

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 31, 2024

Company name: DOSHISHA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 7483 URL <https://www.doshisha.co.jp>
 Representative: President, CEO and COO Masayuki Nomura
 Director and Managing Executive Officer
 Inquiries: In Charge of Financial & Accounting, Takahiro Matsumoto TEL 06-6121-5669
 Foreign Trade Operation.
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024	27,869	5.7	2,416	(4.0)	2,516	(3.1)	1,678	(3.5)
Three months ended June 30, 2023	26,362	(1.1)	2,517	13.8	2,596	9.9	1,738	9.3

Note: Comprehensive income Three months ended June 30, 2024 ¥1,988 million [(30.5)%]
 Three months ended June 30, 2023 ¥2,860 million [35.1%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	49.15		48.48	
Three months ended June 30, 2023	50.93		50.43	

(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, 2024	98,781	84,951	83.8	2,424.50
As of March 31, 2024	102,701	84,284	80.1	2,410.12

Reference: Equity As of June 30, 2024: ¥82,774 million
 As of March 31, 2024: ¥82,283 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, 2024	–	35.00	–	40.00	75.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	40.00	–	40.00	80.00

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

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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, 2024	54,100	4.3	4,450	4.3	4,500	2.6	2,950	0.6	86.41
Full year	110,000	3.9	9,000	13.5	9,100	8.2	6,000	3.7	175.74

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

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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: No

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, 2024	37,375,636 shares	As of March 31, 2024	37,375,636 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	3,234,699 shares	As of March 31, 2024	3,234,699 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, 2024	34,140,937 shares	Three months ended June 30, 2023	34,140,959 shares
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* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No

* 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, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	55,187	46,452
Notes receivable - trade	271	560
Accounts receivable - trade	13,722	16,956
Electronically recorded monetary claims - operating	1,476	2,037
Merchandise and finished goods	8,889	9,793
Short-term loans receivable	5	2
Other	900	703
Allowance for doubtful accounts	(0)	(0)
Total current assets	80,452	76,504
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,980	14,030
Accumulated depreciation	(6,163)	(6,265)
Buildings and structures, net	7,816	7,764
Land	9,385	9,385
Construction in progress	–	6
Other	3,432	3,445
Accumulated depreciation	(2,719)	(2,741)
Other, net	713	703
Total property, plant and equipment	17,914	17,859
Intangible assets	421	413
Investments and other assets		
Investment securities	2,683	2,862
Long-term loans receivable	1	–
Deferred tax assets	124	37
Other	1,109	1,111
Allowance for doubtful accounts	(6)	(7)
Total investments and other assets	3,912	4,003
Total non-current assets	22,248	22,276
Total assets	102,701	98,781
Liabilities		
Current liabilities		
Accounts payable - trade	6,487	8,269
Current portion of long-term borrowings	6,600	–
Income taxes payable	1,363	828
Provision for bonuses for directors (and other officers)	58	19
Provision for bonuses	11	4
Other	2,855	3,675
Total current liabilities	17,377	12,797
Non-current liabilities		
Retirement benefit liability	641	637
Asset retirement obligations	10	10
Other	388	384
Total non-current liabilities	1,040	1,032
Total liabilities	18,417	13,830

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	4,993	4,993
Capital surplus	6,273	6,273
Retained earnings	75,008	75,320
Treasury shares	(5,105)	(5,105)
Total shareholders' equity	81,169	81,482
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	536	646
Deferred gains or losses on hedges	146	122
Foreign currency translation adjustment	404	498
Remeasurements of defined benefit plans	26	24
Total accumulated other comprehensive income	1,114	1,292
Share acquisition rights	309	353
Non-controlling interests	1,690	1,823
Total net assets	84,284	84,951
Total liabilities and net assets	102,701	98,781

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, 2023	Three months ended June 30, 2024
Net sales	26,362	27,869
Cost of sales	18,469	19,533
Gross profit	7,893	8,335
Selling, general and administrative expenses	5,375	5,919
Operating profit	2,517	2,416
Non-operating income		
Interest income	12	17
Dividend income	27	29
Foreign exchange gains	13	28
Subsidy income	–	0
Other	31	30
Total non-operating income	84	106
Non-operating expenses		
Interest expenses	1	0
Commission expenses	0	0
Other	3	4
Total non-operating expenses	5	6
Ordinary profit	2,596	2,516
Profit before income taxes	2,596	2,516
Income taxes - current	763	746
Income taxes - deferred	50	49
Total income taxes	813	796
Profit	1,782	1,720
Profit attributable to non-controlling interests	44	41
Profit attributable to owners of parent	1,738	1,678

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	1,782	1,720
Other comprehensive income		
Valuation difference on available-for-sale securities	35	110
Deferred gains or losses on hedges	870	(24)
Foreign currency translation adjustment	168	184
Remeasurements of defined benefit plans, net of tax	2	(1)
Total other comprehensive income	1,077	268
Comprehensive income	2,860	1,988
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,735	1,856
Comprehensive income attributable to non-controlling interests	125	132

Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,596	2,516
Depreciation	192	181
Increase (decrease) in provision for bonuses for directors (and other officers)	(44)	(39)
Increase (decrease) in provision for bonuses	(1)	(7)
Increase (decrease) in allowance for doubtful accounts	0	1
Increase (decrease) in retirement benefit liability	11	(6)
Share-based payment expenses	45	43
Subsidy income	–	(0)
Interest and dividend income	(39)	(46)
Interest expenses	1	0
Decrease (increase) in trade receivables	(3,124)	(4,058)
Decrease (increase) in inventories	(1,531)	(896)
Increase (decrease) in trade payables	198	1,757
Increase (decrease) in accrued consumption taxes	251	171
Decrease (increase) in other current assets	(59)	170
Increase (decrease) in other current liabilities	87	557
Other, net	4	2
Subtotal	(1,411)	348
Interest and dividends received	39	48
Interest paid	(2)	(2)
Income taxes paid	(1,402)	(1,238)
Subsidies received	–	0
Net cash provided by (used in) operating activities	(2,776)	(843)
Cash flows from investing activities		
Payments into time deposits	(1,000)	–
Proceeds from withdrawal of time deposits	–	1,000
Purchase of property, plant and equipment	(50)	(23)
Purchase of intangible assets	(173)	(29)
Purchase of investment securities	(6)	(6)
Proceeds from collection of loans receivable	3	3
Other payments	(1)	(2)
Other proceeds	0	0
Net cash provided by (used in) investing activities	(1,229)	941
Cash flows from financing activities		
Repayments of long-term borrowings	–	(6,600)
Purchase of treasury shares	(0)	–
Repayments of lease liabilities	(36)	(27)
Dividends paid	(1,166)	(1,337)
Dividends paid to non-controlling interests	(210)	–
Net cash provided by (used in) financing activities	(1,412)	(7,964)
Effect of exchange rate change on cash and cash equivalents	134	132
Net increase (decrease) in cash and cash equivalents	(5,284)	(7,734)
Cash and cash equivalents at beginning of period	52,639	54,187
Cash and cash equivalents at end of period	47,355	46,452