

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2018  
(Based on Japanese GAAP)**

May 7, 2018

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  
 Executive Officer  
 Director In Charge Of Financial & Accounting, Foreign Trade Operation, Investigation, Business Management Takahiro Matsumoto TEL 06-6121-5669  
 Scheduled date of ordinary general meeting of shareholders: June 28, 2018  
 Scheduled date to file Securities Report: June 29, 2018  
 Scheduled date to commence dividend payments: June 29, 2018  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2018	103,589	(3.2)	7,769	9.7	8,001	12.3	5,490	15.1
Year ended March 31, 2017	107,015	(3.5)	7,080	(19.0)	7,122	(20.2)	4,770	(17.1)

Note: Comprehensive income Year ended March 31, 2018 ¥5,669 million [(5.6)%]  
 Year ended March 31, 2017 ¥6,003 million [99.5%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2018	151.97	151.14	8.8	9.7	7.5
Year ended March 31, 2017	132.39	131.79	8.2	9.2	6.6

Reference: Share of income of investments accounted for using the equity method

Year ended March 31, 2018 ¥- million  
 Year ended March 31, 2017 ¥- million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2018	86,987	66,594	75.5	1,778.84
As of March 31, 2017	78,659	60,255	74.8	1,657.39

Reference: Equity As of March 31, 2018: ¥65,687 million  
 As of March 31, 2017: ¥58,869 million

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2018	7,072	(3,805)	536	35,986
Year ended March 31, 2017	4,682	(2,299)	(3,093)	32,207

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2017	–	25.00	–	25.00	50.00	1,787	37.8	3.1
Year ended March 31, 2018	–	25.00	–	25.00	50.00	1,829	32.9	2.9
Year ending March 31, 2019 (Forecast)	–	25.00	–	25.00	50.00		32.6	

## 3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2018	52,500	4.1	3,900	3.5	3,900	0.5	2,700	2.0	73.12
Full year	110,000	6.2	8,400	8.1	8,500	6.2	5,800	5.6	157.07

## 4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2018

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) 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:

No

Changes in accounting policies due to other reasons:

No

Changes in accounting estimates:

No

Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

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

As of March 31, 2018	∴	37,375,636 shares	As of March 31, 2017	∴	37,375,636 shares
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Number of treasury shares at the end of the period

As of March 31, 2018	∴	448,808 shares	As of March 31, 2017	∴	1,856,408 shares
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Average number of shares during the period

Year ended March 31, 2018	∴	36,130,404 shares	Year ended March 31, 2017	∴	36,038,497 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and deposits	32,207	35,986
Notes and accounts receivable - trade	17,796	15,828
Electronically recorded monetary claims - operating	1,206	3,226
Merchandise and finished goods	8,247	8,368
Deferred tax assets	208	282
Short-term loans receivable	14	273
Other	663	1,016
Allowance for doubtful accounts	(2)	(5)
Total current assets	60,342	64,976
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,568	12,896
Accumulated depreciation	(3,903)	(4,145)
Buildings and structures, net	3,665	8,751
Land	9,174	9,174
Leased assets	367	825
Accumulated depreciation	(226)	(236)
Leased assets, net	140	589
Construction in progress	2,008	-
Other	1,742	1,759
Accumulated depreciation	(1,295)	(1,360)
Other, net	446	399
Total property, plant and equipment	15,434	18,914
Intangible assets		
Leased assets	48	42
Other	74	85
Total intangible assets	123	127
Investments and other assets		
Investment securities	1,525	1,776
Long-term loans receivable	29	36
Deferred tax assets	181	97
Other	1,029	1,071
Allowance for doubtful accounts	(7)	(13)
Total investments and other assets	2,758	2,968
Total non-current assets	18,317	22,010
Total assets	78,659	86,987

(Millions of yen)

	As of March 31, 2017	As of March 31, 2018
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	5,008	6,259
Lease obligations	80	100
Income taxes payable	1,156	1,534
Deferred tax liabilities	–	2
Provision for directors' bonuses	64	34
Provision for bonuses	43	26
Other	3,105	3,138
Total current liabilities	9,459	11,095
Non-current liabilities		
Long-term loans payable	8,000	8,000
Lease obligations	130	534
Deferred tax liabilities	–	0
Net defined benefit liability	589	582
Asset retirement obligations	57	58
Provision for environmental measures	52	55
Other	113	65
Total non-current liabilities	8,944	9,297
<b>Total liabilities</b>	<b>18,403</b>	<b>20,393</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,993	4,993
Capital surplus	6,043	6,226
Retained earnings	51,761	55,458
Treasury shares	(3,777)	(913)
Total shareholders' equity	59,021	65,763
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	211	380
Deferred gains or losses on hedges	(193)	(320)
Foreign currency translation adjustment	18	(11)
Remeasurements of defined benefit plans	(189)	(124)
Total accumulated other comprehensive income	(152)	(76)
Share acquisition rights	456	94
Non-controlling interests	929	812
<b>Total net assets</b>	<b>60,255</b>	<b>66,594</b>
<b>Total liabilities and net assets</b>	<b>78,659</b>	<b>86,987</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales	107,015	103,589
Cost of sales	80,784	76,307
Gross profit	26,230	27,281
Selling, general and administrative expenses	19,150	19,512
Operating profit	7,080	7,769
Non-operating income		
Interest and dividend income	22	86
Gain on sales of investment securities	–	10
Gain on adjustment of account payable	69	52
Foreign exchange gains	–	28
Operations consignment fee of subsidiaries and affiliates	5	7
Other	61	94
Total non-operating income	159	279
Non-operating expenses		
Interest expenses	4	4
Commission fee	24	25
Foreign exchange losses	66	–
Other	21	18
Total non-operating expenses	117	48
Ordinary profit	7,122	8,001
Extraordinary income		
Gain on reversal of share acquisition rights	–	3
Total extraordinary income	–	3
Extraordinary losses		
Provision for environmental measures	44	3
Total extraordinary losses	44	3
Profit before income taxes	7,077	8,001
Income taxes - current	2,077	2,424
Income taxes - deferred	3	(36)
Total income taxes	2,081	2,388
Profit	4,996	5,612
Profit attributable to non-controlling interests	225	122
Profit attributable to owners of parent	4,770	5,490

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Profit	4,996	5,612
Other comprehensive income		
Valuation difference on available-for-sale securities	23	168
Deferred gains or losses on hedges	1,061	(127)
Foreign currency translation adjustment	(103)	(49)
Remeasurements of defined benefit plans, net of tax	25	64
Total other comprehensive income	1,006	56
Comprehensive income	6,003	5,669
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,818	5,566
Comprehensive income attributable to non-controlling interests	185	102

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,993	6,043	48,803	(1,777)	58,063
Changes of items during period					
Dividends of surplus			(1,812)		(1,812)
Profit attributable to owners of parent			4,770		4,770
Purchase of treasury shares				(2,000)	(2,000)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	2,958	(2,000)	958
Balance at end of current period	4,993	6,043	51,761	(3,777)	59,021

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	188	(1,255)	81	(215)	(1,199)	402	897	58,163
Changes of items during period								
Dividends of surplus								(1,812)
Profit attributable to owners of parent								4,770
Purchase of treasury shares								(2,000)
Net changes of items other than shareholders' equity	23	1,061	(62)	25	1,047	54	32	1,134
Total changes of items during period	23	1,061	(62)	25	1,047	54	32	2,092
Balance at end of current period	211	(193)	18	(189)	(152)	456	929	60,255



Fiscal year ended March 31, 2018

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,993	6,043	51,761	(3,777)	59,021
Changes of items during period					
Dividends of surplus			(1,794)		(1,794)
Profit attributable to owners of parent			5,490		5,490
Disposal of treasury shares		182		2,863	3,046
Net changes of items other than shareholders' equity					
Total changes of items during period	–	182	3,696	2,863	6,742
Balance at end of current period	4,993	6,226	55,458	(913)	65,763

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	211	(193)	18	(189)	(152)	456	929	60,255
Changes of items during period								
Dividends of surplus								(1,794)
Profit attributable to owners of parent								5,490
Disposal of treasury shares								3,046
Net changes of items other than shareholders' equity	168	(127)	(30)	64	75	(362)	(116)	(403)
Total changes of items during period	168	(127)	(30)	64	75	(362)	(116)	6,338
Balance at end of current period	380	(320)	(11)	(124)	(76)	94	812	66,594

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from operating activities		
Profit before income taxes	7,077	8,001
Depreciation	463	525
Increase (decrease) in provision for directors' bonuses	(8)	(29)
Increase (decrease) in provision for bonuses	3	(17)
Increase (decrease) in allowance for doubtful accounts	(11)	9
Increase (decrease) in net defined benefit liability	76	86
Increase (decrease) in provision for environmental measures	44	3
Interest and dividend income	(22)	(86)
Interest expenses	4	4
Loss (gain) on sales and valuation of investment securities	(0)	(10)
Decrease (increase) in notes and accounts receivable - trade	(2,533)	(81)
Decrease (increase) in inventories	1,083	(139)
Increase (decrease) in notes and accounts payable - trade	193	1,265
Increase (decrease) in accrued consumption taxes	318	(334)
Decrease (increase) in other current assets	187	(388)
Increase (decrease) in other current liabilities	530	253
Other, net	84	12
Subtotal	7,492	9,072
Interest and dividend income received	22	85
Interest expenses paid	(4)	(2)
Income taxes paid	(2,827)	(2,082)
Net cash provided by (used in) operating activities	4,682	7,072
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,250)	(3,462)
Purchase of investment securities	(17)	(17)
Proceeds from sales of investment securities	0	10
Payments of loans receivable	(12)	(286)
Collection of loans receivable	19	20
Other payments	(40)	(72)
Other proceeds	1	2
Net cash provided by (used in) investing activities	(2,299)	(3,805)

(Millions of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from financing activities		
Proceeds from long-term loans payable	1,000	–
Purchase of treasury shares	(2,000)	–
Proceeds from exercise of share options	–	2,687
Repayments of lease obligations	(89)	(101)
Repayments of installment payables	(38)	(35)
Cash dividends paid	(1,812)	(1,794)
Dividends paid to non-controlling interests	(152)	(219)
Net cash provided by (used in) financing activities	(3,093)	536
Effect of exchange rate change on cash and cash equivalents	(75)	(25)
Net increase (decrease) in cash and cash equivalents	(786)	3,778
Cash and cash equivalents at beginning of period	32,993	32,207
Cash and cash equivalents at end of period	32,207	35,986