

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 30, 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 &  
 Inquiries: Accounting, Foreign Trade Operation, Takahiro Matsumoto TEL 06-6121-5669  
 Business Management  
 Scheduled date to file Quarterly Securities Report: August 12, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2021	25,427	(2.8)	2,480	(24.6)	2,640	(20.5)	1,775	(21.4)
Three months ended June 30, 2020	26,149	5.6	3,289	63.3	3,320	61.5	2,258	63.3

Note: Comprehensive income Three months ended June 30, 2021 ¥1,605 million [(30.1)%]  
 Three months ended June 30, 2020 ¥2,298 million [124.3%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	50.52		–	
Three months ended June 30, 2020	63.27		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	92,524	75,043	79.8	2,100.89
As of March 31, 2021	94,028	74,767	78.0	2,086.85

Reference: Equity As of June 30, 2021: ¥73,827 million  
 As of March 31, 2021: ¥73,334 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, 2021	–	25.00	–	30.00	55.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	30.00	–	30.00	60.00

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

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

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

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021  
(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 June 30, 2021	37,375,636 shares	As of March 31, 2021	37,375,636 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	2,234,624 shares	As of March 31, 2021	2,234,624 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	35,141,012 shares	Three months ended June 30, 2020	35,691,637 shares
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\* Quarterly financial results reports are exempt from quarterly review 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, 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, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	47,870	42,718
Notes and accounts receivable - trade	12,680	15,935
Electronically recorded monetary claims - operating	1,344	1,647
Merchandise and finished goods	8,722	9,445
Short-term loans receivable	32	32
Other	1,401	885
Allowance for doubtful accounts	(32)	(32)
Total current assets	72,020	70,633
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,041	13,045
Accumulated depreciation	(5,084)	(5,171)
Buildings and structures, net	7,957	7,873
Land	9,385	9,385
Construction in progress	497	551
Other	2,881	2,938
Accumulated depreciation	(2,044)	(2,100)
Other, net	837	837
Total property, plant and equipment	18,677	18,648
Intangible assets	516	493
Investments and other assets		
Investment securities	1,556	1,500
Long-term loans receivable	6	6
Other	1,262	1,254
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	2,813	2,749
Total non-current assets	22,007	21,890
Total assets	94,028	92,524
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	5,837	5,549
Income taxes payable	2,326	777
Provision for bonuses for directors (and other officers)	74	21
Provision for bonuses	6	4
Other	3,149	3,290
Total current liabilities	11,394	9,644
Non-current liabilities		
Long-term borrowings	6,600	6,600
Retirement benefit liability	621	626
Asset retirement obligations	9	9
Other	634	600
Total non-current liabilities	7,866	7,836
Total liabilities	19,261	17,481

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	4,993	4,993
Capital surplus	6,273	6,273
Retained earnings	65,029	65,750
Treasury shares	(3,576)	(3,576)
Total shareholders' equity	72,719	73,440
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	183	139
Deferred gains or losses on hedges	428	218
Foreign currency translation adjustment	28	51
Remeasurements of defined benefit plans	(25)	(22)
Total accumulated other comprehensive income	614	386
Non-controlling interests	1,432	1,215
Total net assets	74,767	75,043
Total liabilities and net assets	94,028	92,524

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	26,149	25,427
Cost of sales	17,779	17,399
Gross profit	8,369	8,028
Selling, general and administrative expenses	5,080	5,548
Operating profit	3,289	2,480
Non-operating income		
Interest income	1	0
Dividend income	14	69
Foreign exchange gains	–	11
Subsidy income	–	35
Settlement received	–	19
Other	29	31
Total non-operating income	44	167
Non-operating expenses		
Interest expenses	0	1
Commission expenses	3	1
Foreign exchange losses	6	–
Other	2	3
Total non-operating expenses	13	6
Ordinary profit	3,320	2,640
Profit before income taxes	3,320	2,640
Income taxes - current	967	708
Income taxes - deferred	35	110
Total income taxes	1,002	818
Profit	2,317	1,822
Profit attributable to non-controlling interests	58	47
Profit attributable to owners of parent	2,258	1,775

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

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	2,317	1,822
Other comprehensive income		
Valuation difference on available-for-sale securities	63	(43)
Deferred gains or losses on hedges	(59)	(210)
Foreign currency translation adjustment	(27)	34
Remeasurements of defined benefit plans, net of tax	5	2
Total other comprehensive income	(18)	(216)
Comprehensive income	2,298	1,605
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,240	1,547
Comprehensive income attributable to non-controlling interests	57	58

## Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Cash flows from operating activities		
Profit before income taxes	3,320	2,640
Depreciation	186	178
Increase (decrease) in provision for bonuses for directors (and other officers)	(44)	(53)
Increase (decrease) in provision for bonuses	(43)	(1)
Increase (decrease) in allowance for doubtful accounts	(2)	(0)
Increase (decrease) in retirement benefit liability	16	8
Subsidy income	–	(35)
Settlement received	–	(19)
Interest and dividend income	(15)	(69)
Interest expenses	0	1
Decrease (increase) in trade receivables	(4,739)	(3,550)
Decrease (increase) in inventories	(1,966)	(720)
Increase (decrease) in trade payables	421	(293)
Increase (decrease) in accrued consumption taxes	(29)	(164)
Decrease (increase) in other current assets	156	214
Increase (decrease) in other current liabilities	56	206
Other, net	7	6
Subtotal	<u>(2,676)</u>	<u>(1,652)</u>
Interest and dividends received	15	69
Interest paid	(0)	(2)
Income taxes paid	(996)	(2,182)
Subsidies received	35	35
Settlement package received	–	19
Proceeds from compensation	32	–
Payments associated with disaster loss	(3)	–
Net cash provided by (used in) operating activities	<u>(3,593)</u>	<u>(3,713)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(50)	(98)
Purchase of intangible assets	(103)	(5)
Purchase of investment securities	(5)	(6)
Loan advances	(6)	–
Proceeds from collection of loans receivable	0	0
Other payments	(11)	(4)
Other proceeds	0	3
Net cash provided by (used in) investing activities	<u>(174)</u>	<u>(111)</u>
Cash flows from financing activities		
Proceeds from long-term borrowings	6,600	–
Purchase of treasury shares	(1,771)	–
Repayments of lease obligations	(39)	(39)
Dividends paid	(885)	(1,030)
Dividends paid to non-controlling interests	–	(275)
Net cash provided by (used in) financing activities	<u>3,903</u>	<u>(1,345)</u>
Effect of exchange rate change on cash and cash equivalents	<u>(24)</u>	<u>17</u>
Net increase (decrease) in cash and cash equivalents	<u>110</u>	<u>(5,152)</u>
Cash and cash equivalents at beginning of period	<u>37,549</u>	<u>47,870</u>
Cash and cash equivalents at end of period	<u>37,660</u>	<u>42,718</u>