

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

October 30, 2015

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, 2015
 Scheduled date to commence dividend payments: December 1, 2015
 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, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2015	52,603	7.9	3,678	28.0	3,800	25.7	2,429	22.2
Six months ended September 30, 2014	48,767	(2.4)	2,873	(4.9)	3,022	(1.8)	1,988	11.7

Note: Comprehensive income Six months ended September 30, 2015 ¥1,537 million [(44.9)%]
 Six months ended September 30, 2014 ¥2,788 million [40.5%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2015	65.53		65.39	
Six months ended September 30, 2014	53.32		-	

(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, 2015	68,133	57,459	82.7	1,539.76
As of March 31, 2015	68,280	58,161	83.7	1,533.42

Reference: Equity As of September 30, 2015: ¥56,326 million
 As of March 31, 2015: ¥57,182 million

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, 2015	-	20.00	-	20.00	40.00
Year ending March 31, 2016	-	20.00	-	-	-
Year ending March 31, 2016 (Forecast)	-	-	-	20.00	40.00

Notes: Revision of cash dividend forecast most recently announced: No

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

Ordinary dividends 15 yen Commemorative dividends 5 yen

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	110,000	6.1	8,000	22.3	8,000	12.4	5,150	15.0	138.10

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, 2015
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (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, 2015	37,375,636 shares	As of March 31, 2015	37,375,636 shares
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Number of treasury shares at the end of the period

As of September 30, 2015	794,289 shares	As of March 31, 2015	84,711 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, 2015	37,076,652 shares	Six months ended September 30, 2014	37,291,245 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, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	26,736	26,774
Notes and accounts receivable - trade	16,364	15,597
Electronically recorded monetary claims - operating	526	925
Merchandise and finished goods	7,614	8,820
Short-term loans receivable	21	24
Other	2,905	1,963
Allowance for doubtful accounts	(2)	(1)
Total current assets	54,165	54,103
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,621	7,631
Accumulated depreciation	(3,573)	(3,669)
Buildings and structures, net	4,048	3,961
Land	6,588	6,588
Other	1,753	1,862
Accumulated depreciation	(1,092)	(1,210)
Other, net	661	652
Total property, plant and equipment	11,297	11,202
Intangible assets	148	137
Investments and other assets		
Investment securities	1,593	1,611
Long-term loans receivable	29	19
Other	1,071	1,087
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	2,667	2,689
Total non-current assets	14,114	14,029
Total assets	68,280	68,133
Liabilities		
Current liabilities		
Accounts payable - trade	4,698	5,765
Income taxes payable	1,515	1,245
Provision for directors' bonuses	62	36
Provision for bonuses	45	24
Other	2,999	2,829
Total current liabilities	9,321	9,901
Non-current liabilities		
Net defined benefit liability	389	380
Asset retirement obligations	55	56
Other	352	336
Total non-current liabilities	797	772
Total liabilities	10,119	10,674

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Net assets		
Shareholders' equity		
Capital stock	4,993	4,993
Capital surplus	6,043	6,043
Retained earnings	44,526	46,210
Treasury shares	(80)	(1,626)
Total shareholders' equity	55,482	55,620
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	260	272
Deferred gains or losses on hedges	1,379	392
Foreign currency translation adjustment	177	150
Remeasurements of defined benefit plans	(117)	(108)
Total accumulated other comprehensive income	1,700	705
Subscription rights to shares	173	287
Non-controlling interests	804	844
Total net assets	58,161	57,459
Total liabilities and net assets	68,280	68,133

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, 2014	Six months ended September 30, 2015
Net sales	48,767	52,603
Cost of sales	37,020	39,908
Gross profit	11,747	12,694
Selling, general and administrative expenses	8,873	9,016
Operating income	2,873	3,678
Non-operating income		
Interest income	6	3
Dividend income	11	8
Gain on adjustment of account payable	30	33
House rent income	0	0
Foreign exchange gains	44	58
Other	82	45
Total non-operating income	175	150
Non-operating expenses		
Interest expenses	6	3
Commission fee	10	10
Loss on valuation of investment securities	–	3
Other	9	10
Total non-operating expenses	26	28
Ordinary income	3,022	3,800
Extraordinary income		
Gain on liquidation of subsidiaries and associates	13	–
Gain on sales of shares of subsidiaries and associates	158	–
Total extraordinary income	172	–
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	–	7
Provision of allowance for doubtful accounts for subsidiaries and associates	15	–
Total extraordinary losses	15	7
Income before income taxes and minority interests	3,179	3,793
Income taxes - current	1,050	1,244
Income taxes - deferred	13	8
Total income taxes	1,064	1,253
Profit	2,115	2,540
Profit attributable to non-controlling interests	127	110
Profit attributable to owners of parent	1,988	2,429

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	2,115	2,540
Other comprehensive income		
Valuation difference on available-for-sale securities	67	12
Deferred gains or losses on hedges	729	(987)
Foreign currency translation adjustment	(131)	(36)
Remeasurements of defined benefit plans, net of tax	7	8
Total other comprehensive income	673	(1,002)
Comprehensive income	2,788	1,537
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,691	1,435
Comprehensive income attributable to non-controlling interests	96	101

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	3,179	3,793
Depreciation	245	242
Increase (decrease) in provision for directors' bonuses	(23)	(25)
Increase (decrease) in provision for bonuses	(11)	(20)
Increase (decrease) in allowance for doubtful accounts	(95)	(0)
Increase (decrease) in net defined benefit liability	26	3
Interest and dividend income	(18)	(12)
Interest expenses	6	3
Loss (gain) on sales of shares of subsidiaries and associates	(158)	–
Loss (gain) on liquidation of subsidiaries and associates	(13)	–
Decrease (increase) in notes and accounts receivable - trade	668	367
Decrease (increase) in inventories	(1,295)	(1,206)
Increase (decrease) in notes and accounts payable - trade	1,236	1,066
Increase (decrease) in accrued consumption taxes	108	(457)
Decrease (increase) in other current assets	(248)	(369)
Increase (decrease) in other current liabilities	341	596
Other, net	205	127
Subtotal	4,152	4,109
Interest and dividend income received	18	12
Interest expenses paid	(6)	(3)
Income taxes paid	(1,762)	(1,534)
Net cash provided by (used in) operating activities	2,401	2,583
Cash flows from investing activities		
Payments into time deposits	(2,000)	–
Proceeds from withdrawal of time deposits	2,000	–
Purchase of property, plant and equipment	(106)	(92)
Purchase of investment securities	(12)	(8)
Purchase of shares of subsidiaries and associates	(50)	(1)
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	(15)	(0)
Collection of loans receivable	13	8
Other payments	(9)	(10)
Other proceeds	4	3
Net cash provided by (used in) investing activities	513	(102)
Cash flows from financing activities		
Repayments of long-term loans payable	(5)	–
Purchase of treasury shares	(0)	(1,545)
Repayments of lease obligations	(43)	(46)
Repayments of installment payables	(19)	(19)
Cash dividends paid	(559)	(745)
Dividends paid to non-controlling interests	(778)	(61)
Net cash provided by (used in) financing activities	(1,405)	(2,419)
Effect of exchange rate change on cash and cash equivalents	(41)	(24)
Net increase (decrease) in cash and cash equivalents	1,467	37
Cash and cash equivalents at beginning of period	26,233	26,736
Cash and cash equivalents at end of period	27,701	26,774