

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

July 31, 2017

Company name: Fuji Corporation Limited
 Stock exchange listing: Tokyo
 Stock code: 8860 URL <http://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, 2017
 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, 2017 (from April 1, 2017 to June 30, 2017)

(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, 2017 | 27,214 | 18.4 | 1,820 | 28.4 | 1,726 | 21.9 | 1,174 | 20.7 |
| Three months ended June 30, 2016 | 22,993 | 24.7 | 1,417 | 185.9 | 1,416 | 206.9 | 973 | 229.1 |

| | Earnings per share | | Diluted earnings per share | |
|----------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Three months ended June 30, 2017 | 32.71 | | 32.69 | |
| Three months ended June 30, 2016 | 27.23 | | 27.20 | |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|----------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of June 30, 2017 | 117,448 | 32,539 | 27.7 |
| As of March 31, 2017 | 114,872 | 31,740 | 27.6 |

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, 2017 | – | 13.00 | – | 13.00 | 26.00 |
| Year ending March 31, 2018 | – | | | | |
| Year ending March 31, 2018 (Forecast) | | 14.00 | – | 13.00 | 27.00 |

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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, 2017 | 46,400 | (3.1) | 2,100 | (36.1) | 2,000 | (37.6) | 1,380 | (36.9) | 38.44 |
| Full year | 103,000 | 3.7 | 6,300 | 5.5 | 6,000 | 4.9 | 4,150 | 5.2 | 115.60 |

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017
 (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, 2017 | 36,849,912 shares | As of March 31, 2017 | 36,849,912 shares |
|---------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|---------------------|----------------|----------------------|----------------|
| As of June 30, 2017 | 951,358 shares | As of March 31, 2017 | 954,358 shares |
|---------------------|----------------|----------------------|----------------|

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

| | | | |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Three months ended June 30, 2017 | 35,896,304 shares | Three months ended June 30, 2016 | 35,734,554 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

| | As of March 31, 2017 | As of June 30, 2017 |
|---|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 12,271,581 | 14,547,894 |
| Accounts receivable from completed construction contracts | 109,401 | 253,082 |
| Real estate for sale | 23,284,681 | 21,889,700 |
| Real estate for sale in process | 21,026,161 | 20,087,516 |
| Real estate under development | 38,473,176 | 39,769,195 |
| Costs on uncompleted construction contracts | 34,006 | 140,972 |
| Supplies | 37,413 | 44,899 |
| Deferred tax assets | 414,343 | 331,508 |
| Other | 1,678,831 | 1,619,050 |
| Allowance for doubtful accounts | (21,649) | (22,893) |
| Total current assets | 97,307,948 | 98,660,927 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 4,885,269 | 5,049,365 |
| Machinery, equipment and vehicles, net | 0 | 0 |
| Tools, furniture and fixtures, net | 249,559 | 226,668 |
| Land | 10,500,112 | 11,185,657 |
| Leased assets, net | 1,059 | 823 |
| Construction in progress | 130,788 | 467,207 |
| Total property, plant and equipment | 15,766,789 | 16,929,722 |
| Intangible assets | 152,993 | 144,357 |
| Investments and other assets | | |
| Investment securities | 608,472 | 664,275 |
| Long-term loans receivable | 73,557 | 72,454 |
| Deferred tax assets | 149 | 7,412 |
| Other | 963,779 | 972,579 |
| Allowance for doubtful accounts | (1,502) | (3,474) |
| Total investments and other assets | 1,644,455 | 1,713,247 |
| Total non-current assets | 17,564,238 | 18,787,326 |
| Total assets | 114,872,186 | 117,448,254 |

(Thousands of yen)

| | As of March 31, 2017 | As of June 30, 2017 |
|--|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes payable, accounts payable for construction contracts | 3,650,026 | 3,099,851 |
| Electronically recorded obligations - operating | 619,068 | 299,832 |
| Short-term loans payable | 15,781,689 | 24,349,248 |
| Lease obligations | 826 | 762 |
| Income taxes payable | 976,712 | 523,701 |
| Advances received | 4,926,425 | 4,512,944 |
| Provision for bonuses | 216,300 | 77,600 |
| Provision for performance-linked directors' compensations | 36,350 | – |
| Other | 3,477,355 | 3,092,345 |
| Total current liabilities | 29,684,754 | 35,956,285 |
| Non-current liabilities | | |
| Long-term loans payable | 53,222,681 | 48,729,059 |
| Lease obligations | 317 | 127 |
| Deferred tax liabilities for land revaluation | 52,645 | 52,645 |
| Other | 170,950 | 170,950 |
| Total non-current liabilities | 53,446,595 | 48,952,782 |
| Total liabilities | 83,131,349 | 84,909,068 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 4,872,064 | 4,872,064 |
| Capital surplus | 5,747,639 | 5,748,287 |
| Retained earnings | 21,564,043 | 22,271,579 |
| Treasury shares | (497,081) | (495,518) |
| Total shareholders' equity | 31,686,665 | 32,396,412 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | (39,433) | 7,896 |
| Revaluation reserve for land | 74,904 | 74,904 |
| Total accumulated other comprehensive income | 35,470 | 82,800 |
| Subscription rights to shares | 18,700 | 59,972 |
| Total net assets | 31,740,836 | 32,539,185 |
| Total liabilities and net assets | 114,872,186 | 117,448,254 |

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, 2016 | Three months ended June 30, 2017 |
|--|-------------------------------------|-------------------------------------|
| Net sales | 22,993,453 | 27,214,008 |
| Cost of sales | 19,002,062 | 22,501,289 |
| Gross profit | 3,991,391 | 4,712,719 |
| Selling, general and administrative expenses | | |
| Sales commission | 384,268 | 421,729 |
| Advertising expenses | 477,760 | 663,705 |
| Promotion expenses | 18,439 | 17,776 |
| Salaries and bonuses | 668,620 | 663,824 |
| Provision for bonuses | 35,306 | 37,988 |
| Provision of allowance for doubtful accounts | 3,090 | 3,109 |
| Enterprise tax | 35,500 | 41,600 |
| Consumption Taxes | 126,978 | 132,758 |
| Depreciation | 18,057 | 23,281 |
| Rent expenses | 92,853 | 106,953 |
| Other | 713,039 | 779,700 |
| Total selling, general and administrative expenses | 2,573,914 | 2,892,427 |
| Operating profit | 1,417,476 | 1,820,291 |
| Non-operating income | | |
| Interest income | 419 | 383 |
| Dividend income | 12,819 | 12,875 |
| Commission fee | 41,059 | 36,525 |
| Penalty income | 6,293 | 1,300 |
| Other | 32,878 | 2,842 |
| Total non-operating income | 93,470 | 53,926 |
| Non-operating expenses | | |
| Interest expenses | 86,555 | 99,801 |
| Commitment fee | - | 18,500 |
| Other | 8,053 | 29,218 |
| Total non-operating expenses | 94,609 | 147,520 |
| Ordinary profit | 1,416,337 | 1,726,697 |
| Extraordinary income | | |
| Gain on sales of non-current assets | 1,416 | - |
| Total extraordinary income | 1,416 | - |
| Extraordinary losses | | |
| Loss on sales of non-current assets | - | 9,065 |
| Loss on retirement of non-current assets | 3 | 154 |
| Total extraordinary losses | 3 | 9,219 |
| Profit before income taxes | 1,417,750 | 1,717,477 |
| Income taxes - current | 283,100 | 476,200 |
| Income taxes - deferred | 161,556 | 67,098 |
| Total income taxes | 444,656 | 543,298 |
| Profit | 973,094 | 1,174,178 |
| Profit attributable to non-controlling interests | - | - |
| Profit attributable to owners of parent | 973,094 | 1,174,178 |

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

| | Three months ended June 30, 2016 | Three months ended June 30, 2017 |
|--|-------------------------------------|-------------------------------------|
| Profit | 973,094 | 1,174,178 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (11,528) | 47,329 |
| Total other comprehensive income | (11,528) | 47,329 |
| Comprehensive income | 961,565 | 1,221,508 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 961,565 | 1,221,508 |
| Comprehensive income attributable to non-controlling interests | — | — |