

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

July 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: August 9, 2019
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

(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	%
Three months ended June 30, 2019	23,906	(10.8)	988	(28.0)	947	(33.7)	627	(34.2)
Three months ended June 30, 2018	26,799	(1.5)	1,373	(24.5)	1,429	(17.2)	953	(18.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	17.78		17.76	
Three months ended June 30, 2018	26.62		26.49	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	152,437	37,863	24.8
As of March 31, 2019	147,465	37,756	25.6

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, 2019	–	14.00	–	13.00	27.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (Forecast)		14.00	–	13.00	27.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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, 2019	51,000	(4.6)	2,400	(7.7)	2,300	(10.3)	1,500	(12.1)	42.51
Full year	107,000	(7.5)	5,300	(20.1)	5,000	(22.4)	3,300	(23.2)	93.51

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019
 (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 June 30, 2019	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 June 30, 2019	1,560,440 shares	As of March 31, 2019	1,561,440 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2019	35,288,722 shares	Three months ended June 30, 2018	35,808,654 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	12,041,380	8,486,644
Accounts receivable from completed construction contracts	191,646	251,438
Real estate for sale	28,226,043	29,913,315
Real estate for sale in process	10,324,463	11,066,061
Real estate under development	54,688,060	60,632,590
Costs on construction contracts in progress	94,584	100,971
Supplies	37,162	40,247
Other	2,418,170	2,314,556
Allowance for doubtful accounts	(22,901)	(26,642)
Total current assets	107,998,610	112,779,183
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,915,290	11,472,154
Machinery, equipment and vehicles, net	19,349	18,756
Tools, furniture and fixtures, net	247,733	233,278
Land	24,004,204	24,180,494
Construction in progress	776,581	426,714
Total property, plant and equipment	35,963,159	36,331,397
Intangible assets	359,346	351,099
Investments and other assets		
Investment securities	523,031	458,564
Long-term loans receivable	63,354	62,271
Deferred tax assets	905,420	782,902
Other	1,657,122	1,676,182
Allowance for doubtful accounts	(4,531)	(4,495)
Total investments and other assets	3,144,397	2,975,424
Total non-current assets	39,466,903	39,657,922
Total assets	147,465,513	152,437,106

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	4,642,257	3,369,978
Electronically recorded obligations - operating	1,023,275	1,474,965
Short-term borrowings	23,907,292	25,570,046
Current portion of bonds	200,000	200,000
Income taxes payable	1,398,628	220,555
Advances received	3,572,914	3,671,820
Provision for bonuses	282,000	103,900
Provision for performance-linked directors' compensations	131,040	131,040
Other	3,742,024	3,462,379
Total current liabilities	38,899,432	38,204,685
Non-current liabilities		
Bonds payable	800,000	800,000
Long-term borrowings	69,758,663	75,317,681
Deferred tax liabilities for land revaluation	52,645	52,645
Asset retirement obligations	27,142	27,202
Other	170,950	170,950
Total non-current liabilities	70,809,401	76,368,479
Total liabilities	109,708,833	114,573,165
Net assets		
Shareholders' equity		
Share capital	4,872,064	4,872,064
Capital surplus	5,810,940	5,811,046
Retained earnings	28,092,824	28,261,469
Treasury shares	(1,089,829)	(1,089,131)
Total shareholders' equity	37,686,000	37,855,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(48,494)	(109,572)
Revaluation reserve for land	74,904	74,904
Total accumulated other comprehensive income	26,409	(34,667)
Share acquisition rights	44,270	43,160
Total net assets	37,756,680	37,863,940
Total liabilities and net assets	147,465,513	152,437,106

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	26,799,036	23,906,465
Cost of sales	22,380,395	20,072,320
Gross profit	4,418,640	3,834,144
Selling, general and administrative expenses		
Sales commission	439,643	420,885
Advertising expenses	578,897	401,649
Promotion expenses	18,632	15,207
Salaries and bonuses	697,502	703,379
Provision for bonuses	45,565	51,609
Provision of allowance for doubtful accounts	643	4,207
Enterprise tax	36,300	29,700
Consumption Taxes	163,622	185,386
Depreciation	56,550	54,872
Rent expenses	110,990	109,797
Other	896,330	868,523
Total selling, general and administrative expenses	3,044,679	2,845,216
Operating profit	1,373,960	988,928
Non-operating income		
Interest income	336	307
Dividend income	12,919	13,277
Commission income	52,165	41,255
Penalty income	7,754	4,501
Subsidy income	128,798	61,651
Other	4,610	19,475
Total non-operating income	206,584	140,468
Non-operating expenses		
Interest expenses	141,025	162,510
Other	9,895	19,491
Total non-operating expenses	150,921	182,002
Ordinary profit	1,429,624	947,394
Extraordinary losses		
Loss on retirement of non-current assets	11,673	992
Total extraordinary losses	11,673	992
Profit before income taxes	1,417,950	946,402
Income taxes - current	377,000	193,100
Income taxes - deferred	87,872	125,908
Total income taxes	464,872	319,008
Profit	953,078	627,394
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	953,078	627,394

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	953,078	627,394
Other comprehensive income		
Valuation difference on available-for-sale securities	20,330	(61,077)
Total other comprehensive income	20,330	(61,077)
Comprehensive income	973,409	566,316
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	973,409	566,316
Comprehensive income attributable to non-controlling interests	—	—