



July 21, 2020

Consolidated Financial Results for the First Quarter of Fiscal Year 2020

Company name: DISCO Corporation
 Stock code number: 6146 (Tokyo Stock Exchange 1st Section)
 URL: <http://www.disco.co.jp>
 Telephone number: 81-3-4590-1099

- 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 of FY2020 1Q(April 1, 2020 through June 30, 2020)

1) Operating results (Accumulated)

	Three months ended		
	June 30, 2019	June 30, 2020	YoY(%)
Net sales	32,760	35,654	8.8
Operating income	7,124	9,283	30.3
Ordinary income	8,085	9,116	12.7
Net income	5,748	6,473	12.6
Net income per share (yen)	160.00	179.90	—

Note: Due to the change in accounting policy, starting from FY2019, the timing of revenue recognition has been changed to Inspection Basis. Therefore, the percentage changes are not shown.

2) Financial position

	As of March 31, 2020	As of June 30, 2020
Total assets	274,325	275,058
Net assets	226,890	220,683
Equity ratio (%)	82.2%	79.8%

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

219,553 million yen (as of June 30, 2020)
 225,539 million yen (as of March 31, 2020)

2. Dividends

	Fiscal Year 2019	Fiscal Year 2020 Actual	Fiscal Year 2020 Forecast
1Q-end dividend per share (yen)	—	—	—
2Q-end dividend per share (yen)	91.00	—	104.00
3Q-end dividend per share (yen)	—	—	—
Year-end dividend per share (yen)	347.00	—	—
Annual dividend per share (yen)	438.00	—	—

Note: Revision of dividends forecast for during this period: Yes

3. Earnings Forecasts of FY2020 1H

(Millions of yen)

	Six month ending September 30,2020	YoY (%)
Net sales	78,000	14.9
Operating income	20,900	21.3
Ordinary income	20,900	12.8
Net income	14,900	14.2
Net income per share (yen)	413.82	-
Shipment figures	89,700	-

Note: Revision of earnings forecast for during this period: Yes

4. Others

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

As of June 30, 2020:	36,010,671 shares
As of March 31, 2020:	35,955,771 shares
 - ② Number of shares of treasury stock

As of June 30, 2020:	5,010 shares
As of March 31, 2020:	5,000 shares
 - ③ Average number of shares

As of June 30, 2020:	35,980,933 shares
As of June 30, 2019:	35,926,431 shares

Explanations on the appropriate use of earnings forecasts:

The performance forecasts and estimates stated 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 Forecasts of FY2020 1H

(Millions of yen)

	Six month ending September 30,2020	YoY (%)
Net sales	67,300	17.3
Operating income	16,400	24.7
Ordinary income	19,700	12.3
Net income	14,900	13.0
Net income per share (yen)	413.82	-

Note: Revision of earnings forecast for during this period: Yes

5. Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	87,909	82,382
Notes and accounts receivable - trade	25,614	28,298
Merchandise and finished goods	17,318	22,217
Work in process	14,373	14,087
Raw materials and supplies	18,677	19,723
Other	6,153	4,291
Allowance for doubtful accounts	(56)	(55)
Total current assets	169,990	170,946
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	47,334	47,474
Other, net	46,080	47,061
Total property, plant and equipment	93,415	94,536
Intangible assets	319	286
Investments and other assets		
Other	10,616	9,305
Allowance for doubtful accounts	(16)	(16)
Total investments and other assets	10,599	9,288
Total non-current assets	104,334	104,112
Total assets	274,325	275,058
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,726	4,576
Electronically recorded obligations - operating	10,301	14,610
Income taxes payable	3,509	2,800
Provision for bonuses	9,861	6,481
Other provisions	470	529
Other	17,034	24,831
Total current liabilities	46,905	53,829
Non-current liabilities	529	545
Total liabilities	47,435	54,375
Net assets		
Shareholders' equity		
Share capital	20,793	20,926
Capital surplus	22,781	22,914
Retained earnings	181,239	175,237
Treasury shares	(29)	(29)
Total shareholders' equity	224,785	219,048
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	368	241
Foreign currency translation adjustment	366	246
Remeasurements of defined benefit plans	18	17
Total accumulated other comprehensive income	754	505
Share acquisition rights	1,212	975
Non-controlling interests	138	153
Total net assets	226,890	220,683
Total liabilities and net assets	274,325	275,058

6. Consolidated quarterly statements of (comprehensive) income	(Millions of yen)	
	Three months ended 30-Jun-19	Three months ended 30-Jun-20
Net sales	32,760	35,654
Cost of sales	13,792	14,248
Gross profit	18,967	21,406
Selling, general and administrative expenses	11,842	12,122
Operating profit	7,124	9,283
Non-operating income		
Interest income	16	8
Share of profit of entities accounted for using equity method	223	6
Foreign exchange gains	480	-
Rental income	18	34
Subsidy income	176	63
Other	73	32
Total non-operating income	989	146
Non-operating expenses		
Sales discounts	15	8
Foreign exchange losses	-	288
Depreciation	8	13
Other	4	3
Total non-operating expenses	28	313
Ordinary profit	8,085	9,116
Extraordinary income		
Gain on sales of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sales and retirement of non-current assets	23	8
Loss on valuation of investment securities	-	17
Extra retirement payments	20	5
Demolition cost	137	-
Total extraordinary losses	181	32
Profit before income taxes	7,904	9,084
Income taxes - current	203	1,769
Income taxes - deferred	1,943	828
Total income taxes	2,147	2,597
Profit	5,756	6,486
Profit attributable to		
Profit attributable to owners of parent	5,748	6,473
Profit attributable to non-controlling interests	8	13
Other comprehensive income		
Foreign currency translation adjustment	(592)	(24)
Remeasurements of defined benefit plans, net of tax	0	0
Share of other comprehensive income of entities accounted for using equity method	105	(222)
Total other comprehensive income	(487)	(247)
Comprehensive income	5,268	6,239
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,268	6,224
Comprehensive income attributable to non-controlling interests	0	15