

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended September 30, 2020  
(Based on Japanese GAAP)**

November 5, 2020

Company name: Fuji Pharma Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4554 URL <http://www.fujipharma.jp>  
 Representative: President & CEO Takayuki Iwai  
 Corporate Officer, General Manager, Takayuki Iwai  
 Inquiries: Corporate Planning Department Takeshi Sato TEL 03-3556-3344  
 Scheduled date of ordinary general meeting of shareholders: December 18, 2020  
 Scheduled date to file Securities Report: December 18, 2020  
 Scheduled date to commence dividend payments: December 21, 2020  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended September 30, 2020 (from October 1, 2019 to September 30, 2020)

(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 September 30, 2020	33,793	(6.9)	3,139	(24.8)	2,983	(28.4)	2,085	(29.6)
Year ended September 30, 2019	36,279	(4.3)	4,173	(5.0)	4,169	(6.8)	2,962	(12.2)

	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 September 30, 2020	66.94	–	5.3	4.9	9.3
Year ended September 30, 2019	97.04	–	7.9	7.3	11.5

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2020	61,962	39,961	64.5	1,282.43
As of September 30, 2019	60,737	39,363	64.8	1,263.51

(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 September 30, 2020	5,770	(2,616)	450	12,041
Year ended September 30, 2019	7,035	(12,024)	7,265	8,494

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 September 30, 2019	–	14.00	–	15.00	29.00	887	29.9	2.4
Year ended September 30, 2020	–	14.00	–	15.00	29.00	904	43.3	2.3
Year ending September 30, 2021 (Forecast)	–	14.00	–	15.00	29.00		43.0	

3. Forecast of consolidated financial results for the year ending September 30, 2021 (from October 1, 2020 to September 30, 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
Six months ending March 31, 2021	17,301	2.3	1,685	(2.9)	1,659	3.0	1,302	318.8	41.78
Full year	34,702	2.7	2,857	(9.0)	2,807	(5.9)	2,100	0.7	67.40

4. Notes

(1) Changes in significant subsidiaries during the year ended September 30, 2020

(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: No

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 September 30, 2020	31,253,800 shares	As of September 30, 2019	31,253,800 shares
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Number of treasury shares at the end of the period

As of September 30, 2020	95,260 shares	As of September 30, 2019	101,726 shares
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Average number of shares during the period

Year ended September 30, 2020	31,157,378 shares	Year ended September 30, 2019	30,528,634 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of September 30, 2019	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	8,494	12,041
Notes and accounts receivable - trade	12,944	11,700
Merchandise and finished goods	3,437	3,858
Work in process	2,539	2,265
Raw materials and supplies	4,735	4,557
Accounts receivable - other	43	8
Other	1,724	541
Allowance for doubtful accounts	(0)	(0)
Total current assets	33,919	34,975
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,888	11,229
Accumulated depreciation	(5,770)	(5,280)
Buildings and structures, net	5,117	5,948
Machinery, equipment and vehicles	8,596	10,477
Accumulated depreciation	(6,950)	(7,029)
Machinery, equipment and vehicles, net	1,646	3,448
Land	919	897
Leased assets	4,389	4,319
Accumulated depreciation	(2,070)	(2,567)
Leased assets, net	2,318	1,752
Construction in progress	1,484	454
Other	1,358	1,410
Accumulated depreciation	(1,126)	(1,144)
Other, net	232	265
Total property, plant and equipment	11,718	12,767
Intangible assets		
Goodwill	1,494	1,144
Other	1,805	1,754
Total intangible assets	3,300	2,899
Investments and other assets		
Investment securities	7,342	7,000
Long-term advance payments	2,308	2,308
Deferred tax assets	1,288	1,189
Other	858	821
Total investments and other assets	11,798	11,320
Total non-current assets	26,817	26,987
Total assets	60,737	61,962

(Millions of yen)

	As of September 30, 2019	As of September 30, 2020
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	4,813	3,680
Short-term borrowings	–	1,000
Current portion of long-term borrowings	2,840	1,640
Lease obligations	530	516
Income taxes payable	492	460
Provision for bonuses	856	432
Provision for bonuses for directors (and other officers)	7	6
Provision for sales returns	22	21
Other	2,448	3,246
<b>Total current liabilities</b>	<b>12,012</b>	<b>11,004</b>
<b>Non-current liabilities</b>		
Long-term borrowings	5,530	7,590
Lease obligations	2,014	1,444
Retirement benefit liability	1,396	1,548
Other	418	413
<b>Total non-current liabilities</b>	<b>9,360</b>	<b>10,996</b>
<b>Total liabilities</b>	<b>21,373</b>	<b>22,001</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,799	3,799
Capital surplus	5,841	5,841
Retained earnings	29,243	30,424
Treasury shares	(78)	(68)
<b>Total shareholders' equity</b>	<b>38,804</b>	<b>39,995</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	(340)	(650)
Foreign currency translation adjustment	896	600
Remeasurements of defined benefit plans	(0)	12
<b>Total accumulated other comprehensive income</b>	<b>556</b>	<b>(37)</b>
<b>Non-controlling interests</b>	<b>2</b>	<b>2</b>
<b>Total net assets</b>	<b>39,363</b>	<b>39,961</b>
<b>Total liabilities and net assets</b>	<b>60,737</b>	<b>61,962</b>

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

(Millions of yen)

	Fiscal year ended September 30, 2019	Fiscal year ended September 30, 2020
Net sales	36,279	33,793
Cost of sales	20,483	18,921
Gross profit	15,796	14,872
Selling, general and administrative expenses		
Sales commission	1,888	1,489
Salaries and bonuses	2,572	2,615
Provision for bonuses	473	250
Provision for bonuses for directors (and other officers)	8	10
Retirement benefit expenses	156	159
Research and development expenses	2,052	3,060
Depreciation	334	341
Amortization of goodwill	279	283
Other	3,856	3,521
Total selling, general and administrative expenses	11,622	11,732
Operating profit	4,173	3,139
Non-operating income		
Dividend income of life insurance	6	5
Compensation income	8	6
Subsidy income	0	3
Insurance claim income	116	0
Other	24	10
Total non-operating income	156	26
Non-operating expenses		
Interest expenses	41	37
Sales discounts	6	7
Foreign exchange losses	108	135
Other	4	1
Total non-operating expenses	160	181
Ordinary profit	4,169	2,983
Extraordinary income		
Gain on sales of non-current assets	4	4
Total extraordinary income	4	4
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	18	69
Impairment loss	193	–
Total extraordinary losses	212	69
Profit before income taxes	3,961	2,918
Income taxes - current	1,083	724
Income taxes - deferred	(85)	107
Total income taxes	998	832
Profit	2,962	2,085
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,962	2,085

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended September 30, 2019	Fiscal year ended September 30, 2020
Profit	2,962	2,085
Other comprehensive income		
Valuation difference on available-for-sale securities	(349)	(310)
Deferred gains or losses on hedges	(23)	–
Foreign currency translation adjustment	45	(296)
Remeasurements of defined benefit plans, net of tax	(27)	13
Total other comprehensive income	(353)	(593)
Comprehensive income	2,609	1,492
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,609	1,492
Comprehensive income attributable to non-controlling interests	0	0

## Consolidated statements of changes in equity

Fiscal year ended September 30, 2019

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,799	5,023	27,119	(1,504)	34,438
Changes during period					
Dividends of surplus			(839)		(839)
Profit attributable to owners of parent			2,962		2,962
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		817		1,425	2,243
Net changes in items other than shareholders' equity					
Total changes during period	–	817	2,123	1,425	4,366
Balance at end of period	3,799	5,841	29,243	(78)	38,804

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	9	23	850	27	909	2	35,350
Changes during period							
Dividends of surplus							(839)
Profit attributable to owners of parent							2,962
Purchase of treasury shares							(0)
Disposal of treasury shares							2,243
Net changes in items other than shareholders' equity	(349)	(23)	45	(27)	(353)	0	(353)
Total changes during period	(349)	(23)	45	(27)	(353)	0	4,013
Balance at end of period	(340)	–	896	(0)	556	2	39,363

Fiscal year ended September 30, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,799	5,841	29,243	(78)	38,804
Changes during period					
Dividends of surplus			(904)		(904)
Profit attributable to owners of parent			2,085		2,085
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				10	10
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,181	10	1,191
Balance at end of period	3,799	5,841	30,424	(68)	39,995

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(340)	896	(0)	556	2	39,363
Changes during period						
Dividends of surplus						(904)
Profit attributable to owners of parent						2,085
Purchase of treasury shares						(0)
Disposal of treasury shares						10
Net changes in items other than shareholders' equity	(310)	(296)	13	(593)	0	(593)
Total changes during period	(310)	(296)	13	(593)	0	597
Balance at end of period	(650)	600	12	(37)	2	39,961



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended September 30, 2019	Fiscal year ended September 30, 2020
Cash flows from operating activities		
Profit before income taxes	3,961	2,918
Depreciation	1,850	1,774
Impairment loss	193	–
Amortization of goodwill	279	283
Increase (decrease) in allowance for doubtful accounts	(6)	(0)
Increase (decrease) in provision for bonuses	(305)	(424)
Increase (decrease) in provision for bonuses for directors (and other officers)	(6)	(1)
Increase (decrease) in retirement benefit liability	156	180
Interest and dividend income	(3)	(1)
Interest expenses	41	37
Foreign exchange losses (gains)	97	104
Loss on retirement of non-current assets	18	69
Decrease (increase) in trade receivables	3,965	1,203
Decrease (increase) in inventories	581	(23)
Increase (decrease) in trade payables	(1,937)	(1,102)
Decrease (increase) in long-term advance payments	(16)	–
Insurance claim income	(116)	(0)
Other, net	(828)	1,515
Subtotal	7,925	6,533
Interest and dividends received	3	1
Proceeds from insurance income	116	0
Interest paid	(53)	(41)
Income taxes paid	(957)	(723)
Net cash provided by (used in) operating activities	7,035	5,770
Cash flows from investing activities		
Purchase of investment securities	(7,786)	–
Purchase of property, plant and equipment	(1,701)	(2,322)
Proceeds from sales of property, plant and equipment	4	26
Purchase of intangible assets	(1,583)	(293)
Decrease (increase) in long-term advance payments	(955)	–
Other, net	(1)	(26)
Net cash provided by (used in) investing activities	(12,024)	(2,616)
Cash flows from financing activities		
Proceeds from sales of treasury shares	2,225	–
Purchase of treasury shares	(0)	(0)
Proceeds from long-term borrowings	7,000	4,000
Net increase (decrease) in short-term borrowings	–	1,000
Repayments of long-term borrowings	(630)	(3,140)
Dividends paid	(839)	(904)
Repayments of lease obligations	(490)	(505)
Net cash provided by (used in) financing activities	7,265	450
Effect of exchange rate change on cash and cash equivalents	(32)	(56)
Net increase (decrease) in cash and cash equivalents	2,243	3,547
Cash and cash equivalents at beginning of period	6,251	8,494
Cash and cash equivalents at end of period	8,494	12,041