. Increase from intangible assets	(78)	(183)
7. Other-net	60	(29)
<b>Net cash used in investing activities</b>	<b>(3,456)</b>	<b>(5,673)</b>
<b>Financing activities</b>		
1. Increase(Decrease) in short-term debt	(673)	(690)
2. Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	-	10,120
3. Purchases of treasury stock	(2,027)	(2)
4. Dividends paid	(491)	(594)
5. Other	-	(1)
<b>Net cash used in financing activities</b>	<b>(3,192)</b>	<b>8,832</b>
Effect of exchange rate changes on cash and Cash Equivalents	(335)	32
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(8,557)</b>	<b>6,948</b>
Cash and cash equivalents at beginning of year	54,015	45,457
Cash and cash equivalents at end of year	45,457	52,405

## SEGMENT INFORMATION

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

The Year Ended March 31, 2018 (From April 1, 2017 to March 31, 2018)

Yen (millions)

	Reportable segments					Adjusted amount or corporate	Amount on consolidated
	Electro-mechanical components	Acoustic components	Display components	Applied equipment and others	Total		
<b>Sales</b>							
Sales to customers	264,453	18,206	10,222	3,844	296,727	2,713	299,440
Inter-segment sales or Transfer	-	97	18	-	115	(115)	-
<b>Total</b>	<b>264,453</b>	<b>18,304</b>	<b>10,241</b>	<b>3,844</b>	<b>296,842</b>	<b>2,598</b>	<b>299,440</b>
Segment profit	11,706	1,732	494	(14)	13,919	(876)	13,043
Segment asset	65,624	7,589	3,637	2,138	78,989	59,065	138,055
<b>Other items</b>							
Depreciation expense	2,846	546	154	120	3,667	(87)	3,580
Increase in tangible Fixed Asset And Intangible Fixed Asset	4,497	532	224	263	5,517	66	5,584

**NET SALES BY PRODUCTS**

Yen (millions)

	Years ended March.31,2018	
	Amount	%
Electro-mechanical components	267,084	89.2
Acoustic components	18,265	6.1
Display components	10,233	3.4
Applied equipment and others	3,858	1.3
<b>Total</b>	<b>299,440</b>	<b>100.0</b>