Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2019 (Based on Japanese GAAP)

January 28, 2020

Company name: Fuji Corporation Limited
Stock exchange listing: Tokyo
Stock code: 8860 URL https://www.fuji-jutaku.co.jp/
Representative: President and Representative Director Nobutsuna Miyawaki
Inquiries: Director, General Manager of Investor Relations Office Kenichi Ishimoto TEL 072-437-9010
Scheduled date to file Quarterly Securities Report: February 13, 2020
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results meeting: Yes (for general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(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	%
Nine months ended December 31, 2019	77,320	(3.2)	3,224	(17.4)	2,987	(20.4)	1,980	(19.3)
Nine months ended December 31, 2018	79,883	15.3	3,900	26.4	3,754	30.3	2,455	27.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2019	56.08	56.00
Nine months ended December 31, 2018	68.55	68.29

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	162,002	38,881	24.0
As of March 31, 2019	147,465	37,756	25.6

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, 2019	–	14.00	–	13.00	27.00
Year ending March 31, 2020	–	14.00	–		
Year ending March 31, 2020 (Forecast)				13.00	27.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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	107,000	(7.5)	5,300	(20.1)	5,000	(22.4)	3,300	(23.2)	93.29

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2019 (changes in specified subsidiaries resulting in the change in scope of consolidation): 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 December 31, 2019	36,849,912 shares	As of March 31, 2019	36,849,912 shares

Number of treasury shares at the end of the period

As of December 31, 2019	1,477,440 shares	As of March 31, 2019	1,561,440 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2019	35,325,272 shares	Nine months ended December 31, 2018	35,819,493 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	12,041,380	11,229,207
Accounts receivable from completed construction contracts	191,646	327,309
Real estate for sale	28,226,043	28,629,815
Real estate for sale in process	10,324,463	19,126,320
Real estate under development	54,688,060	59,155,675
Costs on construction contracts in progress	94,584	35,934
Supplies	37,162	40,258
Other	2,418,170	2,106,000
Allowance for doubtful accounts	(22,901)	(25,313)
Total current assets	107,998,610	120,625,208
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,915,290	11,763,760
Machinery, equipment and vehicles, net	19,349	17,569
Tools, furniture and fixtures, net	247,733	242,414
Land	24,004,204	25,183,710
Construction in progress	776,581	732,451
Total property, plant and equipment	35,963,159	37,939,906
Intangible assets	359,346	368,109
Investments and other assets		
Investment securities	523,031	524,835
Long-term loans receivable	63,354	60,036
Deferred tax assets	905,420	779,178
Other	1,657,122	1,709,936
Allowance for doubtful accounts	(4,531)	(4,478)
Total investments and other assets	3,144,397	3,069,508
Total non-current assets	39,466,903	41,377,525
Total assets	147,465,513	162,002,734

(Thousands of yen)

	As of March 31, 2019	As of December 31, 2019
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	4,642,257	3,391,612
Electronically recorded obligations - operating	1,023,275	1,902,365
Short-term borrowings	23,907,292	32,450,140
Current portion of bonds	200,000	300,000
Income taxes payable	1,398,628	384,825
Advances received	3,572,914	4,182,806
Provision for bonuses	282,000	101,800
Provision for performance-linked directors' compensations	131,040	–
Other	3,742,024	3,373,129
Total current liabilities	38,899,432	46,086,678
Non-current liabilities		
Bonds payable	800,000	1,600,000
Long-term borrowings	69,758,663	75,184,091
Deferred tax liabilities for land revaluation	52,645	52,645
Asset retirement obligations	27,142	27,323
Other	170,950	170,950
Total non-current liabilities	70,809,401	77,035,011
Total liabilities	109,708,833	123,121,689
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,810,940	5,818,187
Retained earnings	28,092,824	29,120,067
Treasury shares	(1,089,829)	(1,031,200)
Total shareholders' equity	37,686,000	38,779,119
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(48,494)	(44,443)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	26,409	30,460
Share acquisition rights	44,270	71,465
Total net assets	37,756,680	38,881,044
Total liabilities and net assets	147,465,513	162,002,734

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Net sales	79,883,472	77,320,519
Cost of sales	67,100,745	65,456,516
Gross profit	12,782,726	11,864,003
Selling, general and administrative expenses		
Sales commission	1,374,682	1,329,083
Advertising expenses	1,480,405	1,215,320
Promotion expenses	57,730	49,038
Salaries and bonuses	2,191,479	2,223,168
Provision of allowance for doubtful accounts	3,770	4,687
Provision for bonuses	39,751	51,179
Enterprise tax	107,200	97,500
Consumption Taxes	513,597	616,685
Depreciation	175,146	197,563
Rent expenses	318,268	327,177
Other	2,619,714	2,528,531
Total selling, general and administrative expenses	8,881,746	8,639,936
Operating profit	3,900,979	3,224,066
Non-operating income		
Interest income	1,025	942
Dividend income	15,270	14,881
Commission income	129,643	129,586
Penalty income	23,048	12,806
Subsidy income	128,798	129,683
Other	36,430	65,319
Total non-operating income	334,216	353,218
Non-operating expenses		
Interest expenses	444,518	541,757
Bond issuance cost	–	10,379
Other	36,480	37,671
Total non-operating expenses	480,999	589,809
Ordinary profit	3,754,197	2,987,476
Extraordinary income		
Gain on sales of non-current assets	1,110	80,962
Total extraordinary income	1,110	80,962
Extraordinary losses		
Loss on sales of non-current assets	2,766	816
Loss on retirement of non-current assets	12,808	18,636
Loss on valuation of investment securities	71,683	–
Total extraordinary losses	87,257	19,452
Profit before income taxes	3,668,049	3,048,986
Income taxes - current	1,138,700	939,500
Income taxes - deferred	73,959	128,489
Total income taxes	1,212,659	1,067,989
Profit	2,455,390	1,980,997
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	2,455,390	1,980,997

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	2,455,390	1,980,997
Other comprehensive income		
Valuation difference on available-for-sale securities	13,830	4,050
Total other comprehensive income	13,830	4,050
Comprehensive income	2,469,221	1,985,048
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,469,221	1,985,048
Comprehensive income attributable to non-controlling interests	–	–