

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

January 26, 2018

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: February 7, 2018
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2017 (from April 1, 2017 to December 31, 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	%
Nine months ended December 31, 2017	69,282	(1.8)	3,085	(28.4)	2,880	(31.1)	1,920	(32.2)
Nine months ended December 31, 2016	70,565	10.7	4,308	26.0	4,180	26.0	2,833	29.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2017	53.47		53.40	
Nine months ended December 31, 2016	79.09		79.06	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2017	130,158	32,780	25.2
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	–	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 nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2017	35,921,954 shares	Nine months ended December 31, 2016	35,831,154 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	12,271,581	11,225,751
Accounts receivable from completed construction contracts	109,401	242,150
Real estate for sale	23,284,681	23,951,671
Real estate for sale in process	21,026,161	26,405,335
Real estate under development	38,473,176	43,879,338
Costs on uncompleted construction contracts	34,006	28,488
Supplies	37,413	47,819
Deferred tax assets	414,343	270,318
Other	1,678,831	1,577,851
Allowance for doubtful accounts	(21,649)	(21,185)
Total current assets	97,307,948	107,607,539
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,885,269	6,244,163
Machinery, equipment and vehicles, net	0	0
Tools, furniture and fixtures, net	249,559	274,065
Land	10,500,112	12,864,176
Leased assets, net	1,059	470
Construction in progress	130,788	984,978
Total property, plant and equipment	15,766,789	20,367,853
Intangible assets	152,993	269,465
Investments and other assets		
Investment securities	608,472	642,986
Long-term loans receivable	73,557	70,185
Deferred tax assets	149	69,872
Other	963,779	1,134,170
Allowance for doubtful accounts	(1,502)	(3,526)
Total investments and other assets	1,644,455	1,913,688
Total non-current assets	17,564,238	22,551,007
Total assets	114,872,186	130,158,547

(Thousands of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	3,650,026	2,739,412
Electronically recorded obligations - operating	619,068	446,909
Short-term loans payable	15,781,689	29,372,220
Lease obligations	826	508
Income taxes payable	976,712	156,371
Advances received	4,926,425	4,966,163
Provision for bonuses	216,300	82,200
Provision for performance-linked directors' compensations	36,350	–
Other	3,477,355	2,957,654
Total current liabilities	29,684,754	40,721,439
Non-current liabilities		
Long-term loans payable	53,222,681	56,433,085
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	56,656,681
Total liabilities	83,131,349	97,378,121
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	22,514,843
Treasury shares	(497,081)	(471,038)
Total shareholders' equity	31,686,665	32,674,315
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(39,433)	(10,443)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	35,470	64,461
Subscription rights to shares	18,700	41,648
Total net assets	31,740,836	32,780,426
Total liabilities and net assets	114,872,186	130,158,547

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Net sales	70,565,576	69,282,581
Cost of sales	58,600,637	57,794,015
Gross profit	11,964,938	11,488,565
Selling, general and administrative expenses		
Sales commission	1,227,877	1,196,487
Advertising expenses	1,253,079	1,727,651
Promotion expenses	69,785	53,784
Salaries and bonuses	2,043,992	2,097,014
Provision of allowance for doubtful accounts	8,152	4,957
Provision for bonuses	34,817	38,648
Enterprise tax	111,900	99,100
Consumption Taxes	371,049	403,231
Depreciation	56,497	82,729
Rent expenses	281,245	333,376
Other	2,198,153	2,366,014
Total selling, general and administrative expenses	7,656,550	8,402,995
Operating profit	4,308,388	3,085,570
Non-operating income		
Interest income	1,208	1,128
Dividend income	15,103	15,192
Commission fee	110,472	109,611
Penalty income	26,817	14,211
Other	72,790	59,257
Total non-operating income	226,392	199,400
Non-operating expenses		
Interest expenses	262,653	338,209
Commitment fee	70,000	18,500
Other	21,521	48,001
Total non-operating expenses	354,175	404,711
Ordinary profit	4,180,604	2,880,259
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	348	1,235
Total extraordinary losses	1,757	10,300
Profit before income taxes	4,180,264	2,869,959
Income taxes - current	1,190,900	880,500
Income taxes - deferred	155,528	68,778
Total income taxes	1,346,428	949,278
Profit	2,833,835	1,920,680
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,833,835	1,920,680

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	2,833,835	1,920,680
Other comprehensive income		
Valuation difference on available-for-sale securities	175,079	28,990
Total other comprehensive income	175,079	28,990
Comprehensive income	3,008,914	1,949,671
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,008,914	1,949,671
Comprehensive income attributable to non-controlling interests	—	—