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Consolidated Financial Results for the Six Months Ended March 31, 2024 [Japanese GAAP]

May 9, 2024

Company name: Fuji Pharma Co.,Ltd.
Stock exchange listing: Tokyo
Code number: 4554
URL: https://www.fujipharma.jp/
Representative: Takayuki Iwai President & CEO
Contact: Syuhei Morita Director,Executive Corporate Officer,General & Manager, Corporate Planning Department
Phone: +81-3-3556-3344

Scheduled date of filing quarterly securities report: May 10, 2024
Scheduled date of commencing dividend payments: June 3, 2024
Availability of supplementary briefing material on quarterly financial results: Yes
Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended March 31, 2024 (October 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	21,388	11.2	1,443	(20.9)	2,165	(11.8)	4,257	140.2
March 31, 2023	19,225	8.5	1,824	(32.7)	2,456	(14.3)	1,772	(3.3)

(Note) Comprehensive income: Six months ended March 31, 2024: ¥ 3,349 million [(34.6)%]
Six months ended March 31, 2023: ¥ 5,120 million [47.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
March 31, 2024	175.15	-
March 31, 2023	72.95	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
March 31, 2024	85,006	44,066	51.8
September 30, 2023	85,332	41,177	48.3

(Reference) Equity: As of March 31, 2024: ¥ 44,063 million
As of September 30, 2023: ¥ 41,174 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2023	-	17.00	-	20.00	37.00
Fiscal year ending September 30, 2024	-	20.00			
Fiscal year ending September 30, 2024 (Forecast)			-	22.50	42.50

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending September 30, 2024 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2024(October 1, 2023 to September 30, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	46,060	12.6	3,990	3.4	4,602	1.8	6,185	80.0	254.51

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the six months ended March 31, 2024 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2024: 24,753,800 shares

September 30, 2023: 24,753,800 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 441,500 shares

September 30, 2023: 450,992 shares

3) Average number of shares outstanding during the period:

Six months ended March 31, 2024: 24,308,839 shares

Six months ended March 31, 2023: 24,299,826 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	2,324	1,375
Notes receivable - trade	1,116	1,070
Accounts receivable - trade	15,188	15,287
Merchandise and finished goods	5,138	5,724
Work in process	3,861	3,917
Raw materials and supplies	10,372	11,209
Advance payments to suppliers	166	404
Accounts receivable - other	216	63
Other	730	740
Allowance for doubtful accounts	(0)	(0)
Total current assets	39,114	39,793
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,230	10,001
Machinery, equipment and vehicles, net	3,233	2,712
Land	1,105	1,241
Leased assets, net	3,216	5,010
Construction in progress	2,102	1,430
Other, net	658	697
Total property, plant and equipment	20,547	21,093
Intangible assets		
Goodwill	412	251
Sales rights	9,343	9,801
Other	737	744
Total intangible assets	10,493	10,797
Investments and other assets		
Investment securities	10,587	7,724
Long-term advance payments	2,300	2,300
Deferred tax assets	475	603
Other	1,813	2,693
Total investments and other assets	15,177	13,322
Total non-current assets	46,218	45,213
Total assets	85,332	85,006

(Millions of yen)

	As of September 30, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,672	4,961
Short-term borrowings	11,300	11,800
Current portion of bonds payable	600	600
Current portion of long-term borrowings	4,610	7,100
Lease liabilities	514	1,412
Income taxes payable	484	1,461
Provision for bonuses	872	521
Provision for bonuses for directors (and other officers)	11	5
Other	5,704	4,271
Total current liabilities	29,771	32,133
Non-current liabilities		
Bonds payable	2,100	1,800
Long-term borrowings	6,583	283
Lease liabilities	3,241	4,311
Retirement benefit liability	1,863	1,936
Other	595	475
Total non-current liabilities	14,383	8,807
Total liabilities	44,155	40,940
Net assets		
Shareholders' equity		
Share capital	3,799	3,799
Capital surplus	4,409	4,409
Retained earnings	29,082	32,866
Treasury shares	(567)	(553)
Total shareholders' equity	36,723	40,520
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,414	1,324
Deferred gains or losses on hedges	2	45
Foreign currency translation adjustment	1,996	2,138
Remeasurements of defined benefit plans	37	34
Total accumulated other comprehensive income	4,451	3,542
Non-controlling interests	2	3
Total net assets	41,177	44,066
Total liabilities and net assets	85,332	85,006

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended March 31, 2023	For the six months ended March 31, 2024
Net sales	19,225	21,388
Cost of sales	11,601	13,154
Gross profit	7,623	8,233
Selling, general and administrative expenses	5,799	6,789
Operating profit	1,824	1,443
Non-operating income		
Interest income	0	2
Foreign exchange gains	21	-
Contributed income	110	-
Gain on valuation of derivatives	487	733
Other	84	82
Total non-operating income	704	817
Non-operating expenses		
Interest expenses	52	83
Bond issuance costs	14	-
Foreign exchange losses	-	3
Other	5	9
Total non-operating expenses	72	95
Ordinary profit	2,456	2,165
Extraordinary income		
Gain on sale of investment securities	-	3,118
Contributed income	-	835
Total extraordinary income	-	3,953
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	-	60
Loss on disaster	-	30
Total extraordinary losses	-	91
Profit before income taxes	2,456	6,027
Income taxes - current	367	1,432
Income taxes - deferred	316	337
Total income taxes	683	1,770
Profit	1,772	4,257
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,772	4,257

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Millions of yen)

	For the six months ended March 31, 2023	For the six months ended March 31, 2024
Profit	1,772	4,257
Other comprehensive income		
Valuation difference on available-for-sale securities	3,167	(1,090)
Deferred gains or losses on hedges	(15)	42
Foreign currency translation adjustment	196	142
Remeasurements of defined benefit plans, net of tax	(1)	(3)
Total other comprehensive income	3,347	(908)
Comprehensive income	5,120	3,349
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,120	3,349
Comprehensive income attributable to non-controlling interests	0	0

Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended March 31, 2023	For the six months ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,456	6,027
Depreciation	1,294	1,546
Amortization of goodwill	157	167
Increase (decrease) in allowance for doubtful accounts	0	(0)
Increase (decrease) in provision for bonuses	(360)	(351)
Increase (decrease) in provision for bonuses for directors (and other officers)	(3)	(5)
Increase (decrease) in retirement benefit liability	71	61
Interest and dividend income	(0)	(2)
Interest expenses	52	83
Foreign exchange losses (gains)	(39)	(19)
Loss (gain) on valuation of derivatives	(487)	(733)
Loss (gain) on sale of investment securities	-	(3,118)
Decrease (increase) in trade receivables	(1,674)	(34)
Decrease (increase) in inventories	(1,896)	(1,438)
Increase (decrease) in trade payables	807	(730)
Other, net	1,739	(1,302)
Subtotal	2,116	149
Interest and dividends received	0	2
Interest paid	(49)	(81)
Income taxes paid	(551)	(516)
Net cash provided by (used in) operating activities	1,516	(445)
Cash flows from investing activities		
Proceeds from sale of investment securities	-	5,356
Purchase of property, plant and equipment	(1,248)	(1,884)
Proceeds from sale of property, plant and equipment	5	1
Purchase of intangible assets	(276)	(977)
Decrease (increase) in long-term advance payments	(1,242)	-
Decrease (increase) in long-term prepaid expenses	(110)	(1,104)
Other, net	-	66
Net cash provided by (used in) investing activities	(2,872)	1,457
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,000	500
Repayments of long-term borrowings	(1,220)	(3,810)
Proceeds from issuance of bonds	2,985	-
Redemption of bonds	-	(300)
Dividends paid	(486)	(432)
Repayments of lease liabilities	(221)	(287)
Proceeds from sale and leaseback transactions	-	2,331
Net cash provided by (used in) financing activities	3,058	(1,998)
Effect of exchange rate change on cash and cash equivalents	33	37
Net increase (decrease) in cash and cash equivalents	1,735	(948)
Cash and cash equivalents at beginning of period	3,546	2,324
Cash and cash equivalents at end of period	5,282	1,375