

Translation

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

October 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 file Semi-annual Securities Report: November 13, 2024
 Scheduled date to commence dividend payments: December 3, 2024
 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 six months ended September 30, 2024 (from April 1, 2024 to September 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	%
Six months ended September 30, 2024	54,508	5.1	4,182	(2.0)	4,322	(1.4)	2,884	(1.6)
Six months ended September 30, 2023	51,860	(1.0)	4,266	11.1	4,384	10.9	2,931	11.0

Note: Comprehensive income Six months ended September 30, 2024 ¥2,206 million [(48.1)%]
 Six months ended September 30, 2023 ¥4,251 million [17.7%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	84.01		83.08	
Six months ended September 30, 2023	85.86		84.82	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	99,414	86,193	84.7	2,424.07
As of March 31, 2024	102,701	84,284	80.1	2,410.12

Reference: Equity As of September 30, 2024: ¥84,249 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	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	35.00	–	40.00	75.00
Year ending March 31, 2025	–	40.00			
Year ending March 31, 2025 (Forecast)			–	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
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 six months ended September 30, 2024: Yes
- (2) Application of special accounting methods for preparing semi-annual 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 September 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 September 30, 2024	2,620,307 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)

Six months ended September 30, 2024	34,332,806 shares	Six months ended September 30, 2023	34,140,949 shares
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* Semi-annual financial results reports are exempt from 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.

Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	55,187	52,181
Notes receivable - trade	271	415
Accounts receivable - trade	13,722	13,250
Electronically recorded monetary claims - operating	1,476	1,577
Merchandise and finished goods	8,889	9,383
Short-term loans receivable	5	–
Other	900	446
Allowance for doubtful accounts	(0)	(0)
Total current assets	80,452	77,253
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,980	13,689
Accumulated depreciation	(6,163)	(6,182)
Buildings and structures, net	7,816	7,507
Land	9,385	9,385
Other	3,432	2,723
Accumulated depreciation	(2,719)	(2,071)
Other, net	713	651
Total property, plant and equipment	17,914	17,543
Intangible assets	421	337
Investments and other assets		
Investment securities	2,683	2,796
Long-term loans receivable	1	–
Deferred tax assets	124	380
Other	1,109	1,110
Allowance for doubtful accounts	(6)	(7)
Total investments and other assets	3,912	4,279
Total non-current assets	22,248	22,160
Total assets	102,701	99,414
Liabilities		
Current liabilities		
Accounts payable - trade	6,487	6,892
Current portion of long-term borrowings	6,600	–
Income taxes payable	1,363	1,451
Provision for bonuses for directors (and other officers)	58	27
Provision for bonuses	11	8
Other	2,855	3,834
Total current liabilities	17,377	12,213
Non-current liabilities		
Retirement benefit liability	641	634
Asset retirement obligations	10	10
Other	388	362
Total non-current liabilities	1,040	1,007
Total liabilities	18,417	13,221

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	4,993	4,993
Capital surplus	6,273	6,442
Retained earnings	75,008	76,526
Treasury shares	(5,105)	(4,136)
Total shareholders' equity	81,169	83,825
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	536	615
Deferred gains or losses on hedges	146	(552)
Foreign currency translation adjustment	404	337
Remeasurements of defined benefit plans	26	22
Total accumulated other comprehensive income	1,114	423
Share acquisition rights	309	240
Non-controlling interests	1,690	1,703
Total net assets	84,284	86,193
Total liabilities and net assets	102,701	99,414

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	51,860	54,508
Cost of sales	36,876	38,770
Gross profit	14,984	15,737
Selling, general and administrative expenses	10,717	11,554
Operating profit	4,266	4,182
Non-operating income		
Interest income	15	33
Dividend income	28	30
Gain on adjustment of accounts payable	1	2
Foreign exchange gains	35	1
Subsidy income	0	0
Other	52	84
Total non-operating income	133	154
Non-operating expenses		
Interest expenses	2	0
Commission expenses	1	1
Compensation expenses	–	5
Cancellation penalty	5	–
Other	5	6
Total non-operating expenses	15	14
Ordinary profit	4,384	4,322
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	–	6
Total extraordinary income	–	6
Profit before income taxes	4,384	4,328
Income taxes - current	1,379	1,350
Income taxes - deferred	(5)	12
Total income taxes	1,373	1,363
Profit	3,011	2,965
Profit attributable to non-controlling interests	80	81
Profit attributable to owners of parent	2,931	2,884

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	3,011	2,965
Other comprehensive income		
Valuation difference on available-for-sale securities	149	78
Deferred gains or losses on hedges	824	(698)
Foreign currency translation adjustment	260	(135)
Remeasurements of defined benefit plans, net of tax	5	(3)
Total other comprehensive income	1,240	(759)
Comprehensive income	4,251	2,206
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,037	2,193
Comprehensive income attributable to non-controlling interests	214	12

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	4,384	4,328
Depreciation	400	359
Increase (decrease) in provision for bonuses for directors (and other officers)	(32)	(30)
Increase (decrease) in provision for bonuses	2	(3)
Increase (decrease) in allowance for doubtful accounts	0	1
Increase (decrease) in retirement benefit liability	21	(12)
Share-based payment expenses	88	43
Subsidy income	(0)	(0)
Interest and dividend income	(44)	(64)
Interest expenses	2	0
Loss (gain) on sale of shares of subsidiaries and associates	–	(6)
Decrease (increase) in trade receivables	(2,030)	206
Decrease (increase) in inventories	(2,167)	(502)
Increase (decrease) in trade payables	739	426
Increase (decrease) in accrued consumption taxes	23	57
Decrease (increase) in other current assets	(35)	236
Increase (decrease) in other current liabilities	216	152
Other, net	8	4
Subtotal	1,577	5,196
Interest and dividends received	44	67
Interest paid	(2)	(2)
Income taxes paid	(1,419)	(1,266)
Subsidies received	0	0
Net cash provided by (used in) operating activities	199	3,995
Cash flows from investing activities		
Payments into time deposits	(1,299)	–
Proceeds from withdrawal of time deposits	–	1,000
Purchase of property, plant and equipment	(60)	(40)
Purchase of intangible assets	(199)	(37)
Purchase of investment securities	(11)	(11)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	–	180
Proceeds from collection of loans receivable	6	5
Other payments	(4)	(3)
Other proceeds	6	3
Net cash provided by (used in) investing activities	(1,562)	1,094
Cash flows from financing activities		
Repayments of long-term borrowings	–	(6,600)
Proceeds from exercise of employee share options	–	1,024
Purchase of treasury shares	(0)	(0)
Repayments of lease liabilities	(73)	(53)
Dividends paid	(1,194)	(1,365)
Dividends paid to non-controlling interests	(210)	–
Net cash provided by (used in) financing activities	(1,478)	(6,994)
Effect of exchange rate change on cash and cash equivalents	177	(102)
Net increase (decrease) in cash and cash equivalents	(2,664)	(2,005)
Cash and cash equivalents at beginning of period	52,639	54,187
Cash and cash equivalents at end of period	49,975	52,181