

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2021
(Based on Japanese GAAP)**

May 7, 2021

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
 Operating Officer, General Manager of
 Inquiries: Investor Relations Office Noguchi Yasuhisa TEL 072-437-9010
 Scheduled date of ordinary general meeting of shareholders: June 23, 2021
 Scheduled date to file Securities Report: June 24, 2021
 Scheduled date to commence dividend payments: June 24, 2021
 Preparation of supplementary material on financial results: Yes
 Holding of 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 year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(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, 2021	121,541	10.0	3,986	(20.3)	3,558	(22.9)	2,358	(23.6)
Year ended March 31, 2020	110,444	(4.6)	5,002	(24.6)	4,611	(28.4)	3,088	(28.1)

	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, 2021	66.00	–	5.8	2.3	3.3
Year ended March 31, 2020	87.40	87.31	8.0	3.0	4.5

(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, 2021	147,594	41,492	28.1	1,162.92
As of March 31, 2020	162,435	39,927	24.6	1,126.40

(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, 2021	28,231	(5,129)	(17,503)	20,156
Year ended March 31, 2020	(1,650)	(6,021)	10,187	14,557

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, 2020	–	14.00	–	13.00	27.00	955	30.9	2.5
Year ended March 31, 2021	–	14.00	–	13.00	27.00	977	40.9	2.4
Year ending March 31, 2022 (Forecast)	–	14.00	–	13.00	27.00		31.1	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	55,000	(2.7)	2,300	(6.9)	2,000	(11.5)	1,400	(5.0)	39.24
Full year	121,400	(0.1)	5,000	25.4	4,600	29.3	3,100	31.4	86.89

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(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, 2021	36,849,912 shares	As of March 31, 2020	36,849,912 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	1,173,069 shares	As of March 31, 2020	1,440,530 shares
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Average number of shares during the period

Year ended March 31, 2021	35,740,215 shares	Year ended March 31, 2020	35,342,682 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	14,757,833	20,325,741
Notes receivable - trade	117,491	113,114
Accounts receivable from completed construction contracts	865,465	664,213
Real estate for sale	24,828,999	15,657,192
Real estate for sale in process	15,253,483	29,229,010
Real estate under development	61,709,668	34,023,179
Costs on construction contracts in progress	230,706	169,594
Supplies	41,565	38,783
Other	1,984,685	1,594,712
Allowance for doubtful accounts	(26,361)	(27,176)
Total current assets	119,763,538	101,788,365
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,013,797	13,887,919
Machinery, equipment and vehicles, net	21,924	241,458
Tools, furniture and fixtures, net	220,352	308,077
Land	25,338,726	25,788,453
Leased assets, net	–	153,957
Construction in progress	1,123,035	486,997
Total property, plant and equipment	38,717,836	40,866,863
Intangible assets		
Goodwill	290,329	230,424
Other	425,898	436,677
Total intangible assets	716,228	667,101
Investments and other assets		
Investment securities	459,596	510,811
Long-term loans receivable	58,856	49,516
Deferred tax assets	982,960	1,697,530
Other	1,740,562	2,016,295
Allowance for doubtful accounts	(4,478)	(2,419)
Total investments and other assets	3,237,497	4,271,734
Total non-current assets	42,671,562	45,805,700
Total assets	162,435,100	147,594,065

(Thousands of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	4,199,204	3,956,480
Electronically recorded obligations - operating	2,123,569	1,448,232
Short-term borrowings	33,367,735	27,331,352
Current portion of bonds payable	425,000	850,000
Lease obligations	–	44,205
Income taxes payable	1,278,744	1,206,467
Advances received	4,837,324	4,616,979
Provision for bonuses	303,262	309,800
Provision for share awards for directors (and other officers)	18,761	25,705
Provision for share awards	119,864	131,820
Other	3,550,042	4,715,980
Total current liabilities	50,223,509	44,637,025
Non-current liabilities		
Bonds payable	1,325,000	1,875,000
Long-term borrowings	70,699,028	58,131,494
Lease obligations	–	154,626
Asset retirement obligations	27,384	27,628
Deferred tax liabilities	9,194	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	170,950	1,213,721
Total non-current liabilities	72,284,202	61,464,310
Total liabilities	122,507,712	106,101,335
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,821,371	5,663,006
Retained earnings	30,227,970	31,619,397
Treasury shares	(1,005,438)	(712,734)
Total shareholders' equity	39,915,967	41,441,734
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(105,607)	(27,164)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	(30,702)	47,739
Share acquisition rights	42,124	3,256
Total net assets	39,927,388	41,492,729
Total liabilities and net assets	162,435,100	147,594,065

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

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	110,444,324	121,541,518
Cost of sales	93,846,520	105,687,935
Gross profit	16,597,803	15,853,583
Selling, general and administrative expenses		
Sales commission	1,884,543	1,847,279
Advertising expenses	1,512,171	1,683,147
Promotion expenses	62,356	44,099
Salaries and bonuses	2,876,624	2,880,435
Provision for bonuses	141,485	140,865
Provision for share awards for directors (and other officers)	18,761	25,705
Provision for share awards	77,459	81,522
Provision of allowance for doubtful accounts	9,139	3,802
Enterprise tax	143,000	151,400
Consumption Taxes	874,707	842,177
Depreciation	259,876	372,080
Amortization of goodwill	–	41,517
Rent expenses	433,491	393,611
Other	3,302,089	3,359,027
Total selling, general and administrative expenses	11,595,707	11,866,670
Operating profit	5,002,096	3,986,912
Non-operating income		
Interest income	1,258	1,235
Dividend income	14,881	12,888
Commission income	173,063	189,733
Penalty income	21,515	24,161
Subsidy income	154,650	132,889
Surrender value of insurance policies	–	24,000
Other	109,625	80,121
Total non-operating income	474,995	465,029
Non-operating expenses		
Interest expenses	738,623	788,397
Bond issuance costs	10,379	21,833
Commitment fees	74,650	–
Other	41,467	83,707
Total non-operating expenses	865,120	893,938
Ordinary profit	4,611,971	3,558,002
Extraordinary income		
Gain on sale of non-current assets	148,241	127,749
Gain on reversal of share acquisition rights	–	35,668
Total extraordinary income	148,241	163,417

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Extraordinary losses		
Loss on sale of non-current assets	9,750	82,291
Loss on retirement of non-current assets	66,028	24,373
Loss on valuation of investment securities	–	31,130
Impairment losses	–	18,388
Total extraordinary losses	75,778	156,183
Profit before income taxes	4,684,434	3,565,236
Income taxes - current	1,650,900	1,924,896
Income taxes - deferred	(55,365)	(718,473)
Total income taxes	1,595,534	1,206,422
Profit	3,088,899	2,358,813
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	3,088,899	2,358,813

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	3,088,899	2,358,813
Other comprehensive income		
Valuation difference on available-for-sale securities	(57,112)	78,442
Total other comprehensive income	(57,112)	78,442
Comprehensive income	3,031,787	2,437,256
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,031,787	2,437,256
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

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

Fiscal year ended March 31, 2021

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,872,064	5,821,371	30,227,970	(1,005,438)	39,915,967
Changes during period					
Dividends of surplus			(967,386)		(967,386)
Profit attributable to owners of parent			2,358,813		2,358,813
Purchase of treasury shares				(93)	(93)
Disposal of treasury shares		(158,364)		292,797	134,432
Net changes in items other than shareholders' equity					
Total changes during period	–	(158,364)	1,391,427	292,704	1,525,767
Balance at end of period	4,872,064	5,663,006	31,619,397	(712,734)	41,441,734

	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	(105,607)	74,904	(30,702)	42,124	39,927,388
Changes during period					
Dividends of surplus					(967,386)
Profit attributable to owners of parent					2,358,813
Purchase of treasury shares					(93)
Disposal of treasury shares					134,432
Net changes in items other than shareholders' equity	78,442	–	78,442	(38,868)	39,574
Total changes during period	78,442	–	78,442	(38,868)	1,565,341
Balance at end of period	(27,164)	74,904	47,739	3,256	41,492,729

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	4,684,434	3,565,236
Depreciation	859,632	1,072,902
Amortization of goodwill	–	41,517
Bond issuance costs	10,379	21,833
Loss (gain) on sale of property, plant and equipment	(138,491)	(45,457)
Loss on retirement of property, plant and equipment	66,028	24,373
Loss (gain) on valuation of investment securities	–	31,130
Impairment losses	–	18,388
Increase (decrease) in allowance for doubtful accounts	3,407	(1,244)
Increase (decrease) in provision for bonuses	12,500	6,537
Increase (decrease) in provision for performance-linked directors' compensations	(131,040)	–
Increase (decrease) in provision for share awards for directors (and other officers)	18,761	6,944
Increase (decrease) in provision for share awards	119,864	11,955
Interest and dividend income	(16,139)	(14,123)
Interest expenses	738,623	788,397
Gain on reversal of share acquisition rights	–	(35,668)
Decrease (increase) in trade receivables	(208,942)	205,628
Decrease (increase) in inventories	(5,974,541)	24,451,769
Decrease (increase) in other current assets	459,106	384,922
Increase (decrease) in trade payables	34,437	(918,061)
Increase or decrease in other liabilities	946,680	693,901
Other, net	(507,201)	683,041
Subtotal	977,500	30,993,925
Interest and dividends received	16,139	14,123
Interest paid	(749,656)	(783,023)
Income taxes paid	(1,894,148)	(1,993,477)
Net cash provided by (used in) operating activities	(1,650,165)	28,231,547
Cash flows from investing activities		
Net decrease (increase) in time deposits	–	31,059
Purchase of property, plant and equipment	(6,148,018)	(5,503,374)
Proceeds from sale of property, plant and equipment	807,684	520,093
Purchase of intangible assets	(107,699)	(133,666)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(552,409)	–
Proceeds from collection of loans receivable	4,497	9,340
Other, net	(25,322)	(53,012)
Net cash provided by (used in) investing activities	(6,021,268)	(5,129,560)

(Thousands of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,664,270	(4,009,770)
Proceeds from long-term borrowings	36,801,570	32,951,394
Repayments of long-term borrowings	(31,065,031)	(47,545,540)
Proceeds from issuance of bonds	989,620	1,478,166
Redemption of bonds	(250,000)	(525,000)
Proceeds from sale of treasury shares	850	(93)
Purchase of treasury shares	(62)	–
Proceeds from sale and leaseback transactions	–	189,896
Repayments of lease obligations	–	(31,295)
An income by the sale and buy on the installment plan back	–	1,366,358
Repayments of installment payables	–	(409,749)
Dividends paid	(953,754)	(967,386)
Net cash provided by (used in) financing activities	10,187,461	(17,503,020)
Net increase (decrease) in cash and cash equivalents	2,516,027	5,598,967
Cash and cash equivalents at beginning of period	12,041,380	14,557,408
Cash and cash equivalents at end of period	14,557,408	20,156,375