

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2014 (Based on Japanese GAAP)

October 31, 2014

Company name: DOSHISHA CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 7483 URL <http://www.doshisha.co.jp>  
 Representative: President and Chief Operating Officer Masayuki Nomura  
 Director Managing Executive Officer In  
 Inquiries: Charge of Financial & Accounting Foreign Toshihiro Fujimoto TEL 06-6121-5669  
 Trade Operation Business Management  
 Scheduled date to file Quarterly Securities Report: November 12, 2014  
 Scheduled date to commence dividend payments: December 1, 2014  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2014 (from April 1, 2014 to September 30, 2014)

#### (1) Consolidated financial results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2014	48,767	(2.4)	2,873	(4.9)	3,022	(1.8)	1,988	11.7
Six months ended September 30, 2013	49,978	6.4	3,022	(6.9)	3,078	(8.7)	1,780	(12.9)

Note: Comprehensive income Six months ended September 30, 2014 ¥2,788million [40.5%]  
 Six months ended September 30, 2013 ¥1,984million [11.8%]

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended September 30, 2014	53.32		-	
Six months ended September 30, 2013	47.75		-	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2014	68,180	55,352	80.1	1,465.36
As of March 31, 2014	64,975	53,416	80.8	1,408.18

Reference: Equity As of September 30, 2014: ¥54,645million  
 As of March 31, 2014: ¥52,512million

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2014	-	15.00	-	15.00	30.00
Year ending March 31, 2015	-	20.00	-	-	-
Year ending March 31, 2015 (Forecast)	-	-	-	20.00	40.00

Notes: Revision of cash dividend forecast most recently announced: Yes

Details of interim dividends for the six months ended September 30, 2014

Ordinary dividends 15 yen Commemorative dividends 5 yen

Details of year-end dividends for the year ending March 31, 2015 [forecast]

Ordinary dividends 15 yen Commemorative dividends 5 yen

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	110,000	4.2	8,500	16.7	8,500	13.2	5,200	17.6	139.44

Note: Revision of consolidated financial results forecast most recently announced: No

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2014 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2014	37,375,636 shares	As of March 31, 2014	37,375,636 shares
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Number of treasury shares at the end of the period

As of September 30, 2014	84,411 shares	As of March 31, 2014	84,376 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2014	37,291,245 shares	Six months ended September 30, 2013	37,291,294 shares
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\* Indication regarding execution of quarterly review procedures

This quarterly financial results report is exempt from the quarterly review procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results report, the review procedures for quarterly financial statements are in progress.

\* Proper use of forecasts of financial results, and other special matters

Caution concerning forward-looking statements

The forward-looking statements, including the earnings forecasts shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
<b>Assets</b>		
Current assets		
Cash and deposits	26,233	27,701
Notes and accounts receivable - trade	15,931	15,283
Merchandise and finished goods	7,292	8,601
Short-term loans receivable	24	13
Other	965	2,208
Allowance for doubtful accounts	(7)	(1)
<b>Total current assets</b>	<b>50,440</b>	<b>53,807</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,949	7,575
Accumulated depreciation	(3,517)	(3,462)
Buildings and structures, net	4,432	4,113
Land	6,588	6,588
Other	1,657	1,791
Accumulated depreciation	(1,021)	(1,120)
Other, net	635	671
<b>Total property, plant and equipment</b>	<b>11,656</b>	<b>11,373</b>
Intangible assets		
	161	162
Investments and other assets		
Investment securities	1,525	1,701
Long-term loans receivable	18	12
Other	1,340	1,202
Allowance for doubtful accounts	(168)	(79)
<b>Total investments and other assets</b>	<b>2,716</b>	<b>2,837</b>
<b>Total non-current assets</b>	<b>14,534</b>	<b>14,373</b>
<b>Total assets</b>	<b>64,975</b>	<b>68,180</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	4,420	5,672
Current portion of long-term loans payable	5	198
Income taxes payable	1,797	1,078
Provision for directors' bonuses	55	32
Provision for bonuses	39	28
Other	1,720	2,486
<b>Total current liabilities</b>	<b>8,038</b>	<b>9,496</b>
Non-current liabilities		
Bonds payable	2,500	2,500
Long-term loans payable	198	–
Net defined benefit liability	353	368
Asset retirement obligations	54	55
Other	413	406
<b>Total non-current liabilities</b>	<b>3,520</b>	<b>3,331</b>
<b>Total liabilities</b>	<b>11,558</b>	<b>12,827</b>

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Net assets		
Shareholders' equity		
Capital stock	4,993	4,993
Capital surplus	6,043	6,043
Retained earnings	41,354	42,783
Treasury shares	(79)	(80)
Total shareholders' equity	52,310	53,739
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	80	148
Deferred gains or losses on hedges	103	832
Foreign currency translation adjustment	134	33
Remeasurements of defined benefit plans	(116)	(109)
Total accumulated other comprehensive income	201	905
Subscription rights to shares	–	57
Minority interests	904	649
Total net assets	53,416	55,352
Total liabilities and net assets	64,975	68,180

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Net sales	49,978	48,767
Cost of sales	38,321	37,020
Gross profit	11,657	11,747
Selling, general and administrative expenses	8,634	8,873
Operating income	3,022	2,873
Non-operating income		
Interest income	3	6
Dividend income	7	11
Gain on adjustment of account payable	9	30
House rent income	8	0
Foreign exchange gains	–	44
Other	65	82
Total non-operating income	94	175
Non-operating expenses		
Interest expenses	7	6
Commission fee	9	10
Foreign exchange losses	8	–
Other	13	9
Total non-operating expenses	38	26
Ordinary income	3,078	3,022
Extraordinary income		
Gain on reversal of subscription rights to shares	0	–
Gain on liquidation of subsidiaries and associates	–	13
Gain on sales of shares of subsidiaries and associates	–	158
Total extraordinary income	0	172
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	44	–
Provision of allowance for doubtful accounts for subsidiaries and associates	77	15
Provision of allowance for doubtful accounts	18	–
Total extraordinary losses	140	15
Income before income taxes and minority interests	2,939	3,179
Income taxes - current	1,064	1,050
Income taxes - deferred	(19)	13
Total income taxes	1,045	1,064
Income before minority interests	1,893	2,115
Minority interests in income	113	127
Net income	1,780	1,988

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	1,893	2,115
Other comprehensive income		
Valuation difference on available-for-sale securities	(29)	67
Deferred gains or losses on hedges	1	729
Foreign currency translation adjustment	119	(131)
Remeasurements of defined benefit plans, net of tax	–	7
Total other comprehensive income	90	673
Comprehensive income	1,984	2,788
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,829	2,691
Comprehensive income attributable to minority interests	155	96

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	2,939	3,179
Depreciation	237	245
Increase (decrease) in provision for directors' bonuses	(38)	(23)
Increase (decrease) in provision for bonuses	(22)	(11)
Increase (decrease) in allowance for doubtful accounts	91	(95)
Increase (decrease) in provision for retirement benefits	16	–
Increase (decrease) in net defined benefit liability	–	26
Interest and dividend income	(11)	(18)
Interest expenses	7	6
Loss on valuation of shares of subsidiaries and associates	44	–
Loss (gain) on sales of shares of subsidiaries and associates	–	(158)
Loss (gain) on liquidation of subsidiaries and associates	–	(13)
Loss (gain) on sales of property, plant and equipment	–	0
Decrease (increase) in notes and accounts receivable - trade	784	668
Decrease (increase) in inventories	(1,221)	(1,295)
Increase (decrease) in notes and accounts payable - trade	1,101	1,236
Increase (decrease) in accrued consumption taxes	4	108
Decrease (increase) in other current assets	(640)	(248)
Increase (decrease) in other current liabilities	101	341
Other, net	(1)	204
Subtotal	3,392	4,152
Interest and dividend income received	11	18
Interest expenses paid	(10)	(6)
Income taxes paid	(1,595)	(1,762)
Net cash provided by (used in) operating activities	1,797	2,401

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from investing activities		
Payments into time deposits	(300)	(2,000)
Proceeds from withdrawal of time deposits	300	2,000
Purchase of property, plant and equipment	(105)	(106)
Proceeds from sales of property, plant and equipment	–	1
Purchase of intangible assets	(1)	(0)
Purchase of investment securities	(8)	(12)
Purchase of shares of subsidiaries and associates	–	(50)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	–	555
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	–	132
Payments of loans receivable	(127)	(15)
Collection of loans receivable	6	13
Other payments	(10)	(9)
Other proceeds	0	2
Net cash provided by (used in) investing activities	(246)	513
Cash flows from financing activities		
Repayments of long-term loans payable	(5)	(5)
Proceeds from disposal of treasury shares	0	–
Purchase of treasury shares	(0)	(0)
Repayments of lease obligations	(43)	(43)
Repayments of installment payables	–	(19)
Cash dividends paid	(559)	(559)
Cash dividends paid to minority shareholders	–	(778)
Net cash provided by (used in) financing activities	(609)	(1,405)
Effect of exchange rate change on cash and cash equivalents	71	(41)
Net increase (decrease) in cash and cash equivalents	1,013	1,467
Cash and cash equivalents at beginning of period	23,665	26,233
Cash and cash equivalents at end of period	24,678	27,701