

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 12, 2021

Company name: FUJIKURA KASEI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 4620 URL <http://www.fkkasei.co.jp>
 Representative: President Daisuke Kato
 Senior Vice President and Division Director
 Inquiries: of Administrative Headquarters Yoshizo Shimoda TEL 03-3436-1101
 Scheduled date to file Quarterly Securities Report: February 12, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(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	%
Nine months ended December 31, 2020	35,382	(14.3)	780	(51.7)	1,062	(41.9)	568	(52.0)
Nine months ended December 31, 2019	41,264	(2.7)	1,615	(34.8)	1,829	(31.1)	1,184	(29.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	17.85	–
Nine months ended December 31, 2019	37.19	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	52,446	35,607	63.1
As of March 31, 2020	50,814	36,386	66.3

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, 2020	–	8.00	–	8.00	16.00
Year ending March 31, 2021	–	8.00	–		
Year ending March 31, 2021 (Forecast)				8.00	16.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	49,000	(7.7)	1,200	(31.4)	1,400	(29.6)	700	(43.3)	21.99

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(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 December 31, 2020	32,716,878 shares	As of March 31, 2020	32,716,878 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	887,714 shares	As of March 31, 2020	887,714 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	31,829,164 shares	Nine months ended December 31, 2019	31,829,164 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	13,323,573	13,280,841
Notes and accounts receivable - trade	10,561,996	11,918,318
Merchandise and finished goods	3,744,144	3,486,917
Work in process	55,568	53,728
Raw materials and supplies	2,057,400	2,269,889
Other	692,287	995,154
Allowance for doubtful accounts	(134,118)	(144,675)
Total current assets	30,300,850	31,860,172
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,827,657	11,761,525
Accumulated depreciation	(6,697,609)	(6,914,496)
Buildings and structures, net	5,130,048	4,847,029
Machinery, equipment and vehicles	14,088,065	14,064,996
Accumulated depreciation	(11,726,640)	(11,906,066)
Machinery, equipment and vehicles, net	2,361,425	2,158,930
Tools, furniture and fixtures	5,038,124	5,081,981
Accumulated depreciation	(4,115,364)	(4,241,110)
Tools, furniture and fixtures, net	922,760	840,871
Land	4,546,650	4,506,354
Leased assets	659,242	654,015
Accumulated depreciation	(266,020)	(262,903)
Leased assets, net	393,222	391,112
Construction in progress	452,327	1,105,305
Total property, plant and equipment	13,806,432	13,849,601
Intangible assets		
Software	237,816	170,114
Other	957,761	830,147
Total intangible assets	1,195,577	1,000,261
Investments and other assets		
Investment securities	2,196,572	2,733,138
Long-term loans receivable	73,343	68,677
Deferred tax assets	741,990	563,786
Other	2,938,188	2,809,530
Allowance for doubtful accounts	(438,771)	(438,771)
Total investments and other assets	5,511,322	5,736,360
Total non-current assets	20,513,331	20,586,222
Total assets	50,814,181	52,446,394

(Thousands of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,708,733	7,612,913
Short-term borrowings	2,580,808	2,840,055
Income taxes payable	274,296	68,946
Accrued expenses	892,541	914,406
Provision for bonuses	593,386	319,112
Lease obligations	84,972	85,394
Other	1,045,565	1,663,729
Total current liabilities	11,180,301	13,504,555
Non-current liabilities		
Deferred tax liabilities	111,788	109,000
Retirement benefit liability	2,561,236	2,585,158
Long-term accounts payable - other	116,133	117,005
Lease obligations	191,872	199,391
Other	266,404	324,766
Total non-current liabilities	3,247,433	3,335,320
Total liabilities	14,427,734	16,839,875
Net assets		
Shareholders' equity		
Share capital	5,352,121	5,352,121
Capital surplus	5,040,199	5,040,199
Retained earnings	23,316,273	23,375,094
Treasury shares	(524,976)	(524,976)
Total shareholders' equity	33,183,617	33,242,438
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	153,425	278,871
Foreign currency translation adjustment	812,968	3,045
Remeasurements of defined benefit plans	(438,512)	(439,422)
Total accumulated other comprehensive income	527,881	(157,506)
Non-controlling interests	2,674,949	2,521,587
Total net assets	36,386,447	35,606,519
Total liabilities and net assets	50,814,181	52,446,394

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	41,264,462	35,381,661
Cost of sales	29,461,454	25,652,281
Gross profit	11,803,008	9,729,380
Selling, general and administrative expenses	10,188,475	8,949,448
Operating profit	1,614,533	779,932
Non-operating income		
Interest income	59,572	41,148
Dividend income	112,945	35,647
Rental income from non-current assets	55,165	53,517
Share of profit of entities accounted for using equity method	58,157	5,657
Foreign exchange gains	—	125,115
Other	75,598	101,680
Total non-operating income	361,437	362,764
Non-operating expenses		
Interest expenses	39,497	31,258
Foreign exchange losses	77,753	—
Loss on retirement of non-current assets	1,305	21,972
Other	28,602	27,137
Total non-operating expenses	147,157	80,367
Ordinary profit	1,828,813	1,062,329
Profit before income taxes	1,828,813	1,062,329
Income taxes - current	513,028	249,193
Income taxes - deferred	76,449	129,513
Total income taxes	589,477	378,706
Profit	1,239,336	683,623
Profit attributable to non-controlling interests	55,656	115,535
Profit attributable to owners of parent	1,183,680	568,088

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	1,239,336	683,623
Other comprehensive income		
Valuation difference on available-for-sale securities	101,776	126,873
Foreign currency translation adjustment	(434,728)	(851,811)
Remeasurements of defined benefit plans, net of tax	(12,945)	(910)
Share of other comprehensive income of entities accounted for using equity method	(44,196)	(22,392)
Total other comprehensive income	(390,093)	(748,240)
Comprehensive income	849,243	(64,617)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	840,850	(117,299)
Comprehensive income attributable to non-controlling interests	8,393	52,682