

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

January 31, 2022

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, Business Management Takahiro Matsumoto TEL 06-6121-5669  
 Scheduled date to file Quarterly Securities Report: February 10, 2022  
 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	80,401	(1.4)	6,661	(23.5)	6,950	(21.9)	4,692	(22.2)
Nine months ended December 31, 2020	81,571	4.3	8,704	54.6	8,894	55.1	6,030	54.0

Note: Comprehensive income Nine months ended December 31, 2021 ¥4,481 million [(25.7)%]  
 Nine months ended December 31, 2020 ¥6,034 million [52.1%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	133.61		–	
Nine months ended December 31, 2020	170.55		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	95,410	76,608	78.9	2,152.29
As of March 31, 2021	94,028	74,767	78.0	2,086.85

Reference: Equity As of December 31, 2021: ¥75,278 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	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	25.00	–	30.00	55.00
Year ending March 31, 2022	–	30.00	–		
Year ending March 31, 2022 (Forecast)				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
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 nine months ended December 31, 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 December 31, 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 December 31, 2021	2,399,624 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)

Nine months ended December 31, 2021	35,120,762 shares	Nine months ended December 31, 2020	35,361,282 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 December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	47,870	41,580
Notes and accounts receivable - trade	12,680	20,520
Electronically recorded monetary claims - operating	1,344	2,255
Merchandise and finished goods	8,722	7,808
Short-term loans receivable	32	33
Other	1,401	904
Allowance for doubtful accounts	(32)	(33)
Total current assets	72,020	73,070
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,041	13,058
Accumulated depreciation	(5,084)	(5,349)
Buildings and structures, net	7,957	7,708
Land	9,385	9,385
Construction in progress	497	699
Other	2,881	3,071
Accumulated depreciation	(2,044)	(2,231)
Other, net	837	840
Total property, plant and equipment	18,677	18,634
Intangible assets	516	433
Investments and other assets		
Investment securities	1,556	1,913
Long-term loans receivable	6	3
Other	1,262	1,365
Allowance for doubtful accounts	(12)	(10)
Total investments and other assets	2,813	3,271
Total non-current assets	22,007	22,340
Total assets	94,028	95,410
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	5,837	6,608
Income taxes payable	2,326	910
Provision for bonuses for directors (and other officers)	74	51
Provision for bonuses	6	2
Other	3,149	3,442
Total current liabilities	11,394	11,014
Non-current liabilities		
Long-term borrowings	6,600	6,600
Retirement benefit liability	621	636
Asset retirement obligations	9	9
Other	634	541
Total non-current liabilities	7,866	7,787
Total liabilities	19,261	18,801

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Net assets		
Shareholders' equity		
Share capital	4,993	4,993
Capital surplus	6,273	6,273
Retained earnings	65,029	67,613
Treasury shares	(3,576)	(3,833)
Total shareholders' equity	72,719	75,047
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	183	67
Deferred gains or losses on hedges	428	80
Foreign currency translation adjustment	28	99
Remeasurements of defined benefit plans	(25)	(17)
Total accumulated other comprehensive income	614	231
Non-controlling interests	1,432	1,329
Total net assets	74,767	76,608
Total liabilities and net assets	94,028	95,410

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	81,571	80,401
Cost of sales	56,944	57,530
Gross profit	24,626	22,870
Selling, general and administrative expenses	15,922	16,208
Operating profit	8,704	6,661
Non-operating income		
Interest income	2	1
Dividend income	23	78
Gain on adjustment of account payable	23	10
Foreign exchange gains	79	63
Subsidy income	11	44
Settlement received	–	19
Other	83	96
Total non-operating income	223	313
Non-operating expenses		
Interest expenses	3	3
Commission expenses	6	10
Provision of allowance for doubtful accounts	7	–
Other	16	10
Total non-operating expenses	33	24
Ordinary profit	8,894	6,950
Profit before income taxes	8,894	6,950
Income taxes - current	2,732	2,066
Income taxes - deferred	(9)	87
Total income taxes	2,723	2,154
Profit	6,170	4,795
Profit attributable to non-controlling interests	139	103
Profit attributable to owners of parent	6,030	4,692

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

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	6,170	4,795
Other comprehensive income		
Valuation difference on available-for-sale securities	130	(115)
Deferred gains or losses on hedges	(260)	(347)
Foreign currency translation adjustment	(21)	140
Remeasurements of defined benefit plans, net of tax	15	8
Total other comprehensive income	(135)	(314)
Comprehensive income	6,034	4,481
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,890	4,309
Comprehensive income attributable to non-controlling interests	144	172

## Consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Cash flows from operating activities		
Profit before income taxes	8,894	6,950
Depreciation	566	553
Increase (decrease) in provision for bonuses for directors (and other officers)	19	(23)
Increase (decrease) in provision for bonuses	(45)	(3)
Increase (decrease) in allowance for doubtful accounts	2	(1)
Increase (decrease) in retirement benefit liability	39	26
Increase (decrease) in provision for environmental measures	(0)	–
Subsidy income	(11)	(44)
Settlement received	–	(19)
Compensation income	(8)	–
Interest and dividend income	(25)	(79)
Interest expenses	3	3
Decrease (increase) in trade receivables	(9,147)	(8,716)
Decrease (increase) in inventories	569	923
Increase (decrease) in trade payables	877	736
Increase (decrease) in accrued consumption taxes	274	(309)
Decrease (increase) in other current assets	(85)	7
Increase (decrease) in other current liabilities	416	523
Other, net	17	15
Subtotal	2,356	543
Interest and dividends received	25	79
Interest paid	(2)	(4)
Income taxes paid	(1,834)	(3,413)
Subsidies received	46	44
Settlement package received	–	19
Proceeds from compensation	40	–
Payments associated with disaster loss	(3)	–
Net cash provided by (used in) operating activities	628	(2,732)
Cash flows from investing activities		
Purchase of property, plant and equipment	(253)	(315)
Purchase of intangible assets	(103)	(18)
Purchase of investment securities	(15)	(517)
Loan advances	(7)	–
Proceeds from collection of loans receivable	11	2
Other payments	(19)	(24)
Other proceeds	9	3
Net cash provided by (used in) investing activities	(377)	(869)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Cash flows from financing activities		
Proceeds from long-term borrowings	6,600	–
Repayments of long-term borrowings	(1,000)	–
Purchase of treasury shares	(1,771)	(256)
Repayments of lease obligations	(117)	(118)
Dividends paid	(1,784)	(2,105)
Dividends paid to non-controlling interests	–	(275)
Net cash provided by (used in) financing activities	1,926	(2,756)
Effect of exchange rate change on cash and cash equivalents	(44)	67
Net increase (decrease) in cash and cash equivalents	2,132	(6,290)
Cash and cash equivalents at beginning of period	37,549	47,870
Cash and cash equivalents at end of period	39,681	41,580