

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2020
(Based on Japanese GAAP)**

May 8, 2020

Company name: Fuji Corporation Limited
 Stock exchange listing: Tokyo
 Stock code: 8860 URL <https://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 of ordinary general meeting of shareholders: June 24, 2020
 Scheduled date to file Securities Report: June 25, 2020
 Scheduled date to commence dividend payments: June 25, 2020
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Consolidated operating results

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	%
Year ended March 31, 2020	110,444	(4.6)	5,002	(24.6)	4,611	(28.4)	3,088	(28.1)
Year ended March 31, 2019	115,710	11.4	6,636	3.1	6,445	5.0	4,298	3.1

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2020	87.40	87.31	8.0	3.0	4.5
Year ended March 31, 2019	120.40	119.99	11.9	4.6	5.7

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	162,435	39,927	24.6	1,126.40
As of March 31, 2019	147,465	37,756	25.6	1,068.69

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2020	(1,650)	(6,021)	10,187	14,557
Year ended March 31, 2019	11,962	(16,749)	6,341	12,041

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2019	–	14.00	–	13.00	27.00	961	22.4	2.6
Year ended March 31, 2020	–	14.00	–	13.00	27.00	955	30.9	2.5
Year ending March 31, 2021 (Forecast)	–	–	–	–	–	–	–	–

3. Notes

- (1) Changes in significant subsidiaries during the year ended March 31, 2020
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2020	36,849,912 shares	As of March 31, 2019	36,849,912 shares
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Number of treasury shares at the end of the period

As of March 31, 2020	1,440,530 shares	As of March 31, 2019	1,561,440 shares
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Average number of shares during the period

Year ended March 31, 2020	35,342,682 shares	Year ended March 31, 2019	35,702,604 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	12,041,380	14,757,833
Notes receivable - trade	–	117,491
Accounts receivable from completed construction contracts	191,646	865,465
Real estate for sale	28,226,043	24,828,999
Real estate for sale in process	10,324,463	15,253,483
Real estate under development	54,688,060	61,709,668
Costs on construction contracts in progress	94,584	230,706
Supplies	37,162	41,565
Other	2,418,170	1,984,685
Allowance for doubtful accounts	(22,901)	(26,361)
Total current assets	107,998,610	119,763,538
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,915,290	12,013,797
Machinery, equipment and vehicles, net	19,349	21,924
Tools, furniture and fixtures, net	247,733	220,352
Land	24,004,204	25,338,726
Construction in progress	776,581	1,123,035
Total property, plant and equipment	35,963,159	38,717,836
Intangible assets		
Goodwill	–	290,329
Other	359,346	425,898
Total intangible assets	359,346	716,228
Investments and other assets		
Investment securities	523,031	459,596
Long-term loans receivable	63,354	58,856
Deferred tax assets	905,420	982,960
Other	1,657,122	1,740,562
Allowance for doubtful accounts	(4,531)	(4,478)
Total investments and other assets	3,144,397	3,237,497
Total non-current assets	39,466,903	42,671,562
Total assets	147,465,513	162,435,100

(Thousands of yen)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	4,642,257	4,199,204
Electronically recorded obligations - operating	1,023,275	2,123,569
Short-term borrowings	23,907,292	33,367,735
Current portion of bonds payable	200,000	425,000
Income taxes payable	1,398,628	1,278,744
Advances received	3,572,914	4,837,324
Provision for bonuses	282,000	303,262
Provision for performance-linked directors' compensations	131,040	–
Provision for share-based remuneration for directors (and other officers)	–	18,761
Provision for share-based remuneration	–	119,864
Other	3,742,024	3,550,042
Total current liabilities	38,899,432	50,223,509
Non-current liabilities		
Bonds payable	800,000	1,325,000
Long-term borrowings	69,758,663	70,699,028
Asset retirement obligations	27,142	27,384
Deferred tax liabilities	–	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	170,950	170,950
Total non-current liabilities	70,809,401	72,284,202
Total liabilities	109,708,833	122,507,712
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,810,940	5,821,371
Retained earnings	28,092,824	30,227,970
Treasury shares	(1,089,829)	(1,005,438)
Total shareholders' equity	37,686,000	39,915,967
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(48,494)	(105,607)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	26,409	(30,702)
Share acquisition rights	44,270	42,124
Total net assets	37,756,680	39,927,388
Total liabilities and net assets	147,465,513	162,435,100

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net sales	115,710,595	110,444,324
Cost of sales	97,145,235	93,846,520
Gross profit	18,565,359	16,597,803
Selling, general and administrative expenses		
Sales commission	1,860,626	1,884,543
Advertising expenses	1,918,836	1,512,171
Promotion expenses	73,854	62,356
Salaries and bonuses	2,842,473	2,876,624
Provision for bonuses	138,381	141,485
Provision for performance-linked directors' compensations	131,040	–
Provision for share-based remuneration for directors (and other officers)	–	18,761
Provision for share-based remuneration	–	77,459
Provision of allowance for doubtful accounts	5,818	9,139
Enterprise tax	170,500	143,000
Consumption Taxes	727,910	874,707
Depreciation	234,943	259,876
Rent expenses	425,602	433,491
Other	3,398,580	3,302,089
Total selling, general and administrative expenses	11,928,568	11,595,707
Operating profit	6,636,791	5,002,096
Non-operating income		
Interest income	1,369	1,258
Dividend income	15,270	14,881
Commission income	187,975	173,063
Settlement received	63,000	–
Penalty income	27,848	21,515
Subsidy income	181,242	154,650
Other	48,908	109,625
Total non-operating income	525,615	474,995
Non-operating expenses		
Interest expenses	588,764	738,623
Bond issuance costs	12,068	10,379
Commitment fee	60,000	74,650
Other	56,062	41,467
Total non-operating expenses	716,895	865,120
Ordinary profit	6,445,511	4,611,971
Extraordinary income		
Gain on sales of non-current assets	3,337	148,241
Total extraordinary income	3,337	148,241
Extraordinary losses		
Loss on sales of non-current assets	12,071	9,750
Loss on retirement of non-current assets	69,209	66,028
Loss on valuation of investment securities	71,683	–
Total extraordinary losses	152,964	75,778

(Thousands of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit before income taxes	6,295,883	4,684,434
Income taxes - current	2,346,300	1,650,900
Income taxes - deferred	(349,114)	(55,365)
Total income taxes	1,997,185	1,595,534
Profit	4,298,698	3,088,899
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	4,298,698	3,088,899

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Profit	4,298,698	3,088,899
Other comprehensive income		
Valuation difference on available-for-sale securities	5,494	(57,112)
Total other comprehensive income	5,494	(57,112)
Comprehensive income	4,304,192	3,031,787
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,304,192	3,031,787
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2019

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,872,064	5,758,446	24,762,400	(609,136)	34,783,775
Changes during period					
Dividends of surplus			(968,274)		(968,274)
Profit attributable to owners of parent			4,298,698		4,298,698
Purchase of treasury shares				(598,956)	(598,956)
Disposal of treasury shares		52,493		118,264	170,758
Net changes in items other than shareholders' equity					
Total changes during period	–	52,493	3,330,423	(480,692)	2,902,225
Balance at end of period	4,872,064	5,810,940	28,092,824	(1,089,829)	37,686,000

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total accumulated other comprehensive income		
Balance at beginning of period	(53,988)	74,904	20,915	47,735	34,852,426
Changes during period					
Dividends of surplus					(968,274)
Profit attributable to owners of parent					4,298,698
Purchase of treasury shares					(598,956)
Disposal of treasury shares					170,758
Net changes in items other than shareholders' equity	5,494	–	5,494	(3,465)	2,028
Total changes during period	5,494	–	5,494	(3,465)	2,904,253
Balance at end of period	(48,494)	74,904	26,409	44,270	37,756,680

Fiscal year ended March 31, 2020

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,872,064	5,810,940	28,092,824	(1,089,829)	37,686,000
Changes during period					
Dividends of surplus			(953,754)		(953,754)
Profit attributable to owners of parent			3,088,899		3,088,899
Purchase of treasury shares				(62)	(62)
Disposal of treasury shares		10,430		84,453	94,884
Net changes in items other than shareholders' equity					
Total changes during period	–	10,430	2,135,145	84,390	2,229,966
Balance at end of period	4,872,064	5,821,371	30,227,970	(1,005,438)	39,915,967

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total accumulated other comprehensive income		
Balance at beginning of period	(48,494)	74,904	26,409	44,270	37,756,680
Changes during period					
Dividends of surplus					(953,754)
Profit attributable to owners of parent					3,088,899
Purchase of treasury shares					(62)
Disposal of treasury shares					94,884
Net changes in items other than shareholders' equity	(57,112)	–	(57,112)	(2,146)	(59,258)
Total changes during period	(57,112)	–	(57,112)	(2,146)	2,170,708
Balance at end of period	(105,607)	74,904	(30,702)	42,124	39,927,388

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Cash flows from operating activities		
Profit before income taxes	6,295,883	4,684,434
Depreciation	786,894	859,632
Bond issuance costs	12,068	10,379
Loss (gain) on sales of property, plant and equipment	8,734	(138,491)
Loss on retirement of property, plant and equipment	69,209	66,028
Loss (gain) on valuation of investment securities	71,683	–
Increase (decrease) in allowance for doubtful accounts	983	3,407
Increase (decrease) in provision for bonuses	32,200	12,500
Increase (decrease) in provision for performance-linked directors' compensations	86,090	(131,040)
Increase (decrease) in provision for share-based remuneration for directors (and other officers)	–	18,761
Increase (decrease) in provision for share-based remuneration	–	119,864
Interest and dividend income	(16,640)	(16,139)
Interest expenses	588,764	738,623
Decrease (increase) in trade receivables	(87,768)	(208,942)
Decrease (increase) in inventories	4,574,799	(5,974,541)
Decrease (increase) in other current assets	(1,039,739)	459,106
Increase (decrease) in trade payables	1,659,704	34,437
Increase or decrease in other liabilities	70,283	946,680
Other, net	1,710,247	(507,201)
Subtotal	14,823,399	977,500
Interest and dividends received	16,640	16,139
Interest paid	(590,700)	(749,656)
Income taxes paid	(2,286,356)	(1,894,148)
Net cash provided by (used in) operating activities	11,962,982	(1,650,165)
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,594,024)	(6,148,018)
Proceeds from sales of property, plant and equipment	77,246	807,684
Purchase of intangible assets	(172,870)	(107,699)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(552,409)
Collection of loans receivable	4,453	4,497
Other, net	(64,549)	(25,322)
Net cash provided by (used in) investing activities	(16,749,745)	(6,021,268)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(793,900)	4,664,270
Proceeds from long-term borrowings	37,021,320	36,801,570
Repayments of long-term borrowings	(29,420,834)	(31,065,031)
Repayments of lease obligations	(317)	–
Proceeds from issuance of bonds	987,931	989,620
Redemption of bonds	–	(250,000)
Proceeds from sales of treasury shares	111,010	850
Purchase of treasury shares	(595,364)	(62)
Dividends paid	(968,274)	(953,754)
Net cash provided by (used in) financing activities	6,341,571	10,187,461
Net increase (decrease) in cash and cash equivalents	1,554,809	2,516,027
Cash and cash equivalents at beginning of period	10,486,571	12,041,380
Cash and cash equivalents at end of period	12,041,380	14,557,408