

Translation

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

October 27, 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: November 10, 2017
 Scheduled date to commence dividend payments: November 21, 2017
 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, 2017 (from April 1, 2017 to September 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	%
Six months ended September 30, 2017	48,831	2.0	2,444	(25.6)	2,285	(28.6)	1,538	(29.6)
Six months ended September 30, 2016	47,875	9.8	3,286	34.7	3,203	34.1	2,186	39.2

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2017	42.84	42.81
Six months ended September 30, 2016	61.06	61.03

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2017	126,012	32,893	26.1
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	Yen	Yen	Yen	Yen
Year ended March 31, 2017	–	13.00	–	13.00	26.00
Year ending March 31, 2018	–	14.00	–	–	–
Year ending March 31, 2018 (Forecast)	–	–	–	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
Full year	106,000	6.7	6,600	10.6	6,300	10.1	4,250	7.7	118.23

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 30, 2017	36,849,912 shares	As of March 31, 2017	36,849,912 shares
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Number of treasury shares at the end of the period

As of September 30, 2017	904,358 shares	As of March 31, 2017	954,358 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, 2017	35,911,840 shares	Six months ended September 30, 2016	35,803,554 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2017	As of September 30, 2017
Assets		
Current assets		
Cash and deposits	12,271,581	16,271,754
Accounts receivable from completed construction contracts	109,401	257,934
Real estate for sale	23,284,681	22,254,598
Real estate for sale in process	21,026,161	23,195,888
Real estate under development	38,473,176	41,423,612
Costs on uncompleted construction contracts	34,006	110,192
Supplies	37,413	39,010
Deferred tax assets	414,343	361,539
Other	1,678,831	1,354,216
Allowance for doubtful accounts	(21,649)	(22,246)
Total current assets	97,307,948	105,246,501
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,885,269	5,759,908
Machinery, equipment and vehicles, net	0	0
Tools, furniture and fixtures, net	249,559	255,070
Land	10,500,112	11,975,383
Leased assets, net	1,059	646
Construction in progress	130,788	711,005
Total property, plant and equipment	15,766,789	18,702,014
Intangible assets	152,993	232,177
Investments and other assets		
Investment securities	608,472	639,330
Long-term loans receivable	73,557	71,290
Deferred tax assets	149	35,798
Other	963,779	1,088,587
Allowance for doubtful accounts	(1,502)	(3,532)
Total investments and other assets	1,644,455	1,831,474
Total non-current assets	17,564,238	20,765,666
Total assets	114,872,186	126,012,168

(Thousands of yen)

	As of March 31, 2017	As of September 30, 2017
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	3,650,026	2,680,252
Electronically recorded obligations - operating	619,068	475,515
Short-term loans payable	15,781,689	25,717,433
Lease obligations	826	698
Income taxes payable	976,712	806,084
Advances received	4,926,425	4,872,037
Provision for bonuses	216,300	222,700
Provision for performance-linked directors' compensations	36,350	–
Other	3,477,355	3,104,596
Total current liabilities	29,684,754	37,879,318
Non-current liabilities		
Long-term loans payable	53,222,681	55,015,913
Lease obligations	317	–
Deferred tax liabilities for land revaluation	52,645	52,645
Other	170,950	170,950
Total non-current liabilities	53,446,595	55,239,509
Total liabilities	83,131,349	93,118,828
Net assets		
Shareholders' equity		
Capital stock	4,872,064	4,872,064
Capital surplus	5,747,639	5,758,446
Retained earnings	21,564,043	22,635,806
Treasury shares	(497,081)	(471,038)
Total shareholders' equity	31,686,665	32,795,278
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(39,433)	(11,962)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	35,470	62,941
Subscription rights to shares	18,700	35,119
Total net assets	31,740,836	32,893,340
Total liabilities and net assets	114,872,186	126,012,168

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, 2016	Six months ended September 30, 2017
Net sales	47,875,346	48,831,952
Cost of sales	39,475,145	40,660,810
Gross profit	8,400,200	8,171,141
Selling, general and administrative expenses		
Sales commission	809,341	806,569
Advertising expenses	865,817	1,268,468
Promotion expenses	45,386	35,354
Salaries and bonuses	1,303,295	1,316,976
Provision of allowance for doubtful accounts	5,037	4,574
Provision for bonuses	92,357	105,510
Enterprise tax	79,700	71,100
Consumption Taxes	248,941	270,530
Depreciation	36,312	50,282
Rent expenses	185,364	218,827
Other	1,442,013	1,578,764
Total selling, general and administrative expenses	5,113,567	5,726,958
Operating profit	3,286,633	2,444,183
Non-operating income		
Interest income	806	762
Dividend income	12,819	12,875
Commission fee	76,949	71,168
Penalty income	24,267	8,811
Other	60,436	22,993
Total non-operating income	175,278	116,611
Non-operating expenses		
Interest expenses	174,628	215,770
Commitment fee	70,000	18,500
Other	14,147	40,773
Total non-operating expenses	258,776	275,043
Ordinary profit	3,203,135	2,285,751
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	1,409	9,065
Loss on retirement of non-current assets	219	1,212
Total extraordinary losses	1,628	10,277
Profit before income taxes	3,202,923	2,275,473
Income taxes - current	921,500	723,300
Income taxes - deferred	95,227	13,767
Total income taxes	1,016,727	737,067
Profit	2,186,195	1,538,406
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	2,186,195	1,538,406

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Profit	2,186,195	1,538,406
Other comprehensive income		
Valuation difference on available-for-sale securities	72,820	27,470
Total other comprehensive income	72,820	27,470
Comprehensive income	2,259,016	1,565,876
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,259,016	1,565,876
Comprehensive income attributable to non-controlling interests	—	—