

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2019  
(Based on Japanese GAAP)**

May 13, 2019

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  
 Managing Executive Officer  
 Director In Charge Of Financial & Accounting, Foreign Trade Operation, Business Management Takahiro Matsumoto TEL 06-6121-5669  
 Inquiries: TEL 06-6121-5669  
 Scheduled date of ordinary general meeting of shareholders: June 27, 2019  
 Scheduled date to file Securities Report: June 28, 2019  
 Scheduled date to commence dividend payments: June 28, 2019  
 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, 2019 (from April 1, 2018 to March 31, 2019)

(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, 2019	98,668	(4.8)	5,561	(28.4)	6,065	(24.2)	4,263	(22.4)
Year ended March 31, 2018	103,589	(3.2)	7,769	9.7	8,001	12.3	5,490	15.1

Note: Comprehensive income Year ended March 31, 2019 ¥4,739 million [(16.4)%]  
 Year ended March 31, 2018 ¥5,669 million [(5.6)%]

	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, 2019	114.53	114.47	6.3	6.8	5.6
Year ended March 31, 2018	151.97	151.14	8.8	9.7	7.5

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

Year ended March 31, 2019 ¥- million  
 Year ended March 31, 2018 ¥- 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, 2019	90,181	70,405	76.8	1,856.84
As of March 31, 2018	86,985	66,594	75.5	1,778.84

Reference: Equity As of March 31, 2019: ¥69,254 million  
 As of March 31, 2018: ¥65,687 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, 2019	5,864	(601)	(1,088)	40,195
Year ended March 31, 2018	7,072	(3,805)	536	35,986

## 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, 2018	–	25.00	–	25.00	50.00	1,829	32.9	2.9
Year ended March 31, 2019	–	25.00	–	25.00	50.00	1,864	43.7	2.8
Year ending March 31, 2020 (Forecast)	–	25.00	–	25.00	50.00		39.5	

## 3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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, 2019	50,000	3.1	3,100	12.4	3,100	8.9	2,150	15.5	58.06
Full year	103,000	4.4	6,700	20.5	6,800	12.1	4,650	9.1	126.63

## 4. Notes

### (1) Changes in significant subsidiaries during the year ended March 31, 2019

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

### (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, 2019	37,375,636 shares	As of March 31, 2018	37,375,636 shares
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Number of treasury shares at the end of the period

As of March 31, 2019	78,439 shares	As of March 31, 2018	448,808 shares
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Average number of shares during the period

Year ended March 31, 2019	37,224,286 shares	Year ended March 31, 2018	36,130,404 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and deposits	35,986	40,250
Notes and accounts receivable - trade	15,828	14,460
Electronically recorded monetary claims - operating	3,226	3,434
Merchandise and finished goods	8,368	8,426
Short-term loans receivable	273	8
Other	1,016	1,123
Allowance for doubtful accounts	(5)	(5)
Total current assets	64,694	67,698
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,896	12,995
Accumulated depreciation	(4,145)	(4,404)
Buildings and structures, net	8,751	8,591
Land	9,174	9,385
Leased assets	825	922
Accumulated depreciation	(236)	(302)
Leased assets, net	589	619
Construction in progress	–	281
Other	1,759	1,906
Accumulated depreciation	(1,360)	(1,504)
Other, net	399	402
Total property, plant and equipment	18,914	19,280
Intangible assets		
Leased assets	42	211
Other	85	103
Total intangible assets	127	314
Investments and other assets		
Investment securities	1,776	1,574
Long-term loans receivable	36	39
Deferred tax assets	378	194
Other	1,071	1,095
Allowance for doubtful accounts	(13)	(16)
Total investments and other assets	3,249	2,887
Total non-current assets	22,291	22,482
Total assets	86,985	90,181

(Millions of yen)

	As of March 31, 2018	As of March 31, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	6,259	6,557
Current portion of long-term loans payable	–	7,000
Lease obligations	100	143
Income taxes payable	1,534	1,041
Provision for bonuses for directors (and other officers)	34	8
Provision for bonuses	26	9
Other	3,138	2,618
<b>Total current liabilities</b>	<b>11,093</b>	<b>17,378</b>
<b>Non-current liabilities</b>		
Long-term loans payable	8,000	1,000
Lease obligations	534	687
Retirement benefit liability	582	516
Asset retirement obligations	58	9
Provision for environmental measures	55	48
Deferred tax liabilities	0	72
Other	65	62
<b>Total non-current liabilities</b>	<b>9,297</b>	<b>2,396</b>
<b>Total liabilities</b>	<b>20,391</b>	<b>19,775</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	4,993	4,993
Capital surplus	6,226	6,273
Retained earnings	55,458	57,865
Treasury shares	(913)	(159)
<b>Total shareholders' equity</b>	<b>65,763</b>	<b>68,972</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	380	188
Deferred gains or losses on hedges	(320)	101
Foreign currency translation adjustment	(11)	22
Remeasurements of defined benefit plans	(124)	(30)
<b>Total accumulated other comprehensive income</b>	<b>(76)</b>	<b>281</b>
Share acquisition rights	94	–
Non-controlling interests	812	1,150
<b>Total net assets</b>	<b>66,594</b>	<b>70,405</b>
<b>Total liabilities and net assets</b>	<b>86,985</b>	<b>90,181</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Net sales	103,589	98,668
Cost of sales	76,307	72,507
Gross profit	27,281	26,160
Selling, general and administrative expenses	19,512	20,598
Operating profit	7,769	5,561
Non-operating income		
Interest and dividend income	86	160
Gain on sales of investment securities	10	–
Gain on adjustment of account payable	52	43
Foreign exchange gains	28	80
Operations consignment fee of subsidiaries and affiliates	7	5
Subsidy income	–	157
Other	94	105
Total non-operating income	279	552
Non-operating expenses		
Interest expenses	4	4
Commission expenses	25	16
Other	18	28
Total non-operating expenses	48	49
Ordinary profit	8,001	6,065
Extraordinary income		
Gain on reversal of share acquisition rights	3	–
Insurance income	–	97
Gain on bargain purchase	–	248
Total extraordinary income	3	346
Extraordinary losses		
loss on removal of fixed assets	–	73
Impairment loss	–	33
Loss on disaster	–	85
Provision for environmental measures	3	–
Total extraordinary losses	3	193
Profit before income taxes	8,001	6,218
Income taxes - current	2,424	1,726
Income taxes - deferred	(36)	113
Total income taxes	2,388	1,840
Profit	5,612	4,378
Profit attributable to non-controlling interests	122	115
Profit attributable to owners of parent	5,490	4,263

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Profit	5,612	4,378
Other comprehensive income		
Valuation difference on available-for-sale securities	168	(191)
Deferred gains or losses on hedges	(127)	422
Foreign currency translation adjustment	(49)	36
Remeasurements of defined benefit plans, net of tax	64	93
Total other comprehensive income	56	360
Comprehensive income	5,669	4,739
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,566	4,621
Comprehensive income attributable to non-controlling interests	102	117

## Consolidated statements of changes in equity

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
Purchase of treasury shares					
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
Purchase of treasury shares								
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

Fiscal year ended March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,993	6,226	55,458	(913)	65,763
Changes of items during period					
Dividends of surplus			(1,855)		(1,855)
Profit attributable to owners of parent			4,263		4,263
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		47		753	801
Net changes of items other than shareholders' equity					
Total changes of items during period	–	47	2,407	753	3,209
Balance at end of current period	4,993	6,273	57,865	(159)	68,972

	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	380	(320)	(11)	(124)	(76)	94	812	66,594
Changes of items during period								
Dividends of surplus								(1,855)
Profit attributable to owners of parent								4,263
Purchase of treasury shares								(0)
Disposal of treasury shares								801
Net changes of items other than shareholders' equity	(191)	422	34	93	358	(94)	338	602
Total changes of items during period	(191)	422	34	93	358	(94)	338	3,811
Balance at end of current period	188	101	22	(30)	281	–	1,150	70,405

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	8,001	6,218
Depreciation	525	672
Increase (decrease) in provision for bonuses for directors (and other officers)	(29)	(26)
Increase (decrease) in provision for bonuses	(17)	(16)
Increase (decrease) in allowance for doubtful accounts	9	3
Increase (decrease) in retirement benefit liability	86	69
Increase (decrease) in provision for environmental measures	3	–
Insurance income	–	(97)
Subsidy income	–	(157)
loss on removal of fixed assets	–	73
Impairment loss	–	33
Loss of disaster	–	85
Loss (gain) on sales of investment securities	(10)	–
Gain on bargain purchase	–	(248)
Interest and dividend income	(86)	(160)
Interest expenses	4	4
Decrease (increase) in notes and accounts receivable - trade	(81)	1,165
Decrease (increase) in inventories	(139)	(86)
Increase (decrease) in notes and accounts payable - trade	1,265	302
Increase (decrease) in accrued consumption taxes	(334)	145
Decrease (increase) in other current assets	(388)	59
Increase (decrease) in other current liabilities	253	(221)
Other, net	12	20
Subtotal	9,072	7,838
Interest and dividend income received	85	160
Interest expenses paid	(2)	(5)
Income taxes paid	(2,082)	(2,205)
Proceed from insurance income	–	97
Payments for loss of disaster	–	(20)
Net cash provided by (used in) operating activities	7,072	5,864
Cash flows from investing activities		
Payments into time deposits	–	(55)
Purchase of property, plant and equipment	(3,462)	(489)
Purchase of investment securities	(17)	(18)
Proceeds from sales of investment securities	10	–
Purchase of shares of subsidiaries and associates	–	(50)
Payments for acquisition of businesses	–	(193)
Payments of loans receivable	(286)	(16)
Collection of loans receivable	20	277
Other payments	(72)	(56)
Other proceeds	2	0
Net cash provided by (used in) investing activities	(3,805)	(601)

(Millions of yen)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019
Cash flows from financing activities		
Purchase of treasury shares	–	(0)
Proceeds from exercise of share options	2,687	707
Repayments of lease obligations	(101)	(132)
Repayments of installment payables	(35)	(28)
Cash dividends paid	(1,794)	(1,854)
Dividends paid to non-controlling interests	(219)	–
Proceeds from share issuance to non-controlling shareholders	–	220
Net cash provided by (used in) financing activities	536	(1,088)
Effect of exchange rate change on cash and cash equivalents	(25)	34
Net increase (decrease) in cash and cash equivalents	3,778	4,209
Cash and cash equivalents at beginning of period	32,207	35,986
Cash and cash equivalents at end of period	35,986	40,195