

Translation

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

May 7, 2021

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, Takeshi Sato
 Corporate Planning Department TEL 03-3556-3344
 Inquiries: TEL 03-3556-3344
 Scheduled date to file Quarterly Securities Report: May 10, 2021
 Scheduled date to commence dividend payments: May 31, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended March 31, 2021 (from October 1, 2020 to March 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	%
Six months ended March 31, 2021	17,277	2.2	2,686	54.8	2,738	70.0	2,021	550.5
Six months ended March 31, 2020	16,905	(8.5)	1,735	(29.7)	1,610	(35.6)	310	(81.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended March 31, 2021	68.63		-	
Six months ended March 31, 2020	9.98		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2021	62,563	32,564	52.0
As of September 30, 2020	61,962	39,961	64.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended September 30, 2020	-	14.00	-	15.00	29.00
Year ending September 30, 2021	-	14.00	-	-	-
Year ending September 30, 2021 (Forecast)	-	-	-	15.00	29.00

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
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 six months ended March 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: No
- Changes in accounting policies due to other reasons: Yes
- Changes in accounting estimates: Yes
- 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 March 31, 2021	24,753,800 shares	As of September 30, 2020	31,253,800 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	466,988 shares	As of September 30, 2020	95,260 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended March 31, 2021	29,460,745 shares	Six months ended March 31, 2020	31,156,216 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	12,041	10,835
Notes and accounts receivable - trade	11,700	12,165
Merchandise and finished goods	3,858	2,874
Work in process	2,265	2,782
Raw materials and supplies	4,557	5,123
Accounts receivable - other	8	185
Other	541	463
Allowance for doubtful accounts	(0)	(0)
Total current assets	34,975	34,430
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,948	6,003
Machinery, equipment and vehicles, net	3,448	3,621
Land	897	933
Leased assets, net	1,752	1,549
Construction in progress	454	1,283
Other, net	265	282
Total property, plant and equipment	12,767	13,672
Intangible assets		
Goodwill	1,144	1,070
Other	1,754	1,684
Total intangible assets	2,899	2,755
Investments and other assets		
Investment securities	7,000	7,049
Long-term advance payments	2,308	2,618
Deferred tax assets	1,189	1,174
Other	821	861
Total investments and other assets	11,320	11,704
Total non-current assets	26,987	28,132
Total assets	61,962	62,563

(Millions of yen)

	As of September 30, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,680	5,341
Short-term borrowings	1,000	7,300
Current portion of long-term borrowings	1,640	1,840
Lease obligations	516	497
Income taxes payable	460	832
Provision for bonuses	432	422
Provision for bonuses for directors (and other officers)	6	2
Provision for sales returns	21	12
Other	3,246	2,706
Total current liabilities	11,004	18,954
Non-current liabilities		
Long-term borrowings	7,590	7,553
Lease obligations	1,444	1,260
Retirement benefit liability	1,548	1,625
Other	413	604
Total non-current liabilities	10,996	11,043
Total liabilities	22,001	29,998
Net assets		
Shareholders' equity		
Share capital	3,799	3,799
Capital surplus	5,841	4,408
Retained earnings	30,424	24,560
Treasury shares	(68)	(603)
Total shareholders' equity	39,995	32,163
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(650)	(514)
Foreign currency translation adjustment	600	902
Remeasurements of defined benefit plans	12	9
Total accumulated other comprehensive income	(37)	397
Non-controlling interests	2	3
Total net assets	39,961	32,564
Total liabilities and net assets	61,962	62,563

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended March 31, 2020	Six months ended March 31, 2021
Net sales	16,905	17,277
Cost of sales	9,255	9,613
Gross profit	7,650	7,664
Selling, general and administrative expenses	5,914	4,977
Operating profit	1,735	2,686
Non-operating income		
Interest income	0	0
Foreign exchange gains	–	77
Commission income	0	0
Compensation income	5	0
Subsidy income	3	7
Insurance claim income	0	0
Other	4	5
Total non-operating income	15	91
Non-operating expenses		
Interest expenses	18	18
Sales discounts	3	3
Foreign exchange losses	116	–
Commission expenses	–	18
Other	0	0
Total non-operating expenses	140	40
Ordinary profit	1,610	2,738
Extraordinary income		
Gain on sales of non-current assets	0	1
Gain on sales of securities	–	153
Total extraordinary income	0	154
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	15	21
Loss on valuation of investment securities	1,172	–
Total extraordinary losses	1,187	21
Profit before income taxes	423	2,871
Income taxes - current	279	779
Income taxes - deferred	(167)	70
Total income taxes	112	849
Profit	311	2,022
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	310	2,021

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended March 31, 2020	Six months ended March 31, 2021
Profit	311	2,022
Other comprehensive income		
Valuation difference on available-for-sale securities	319	136
Foreign currency translation adjustment	(288)	301
Remeasurements of defined benefit plans, net of tax	13	(3)
Total other comprehensive income	44	435
Comprehensive income	355	2,457
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	355	2,456
Comprehensive income attributable to non-controlling interests	0	0

Consolidated statements of cash flows

(Millions of yen)

	Six months ended March 31, 2020	Six months ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	423	2,871
Depreciation	866	978
Amortization of goodwill	143	138
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in provision for bonuses	(438)	(10)
Increase (decrease) in provision for bonuses for directors (and other officers)	(4)	(3)
Increase (decrease) in retirement benefit liability	63	54
Interest and dividend income	(1)	(0)
Insurance claim income	(0)	(0)
Interest expenses	18	18
Foreign exchange losses (gains)	100	(102)
Loss on retirement of non-current assets	15	21
Loss (gain) on valuation of investment securities	1,172	–
Decrease (increase) in trade receivables	28	(425)
Decrease (increase) in inventories	(1,246)	(42)
Increase (decrease) in trade payables	1,224	1,637
Other, net	541	(322)
Subtotal	2,908	4,811
Interest and dividends received	1	0
Proceeds from insurance income	0	0
Interest paid	(19)	(20)
Income taxes paid	(447)	(387)
Net cash provided by (used in) operating activities	2,442	4,405
Cash flows from investing activities		
Proceeds from sales of investment securities	–	193
Purchase of property, plant and equipment	(1,592)	(1,800)
Proceeds from sales of property, plant and equipment	23	1
Purchase of intangible assets	(138)	(102)
Decrease (increase) in long-term advance payments	–	(310)
Other, net	(15)	(0)
Net cash provided by (used in) investing activities	(1,724)	(2,018)
Cash flows from financing activities		
Purchase of treasury shares	(0)	(9,405)
Net increase (decrease) in short-term borrowings	–	6,300
Proceeds from long-term borrowings	–	1,000
Repayments of long-term borrowings	(2,420)	(836)
Dividends paid	(467)	(467)
Repayments of lease obligations	(245)	(243)
Net cash provided by (used in) financing activities	(3,133)	(3,653)
Effect of exchange rate change on cash and cash equivalents	(33)	59
Net increase (decrease) in cash and cash equivalents	(2,448)	(1,206)
Cash and cash equivalents at beginning of period	8,494	12,041
Cash and cash equivalents at end of period	6,046	10,835