

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



May 10, 2024

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

Company name: Hosiden Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 6804
 URL: <https://www.hosiden.com/en/>
 Representative: Kenji Furuhashi, President and CEO
 Inquiries: Takafumi Tsuru, Senior Executive Officer of President Office • Finance Department
 Telephone: +81-72-993-1010
 Scheduled date of ordinary general meeting of shareholders: June 26, 2024
 Scheduled date to commence dividend payments: June 27, 2024
 Scheduled date to file annual securities report: June 26, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	218,910	(21.0)	12,925	(17.9)	18,160	(4.3)	11,632	(8.0)
March 31, 2023	277,244	33.5	15,750	34.3	18,984	20.3	12,637	6.2

(Note) Comprehensive income For the fiscal year ended March 31, 2024 14,702 million yen [1.6%]
 For the fiscal year ended March 31, 2023 14,477 million yen [7.5%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2024	224.23	205.62	8.9	10.2	5.9
March 31, 2023	232.88	214.93	10.3	10.8	5.7

(Reference) Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2024 – million yen

For the fiscal year ended March 31, 2023 – million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	175,008	134,870	77.1	2,609.20
March 31, 2023	179,993	126,753	70.4	2,379.08

(Reference) Equity

As of March 31, 2024 134,870 million yen
As of March 31, 2023 126,753 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	26,931	(8,345)	(7,940)	76,662
March 31, 2023	20,765	(9,852)	(7,437)	66,017

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	–	23.00	–	48.00	71.00	3,821	30.2	3.1
Fiscal year ended March 31, 2024	–	24.00	–	44.00	68.00	3,515	30.2	2.7
Fiscal year ending March 31, 2025 (Forecast)	–	19.00	–	19.00	38.00		30.7	

(Note) Revision of cash dividend forecast most recently announced: Yes

For the year-end dividend for the fiscal year ended March 31, 2024, please refer to the “Notice Regarding Dividends of Surplus” published today, on May 10, 2024.

3. Consolidated financial results forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	112,000	(10.3)	4,800	(25.8)	4,800	(56.4)	3,400	(53.5)	65.78
Full year	227,000	3.7	9,200	(28.8)	9,200	(49.3)	6,400	(45.0)	123.81

Financial results forecasts are based on the assumption of a foreign exchange rate of 151 yen per U.S. dollar.

Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: – companies (Company name)

Excluded: – companies (Company name)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	61,410,084 shares
As of March 31, 2023	63,010,084 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2024	9,719,522 shares
As of March 31, 2023	9,731,778 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	51,874,411 shares
Fiscal year ended March 31, 2023	54,264,292 shares

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	163,689	(27.2)	7,554	(31.7)	12,664	(17.7)	7,625	(19.2)
March 31, 2023	224,764	39.6	11,059	63.2	15,380	34.6	9,442	(32.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	147.01	134.71
March 31, 2023	174.01	160.53

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	131,502	93,169	70.9	1,802.46
March 31, 2023	138,156	91,010	65.9	1,708.21

(Reference) Equity

As of March 31, 2024 93,169 million yen
As of March 31, 2023 91,010 million yen

Notes: 1. Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

2. Explanation on proper use of earnings forecasts, and other special matters

The forward-looking statements about the future financial results of this document are future forecasts based on the judgment of Hosiden Corporation (the “Company”) taking into account the information currently available, and the Company does not intend to make a warranty of their achievement. These forward-looking statements contain various potential risks and uncertainties, and actual results may be materially different from the forward-looking statements due to various material factors. Therefore, the Company asks not to depend highly on these forward-looking statements.

(Means of access to supplementary material on financial results and contents of financial results briefing)

The materials to be used in the financial result briefing will be available on the Company’s website.

Consolidated financial statements and significant notes thereto**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	57,418	72,287
Notes receivable - trade	1,302	1,644
Accounts receivable - trade	33,667	21,110
Securities	13,335	14,624
Merchandise and finished goods	9,691	9,214
Work in process	5,107	3,730
Raw materials and supplies	26,469	19,638
Trade accounts receivable	1,567	1,188
Other	3,346	2,503
Allowance for doubtful accounts	(27)	(15)
Total current assets	151,878	145,925
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,462	21,966
Accumulated depreciation and impairment	(14,499)	(15,021)
Buildings and structures, net	6,962	6,944
Machinery, equipment and vehicles	26,475	27,160
Accumulated depreciation and impairment	(21,215)	(22,787)
Machinery, equipment and vehicles, net	5,259	4,373
Land	3,035	3,031
Construction in progress	62	311
Other	31,318	30,885
Accumulated depreciation and impairment	(29,144)	(28,905)
Other, net	2,174	1,979
Total property, plant and equipment	17,495	16,641
Intangible assets	423	405
Investments and other assets		
Investment securities	5,643	7,057
Retirement benefit asset	60	35
Deferred tax assets	739	674
Other	4,039	4,554
Allowance for doubtful accounts	(287)	(286)
Total investments and other assets	10,195	12,035
Total non-current assets	28,114	29,082
Total assets	179,993	175,008

Hosiden Corporation (6804) Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,772	14,673
Short-term borrowings	2,189	1,050
Current portion of bonds with share acquisition rights	–	10,008
Income taxes payable	3,910	3,253
Provision for bonuses for directors (and other officers)	154	140
Other	5,893	5,916
Total current liabilities	37,919	35,042
Non-current liabilities		
Bonds with share acquisition rights	10,030	–
Deferred tax liabilities	1,268	2,167
Retirement benefit liability	3,170	2,307
Other	850	620
Total non-current liabilities	15,319	5,094
Total liabilities	53,239	40,137
Net assets		
Shareholders' equity		
Share capital	13,660	13,660
Capital surplus	19,596	19,596
Retained earnings	100,808	106,744
Treasury shares	(10,695)	(11,584)
Total shareholders' equity	123,370	128,417
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,381	3,500
Foreign currency translation adjustment	666	2,272
Remeasurements of defined benefit plans	334	680
Total accumulated other comprehensive income	3,382	6,453
Total net assets	126,753	134,870
Total liabilities and net assets	179,993	175,008

Consolidated statements of income and consolidated statements of comprehensive income**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	277,244	218,910
Cost of sales	251,487	196,164
Gross profit	25,757	22,745
Selling, general and administrative expenses	10,007	9,820
Operating profit	15,750	12,925
Non-operating income		
Interest income	368	808
Dividend income	136	142
Foreign exchange gains	2,490	4,214
Other	294	129
Total non-operating income	3,290	5,294
Non-operating expenses		
Interest expenses	34	41
Commission for syndicated loans	10	-
Other	10	16
Total non-operating expenses	56	58
Ordinary profit	18,984	18,160
Extraordinary income		
Gain on sale of non-current assets	142	14
Total extraordinary income	142	14
Extraordinary losses		
Loss on sale and retirement of non-current assets	31	33
Impairment losses	347	931
Loss on liquidation of subsidiaries	220	-
Other	1	0
Total extraordinary losses	600	965
Profit before income taxes	18,527	17,210
Income taxes - current	5,493	5,181
Income taxes - deferred	396	396
Total income taxes	5,889	5,578
Profit	12,637	11,632
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	12,637	11,632

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	12,637	11,632
Other comprehensive income		
Valuation difference on available-for-sale securities	(114)	1,119
Foreign currency translation adjustment	2,000	1,605
Remeasurements of defined benefit plans, net of tax	(46)	345
Total other comprehensive income	1,840	3,070
Comprehensive income	14,477	14,702
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,477	14,702
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	18,527	17,210
Depreciation	3,385	3,150
Impairment losses	347	931
Increase (decrease) in allowance for doubtful accounts	(57)	(73)
Increase (decrease) in retirement benefit liability	(442)	(436)
Interest and dividend income	(504)	(950)
Interest expenses	34	41
Loss (gain) on sale and retirement of non-current assets	(111)	19
Loss (gain) on valuation of investment securities	1	–
Decrease (increase) in trade receivables	(8,286)	12,963
Decrease (increase) in inventories	12,017	10,073
Decrease (increase) in operating accounts receivable	640	380
Decrease (increase) in other assets	(629)	1,095
Increase (decrease) in trade payables	663	(11,796)
Increase (decrease) in other liabilities	(685)	(38)
Other, net	700	(173)
Subtotal	25,600	32,394
Interest and dividends received	421	940
Interest paid	(24)	(49)
Income taxes paid	(5,232)	(6,354)
Net cash provided by (used in) operating activities	20,765	26,931
Cash flows from investing activities		
Payments into time deposits	(10,290)	(12,372)
Proceeds from withdrawal of time deposits	6,557	10,247
Payments into long-term deposits	(3,000)	(3,500)
Purchase of property, plant and equipment	(2,818)	(2,742)
Proceeds from sale of property, plant and equipment	427	97
Purchase of investment securities	(1,002)	–
Purchase of intangible assets	(134)	(179)
Other, net	408	103
Net cash provided by (used in) investing activities	(9,852)	(8,345)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	(1,187)
Purchase of treasury shares	(3,000)	(2,817)
Dividends paid	(4,287)	(3,798)
Other, net	(150)	(137)
Net cash provided by (used in) financing activities	(7,437)	(7,940)
Effect of exchange rate change on cash and cash equivalents	62	(1)
Net increase (decrease) in cash and cash equivalents	3,538	10,644
Cash and cash equivalents at beginning of period	62,479	66,017
Cash and cash equivalents at end of period	66,017	76,662

Net sales, profit or loss, assets and other items by reportable segment

Previous fiscal year (from April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments					Adjustments or company-wide (Note 1)	Amounts in consolidated financial statements (Note 2)
	Electro-mechanical components	Acoustic components	Display components	Applied equipment and other	Total		
Net sales							
Sales to unaffiliated customers	248,063	16,907	3,901	8,371	277,244	–	277,244
Inter-segment sales and transfers	–	–	–	–	–	–	–
Total	248,063	16,907	3,901	8,371	277,244	–	277,244
Segment profit (loss)	13,575	1,241	(623)	1,556	15,750	–	15,750
Segment assets	83,912	12,397	1,983	3,919	102,213	77,779	179,993
Other items							
Depreciation	2,530	530	132	192	3,385	–	3,385
Increase in property, plant and equipment and intangible assets	1,457	335	33	96	1,922	114	2,037

Notes: 1. The adjustments are as follows:

- (1) The company-wide assets of 77,779 million yen for segment assets include cash and deposits, securities, investment securities and deferred tax assets, etc.
 - (2) Of the increase in property, plant and equipment and intangible assets, 114 million yen is company-wide assets that are not allocated to each reportable segment.
2. The total amount of segment profit (loss) is equal to the operating profit in the consolidated statements of income.

Current fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments					Adjustments or company-wide (Note 1)	Amounts in consolidated financial statements (Note 2)
	Electro-mechanical components	Acoustic components	Display components	Applied equipment and other	Total		
Net sales							
Sales to unaffiliated customers	184,874	20,183	2,481	11,371	218,910	–	218,910
Inter-segment sales and transfers	–	–	–	–	–	–	–
Total	184,874	20,183	2,481	11,371	218,910	–	218,910
Segment profit (loss)	9,310	1,533	(431)	2,513	12,925	–	12,925
Segment assets	61,152	12,087	1,341	5,410	79,992	95,015	175,008
Other items							
Depreciation	2,338	526	46	239	3,150	–	3,150
Increase in property, plant and equipment and intangible assets	1,556	604	248	235	2,644	188	2,833

Notes: 1. The adjustments are as follows:

- (1) The company-wide assets of 95,015 million yen for segment assets include cash and deposits, securities, investment securities and deferred tax assets, etc.
 - (2) Of the increase in property, plant and equipment and intangible assets, 188 million yen is company-wide assets that are not allocated to each reportable segment.
2. The total amount of segment profit (loss) is equal to the operating profit in the consolidated statements of income.