

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 4, 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
 Director, General Manager of
 Inquiries: Investor Relations Office Kenichi Ishimoto TEL 072-437-9010
 Scheduled date to file Quarterly Securities Report: August 7, 2020
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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	%
Three months ended June 30, 2020	23,522	(1.6)	390	(60.5)	277	(70.7)	109	(82.6)
Three months ended June 30, 2019	23,906	(10.8)	988	(28.0)	947	(33.7)	627	(34.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	3.07		–	
Three months ended June 30, 2019	17.78		17.76	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	167,388	39,697	23.7
As of March 31, 2020	162,435	39,927	24.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	14.00	–	13.00	27.00
Year ending March 31, 2021	–				
Year ending March 31, 2021 (Forecast)		14.00	–	13.00	27.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	119,000	7.7	2,500	(50.0)	2,000	(56.6)	1,300	(57.9)	36.49

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020
 (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 June 30, 2020	36,849,912 shares	As of March 31, 2020	36,849,912 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	1,222,030 shares	As of March 31, 2020	1,440,530 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	35,639,007 shares	Three months ended June 30, 2019	35,288,722 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	14,757,833	16,334,494
Notes receivable - trade	117,491	83,839
Accounts receivable from completed construction contracts	865,465	495,601
Real estate for sale	24,828,999	25,476,499
Real estate for sale in process	15,253,483	26,363,222
Real estate under development	61,709,668	52,883,243
Costs on construction contracts in progress	230,706	169,447
Supplies	41,565	44,920
Other	1,984,685	1,945,340
Allowance for doubtful accounts	(26,361)	(28,116)
Total current assets	119,763,538	123,768,494
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,013,797	12,967,647
Machinery, equipment and vehicles, net	21,924	20,972
Tools, furniture and fixtures, net	220,352	489,857
Land	25,338,726	25,486,531
Leased assets, net	—	17,400
Construction in progress	1,123,035	620,931
Total property, plant and equipment	38,717,836	39,603,339
Intangible assets		
Goodwill	290,329	279,950
Other	425,898	409,906
Total intangible assets	716,228	689,857
Investments and other assets		
Investment securities	459,596	471,750
Long-term loans receivable	58,856	56,445
Deferred tax assets	982,960	1,001,090
Other	1,740,562	1,802,215
Allowance for doubtful accounts	(4,478)	(4,478)
Total investments and other assets	3,237,497	3,327,023
Total non-current assets	42,671,562	43,620,220
Total assets	162,435,100	167,388,714

(Thousands of yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	4,199,204	4,856,350
Electronically recorded obligations - operating	2,123,569	1,630,418
Short-term borrowings	33,367,735	36,042,778
Current portion of bonds payable	425,000	625,000
Lease obligations	–	3,960
Income taxes payable	1,278,744	135,152
Advances received	4,837,324	5,205,987
Provision for bonuses	303,262	119,262
Provision for share-based remuneration for directors (and other officers)	18,761	18,761
Provision for share-based remuneration	119,864	6,723
Other	3,550,042	3,711,905
Total current liabilities	50,223,509	52,356,299
Non-current liabilities		
Bonds payable	1,325,000	2,125,000
Long-term borrowings	70,699,028	72,426,256
Lease obligations	–	15,180
Asset retirement obligations	27,384	27,445
Deferred tax liabilities	9,194	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	170,950	679,642
Total non-current liabilities	72,284,202	75,335,365
Total liabilities	122,507,712	127,691,664
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,821,371	5,681,399
Retained earnings	30,227,970	29,876,886
Treasury shares	(1,005,438)	(756,653)
Total shareholders' equity	39,915,967	39,673,696
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(105,607)	(93,453)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	(30,702)	(18,548)
Share acquisition rights	42,124	41,902
Total net assets	39,927,388	39,697,049
Total liabilities and net assets	162,435,100	167,388,714

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	23,906,465	23,522,346
Cost of sales	20,072,320	20,352,016
Gross profit	3,834,144	3,170,329
Selling, general and administrative expenses		
Sales commission	420,885	396,271
Advertising expenses	401,649	306,769
Promotion expenses	15,207	10,697
Salaries and bonuses	703,379	668,329
Provision for bonuses	51,609	51,566
Provision of allowance for doubtful accounts	4,207	2,794
Enterprise tax	29,700	20,200
Consumption Taxes	185,386	253,153
Depreciation	54,872	75,056
Amortization of goodwill	–	10,379
Rent expenses	109,797	106,979
Other	868,523	877,798
Total selling, general and administrative expenses	2,845,216	2,779,996
Operating profit	988,928	390,333
Non-operating income		
Interest income	307	338
Dividend income	13,277	11,279
Commission income	41,255	45,413
Penalty income	4,501	5,803
Subsidy income	61,651	–
Surrender value of insurance policies	–	24,000
Other	19,475	16,398
Total non-operating income	140,468	103,232
Non-operating expenses		
Interest expenses	162,510	192,998
Bond issuance costs	–	14,168
Other	19,491	9,137
Total non-operating expenses	182,002	216,304
Ordinary profit	947,394	277,261
Extraordinary income		
Gain on sales of non-current assets	–	11,827
Total extraordinary income	–	11,827
Extraordinary losses		
Loss on sales of non-current assets	–	58,329
Loss on retirement of non-current assets	992	24,200
Total extraordinary losses	992	82,530
Profit before income taxes	946,402	206,558
Income taxes - current	193,100	115,450
Income taxes - deferred	125,908	(18,130)
Total income taxes	319,008	97,319
Profit	627,394	109,238
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	627,394	109,238

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit	627,394	109,238
Other comprehensive income		
Valuation difference on available-for-sale securities	(61,077)	12,153
Total other comprehensive income	(61,077)	12,153
Comprehensive income	566,316	121,392
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	566,316	121,392
Comprehensive income attributable to non-controlling interests	—	—