

This PDF document is an updated note on the company. A comprehensive version of the report on the company, including this latest update, is available on [our website](#) and various professional platforms.

On February 12, 2021, Hosokawa Micron Corporation announced earnings results for Q1 FY09/21.

Cumulative (JPYmn)	FY09/19				FY09/20				FY09/21	FY09/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	% of Est.	1H Est.
Sales	14,086	28,299	40,655	55,381	13,170	26,630	38,097	53,497	13,729	52.8%	26,000
YoY	10.9%	4.2%	-2.4%	-2.6%	-6.5%	-5.9%	-6.3%	-3.4%	4.2%		-8.1%
Gross profit	5,124	10,296	14,754	20,075	4,727	9,305	13,452	19,357	4,840		
YoY	6.0%	2.9%	-5.2%	-4.2%	-7.7%	-9.6%	-8.8%	-3.6%	2.4%		
Gross profit margin	36.4%	36.4%	36.3%	36.2%	35.9%	34.9%	35.3%	36.2%	35.3%		
SG&A expenses	3,592	7,017	10,629	14,157	3,788	7,435	10,858	14,566	3,531		
YoY	7.4%	2.2%	0.3%	-1.9%	5.5%	6.0%	2.2%	2.9%	-6.8%		
SG&A ratio	25.5%	24.8%	26.1%	25.6%	28.8%	27.9%	28.5%	27.2%	25.7%		
Operating profit	1,531	3,279	4,125	5,918	939	1,869	2,593	4,791	1,308	87.2%	1,500
YoY	2.8%	4.6%	-16.9%	-9.5%	-38.7%	-43.0%	-37.1%	-19.0%	39.3%		-54.3%
Operating profit margin	10.9%	11.6%	10.1%	10.7%	7.1%	7.0%	6.8%	9.0%	9.5%		5.8%
Recurring profit	1,580	3,367	4,256	6,099	999	2,019	2,784	5,007	1,393	92.9%	1,500
YoY	3.9%	8.0%	-15.7%	-8.4%	-36.8%	-40.0%	-34.6%	-17.9%	39.4%		-55.4%
Recurring profit margin	11.2%	11.9%	10.5%	11.0%	7.6%	7.6%	7.3%	9.4%	10.1%		5.8%
Net income	1,122	2,366	2,989	4,182	714	1,220	1,823	3,317	1,030	98.1%	1,050
YoY	46.3%	22.5%	-8.6%	-0.5%	-36.4%	-48.4%	-39.0%	-20.7%	44.3%		-55.6%
Net margin	8.0%	8.4%	7.4%	7.6%	5.4%	4.6%	4.8%	6.2%	7.5%		4.0%

Quarterly (JPYmn)	FY09/19				FY09/20				FY09/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Sales	14,086	14,213	12,356	14,726	13,170	13,460	11,467	15,400	13,729
YoY	10.9%	-1.7%	-14.7%	-3.1%	-6.5%	-5.3%	-7.2%	4.6%	4.2%
Gross profit	5,124	5,172	4,458	5,321	4,727	4,578	4,147	5,905	4,840
YoY	6.0%	0.1%	-19.8%	-1.6%	-7.7%	-11.5%	-7.0%	11.0%	2.4%
Gross profit margin	36.4%	36.4%	36.1%	36.1%	35.9%	34.0%	36.2%	38.3%	35.3%
SG&A expenses	3,592	3,425	3,612	3,528	3,788	3,647	3,423	3,708	3,531
YoY	7.4%	-2.8%	-3.1%	-7.9%	5.5%	6.5%	-5.2%	5.1%	-6.8%
SG&A ratio	25.5%	24.1%	29.2%	24.0%	28.8%	27.1%	29.9%	24.1%	25.7%
Operating profit	1,531	1,748	846	1,793	939	930	724	2,198	1,308
YoY	2.8%	6.1%	-53.8%	13.8%	-38.7%	-46.8%	-14.4%	22.6%	39.3%
Operating profit margin	10.9%	12.3%	6.8%	12.2%	7.1%	6.9%	6.3%	14.3%	9.5%
Recurring profit	1,580	1,787	889	1,843	999	1,020	765	2,223	1,393
YoY	3.9%	11.9%	-53.9%	14.6%	-36.8%	-42.9%	-13.9%	20.6%	39.4%
Recurring profit margin	11.2%	12.6%	7.2%	12.5%	7.6%	7.6%	6.7%	14.4%	10.1%
Net income	1,122	1,244	623	1,193	714	506	603	1,494	1,030
YoY	46.3%	6.8%	-53.5%	27.7%	-36.4%	-59.3%	-3.2%	25.2%	44.3%
Net margin	8.0%	8.8%	5.0%	8.1%	5.4%	3.8%	5.3%	9.7%	7.5%

Source: Shared Research based on company data
 Note: Figures may differ from company materials due to differences in rounding methods.

By segment (cumulative) (JPYmn)	FY09/19				FY09/20				FY09/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Total sales	14,086	28,299	40,655	55,381	13,170	26,630	38,097	53,497	13,729
YoY	10.9%	4.2%	-2.4%	-2.6%	-6.5%	-5.9%	-6.3%	-3.4%	4.2%
Powder Processing Equipment	10,282	20,671	30,077	41,060	10,305	20,009	29,116	40,393	10,157
YoY	7.9%	2.5%	-2.8%	-4.4%	0.2%	-3.2%	-3.2%	-1.6%	-1.4%
Blown Film	3,803	7,627	10,577	14,320	2,864	6,620	8,981	13,104	3,571
YoY	20.2%	9.0%	-1.4%	3.1%	-24.7%	-13.2%	-15.1%	-8.5%	24.7%
Operating profit	1,531	3,279	4,125	5,918	939	1,869	2,593	4,791	1,308
YoY	2.8%	4.6%	-16.9%	-9.5%	-38.7%	-43.0%	-37.1%	-19.0%	39.3%
Powder Processing Equipment	1,206	2,647	3,552	5,267	1,122	2,008	2,899	4,528	1,149
YoY	-9.2%	-5.1%	-18.3%	-12.1%	-7.0%	-24.1%	-18.4%	-14.0%	2.4%
Blown Film	583	1,162	1,408	1,830	117	520	649	1,598	421
YoY	38.8%	30.7%	-2.6%	6.0%	-79.9%	-55.2%	-53.9%	-12.7%	259.8%

By segment (quarterly) (JPYmn)	FY09/19				FY09/20				FY09/21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Total sales	14,086	14,213	12,356	14,726	13,170	13,460	11,467	15,400	13,729
YoY	10.9%	-1.7%	-14.7%	-3.1%	-6.5%	-5.3%	-7.2%	4.6%	4.2%
Powder Processing Equipment	10,282	10,389	9,406	10,983	10,305	9,704	9,107	11,277	10,157
YoY	7.9%	-2.3%	-12.6%	-8.7%	0.2%	-6.6%	-3.2%	2.7%	-1.4%
Blown Film	3,803	3,824	2,950	3,743	2,864	3,756	2,361	4,123	3,571
YoY	20.2%	-0.2%	-20.9%	18.3%	-24.7%	-1.8%	-20.0%	10.2%	24.7%
Operating profit	1,531	1,748	846	1,793	939	930	724	2,198	1,308
YoY	2.8%	6.1%	-53.8%	13.8%	-38.7%	-46.8%	-14.4%	22.6%	39.3%
Powder Processing Equipment	1,206	1,441	905	1,715	1,122	886	891	1,629	1,149
YoY	-9.2%	-1.3%	-42.1%	4.4%	-7.0%	-38.5%	-1.5%	-5.0%	2.4%
Blown Film	583	579	246	422	117	403	129	949	421
YoY	38.8%	23.5%	-55.8%	50.2%	-79.9%	-30.4%	-47.6%	124.9%	259.8%

Q1 FY09/21 results

Overview

In Q1 FY09/21, orders were JPY17.2bn (+7.0% YoY), sales were JPY13.7bn (+4.2% YoY), and the order backlog was JPY31.0bn (+19.9% YoY). Profit was also up, mainly because of the higher sales. Operating profit was JPY1.3bn (+39.3% YoY), recurring profit was JPY1.4bn (+39.4% YoY), and net income attributable to owners of the parent was JPY1.0bn (+44.3% YoY).

Powder Processing Equipment business

The accelerating global shift toward electric vehicles led to robust demand for related investment, boosting demand for equipment used for lithium-ion battery and other electronic materials. Demand remained firm in pharmaceuticals and chemicals. The toll processing business, which had been suppressed amid the COVID019 pandemic, showed signs of a rebound. As a result, in this segment orders were JPY11.8bn (+10.2% YoY), the order backlog was JPY23.4bn (+33.3% YoY), and sales were JPY10.2bn (-1.4% YoY). Segment profit was JPY1.1bn (+2.4% YoY).

Blown Film business

The company received orders from the US for high-performance film-making equipment used in multilayer lamination for the production of trash bags. Hosokawa Micron also received orders in Europe, Asia, and South America for equipment to produce laminated film and equipment for high-performance, multilayer films used in barrier films. Consequently, orders were JPY5.3bn (+0.6% YoY), the order backlog was JPY7.6bn (-8.6% YoY), and sales were JPY3.6bn (+24.7% YoY). Segment profit was JPY421mn (+259.8% YoY).

This note is the most recent addition to the [full report](#).

We offer corporate clients comprehensive report coverage, a service that allows them to better inform investors and other stakeholders by presenting a continuously updated third-party view of business fundamentals, independent of investment biases. Shared Research can be found on the web at <https://sharedresearch.jp>.

Disclaimer

This document is provided for informational purposes only. No investment opinion or advice is provided, intended, or solicited. Shared Research Inc. offers no warranty, either expressed or implied, regarding the veracity of data or interpretations of data included in this report. We shall not be held responsible for any damage caused by the use of this report.

The copyright of this report and the rights regarding the creation and exploitation of the derivative work of this and other Shared Research Reports belong to Shared Research. This report may be reproduced or modified for personal use; distribution, transfer, or other uses of this report are strictly prohibited and a violation of the copyright of this report. Our officers and employees may currently, or in the future, have a position in securities of the companies mentioned in this report, which may affect this report's objectivity.

Japanese Financial Instruments and Exchange Law (FIEL) Disclaimer

The report has been prepared by Shared Research under a contract with the company described in this report ("the company"). Opinions and views presented are ours where so stated. Such opinions and views attributed to the company are interpretations made by Shared Research. We represent that if this report is deemed to include an opinion from us that could influence investment decisions in the company, such an opinion may be in exchange for consideration or promise of consideration from the company to Shared Research.

Contact Details

Shared Research Inc.

3-31-12 Sendagi Bunkyo-ku Tokyo, Japan

<https://sharedresearch.jp>

Phone: +81 (0)3 5834-8787

Email: info@sharedresearch.jp