

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018 (Based on Japanese GAAP)

July 27, 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: August 8, 2018
 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, 2018 (from April 1, 2018 to June 30, 2018)

(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, 2018	26,799	(1.5)	1,373	(24.5)	1,429	(17.2)	953	(18.8)
Three months ended June 30, 2017	27,214	18.4	1,820	28.4	1,726	21.9	1,174	20.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	26.62	26.49
Three months ended June 30, 2017	32.71	32.69

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	140,195	35,415	25.2
As of March 31, 2018	135,563	34,852	25.7

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, 2018	–	14.00	–	13.00	27.00
Year ending March 31, 2019	–				
Year ending March 31, 2019 (Forecast)		14.00	–	13.00	27.00

3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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, 2018	50,100	2.6	2,700	10.5	2,600	13.7	1,700	10.5	47.45
Full year	108,000	4.0	6,700	4.1	6,500	5.9	4,350	4.4	121.40

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2018
 (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, 2018	36,849,912 shares	As of March 31, 2018	36,849,912 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	1,019,258 shares	As of March 31, 2018	1,063,258 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2018	35,808,654 shares	Three months ended June 30, 2017	35,896,304 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	10,486,571	14,434,993
Accounts receivable from completed construction contracts	103,877	144,176
Real estate for sale	23,998,281	24,965,384
Real estate for sale in process	18,862,992	17,600,647
Real estate under development	55,286,788	55,626,007
Costs on uncompleted construction contracts	112,001	95,438
Supplies	37,277	39,552
Other	1,374,207	1,384,237
Allowance for doubtful accounts	(19,195)	(21,489)
Total current assets	110,242,802	114,268,948
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,283,992	8,915,903
Machinery, equipment and vehicles, net	0	0
Tools, furniture and fixtures, net	348,669	389,687
Land	13,393,118	13,634,702
Leased assets, net	294	117
Construction in progress	416,696	116,821
Total property, plant and equipment	22,442,770	23,057,233
Intangible assets	272,777	284,372
Investments and other assets		
Investment securities	594,373	613,328
Long-term loans receivable	67,807	66,716
Deferred tax assets	551,153	464,657
Other	1,399,553	1,445,173
Allowance for doubtful accounts	(7,253)	(4,548)
Total investments and other assets	2,605,635	2,585,326
Total non-current assets	25,321,182	25,926,932
Total assets	135,563,984	140,195,881

(Thousands of yen)

	As of March 31, 2018	As of June 30, 2018
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	3,963,985	3,259,261
Electronically recorded obligations - operating	755,832	579,259
Short-term loans payable	21,113,763	26,350,884
Lease obligations	317	127
Income taxes payable	1,345,936	426,972
Advances received	3,854,766	3,475,588
Provision for bonuses	249,800	93,600
Provision for performance-linked directors' compensations	44,950	–
Other	3,386,102	3,403,528
Total current liabilities	34,715,454	37,589,222
Non-current liabilities		
Long-term loans payable	65,745,605	66,940,598
Deferred tax liabilities for land revaluation	52,645	52,645
Asset retirement obligations	26,902	26,962
Other	170,950	170,950
Total non-current liabilities	65,996,103	67,191,156
Total liabilities	100,711,558	104,780,378
Net assets		
Shareholders' equity		
Capital stock	4,872,064	4,872,064
Capital surplus	5,758,446	5,775,963
Retained earnings	24,762,400	25,250,252
Treasury shares	(609,136)	(583,929)
Total shareholders' equity	34,783,775	35,314,351
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(53,988)	(33,657)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	20,915	41,246
Share acquisition rights	47,735	59,904
Total net assets	34,852,426	35,415,502
Total liabilities and net assets	135,563,984	140,195,881

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, 2017	Three months ended June 30, 2018
Net sales	27,214,008	26,799,036
Cost of sales	22,501,289	22,380,395
Gross profit	4,712,719	4,418,640
Selling, general and administrative expenses		
Sales commission	421,729	439,643
Advertising expenses	663,705	578,897
Promotion expenses	17,776	18,632
Salaries and bonuses	663,824	697,502
Provision for bonuses	37,988	45,565
Provision of allowance for doubtful accounts	3,109	643
Enterprise tax	41,600	36,300
Consumption Taxes	132,758	163,622
Depreciation	23,281	56,550
Rent expenses	106,953	110,990
Other	779,700	896,330
Total selling, general and administrative expenses	2,892,427	3,044,679
Operating profit	1,820,291	1,373,960
Non-operating income		
Interest income	383	336
Dividend income	12,875	12,919
Commission fee	36,525	52,165
Penalty income	1,300	7,754
Subsidy income	–	128,798
Other	2,842	4,610
Total non-operating income	53,926	206,584
Non-operating expenses		
Interest expenses	99,801	141,025
Commitment fee	18,500	–
Other	29,218	9,895
Total non-operating expenses	147,520	150,921
Ordinary profit	1,726,697	1,429,624
Extraordinary losses		
Loss on sales of non-current assets	9,065	–
Loss on retirement of non-current assets	154	11,673
Total extraordinary losses	9,219	11,673
Profit before income taxes	1,717,477	1,417,950
Income taxes - current	476,200	377,000
Income taxes - deferred	67,098	87,872
Total income taxes	543,298	464,872
Profit	1,174,178	953,078
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,174,178	953,078

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	1,174,178	953,078
Other comprehensive income		
Valuation difference on available-for-sale securities	47,329	20,330
Total other comprehensive income	47,329	20,330
Comprehensive income	1,221,508	973,409
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,221,508	973,409
Comprehensive income attributable to non-controlling interests	—	—