

Translation

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

November 2, 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: November 13, 2020
 Scheduled date to commence dividend payments: November 20, 2020
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2020 (from April 1, 2020 to September 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	%
Six months ended September 30, 2020	56,553	10.6	2,470	15.0	2,258	13.0	1,474	14.5
Six months ended September 30, 2019	51,136	(4.3)	2,148	(17.3)	1,999	(22.0)	1,287	(24.6)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2020	41.18	–
Six months ended September 30, 2019	36.47	36.41

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	162,414	41,050	25.3
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	Yen	Yen	Yen	Yen
Year ended March 31, 2020	–	14.00	–	13.00	27.00
Year ending March 31, 2021	–	14.00	–	–	–
Year ending March 31, 2021 (Forecast)	–	–	–	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)	36.44

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 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 September 30, 2020	1,172,930 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)

Six months ended September 30, 2020	35,794,468 shares	Six months ended September 30, 2019	35,307,187 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	14,757,833	18,856,207
Notes receivable - trade	117,491	19,469
Accounts receivable from completed construction contracts	865,465	1,024,168
Real estate for sale	24,828,999	19,782,204
Real estate for sale in process	15,253,483	29,931,165
Real estate under development	61,709,668	46,639,854
Costs on construction contracts in progress	230,706	226,788
Supplies	41,565	41,485
Other	1,984,685	1,774,290
Allowance for doubtful accounts	(26,361)	(28,481)
Total current assets	119,763,538	118,267,153
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,013,797	13,253,964
Machinery, equipment and vehicles, net	21,924	20,017
Tools, furniture and fixtures, net	220,352	354,425
Land	25,338,726	25,567,748
Leased assets, net	–	193,736
Construction in progress	1,123,035	516,407
Total property, plant and equipment	38,717,836	39,906,301
Intangible assets		
Goodwill	290,329	269,571
Other	425,898	425,152
Total intangible assets	716,228	694,723
Investments and other assets		
Investment securities	459,596	473,000
Long-term loans receivable	58,856	55,321
Deferred tax assets	982,960	1,096,274
Other	1,740,562	1,926,174
Allowance for doubtful accounts	(4,478)	(4,460)
Total investments and other assets	3,237,497	3,546,310
Total non-current assets	42,671,562	44,147,335
Total assets	162,435,100	162,414,488

(Thousands of yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	4,199,204	4,298,225
Electronically recorded obligations - operating	2,123,569	957,940
Short-term borrowings	33,367,735	32,838,750
Current portion of bonds payable	425,000	750,000
Lease obligations	–	43,657
Income taxes payable	1,278,744	918,641
Advances received	4,837,324	4,855,917
Provision for bonuses	303,262	299,300
Provision for share-based remuneration for directors (and other officers)	18,761	–
Provision for share-based remuneration	119,864	448
Other	3,550,042	3,839,618
Total current liabilities	50,223,509	48,802,499
Non-current liabilities		
Bonds payable	1,325,000	1,850,000
Long-term borrowings	70,699,028	69,264,727
Lease obligations	–	176,867
Asset retirement obligations	27,384	27,506
Deferred tax liabilities	9,194	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	170,950	1,180,760
Total non-current liabilities	72,284,202	72,561,702
Total liabilities	122,507,712	121,364,201
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,821,371	5,663,006
Retained earnings	30,227,970	31,241,825
Treasury shares	(1,005,438)	(712,640)
Total shareholders' equity	39,915,967	41,064,255
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(105,607)	(92,203)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	(30,702)	(17,298)
Share acquisition rights	42,124	3,330
Total net assets	39,927,388	41,050,286
Total liabilities and net assets	162,435,100	162,414,488

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net sales	51,136,631	56,553,442
Cost of sales	43,215,948	48,138,375
Gross profit	7,920,683	8,415,066
Selling, general and administrative expenses		
Sales commission	890,938	940,944
Advertising expenses	829,268	810,117
Promotion expenses	30,112	24,385
Salaries and bonuses	1,386,567	1,353,180
Provision of allowance for doubtful accounts	5,126	3,509
Provision for bonuses	143,459	139,520
Enterprise tax	65,100	73,700
Consumption Taxes	385,051	470,401
Depreciation	123,962	162,558
Amortization of goodwill	–	20,758
Rent expenses	219,404	202,941
Other	1,693,371	1,742,638
Total selling, general and administrative expenses	5,772,361	5,944,657
Operating profit	2,148,322	2,470,408
Non-operating income		
Interest income	617	653
Dividend income	13,277	11,279
Commission income	81,911	95,913
Penalty income	5,801	13,547
Subsidy income	86,669	32,387
Surrender value of insurance policies	–	24,000
Other	50,996	43,656
Total non-operating income	239,273	221,437
Non-operating expenses		
Interest expenses	343,725	396,138
Bond issuance costs	10,379	14,168
Other	34,374	22,787
Total non-operating expenses	388,479	433,093
Ordinary profit	1,999,116	2,258,752
Extraordinary income		
Gain on sales of non-current assets	84	15,622
Gain on reversal of share acquisition rights	–	35,594
Total extraordinary income	84	51,216

(Thousands of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Extraordinary losses		
Loss on sales of non-current assets	–	77,695
Loss on retirement of non-current assets	1,118	24,210
Total extraordinary losses	1,118	101,905
Profit before income taxes	1,998,082	2,208,063
Income taxes - current	659,800	847,200
Income taxes - deferred	50,599	(113,313)
Total income taxes	710,399	733,886
Profit	1,287,682	1,474,177
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,287,682	1,474,177

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit	1,287,682	1,474,177
Other comprehensive income		
Valuation difference on available-for-sale securities	442	13,404
Total other comprehensive income	442	13,404
Comprehensive income	1,288,125	1,487,581
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,288,125	1,487,581
Comprehensive income attributable to non-controlling interests	—	—