

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 10, 2022

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 22, 2022
 Scheduled date to file Securities Report: June 23, 2022
 Scheduled date to commence dividend payments: June 23, 2022
 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, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	118,698	(2.3)	5,871	47.3	5,627	58.2	3,869	64.0
Year ended March 31, 2021	121,541	10.0	3,986	(20.3)	3,558	(22.9)	2,358	(23.6)

	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, 2022	107.68	–	9.0	3.7	4.9
Year ended March 31, 2021	66.00	–	5.8	2.3	3.3

(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, 2022	153,512	44,349	28.9	1,232.36
As of March 31, 2021	147,594	41,492	28.1	1,162.92

(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, 2022	6,324	(6,333)	(518)	19,629
Year ended March 31, 2021	28,040	(5,129)	(17,311)	20,156

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, 2021	–	14.00	–	13.00	27.00	977	40.9	2.4
Year ended March 31, 2022	–	14.00	–	13.00	27.00	977	25.1	2.3
Year ending March 31, 2023 (Forecast)	–	14.00	–	13.00	27.00		28.6	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2022	52,700	(6.6)	2,600	(26.4)	2,500	(25.5)	1,600	(31.4)	44.46
Full year	110,600	(6.8)	6,000	2.2	5,700	1.3	3,800	(1.8)	105.60

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(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: Yes

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, 2022	36,849,912 shares	As of March 31, 2021	36,849,912 shares
----------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of March 31, 2022	864,369 shares	As of March 31, 2021	1,173,069 shares
----------------------	----------------	----------------------	------------------

Average number of shares during the period

Year ended March 31, 2022	35,935,305 shares	Year ended March 31, 2021	35,740,215 shares
---------------------------	-------------------	---------------------------	-------------------

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	20,325,741	19,644,839
Notes receivable - trade	113,114	52,370
Accounts receivable from completed construction contracts	664,213	289,279
Contract assets	–	271,722
Real estate for sale	15,657,192	22,091,473
Real estate for sale in process	29,229,010	27,027,488
Real estate under development	34,023,179	31,838,137
Costs on construction contracts in progress	169,594	4,768
Supplies	38,783	38,662
Other	1,594,712	2,260,959
Allowance for doubtful accounts	(27,176)	(33,016)
Total current assets	101,788,365	103,486,686
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,887,919	15,989,474
Machinery, equipment and vehicles, net	241,458	193,544
Tools, furniture and fixtures, net	308,077	240,654
Land	25,788,453	27,933,748
Leased assets, net	153,957	94,654
Construction in progress	486,997	89,271
Total property, plant and equipment	40,866,863	44,541,348
Intangible assets		
Goodwill	230,424	138,180
Other	436,677	454,065
Total intangible assets	667,101	592,246
Investments and other assets		
Investment securities	510,811	464,144
Long-term loans receivable	49,516	43,421
Deferred tax assets	1,697,530	2,023,530
Other	2,016,295	2,363,208
Allowance for doubtful accounts	(2,419)	(2,204)
Total investments and other assets	4,271,734	4,892,100
Total non-current assets	45,805,700	50,025,694
Total assets	147,594,065	153,512,381

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	3,956,480	6,599,107
Electronically recorded obligations - operating	1,448,232	1,275,672
Contract liabilities	–	991,578
Short-term borrowings	27,331,352	28,416,955
Current portion of bonds payable	850,000	725,000
Lease liabilities	44,205	45,325
Income taxes payable	1,206,467	1,344,306
Advances received	4,616,979	3,318,465
Provision for bonuses	309,800	314,700
Provision for share awards for directors (and other officers)	25,705	–
Provision for share awards	131,820	–
Other	4,715,980	5,192,158
Total current liabilities	44,637,025	48,223,269
Non-current liabilities		
Bonds payable	1,875,000	1,150,000
Long-term borrowings	58,131,494	58,642,500
Lease liabilities	154,626	109,300
Asset retirement obligations	27,628	27,874
Deferred tax liabilities	9,194	9,194
Deferred tax liabilities for land revaluation	52,645	52,645
Other	1,213,721	947,619
Total non-current liabilities	61,464,310	60,939,136
Total liabilities	106,101,335	109,162,406
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	34,371,828
Treasury shares	(712,734)	(557,449)
Total shareholders' equity	41,441,734	44,349,449
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(27,164)	(77,338)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	47,739	(2,434)
Share acquisition rights	3,256	2,960
Total net assets	41,492,729	44,349,974
Total liabilities and net assets	147,594,065	153,512,381

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

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	121,541,518	118,698,880
Cost of sales	105,687,935	102,014,560
Gross profit	15,853,583	16,684,319
Selling, general and administrative expenses		
Sales commission	1,847,279	1,474,541
Advertising expenses	1,683,147	1,437,288
Promotion expenses	44,099	49,337
Salaries and bonuses	2,880,435	2,860,375
Provision for bonuses	140,865	141,684
Provision for share awards for directors (and other officers)	25,705	–
Provision for share awards	81,522	–
Provision of allowance for doubtful accounts	3,802	7,747
Enterprise tax	151,400	155,200
Consumption Taxes	842,177	786,553
Depreciation	372,080	371,334
Amortization of goodwill	41,517	38,448
Rent expenses	393,611	321,313
Other	3,359,027	3,169,354
Total selling, general and administrative expenses	11,866,670	10,813,179
Operating profit	3,986,912	5,871,140
Non-operating income		
Interest income	1,235	1,077
Dividend income	12,888	14,151
Commission income	189,733	225,104
Penalty income	24,161	40,256
Subsidy income	132,889	228,695
Surrender value of insurance policies	24,000	–
Other	80,121	52,877
Total non-operating income	465,029	562,161
Non-operating expenses		
Interest expenses	788,397	770,028
Bond issuance costs	21,833	–
Commitment fees	–	12,400
Other	83,707	23,502
Total non-operating expenses	893,938	805,930
Ordinary profit	3,558,002	5,627,371
Extraordinary income		
Gain on sale of non-current assets	127,749	329,715
Gain on reversal of share acquisition rights	35,668	296
Total extraordinary income	163,417	330,011
Extraordinary losses		
Loss on sale of non-current assets	82,291	10,120
Loss on retirement of non-current assets	24,373	66,258
Loss on valuation of investment securities	31,130	–
Impairment losses	18,388	53,794
Total extraordinary losses	156,183	130,172

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit before income taxes	3,565,236	5,827,210
Income taxes - current	1,924,896	2,213,800
Income taxes - deferred	(718,473)	(255,973)
Total income taxes	1,206,422	1,957,826
Profit	2,358,813	3,869,383
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,358,813	3,869,383

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	2,358,813	3,869,383
Other comprehensive income		
Valuation difference on available-for-sale securities	78,442	(50,174)
Total other comprehensive income	78,442	(50,174)
Comprehensive income	2,437,256	3,819,209
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,437,256	3,819,209
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

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

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,872,064	5,663,006	31,619,397	(712,734)	41,441,734
Cumulative effects of changes in accounting policies			(139,046)		(139,046)
Restated balance	4,872,064	5,663,006	31,480,350	(712,734)	41,302,687
Changes during period					
Dividends of surplus			(977,906)		(977,906)
Profit attributable to owners of parent			3,869,383		3,869,383
Purchase of treasury shares					–
Disposal of treasury shares				155,284	155,284
Net changes in items other than shareholders' equity					
Total changes during period	–	–	2,891,477	155,284	3,046,762
Balance at end of period	4,872,064	5,663,006	34,371,828	(557,449)	44,349,449

	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	(27,164)	74,904	47,739	3,256	41,492,729
Cumulative effects of changes in accounting policies					(139,046)
Restated balance	(27,164)	74,904	47,739	3,256	41,353,682
Changes during period					
Dividends of surplus					(977,906)
Profit attributable to owners of parent					3,869,383
Purchase of treasury shares					–
Disposal of treasury shares					155,284
Net changes in items other than shareholders' equity	(50,174)	–	(50,174)	(296)	(50,470)
Total changes during period	(50,174)	–	(50,174)	(296)	2,996,292
Balance at end of period	(77,338)	74,904	(2,434)	2,960	44,349,974

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	3,565,236	5,827,210
Depreciation	1,072,902	1,106,093
Amortization of goodwill	41,517	38,448
Bond issuance costs	21,833	–
Loss (gain) on sale of property, plant and equipment	(45,457)	(319,594)
Loss on retirement of property, plant and equipment	24,373	16,549
Loss (gain) on valuation of investment securities	31,130	–
Impairment losses	18,388	53,794
Increase (decrease) in allowance for doubtful accounts	(1,244)	5,625
Increase (decrease) in provision for bonuses	6,537	4,900
Increase (decrease) in provision for share awards for directors (and other officers)	6,944	(25,705)
Increase (decrease) in provision for share awards	11,955	(131,820)
Interest and dividend income	(14,123)	(15,228)
Interest expenses	788,397	770,028
Gain on reversal of share acquisition rights	(35,668)	(296)
Decrease (increase) in trade receivables	205,628	(23,638)
Decrease (increase) in contract assets	–	187,594
Decrease (increase) in inventories	24,451,769	64,227
Decrease (increase) in other current assets	384,922	(336,599)
Increase (decrease) in trade payables	(918,061)	2,470,067
Increase (decrease) in contract liabilities	–	(253,339)
Increase or decrease in other liabilities	693,901	(170,824)
Other, net	491,983	(116,734)
Subtotal	30,802,867	9,150,758
Interest and dividends received	14,123	15,228
Interest paid	(783,023)	(764,507)
Income taxes paid	(1,993,477)	(2,076,821)
Net cash provided by (used in) operating activities	28,040,490	6,324,658
Cash flows from investing activities		
Net decrease (increase) in time deposits	31,059	153,837
Purchase of property, plant and equipment	(5,503,374)	(7,745,741)
Proceeds from sale of property, plant and equipment	520,093	1,289,872
Purchase of intangible assets	(133,666)	(67,146)
Proceeds from collection of loans receivable	9,340	6,095
Other, net	(53,012)	29,754
Net cash provided by (used in) investing activities	(5,129,560)	(6,333,328)

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,009,770)	(1,322,030)
Proceeds from long-term borrowings	32,951,394	41,533,853
Repayments of long-term borrowings	(47,545,540)	(38,615,214)
Proceeds from issuance of bonds	1,478,166	–
Redemption of bonds	(525,000)	(850,000)
Purchase of treasury shares	(93)	–
Proceeds from sale and leaseback transactions	189,896	–
Repayments of lease liabilities	(31,295)	(44,205)
An income by the sale and buy on the installment plan back	1,366,358	85,000
Repayments of installment payables	(218,691)	(327,891)
Dividends paid	(967,386)	(977,906)
Net cash provided by (used in) financing activities	(17,311,962)	(518,394)
Net increase (decrease) in cash and cash equivalents	5,598,967	(527,063)
Cash and cash equivalents at beginning of period	14,557,408	20,156,375
Cash and cash equivalents at end of period	20,156,375	19,629,311