

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on Japanese GAAP)

January 29, 2019

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 13, 2019
 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, 2018 (from April 1, 2018 to December 31, 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	%
Nine months ended December 31, 2018	79,883	15.3	3,900	26.4	3,754	30.3	2,455	27.8
Nine months ended December 31, 2017	69,282	(1.8)	3,085	(28.4)	2,880	(31.1)	1,920	(32.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2018	68.55		68.29	
Nine months ended December 31, 2017	53.47		53.40	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	139,073	36,186	26.0
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				
Year ended March 31, 2018	–	14.00	–	13.00	27.00
Year ending March 31, 2019	–	14.00	–		
Year ending March 31, 2019 (Forecast)				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
Full year	110,000	5.9	6,700	4.1	6,500	5.9	4,350	4.4	122.19

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2018	1,250,640 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)

Nine months ended December 31, 2018	35,819,493 shares	Nine months ended December 31, 2017	35,921,954 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	10,486,571	11,683,860
Accounts receivable from completed construction contracts	103,877	147,279
Real estate for sale	23,998,281	27,012,768
Real estate for sale in process	18,862,992	17,628,973
Real estate under development	55,286,788	51,795,647
Costs on uncompleted construction contracts	112,001	64,108
Supplies	37,277	38,356
Other	1,374,207	1,893,632
Allowance for doubtful accounts	(19,195)	(21,864)
Total current assets	110,242,802	110,242,761
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,283,992	9,697,934
Machinery, equipment and vehicles, net	0	19,501
Tools, furniture and fixtures, net	348,669	308,974
Land	13,393,118	15,485,042
Leased assets, net	294	–
Construction in progress	416,696	446,877
Total property, plant and equipment	22,442,770	25,958,330
Intangible assets	272,777	290,680
Investments and other assets		
Investment securities	594,373	532,100
Long-term loans receivable	67,807	64,477
Deferred tax assets	551,153	481,615
Other	1,399,553	1,508,051
Allowance for doubtful accounts	(7,253)	(4,531)
Total investments and other assets	2,605,635	2,581,713
Total non-current assets	25,321,182	28,830,724
Total assets	135,563,984	139,073,485

(Thousands of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	3,963,985	2,720,840
Electronically recorded obligations - operating	755,832	1,139,444
Short-term loans payable	21,113,763	27,552,529
Lease obligations	317	–
Income taxes payable	1,345,936	170,594
Advances received	3,854,766	3,949,409
Provision for bonuses	249,800	78,700
Provision for performance-linked directors' compensations	44,950	–
Other	3,386,102	3,240,252
Total current liabilities	34,715,454	38,851,771
Non-current liabilities		
Long-term loans payable	65,745,605	63,784,420
Deferred tax liabilities for land revaluation	52,645	52,645
Asset retirement obligations	26,902	27,082
Other	170,950	170,950
Total non-current liabilities	65,996,103	64,035,098
Total liabilities	100,711,558	102,886,869
Net assets		
Shareholders' equity		
Capital stock	4,872,064	4,872,064
Capital surplus	5,758,446	5,808,347
Retained earnings	24,762,400	26,249,517
Treasury shares	(609,136)	(826,571)
Total shareholders' equity	34,783,775	36,103,356
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(53,988)	(40,157)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	20,915	34,746
Share acquisition rights	47,735	48,512
Total net assets	34,852,426	36,186,615
Total liabilities and net assets	135,563,984	139,073,485

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, 2017	Nine months ended December 31, 2018
Net sales	69,282,581	79,883,472
Cost of sales	57,794,015	67,100,745
Gross profit	11,488,565	12,782,726
Selling, general and administrative expenses		
Sales commission	1,196,487	1,374,682
Advertising expenses	1,727,651	1,480,405
Promotion expenses	53,784	57,730
Salaries and bonuses	2,097,014	2,191,479
Provision of allowance for doubtful accounts	4,957	3,770
Provision for bonuses	38,648	39,751
Enterprise tax	99,100	107,200
Consumption Taxes	403,231	513,597
Depreciation	82,729	175,146
Rent expenses	333,376	318,268
Other	2,366,014	2,619,714
Total selling, general and administrative expenses	8,402,995	8,881,746
Operating profit	3,085,570	3,900,979
Non-operating income		
Interest income	1,128	1,025
Dividend income	15,192	15,270
Commission fee	109,611	129,643
Penalty income	14,211	23,048
Subsidy income	–	128,798
Other	59,257	36,430
Total non-operating income	199,400	334,216
Non-operating expenses		
Interest expenses	338,209	444,518
Commitment fee	18,500	–
Other	48,001	36,480
Total non-operating expenses	404,711	480,999
Ordinary profit	2,880,259	3,754,197
Extraordinary income		
Gain on sales of non-current assets	–	1,110
Total extraordinary income	–	1,110
Extraordinary losses		
Loss on sales of non-current assets	9,065	2,766
Loss on retirement of non-current assets	1,235	12,808
Loss on valuation of investment securities	–	71,683
Total extraordinary losses	10,300	87,257
Profit before income taxes	2,869,959	3,668,049
Income taxes - current	880,500	1,138,700
Income taxes - deferred	68,778	73,959
Total income taxes	949,278	1,212,659
Profit	1,920,680	2,455,390
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,920,680	2,455,390

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	1,920,680	2,455,390
Other comprehensive income		
Valuation difference on available-for-sale securities	28,990	13,830
Total other comprehensive income	28,990	13,830
Comprehensive income	1,949,671	2,469,221
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,949,671	2,469,221
Comprehensive income attributable to non-controlling interests	—	—