

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 2, 2023

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
 Operating Officer, General Manager of
 Inquiries: Investor Relations Office Noguchi Yasuhisa TEL 072-437-9010
 Scheduled date of ordinary general meeting of shareholders: June 21, 2023
 Scheduled date to file Securities Report: June 22, 2023
 Scheduled date to commence dividend payments: June 22, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of 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 year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

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	%
Year ended March 31, 2023	114,473	(3.6)	6,091	3.7	5,744	2.1	3,817	(1.3)
Year ended March 31, 2022	118,698	(2.3)	5,871	47.3	5,627	58.2	3,869	64.0

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	106.65	–	8.4	3.7	5.3
Year ended March 31, 2022	107.68	–	9.0	3.7	4.9

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	154,608	47,083	30.5	1,316.94
As of March 31, 2022	153,512	44,349	28.9	1,232.36

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	8,997	(6,616)	(1,717)	20,292
Year ended March 31, 2022	6,324	(6,333)	(518)	19,629

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	14.00	–	13.00	27.00	977	25.1	2.3
Year ended March 31, 2023	–	14.00	–	13.00	27.00	992	25.3	2.1
Year ending March 31, 2024 (Forecast)	–	14.00	–	13.00	27.00		24.1	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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
Six months ending September 30, 2023	53,200	(5.4)	2,600	(11.4)	2,400	(13.7)	1,600	(13.6)	44.75
Full year	120,000	4.8	6,400	5.1	6,000	4.5	4,000	4.8	111.88

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023	36,849,912 shares	As of March 31, 2022	36,849,912 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	1,097,559 shares	As of March 31, 2022	864,369 shares
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Average number of shares during the period

Year ended March 31, 2023	35,797,600 shares	Year ended March 31, 2022	35,935,305 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	19,644,839	20,308,292
Notes receivable - trade	52,370	28,321
Accounts receivable from completed construction contracts	289,279	245,911
Contract assets	271,722	423,331
Real estate for sale	22,091,473	25,309,413
Real estate for sale in process	27,027,488	30,200,401
Real estate under development	31,838,137	24,394,621
Costs on construction contracts in progress	4,768	3,271
Supplies	38,662	37,265
Other	2,260,959	2,642,283
Allowance for doubtful accounts	(33,016)	(42,371)
Total current assets	103,486,686	103,550,743
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,989,474	16,485,493
Machinery, equipment and vehicles, net	193,544	155,458
Tools, furniture and fixtures, net	240,654	221,830
Land	27,933,748	28,636,756
Leased assets, net	94,654	57,632
Construction in progress	89,271	449,681
Total property, plant and equipment	44,541,348	46,006,851
Intangible assets		
Goodwill	138,180	110,506
Other	454,065	449,927
Total intangible assets	592,246	560,433
Investments and other assets		
Investment securities	464,144	523,107
Long-term loans receivable	43,421	37,549
Deferred tax assets	2,023,530	1,555,879
Other	2,363,208	2,375,628
Allowance for doubtful accounts	(2,204)	(2,006)
Total investments and other assets	4,892,100	4,490,157
Total non-current assets	50,025,694	51,057,443
Total assets	153,512,381	154,608,186

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	6,599,107	4,601,915
Electronically recorded obligations - operating	1,275,672	502,387
Contract liabilities	991,578	2,362,381
Short-term borrowings	28,416,955	21,142,798
Current portion of bonds payable	725,000	800,000
Lease liabilities	45,325	42,888
Income taxes payable	1,344,306	972,550
Advances received	3,318,465	3,667,417
Provision for bonuses	314,700	332,600
Provision for share awards for directors (and other officers)	–	28,079
Provision for share awards	–	173,753
Other	5,192,158	5,316,053
Total current liabilities	48,223,269	39,942,825
Non-current liabilities		
Bonds payable	1,150,000	1,250,000
Long-term borrowings	58,642,500	65,546,515
Lease liabilities	109,300	66,411
Asset retirement obligations	27,874	28,123
Deferred tax liabilities	9,194	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	947,619	628,670
Total non-current liabilities	60,939,136	67,581,562
Total liabilities	109,162,406	107,524,388
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,663,006	5,642,979
Retained earnings	34,371,828	37,203,879
Treasury shares	(557,449)	(685,821)
Total shareholders' equity	44,349,449	47,033,101
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(77,338)	(24,208)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	(2,434)	50,696
Share acquisition rights	2,960	–
Total net assets	44,349,974	47,083,797
Total liabilities and net assets	153,512,381	154,608,186

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	118,698,880	114,473,817
Cost of sales	102,014,560	97,523,410
Gross profit	16,684,319	16,950,406
Selling, general and administrative expenses		
Sales commission	1,474,541	1,453,363
Advertising expenses	1,437,288	1,316,121
Promotion expenses	49,337	69,126
Salaries and bonuses	2,860,375	2,798,354
Provision for bonuses	141,684	152,260
Provision for share awards for directors (and other officers)	–	28,079
Provision for share awards	–	106,220
Provision of allowance for doubtful accounts	7,747	15,021
Enterprise tax	155,200	120,760
Consumption Taxes	786,553	914,336
Depreciation	371,334	346,688
Amortization of goodwill	38,448	27,674
Rent expenses	321,313	323,747
Other	3,169,354	3,187,597
Total selling, general and administrative expenses	10,813,179	10,859,352
Operating profit	5,871,140	6,091,054
Non-operating income		
Interest income	1,077	908
Dividend income	14,151	20,700
Commission income	225,104	227,380
Penalty income	40,256	19,844
Subsidy income	228,695	227,854
Other	52,877	52,825
Total non-operating income	562,161	549,512
Non-operating expenses		
Interest expenses	770,028	760,550
Bond issuance costs	–	14,168
Commitment fees	12,400	85,000
Other	23,502	36,752
Total non-operating expenses	805,930	896,471
Ordinary profit	5,627,371	5,744,095
Extraordinary income		
Gain on sale of non-current assets	329,715	1,724
Gain on reversal of share acquisition rights	296	2,960
Total extraordinary income	330,011	4,684

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Extraordinary losses		
Loss on sale of non-current assets	10,120	3,667
Loss on retirement of non-current assets	66,258	110
Impairment losses	53,794	–
Total extraordinary losses	130,172	3,777
Profit before income taxes	5,827,210	5,745,002
Income taxes - current	2,213,800	1,465,429
Income taxes - deferred	(255,973)	461,819
Total income taxes	1,957,826	1,927,248
Profit	3,869,383	3,817,753
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	3,869,383	3,817,753

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	3,869,383	3,817,753
Other comprehensive income		
Valuation difference on available-for-sale securities	(50,174)	53,130
Total other comprehensive income	(50,174)	53,130
Comprehensive income	3,819,209	3,870,884
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,819,209	3,870,884
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,872,064	5,663,006	31,619,397	(712,734)	41,441,734
Cumulative effects of changes in accounting policies			(139,046)		(139,046)
Restated balance	4,872,064	5,663,006	31,480,350	(712,734)	41,302,687
Changes during period					
Dividends of surplus			(977,906)		(977,906)
Profit attributable to owners of parent			3,869,383		3,869,383
Purchase of treasury shares					–
Disposal of treasury shares				155,284	155,284
Net changes in items other than shareholders' equity					
Total changes during period	–	–	2,891,477	155,284	3,046,762
Balance at end of period	4,872,064	5,663,006	34,371,828	(557,449)	44,349,449

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total accumulated other comprehensive income		
Balance at beginning of period	(27,164)	74,904	47,739	3,256	41,492,729
Cumulative effects of changes in accounting policies					(139,046)
Restated balance	(27,164)	74,904	47,739	3,256	41,353,682
Changes during period					
Dividends of surplus					(977,906)
Profit attributable to owners of parent					3,869,383
Purchase of treasury shares					–
Disposal of treasury shares					155,284
Net changes in items other than shareholders' equity	(50,174)	–	(50,174)	(296)	(50,470)
Total changes during period	(50,174)	–	(50,174)	(296)	2,996,292
Balance at end of period	(77,338)	74,904	(2,434)	2,960	44,349,974

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,872,064	5,663,006	34,371,828	(557,449)	44,349,449
Changes during period					
Dividends of surplus			(985,702)		(985,702)
Profit attributable to owners of parent			3,817,753		3,817,753
Purchase of treasury shares				(148,398)	(148,398)
Disposal of treasury shares		(20,026)		20,026	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(20,026)	2,832,050	(128,372)	2,683,652
Balance at end of period	4,872,064	5,642,979	37,203,879	(685,821)	47,033,101

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total accumulated other comprehensive income		
Balance at beginning of period	(77,338)	74,904	(2,434)	2,960	44,349,974
Changes during period					
Dividends of surplus					(985,702)
Profit attributable to owners of parent					3,817,753
Purchase of treasury shares					(148,398)
Disposal of treasury shares					–
Net changes in items other than shareholders' equity	53,130	–	53,130	(2,960)	50,170
Total changes during period	53,130	–	53,130	(2,960)	2,733,822
Balance at end of period	(24,208)	74,904	50,696	–	47,083,797

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	5,827,210	5,745,002
Depreciation	1,106,093	1,173,629
Amortization of goodwill	38,448	27,674
Bond issuance costs	–	14,168
Loss (gain) on sale of property, plant and equipment	(319,594)	1,942
Loss on retirement of property, plant and equipment	16,549	110
Impairment losses	53,794	–
Increase (decrease) in allowance for doubtful accounts	5,625	9,156
Increase (decrease) in provision for bonuses	4,900	17,900
Increase (decrease) in provision for share awards for directors (and other officers)	(25,705)	28,079
Increase (decrease) in provision for share awards	(131,820)	173,753
Interest and dividend income	(15,228)	(21,608)
Interest expenses	770,028	760,550
Gain on reversal of share acquisition rights	(296)	(2,960)
Decrease (increase) in trade receivables	(23,638)	67,416
Decrease (increase) in contract assets	187,594	(151,608)
Decrease (increase) in inventories	64,227	4,864,762
Decrease (increase) in other current assets	(336,599)	(404,762)
Increase (decrease) in trade payables	2,470,067	(2,770,477)
Increase (decrease) in contract liabilities	(253,339)	1,370,803
Increase or decrease in other liabilities	(170,824)	519,359
Other, net	(116,734)	131,545
Subtotal	9,150,758	11,554,438
Interest and dividends received	15,228	21,608
Interest paid	(764,507)	(758,324)
Income taxes paid	(2,076,821)	(1,820,060)
Net cash provided by (used in) operating activities	6,324,658	8,997,662
Cash flows from investing activities		
Net decrease (increase) in time deposits	153,837	–
Purchase of property, plant and equipment	(7,745,741)	(6,426,856)
Proceeds from sale of property, plant and equipment	1,289,872	51,058
Purchase of intangible assets	(67,146)	(156,900)
Proceeds from collection of loans receivable	6,095	5,871
Other, net	29,754	(89,865)
Net cash provided by (used in) investing activities	(6,333,328)	(6,616,691)

	(Thousands of yen)	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,322,030)	(260,300)
Proceeds from long-term borrowings	41,533,853	40,454,637
Repayments of long-term borrowings	(38,615,214)	(40,564,479)
Proceeds from issuance of bonds	–	985,831
Redemption of bonds	(850,000)	(825,000)
Proceeds from sale of treasury shares	–	518,240
Purchase of treasury shares	–	(667,528)
Repayments of lease liabilities	(44,205)	(45,325)
An income by the sale and buy on the installment plan back	85,000	–
Repayments of installment payables	(327,891)	(327,891)
Dividends paid	(977,906)	(985,702)
Net cash provided by (used in) financing activities	(518,394)	(1,717,518)
Net increase (decrease) in cash and cash equivalents	(527,063)	663,452
Cash and cash equivalents at beginning of period	20,156,375	19,629,311
Cash and cash equivalents at end of period	19,629,311	20,292,764