



January 24, 2023

Consolidated Financial Results for the Third Quarter of Fiscal Year 2022

Company name: DISCO Corporation
 Stock code number: 6146 (TSE Prime Market)
 URL: <http://www.disco.co.jp>

- Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.
 2. Amounts are rounded down to the nearest million yen.

1. Consolidated results for FY2022 3Q (April 1, 2022, through December 31, 2022)

1) Operating results (accumulated)

	Nine months ending		
	December 31, 2021	December 31, 2022	YoY (%)
Net sales	180,269	205,120	13.8
Operating income	63,250	79,128	25.1
Ordinary income	63,897	80,188	25.5
Net income	45,509	57,219	25.7
Net income per share (yen)	1,261.49	1,585.25	-

2) Financial positions

	As of March 31, 2022	As of December 31, 2022
Total assets	404,540	434,613
Net assets	293,812	322,974
Equity ratio (%)	72.3%	74.0%

Reference: Equity (defined as shareholders' equity plus valuation and translation adjustments)

321,758 million yen (as of December 31, 2022)
 292,658 million yen (as of March 31, 2022)

2. Dividends

	Fiscal Year 2021	Fiscal Year 2022 Actual	Fiscal Year 2022 Forecast
1Q-end dividend per share (yen)	—	—	
2Q-end dividend per share (yen)	199.00	282.00	
3Q-end dividend per share (yen)	—	—	
Year-end dividend per share (yen)	609.00		591.00
Annual dividend per share (yen)	808.00		873.00

Note: Revision of dividends forecast during this period: Yes

3. Earnings forecast for FY2022 4Q

(Millions of yen)

	Year ending March 31, 2023	YoY (%)
Net sales	271,900	7.1
Operating income	103,200	12.8
Ordinary income	104,600	13.1
Net income	74,700	12.8
Net income per share (yen)	2,069.32	-
Shipment figures	288,600	10.6%

Note: Revision of earnings forecast during this period: Yes

4. Other

- 1) Important changes in subsidiaries: None
- 2) Changes in principles, procedures, or display of accounting method concerning consolidated statement policies.
 1. Changes in accounting policies along with changes in accounting standards: Yes
 2. Other changes: None
- 3) Number of shares outstanding (common stock)
 - (1) Number of shares issued (including treasury stocks)

As of December 31, 2022:	36,103,971 shares
As of March 31, 2022:	36,095,871 shares
 - (2) Number of shares of treasury stock

As of December 31, 2022:	5,095 shares
As of March 31, 2022:	5,090 shares
 - (3) Average number of shares

As of December 31, 2022:	36,094,957 shares
As of December 31, 2021:	36,068,506 shares

Explanation regarding appropriate use of earnings forecast:

The performance forecasts and estimates provided in this Financial Review are based on certain assumptions judged to be reasonable at the present time in light of information currently available. Consequently, actual operating results may differ substantially from the projections in the Financial Review.

Reference: non-consolidated earnings forecast for FY2022 4Q

	(Millions of yen)	
	Year ending March 31, 2023	YoY (%)
Net sales	224,100	6.4
Operating income	82,200	17.6
Ordinary income	99,400	20.5
Net income	73,700	20.5
Net income per share (yen)	2,041.61	-

Note: Revision of earnings forecast during this period: Yes

5. Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	125,771	139,576
Notes and accounts receivable - trade, and contract assets	38,689	36,343
Merchandise and finished goods	21,755	28,608
Work in process	18,997	22,313
Raw materials and supplies	27,725	40,091
Other	12,093	7,864
Allowance for doubtful accounts	(98)	(79)
Total current assets	<u>244,933</u>	<u>274,718</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	94,868	94,075
Other, net	49,559	52,257
Total property, plant and equipment	<u>144,427</u>	<u>146,332</u>
Intangible assets	256	220
Investments and other assets		
Other	14,932	13,351
Allowance for doubtful accounts	(10)	(9)
Total investments and other assets	<u>14,922</u>	<u>13,341</u>
Total non-current assets	<u>159,606</u>	<u>159,894</u>
Total assets	<u>404,540</u>	<u>434,613</u>
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,048	6,737
Electronically recorded obligations - operating	20,902	29,479
Income taxes payable	19,946	7,126
Contract liabilities	27,622	38,822
Provision for bonuses	23,315	18,375
Other provisions	1,085	1,374
Other	8,930	8,828
Total current liabilities	<u>109,851</u>	<u>110,743</u>
Non-current liabilities	876	894
Total liabilities	<u>110,728</u>	<u>111,638</u>
Net assets		
Shareholders' equity		
Share capital	21,608	21,661
Capital surplus	23,596	23,649
Retained earnings	242,475	267,537
Treasury shares	(32)	(32)
Total shareholders' equity	<u>287,648</u>	<u>312,814</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	269	89
Foreign currency translation adjustment	4,765	8,863
Remeasurements of defined benefit plans	(25)	(8)
Total accumulated other comprehensive income	<u>5,009</u>	<u>8,943</u>
Share acquisition rights	884	976
Non-controlling interests	269	239
Total net assets	<u>293,812</u>	<u>322,974</u>
Total liabilities and net assets	<u>404,540</u>	<u>434,613</u>

6. Consolidated quarterly statement of (comprehensive) income

(Millions of yen)

	Nine months 31-Dec-21	Nine months 31-Dec-22
Net sales	180,269	205,120
Cost of sales	71,268	71,837
Gross profit	109,000	133,282
Selling, general and administrative expenses	45,750	54,154
Operating profit	63,250	79,128
Non-operating income		
Interest income	36	31
Share of profit of entities accounted for using equity method	440	193
Foreign exchange gains	-	198
Rental income	86	112
Subsidy income	1,098	390
Other	160	170
Total non-operating income	1,822	1,097
Non-operating expenses		
Foreign exchange losses	1,084	-
Depreciation	35	26
Other	56	9
Total non-operating expenses	1,176	36
Ordinary profit	63,897	80,188
Extraordinary income		
Gain on sale of non-current assets	6	1
Gain on sale of investment securities	0	-
Total extraordinary income	6	1
Extraordinary losses		
Loss on sale and retirement of non-current assets	63	37
Impairment losses	-	63
Loss on valuation of investment securities	0	-
Extra retirement payments	102	29
Total extraordinary losses	166	131
Profit before income taxes	63,737	80,058
Income taxes - current	18,167	21,338
Income taxes - deferred	23	1,489
Total income taxes	18,191	22,827
Profit	45,545	57,231
Profit attributable to		
Profit attributable to owners of parent	45,509	57,219
Profit attributable to non-controlling interests	36	11
Other comprehensive income		
Foreign currency translation adjustment	1,085	4,016
Remeasurements of defined benefit plans, net of tax	15	16
Share of other comprehensive income of entities accounted for using equity method	(399)	(88)
Total other comprehensive income	700	3,944
Comprehensive income	46,246	61,175
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	46,210	61,153
Comprehensive income attributable to non-controlling interests	35	21