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Consolidated Financial Results for the Six Months Ended March 31, 2023 [Japanese GAAP]

May 11, 2023

Company name: Fuji Pharma Co.,Ltd.

Stock exchange listing: Tokyo

Code number: 4554

URL: <https://www.fujipharma.jp/>

Representative: Takayuki Iwai

President & CEO

Contact: Takeshi Sato

Executive Corporate Officer, General & Manager, Corporate
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Phone: +81-3-3556-3344

Scheduled date of filing quarterly securities report: May 12, 2023

Scheduled date of commencing dividend payments: June 1, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Six Months Ended March 31, 2023 (October 1, 2022 to March 31, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	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, 2023	19,225	8.5	1,824	(32.7)	2,456	(14.3)	1,772	(3.3)
March 31, 2022	17,726	2.6	2,712	1.0	2,866	4.7	1,834	(9.3)

(Note) Comprehensive income: Six months ended March 31, 2023: ¥ 5,120 million [47.5%]
Six months ended March 31, 2022: ¥ 3,471 million [41.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
March 31, 2023	72.95	-
March 31, 2022	75.50	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
March 31, 2023	84,803	40,452	47.7
September 30, 2022	75,538	35,806	47.4

(Reference) Equity: As of March 31, 2023: ¥ 40,449 million
As of September 30, 2022: ¥ 35,803 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, 2022	-	15.00	-	20.00	35.00
Fiscal year ending September 30, 2023	-	17.00			
Fiscal year ending September 30, 2023 (Forecast)			-	20.00	37.00

(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, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2023(October 1, 2022 to September 30, 2023)

(% 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	43,311	22.3	4,048	7.2	4,088	9.7	2,974	10.3	122.42

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the six months ended March 31, 2023

(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, 2023: 24,753,800 shares

September 30, 2022: 24,753,800 shares

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

March 31, 2023: 450,913 shares

September 30, 2022: 459,229 shares

3) Average number of shares outstanding during the period:

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

Six months ended March 31, 2022: 24,291,714 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	3,546	5,282
Notes receivable - trade	793	2,658
Accounts receivable - trade	11,734	11,570
Merchandise and finished goods	3,714	4,737
Work in process	3,863	3,294
Raw materials and supplies	8,246	9,741
Advance payments to suppliers	769	879
Accounts receivable - other	134	173
Other	1,925	587
Allowance for doubtful accounts	(0)	(0)
Total current assets	34,727	38,925
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,187	9,314
Machinery, equipment and vehicles, net	3,820	2,412
Land	1,073	1,084
Leased assets, net	2,219	3,488
Construction in progress	3,016	2,153
Other, net	445	545
Total property, plant and equipment	18,762	18,998
Intangible assets		
Goodwill	691	551
Sales rights	9,053	8,900
Other	660	671
Total intangible assets	10,404	10,123
Investments and other assets		
Investment securities	7,339	11,905
Long-term advance payments	1,574	2,817
Deferred tax assets	1,432	132
Other	1,296	1,901
Total investments and other assets	11,643	16,755
Total non-current assets	40,810	45,877
Total assets	75,538	84,803

(Millions of yen)

	As of September 30, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,249	7,083
Short-term borrowings	8,300	10,300
Advances received	1,471	96
Current portion of long-term borrowings	2,440	2,320
Current portion of bonds payable	-	600
Lease liabilities	377	516
Income taxes payable	444	306
Provision for bonuses	981	621
Provision for bonuses for directors (and other officers)	9	6
Other	3,701	3,730
Total current liabilities	23,975	25,582
Non-current liabilities		
Long-term borrowings	11,193	10,093
Bonds payable	-	2,400
Lease liabilities	2,259	3,454
Retirement benefit liability	1,766	1,850
Other	537	971
Total non-current liabilities	15,756	18,769
Total liabilities	39,732	44,351
Net assets		
Shareholders' equity		
Share capital	3,799	3,799
Capital surplus	4,409	4,409
Retained earnings	26,546	27,832
Treasury shares	(579)	(567)
Total shareholders' equity	34,175	35,473
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	160	3,328
Deferred gains or losses on hedges	16	0
Foreign currency translation adjustment	1,442	1,638
Remeasurements of defined benefit plans	8	7
Total accumulated other comprehensive income	1,627	4,975
Non-controlling interests	2	2
Total net assets	35,806	40,452
Total liabilities and net assets	75,538	84,803

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, 2022	For the six months ended March 31, 2023
Net sales	17,726	19,225
Cost of sales	10,050	11,601
Gross profit	7,675	7,623
Selling, general and administrative expenses	4,963	5,799
Operating profit	2,712	1,824
Non-operating income		
Interest income	0	0
Foreign exchange gains	175	21
Contributed income	-	110
Gain on valuation of derivatives	-	487
Other	31	84
Total non-operating income	207	704
Non-operating expenses		
Interest expenses	44	52
Bond issuance costs	-	14
Other	9	5
Total non-operating expenses	53	72
Ordinary profit	2,866	2,456
Extraordinary losses		
Loss on retirement of non-current assets	1	-
Total extraordinary losses	1	-
Profit before income taxes	2,865	2,456
Income taxes - current	848	367
Income taxes - deferred	182	316
Total income taxes	1,030	683
Profit	1,834	1,772
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,834	1,772

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

(Millions of yen)

	For the six months ended March 31, 2022	For the six months ended March 31, 2023
Profit	1,834	1,772
Other comprehensive income		
Valuation difference on available-for-sale securities	861	3,167
Deferred gains or losses on hedges	39	(15)
Foreign currency translation adjustment	737	196
Remeasurements of defined benefit plans, net of tax	(1)	(1)
Total other comprehensive income	1,637	3,347
Comprehensive income	3,471	5,120
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,471	5,120
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, 2022	For the six months ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	2,865	2,456
Depreciation	1,100	1,294
Amortization of goodwill	138	157
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	(251)	(360)
Increase (decrease) in provision for bonuses for directors (and other officers)	(3)	(3)
Increase (decrease) in retirement benefit liability	37	71
Interest and dividend income	(0)	(0)
Interest expenses	44	52
Foreign exchange losses (gains)	(192)	(39)
Decrease (increase) in trade receivables	(441)	(1,674)
Decrease (increase) in inventories	(1,270)	(1,896)
Increase (decrease) in trade payables	(422)	807
Other, net	(1,894)	1,251
Subtotal	(291)	2,116
Interest and dividends received	0	0
Interest paid	(46)	(49)
Income taxes paid	(739)	(551)
Net cash provided by (used in) operating activities	(1,076)	1,516
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,977)	(1,248)
Proceeds from sale of property, plant and equipment	4	5
Purchase of intangible assets	(7,092)	(276)
Decrease (increase) in long-term advance payments	(230)	(1,242)
Other, net	(0)	(110)
Net cash provided by (used in) investing activities	(10,296)	(2,872)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,300	2,000
Proceeds from long-term borrowings	7,300	-
Repayments of long-term borrowings	(920)	(1,220)
Proceeds from issuance of bonds	-	2,985
Dividends paid	(364)	(486)
Repayments of lease liabilities	(326)	(221)
Net cash provided by (used in) financing activities	6,988	3,058
Effect of exchange rate change on cash and cash equivalents	160	33
Net increase (decrease) in cash and cash equivalents	(4,223)	1,735
Cash and cash equivalents at beginning of period	10,199	3,546
Cash and cash equivalents at end of period	5,975	5,282