



January 25, 2022

Consolidated Financial Results for the Third Quarter of Fiscal Year 2021

Company name: DISCO Corporation
 Stock code number: 6146 (Tokyo Stock Exchange 1st Section)
 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 FY2021 3Q (April 1, 2021, through December 31, 2021)

1) Operating results (accumulated)

	Nine months ending		
	December 31, 2020	December 31, 2021	YoY (%)
Net sales	127,609	180,269	41.3
Operating income	36,673	63,250	72.5
Ordinary income	35,886	63,897	78.1
Net income	25,627	45,509	77.6
Net income per share (yen)	711.76	1,261.49	-

2) Financial positions

	As of March 31, 2021	As of December 31, 2021
Total assets	329,026	371,780
Net assets	252,352	271,486
Equity ratio (%)	76.3%	72.7%

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

270,367 million yen (as of December 31, 2021)

251,203 million yen (as of March 31, 2021)

2. Dividends

	Fiscal Year 2020	Fiscal Year 2021 Actual	Fiscal Year 2021 Forecast
1Q-end dividend per share (yen)	—	—	
2Q-end dividend per share (yen)	116.00	199.00	
3Q-end dividend per share (yen)	—	—	
Year-end dividend per share (yen)	561.00		518.00
Annual dividend per share (yen)	677.00		717.00

Note: Revision of dividends forecast during this period: Yes

3. Earnings forecast for FY2021 4Q

(Millions of yen)

	Year ending March 31, 2022	YoY (%)
Net sales	243,100	32.9
Operating income	83,300	56.9
Ordinary income	84,200	57.0
Net income	60,200	54.0
Net income per share (yen)	1,668.05	-
Shipment figures	255,400	32.6%

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, 2021:	36,095,171 shares
As of March 31, 2021:	36,059,671 shares
 - (2) Number of shares of treasury stock

As of December 31, 2021:	5,090 shares
As of March 31, 2021:	5,060 shares
 - (3) Average number of shares

As of December 31, 2021:	36,075,658 shares
As of December 31, 2020:	36,004,954 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 FY2021 4Q

(Millions of yen)

	Year ending March 31, 2022	YoY (%)
Net sales	202,700	32.2
Operating income	63,700	62.3
Ordinary income	74,900	71.3
Net income	55,400	68.1
Net income per share (yen)	1,535.05	-

Note: Revision of earnings forecast during this period: Yes

5. Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	109,809	130,217
Notes and accounts receivable - trade	33,173	-
Notes and accounts receivable - trade, and contract assets	-	36,324
Merchandise and finished goods	18,605	23,244
Work in process	15,998	18,689
Raw materials and supplies	21,142	24,722
Other	9,453	8,272
Allowance for doubtful accounts	(75)	(93)
Total current assets	<u>208,108</u>	<u>241,376</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	62,333	76,342
Other, net	46,115	40,953
Total property, plant and equipment	<u>108,448</u>	<u>117,295</u>
Intangible assets	283	236
Investments and other assets		
Other	12,203	12,880
Allowance for doubtful accounts	(17)	(9)
Total investments and other assets	<u>12,186</u>	<u>12,871</u>
Total non-current assets	<u>120,918</u>	<u>130,403</u>
Total assets	<u>329,026</u>	<u>371,780</u>
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,336	7,191
Electronically recorded obligations - operating	16,121	24,482
Income taxes payable	12,539	10,628
Provision for bonuses	15,110	15,160
Other provisions	887	1,235
Other	24,932	40,881
Total current liabilities	<u>75,927</u>	<u>99,579</u>
Non-current liabilities	<u>746</u>	<u>714</u>
Total liabilities	<u>76,674</u>	<u>100,293</u>
Net assets		
Shareholders' equity		
Share capital	21,424	21,605
Capital surplus	23,412	23,593
Retained earnings	203,677	221,778
Treasury shares	(31)	(32)
Total shareholders' equity	<u>248,482</u>	<u>266,945</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale	599	216
Foreign currency translation adjustment	2,218	3,288
Remeasurements of defined benefit plans	(97)	(82)
Total accumulated other comprehensive income	<u>2,720</u>	<u>3,422</u>
Share acquisition rights	937	871
Non-controlling interests	212	248
Total net assets	<u>252,352</u>	<u>271,486</u>
Total liabilities and net assets	<u>329,026</u>	<u>371,780</u>

6. Consolidated quarterly statement of (comprehensive) income

(Millions of yen)

	Nine months ended 31-Dec-20	Nine months ended 31-Dec-21
Net sales	127,609	180,269
Cost of sales	52,137	71,268
Gross profit	75,471	109,000
Selling, general and administrative expenses	38,798	45,750
Operating profit	36,673	63,250
Non-operating income		
Interest income	32	36
Share of profit of entities accounted for using equity	87	440
Rental income	98	86
Subsidy income	171	1,098
Other	88	160
Total non-operating income	477	1,822
Non-operating expenses		
Foreign exchange losses	1,181	1,084
Depreciation	40	35
Other	42	56
Total non-operating expenses	1,264	1,176
Ordinary profit	35,886	63,897
Extraordinary income		
Gain on sale of non-current assets	21	6
Gain on sale of investment securities	-	0
Total extraordinary income	21	6
Extraordinary losses		
Loss on sale and retirement of non-current assets	37	63
Loss on valuation of investment securities	18	0
Extra retirement payments	107	102
Total extraordinary losses	163	166
Profit before income taxes	35,744	63,737
Income taxes - current	9,374	18,167
Income taxes - deferred	700	23
Total income taxes	10,075	18,191
Profit	25,669	45,545
Profit attributable to		
Profit attributable to owners of parent	25,627	45,509
Profit attributable to non-controlling interests	42	36
Other comprehensive income		
Foreign currency translation adjustment	271	1,085
Remeasurements of defined benefit plans, net of tax	(2)	15
Share of other comprehensive income of entities accounted for using equity method	187	(399)
Total other comprehensive income	455	700
Comprehensive income	26,125	46,246
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	26,071	46,210
Comprehensive income attributable to non-controlling interests	53	35