

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 9, 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 to file Quarterly Securities Report: November 15, 2021
 Scheduled date to commence dividend payments: November 30, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly 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 six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Six months ended September 30, 2021	56,434	(0.2)	3,534	43.1	3,354	48.5	2,331	58.2
Six months ended September 30, 2020	56,553	10.6	2,470	15.0	2,258	13.0	1,474	14.5

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2021	64.96	–
Six months ended September 30, 2020	41.18	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	150,682	43,351	28.8
As of March 31, 2021	147,594	41,492	28.1

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, 2021	–	14.00	–	13.00	27.00
Year ending March 31, 2022	–	14.00			
Year ending March 31, 2022 (Forecast)			–	13.00	27.00

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
Full year	121,400	(0.1)	5,000	25.4	4,600	29.3	3,100	31.4	86.15

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(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: Yes
- 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 September 30, 2021	36,849,912 shares	As of March 31, 2021	36,849,912 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	864,369 shares	As of March 31, 2021	1,173,069 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	35,892,243 shares	Six months ended September 30, 2020	35,794,468 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	20,325,741	21,037,898
Notes receivable - trade	113,114	53,931
Accounts receivable from completed construction contracts	664,213	–
Contract assets	–	640,821
Real estate for sale	15,657,192	18,642,546
Real estate for sale in process	29,229,010	32,006,907
Real estate under development	34,023,179	28,721,660
Costs on construction contracts in progress	169,594	15,484
Supplies	38,783	36,992
Other	1,594,712	2,474,892
Allowance for doubtful accounts	(27,176)	(34,194)
Total current assets	101,788,365	103,596,942
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,887,919	14,026,748
Machinery, equipment and vehicles, net	241,458	217,257
Tools, furniture and fixtures, net	308,077	267,940
Land	25,788,453	26,506,333
Leased assets, net	153,957	124,305
Construction in progress	486,997	1,210,974
Total property, plant and equipment	40,866,863	42,353,560
Intangible assets		
Goodwill	230,424	211,199
Other	436,677	424,158
Total intangible assets	667,101	635,358
Investments and other assets		
Investment securities	510,811	491,614
Long-term loans receivable	49,516	45,695
Deferred tax assets	1,697,530	1,584,176
Other	2,016,295	1,977,589
Allowance for doubtful accounts	(2,419)	(2,312)
Total investments and other assets	4,271,734	4,096,763
Total non-current assets	45,805,700	47,085,682
Total assets	147,594,065	150,682,625

(Thousands of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	3,956,480	5,630,470
Electronically recorded obligations - operating	1,448,232	729,322
Contract liabilities	–	727,212
Short-term borrowings	27,331,352	35,349,449
Current portion of bonds payable	850,000	850,000
Lease obligations	44,205	44,761
Income taxes payable	1,206,467	1,028,416
Advances received	4,616,979	3,931,877
Provision for bonuses	309,800	314,900
Provision for share awards for directors (and other officers)	25,705	–
Provision for share awards	131,820	–
Other	4,715,980	4,550,626
Total current liabilities	44,637,025	53,157,037
Non-current liabilities		
Bonds payable	1,875,000	1,450,000
Long-term borrowings	58,131,494	51,385,967
Lease obligations	154,626	132,105
Asset retirement obligations	27,628	27,751
Deferred tax liabilities	9,194	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	1,213,721	1,116,207
Total non-current liabilities	61,464,310	54,173,872
Total liabilities	106,101,335	107,330,910
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,663,006	5,663,006
Retained earnings	31,619,397	33,341,196
Treasury shares	(712,734)	(557,449)
Total shareholders' equity	41,441,734	43,318,817
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(27,164)	(44,967)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	47,739	29,936
Share acquisition rights	3,256	2,960
Total net assets	41,492,729	43,351,714
Total liabilities and net assets	147,594,065	150,682,625

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	56,553,442	56,434,408
Cost of sales	48,138,375	47,501,159
Gross profit	8,415,066	8,933,249
Selling, general and administrative expenses		
Sales commission	940,944	733,050
Advertising expenses	810,117	669,569
Promotion expenses	24,385	23,386
Salaries and bonuses	1,353,180	1,403,422
Provision of allowance for doubtful accounts	3,509	7,536
Provision for bonuses	139,520	141,012
Enterprise tax	73,700	76,090
Consumption Taxes	470,401	386,206
Depreciation	162,558	186,028
Amortization of goodwill	20,758	19,224
Rent expenses	202,941	167,475
Other	1,742,638	1,586,118
Total selling, general and administrative expenses	5,944,657	5,399,120
Operating profit	2,470,408	3,534,128
Non-operating income		
Interest income	653	567
Dividend income	11,279	11,098
Commission income	95,913	107,504
Penalty income	13,547	10,475
Subsidy income	32,387	41,705
Surrender value of insurance policies	24,000	–
Other	43,656	40,438
Total non-operating income	221,437	211,788
Non-operating expenses		
Interest expenses	396,138	379,098
Bond issuance costs	14,168	–
Other	22,787	12,348
Total non-operating expenses	433,093	391,446
Ordinary profit	2,258,752	3,354,470
Extraordinary income		
Gain on sale of non-current assets	15,622	146,361
Gain on reversal of share acquisition rights	35,594	–
Total extraordinary income	51,216	146,361
Extraordinary losses		
Loss on sale of non-current assets	77,695	2,413
Loss on retirement of non-current assets	24,210	23,957
Total extraordinary losses	101,905	26,370
Profit before income taxes	2,208,063	3,474,461
Income taxes - current	847,200	954,490
Income taxes - deferred	(113,313)	188,282
Total income taxes	733,886	1,142,772
Profit	1,474,177	2,331,689
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	1,474,177	2,331,689

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	1,474,177	2,331,689
Other comprehensive income		
Valuation difference on available-for-sale securities	13,404	(17,803)
Total other comprehensive income	13,404	(17,803)
Comprehensive income	1,487,581	2,313,886
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,487,581	2,313,886
Comprehensive income attributable to non-controlling interests	—	—