

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 10, 2022

Company name: FUJIKURA KASEI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 4620 URL <http://www.fkkasei.co.jp>
 Representative: President Daisuke Kato
 Executive Director and Division Director of
 Inquiries: Administrative Susumu Kurihara TEL 03-3436-1101
 Headquarters of the Company
 Scheduled date to file Quarterly Securities Report: February 10, 2022
 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, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	36,741	3.8	1,385	77.5	1,672	57.4	1,051	85.1
Nine months ended December 31, 2020	35,382	(14.3)	780	(51.7)	1,062	(41.9)	568	(52.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	33.03	–
Nine months ended December 31, 2020	17.85	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	53,421	38,168	66.3
As of March 31, 2021	53,795	36,505	63.0

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	–	8.00	–	8.00	16.00
Year ending March 31, 2022	–	8.00	–		
Year ending March 31, 2022 (Forecast)				8.00	16.00

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	48,800	(1.4)	1,250	(22.8)	1,600	(15.7)	1,000	(18.0)	31.42

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2021	32,716,878 shares	As of March 31, 2021	32,716,878 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	887,714 shares	As of March 31, 2021	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, 2021	31,829,164 shares	Nine months ended December 31, 2020	31,829,164 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	12,730,767	13,843,853
Notes and accounts receivable - trade	12,866,377	9,871,399
Merchandise and finished goods	3,969,448	4,451,521
Work in process	56,747	78,483
Raw materials and supplies	2,353,552	3,074,579
Other	1,031,110	951,712
Allowance for doubtful accounts	(150,949)	(149,638)
Total current assets	32,857,052	32,121,909
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,504,206	12,942,803
Accumulated depreciation	(7,010,500)	(7,378,250)
Buildings and structures, net	5,493,706	5,564,553
Machinery, equipment and vehicles	14,281,284	14,823,132
Accumulated depreciation	(11,914,060)	(12,498,106)
Machinery, equipment and vehicles, net	2,367,224	2,325,026
Tools, furniture and fixtures	5,150,624	5,260,593
Accumulated depreciation	(4,297,945)	(4,465,769)
Tools, furniture and fixtures, net	852,679	794,824
Land	4,492,078	4,525,862
Leased assets	703,640	769,430
Accumulated depreciation	(288,381)	(361,085)
Leased assets, net	415,259	408,345
Construction in progress	198,661	202,898
Total property, plant and equipment	13,819,607	13,821,508
Intangible assets		
Software	150,785	121,246
Other	812,926	836,520
Total intangible assets	963,711	957,766
Investments and other assets		
Investment securities	3,038,212	3,297,733
Long-term loans receivable	67,950	70,522
Deferred tax assets	599,185	524,060
Other	2,888,403	2,637,789
Allowance for doubtful accounts	(438,971)	(9,938)
Total investments and other assets	6,154,779	6,520,166
Total non-current assets	20,938,097	21,299,440
Total assets	53,795,149	53,421,349

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,709,815	5,809,699
Short-term borrowings	2,893,770	3,030,815
Lease obligations	91,887	101,674
Income taxes payable	168,715	138,966
Accrued expenses	940,212	1,136,344
Provision for bonuses	588,057	348,749
Other	1,390,482	1,166,348
Total current liabilities	13,782,938	11,732,595
Non-current liabilities		
Lease obligations	214,581	191,376
Deferred tax liabilities	139,476	125,906
Retirement benefit liability	2,708,350	2,755,898
Long-term accounts payable - other	116,954	109,443
Other	327,886	337,677
Total non-current liabilities	3,507,247	3,520,300
Total liabilities	17,290,185	15,252,895
Net assets		
Shareholders' equity		
Share capital	5,352,121	5,352,121
Capital surplus	5,040,199	5,040,199
Retained earnings	24,027,316	24,569,477
Treasury shares	(524,976)	(524,976)
Total shareholders' equity	33,894,660	34,436,821
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	476,672	653,962
Foreign currency translation adjustment	116,986	786,867
Remeasurements of defined benefit plans	(618,348)	(479,156)
Total accumulated other comprehensive income	(24,690)	961,673
Non-controlling interests	2,634,994	2,769,960
Total net assets	36,504,964	38,168,454
Total liabilities and net assets	53,795,149	53,421,349

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, 2020	Nine months ended December 31, 2021
Net sales	35,381,661	36,740,791
Cost of sales	25,652,281	25,652,681
Gross profit	9,729,380	11,088,110
Selling, general and administrative expenses	8,949,448	9,703,484
Operating profit	779,932	1,384,626
Non-operating income		
Interest income	41,148	22,310
Dividend income	35,647	46,409
Rental income from non-current assets	53,517	53,209
Share of profit of entities accounted for using equity method	5,657	20,065
Foreign exchange gains	125,115	—
Gain on sale of investment securities	—	114,180
Other	101,680	104,352
Total non-operating income	362,764	360,525
Non-operating expenses		
Interest expenses	31,258	33,410
Foreign exchange losses	—	10,021
Loss on retirement of non-current assets	21,972	3,412
Other	27,137	26,339
Total non-operating expenses	80,367	73,182
Ordinary profit	1,062,329	1,671,969
Profit before income taxes	1,062,329	1,671,969
Income taxes - current	249,193	453,033
Income taxes - deferred	129,513	(5,099)
Total income taxes	378,706	447,934
Profit	683,623	1,224,035
Profit attributable to non-controlling interests	115,535	172,607
Profit attributable to owners of parent	568,088	1,051,428

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	683,623	1,224,035
Other comprehensive income		
Valuation difference on available-for-sale securities	126,873	176,008
Foreign currency translation adjustment	(851,811)	760,724
Remeasurements of defined benefit plans, net of tax	(910)	139,192
Share of other comprehensive income of entities accounted for using equity method	(22,392)	(34,266)
Total other comprehensive income	(748,240)	1,041,658
Comprehensive income	(64,617)	2,265,693
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(117,299)	2,037,791
Comprehensive income attributable to non-controlling interests	52,682	227,902