

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2021
(Based on Japanese GAAP)**

May 10, 2021

Company name: DOSHISHA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 7483 URL <https://www.doshisha.co.jp>
 Representative: President, CEO and COO 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 29, 2021
 Scheduled date to file Securities Report: June 30, 2021
 Scheduled date to commence dividend payments: June 30, 2021
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(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, 2021	101,257	5.2	9,522	58.8	9,734	55.5	6,588	56.4
Year ended March 31, 2020	96,238	(2.5)	5,995	7.8	6,260	3.2	4,211	(1.2)

Note: Comprehensive income Year ended March 31, 2021 ¥7,293 million [76.6%]
 Year ended March 31, 2020 ¥4,129 million [(12.9)%]

	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, 2021	186.58	-	9.2	11.0	9.4
Year ended March 31, 2020	114.61	-	6.1	7.2	6.2

Reference: Share of profit (loss) of entities accounted for using equity method

Year ended March 31, 2021 ¥- million
 Year ended March 31, 2020 ¥- 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, 2021	94,028	74,767	78.0	2,086.85
As of March 31, 2020	82,798	71,032	84.3	1,921.50

Reference: Equity As of March 31, 2021: ¥73,334 million
 As of March 31, 2020: ¥69,833 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, 2021	8,855	(483)	1,884	47,870
Year ended March 31, 2020	8,583	(538)	(10,647)	37,549

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, 2020	–	25.00	–	25.00	50.00	1,824	43.6	2.6
Year ended March 31, 2021	–	25.00	–	30.00	55.00	1,932	29.5	2.7
Year ending March 31, 2022 (Forecast)	–	30.00	–	30.00	60.00		34.6	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	49,900	(0.6)	4,400	(15.4)	4,450	(16.4)	2,950	(17.8)	83.95
Full year	103,400	2.1	9,000	(5.5)	9,100	(6.5)	6,100	(7.4)	173.59

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(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, 2021	37,375,636 shares	As of March 31, 2020	37,375,636 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	2,234,624 shares	As of March 31, 2020	1,032,274 shares
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Average number of shares during the period

Year ended March 31, 2021	35,310,450 shares	Year ended March 31, 2020	36,747,960 shares
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Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2021	91,755	4.6	8,071	56.9	8,225	38.5	5,674	34.1
Year ended March 31, 2020	87,712	(3.1)	5,143	5.5	5,939	12.2	4,230	17.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended March 31, 2021	160.69		-	
Year ended March 31, 2020	115.12		-	

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2021	86,336		69,126		80.1		1,967.11	
As of March 31, 2020	76,464		66,648		87.2		1,833.85	

Reference: Equity As of March 31, 2021 ¥69,126 million
 As of March 31, 2020 ¥66,648 million

2. Forecast of non-consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Ordinary profit		Profit		Earnings per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Six months ending September 30, 2021	45,400	0.9	3,800	(13.6)	2,600	(14.4)	73.99	
Full year	94,000	2.4	7,700	(6.4)	5,350	(5.7)	152.24	

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* 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, include forecasts based on certain assumptions and plans available at the time of disclosure of this document. Actual results may differ materially due to risks and uncertainty regarding economic and industry trends, price competition, and exchange rate fluctuations.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	37,549	47,870
Notes and accounts receivable - trade	12,809	12,680
Electronically recorded monetary claims - operating	1,326	1,344
Merchandise and finished goods	7,825	8,722
Short-term loans receivable	10	32
Other	1,152	1,401
Allowance for doubtful accounts	(5)	(32)
Total current assets	60,668	72,020
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,010	13,041
Accumulated depreciation	(4,746)	(5,084)
Buildings and structures, net	8,264	7,957
Land	9,385	9,385
Leased assets	987	1,005
Accumulated depreciation	(392)	(493)
Leased assets, net	594	511
Construction in progress	274	497
Other	2,054	1,876
Accumulated depreciation	(1,679)	(1,550)
Other, net	375	325
Total property, plant and equipment	18,894	18,677
Intangible assets		
Leased assets	196	144
Other	445	372
Total intangible assets	642	516
Investments and other assets		
Investment securities	1,225	1,556
Long-term loans receivable	38	6
Deferred tax assets	278	163
Other	1,101	1,099
Allowance for doubtful accounts	(51)	(12)
Total investments and other assets	2,592	2,813
Total non-current assets	22,129	22,007
Total assets	82,798	94,028

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	5,174	5,837
Current portion of long-term borrowings	1,000	–
Lease obligations	156	153
Income taxes payable	1,134	2,326
Provision for bonuses for directors (and other officers)	48	74
Provision for bonuses	48	6
Other	2,874	2,995
Total current liabilities	10,437	11,394
Non-current liabilities		
Long-term borrowings	–	6,600
Lease obligations	635	502
Retirement benefit liability	565	621
Asset retirement obligations	9	9
Provision for environmental measures	0	–
Deferred tax liabilities	55	56
Other	62	76
Total non-current liabilities	1,328	7,866
Total liabilities	11,765	19,261
Net assets		
Shareholders' equity		
Share capital	4,993	4,993
Capital surplus	6,273	6,273
Retained earnings	60,228	65,029
Treasury shares	(1,805)	(3,576)
Total shareholders' equity	69,690	72,719
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(34)	183
Deferred gains or losses on hedges	222	428
Foreign currency translation adjustment	(24)	28
Remeasurements of defined benefit plans	(19)	(25)
Total accumulated other comprehensive income	143	614
Non-controlling interests	1,198	1,432
Total net assets	71,032	74,767
Total liabilities and net assets	82,798	94,028

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

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	96,238	101,257
Cost of sales	69,531	70,796
Gross profit	26,706	30,460
Selling, general and administrative expenses	20,711	20,937
Operating profit	5,995	9,522
Non-operating income		
Interest and dividend income	69	26
Gain on adjustment of account payable	86	43
Foreign exchange gains	–	58
Operations consignment fee of subsidiaries and affiliates	5	5
Subsidy income	35	14
Compensation income	32	8
Other	126	88
Total non-operating income	356	244
Non-operating expenses		
Interest expenses	4	4
Commission expenses	6	7
Provision of allowance for doubtful accounts	–	7
Foreign exchange losses	59	–
Other	21	12
Total non-operating expenses	91	32
Ordinary profit	6,260	9,734
Extraordinary income		
Reversal of provision for environmental measures	23	–
Total extraordinary income	23	–
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	45	–
Total extraordinary losses	45	–
Profit before income taxes	6,238	9,734
Income taxes - current	1,987	3,057
Income taxes - deferred	(64)	(64)
Total income taxes	1,922	2,992
Profit	4,316	6,742
Profit attributable to non-controlling interests	104	153
Profit attributable to owners of parent	4,211	6,588

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	4,316	6,742
Other comprehensive income		
Valuation difference on available-for-sale securities	(223)	217
Deferred gains or losses on hedges	120	214
Foreign currency translation adjustment	(95)	124
Remeasurements of defined benefit plans, net of tax	10	(6)
Total other comprehensive income	(186)	551
Comprehensive income	4,129	7,293
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,073	7,059
Comprehensive income attributable to non-controlling interests	55	234

Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,993	6,273	57,865	(159)	68,972
Changes during period					
Dividends of surplus			(1,848)		(1,848)
Profit attributable to owners of parent			4,211		4,211
Purchase of treasury shares				(1,645)	(1,645)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	2,362	(1,645)	717
Balance at end of period	4,993	6,273	60,228	(1,805)	69,690

	Accumulated other comprehensive income					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 period	188	101	22	(30)	281	1,150	70,405
Changes during period							
Dividends of surplus							(1,848)
Profit attributable to owners of parent							4,211
Purchase of treasury shares							(1,645)
Net changes in items other than shareholders' equity	(223)	120	(46)	10	(138)	47	(90)
Total changes during period	(223)	120	(46)	10	(138)	47	626
Balance at end of period	(34)	222	(24)	(19)	143	1,198	71,032

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,993	6,273	60,228	(1,805)	69,690
Changes during period					
Dividends of surplus			(1,787)		(1,787)
Profit attributable to owners of parent			6,588		6,588
Purchase of treasury shares				(1,771)	(1,771)
Net changes in items other than shareholders' equity					
Total changes during period			4,801	(1,771)	3,029
Balance at end of period	4,993	6,273	65,029	(3,576)	72,719

	Accumulated other comprehensive income					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 period	(34)	222	(24)	(19)	143	1,198	71,032
Changes during period							
Dividends of surplus							(1,787)
Profit attributable to owners of parent							6,588
Purchase of treasury shares							(1,771)
Net changes in items other than shareholders' equity	217	206	52	(6)	470	234	705
Total changes during period	217	206	52	(6)	470	234	3,734
Balance at end of period	183	428	28	(25)	614	1,432	74,767

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	6,238	9,734
Depreciation	758	763
Increase (decrease) in provision for bonuses for directors (and other officers)	40	26
Increase (decrease) in provision for bonuses	38	(42)
Increase (decrease) in allowance for doubtful accounts	34	(12)
Increase (decrease) in retirement benefit liability	64	47
Increase (decrease) in provision for environmental measures	(48)	(0)
Insurance claim income	(4)	–
Subsidy income	(35)	(14)
Compensation income	(32)	(8)
Loss on valuation of shares of subsidiaries and associates	45	–
Loss on disaster	3	–
Interest and dividend income	(69)	(26)
Interest expenses	4	4
Decrease (increase) in trade receivables	3,754	140
Decrease (increase) in inventories	575	(880)
Increase (decrease) in trade payables	(1,360)	633
Increase (decrease) in accrued consumption taxes	154	154
Decrease (increase) in other current assets	41	(23)
Increase (decrease) in other current liabilities	46	116
Other, net	39	34
Subtotal	10,289	10,648
Interest and dividends received	69	26
Interest paid	(4)	(2)
Income taxes paid	(1,889)	(1,902)
Subsidies received	157	49
Proceeds from compensation	–	40
Proceed from insurance income	4	–
Payments associated with disaster loss	(45)	(3)
Net cash provided by (used in) operating activities	8,583	8,855
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	55	–
Purchase of property, plant and equipment	(255)	(343)
Purchase of intangible assets	(258)	(111)
Purchase of investment securities	(18)	(19)
Payments for acquisition of businesses	(30)	–
Loan advances	(9)	(8)
Proceeds from collection of loans receivable	9	18
Other payments	(34)	(28)
Other proceeds	3	10
Net cash provided by (used in) investing activities	(538)	(483)

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from financing activities		
Proceeds from long-term borrowings	–	6,600
Repayments of long-term borrowings	(7,000)	(1,000)
Purchase of treasury shares	(1,645)	(1,771)
Repayments of lease obligations	(153)	(157)
Dividends paid	(1,848)	(1,787)
Net cash provided by (used in) financing activities	(10,647)	1,884
Effect of exchange rate change on cash and cash equivalents	(43)	65
Net increase (decrease) in cash and cash equivalents	(2,646)	10,321
Cash and cash equivalents at beginning of period	40,195	37,549
Cash and cash equivalents at end of period	37,549	47,870