

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended March 31, 2022 (Based on Japanese GAAP)

May 6, 2022

Company name: Fuji Pharma Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4554 URL <https://www.fujipharma.jp>  
 Representative: President & CEO Takayuki Iwai  
 Corporate Officer, General Manager, Takeshi Sato  
 Inquiries: Corporate Planning Department TEL 03-3556-3344  
 Scheduled date to file Quarterly Securities Report: May 9, 2022  
 Scheduled date to commence dividend payments: May 30, 2022  
 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, 2022 (from October 1, 2021 to March 31, 2022)

(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, 2022	17,726	2.6	2,712	1.0	2,866	4.7	1,834	(9.3)
Six months ended March 31, 2021	17,277	2.2	2,686	54.8	2,738	70.0	2,021	550.5

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended March 31, 2022	75.50	—
Six months ended March 31, 2021	68.63	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2022	74,298	35,750	48.1
As of September 30, 2021	64,239	32,681	50.9

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 September 30, 2021	—	14.00	—	15.00	29.00
Year ending September 30, 2022	—	15.00			
Year ending September 30, 2022 (Forecast)			—	17.00	32.00

3. Forecast of consolidated financial results for the year ending September 30, 2022 (from October 1, 2021 to September 30, 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	35,966	10.2	3,490	4.2	3,540	8.9	2,562	5.3	105.49

4. Notes

- (1) Changes in significant subsidiaries during the six months ended March 31, 2022  
 (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
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|--|-----|
| 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 March 31, 2022	24,753,800 shares	As of September 30, 2021	24,753,800 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	459,229 shares	As of September 30, 2021	466,989 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, 2022	24,291,714 shares	Six months ended March 31, 2021	29,460,745 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of September 30, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	10,199	5,975
Notes and accounts receivable - trade	11,866	12,393
Merchandise and finished goods	3,479	3,502
Work in process	2,999	3,036
Raw materials and supplies	5,528	6,854
Accounts receivable - other	118	175
Other	642	1,572
Allowance for doubtful accounts	(0)	(0)
Total current assets	34,834	33,510
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,595	7,397
Machinery, equipment and vehicles, net	2,194	2,305
Land	984	1,118
Leased assets, net	2,824	2,559
Construction in progress	2,473	3,725
Other, net	321	361
Total property, plant and equipment	14,392	17,467
Intangible assets		
Goodwill	865	816
Sales rights	1,149	7,982
Other	383	421
Total intangible assets	2,397	9,220
Investments and other assets		
Investment securities	7,762	9,004
Long-term advance payments	2,705	3,429
Deferred tax assets	1,349	799
Other	796	867
Total investments and other assets	12,614	14,101
Total non-current assets	29,404	40,788
Total assets	64,239	74,298

(Millions of yen)

	As of September 30, 2021	As of March 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,713	5,351
Short-term borrowings	7,000	8,300
Current portion of long-term borrowings	1,840	1,940
Lease obligations	681	520
Income taxes payable	823	919
Provision for bonuses	973	721
Provision for bonuses for directors (and other officers)	9	6
Provision for sales returns	19	–
Other	3,131	3,212
Total current liabilities	20,192	20,971
Non-current liabilities		
Long-term borrowings	6,633	12,913
Lease obligations	2,508	2,415
Retirement benefit liability	1,657	1,737
Other	566	510
Total non-current liabilities	11,365	17,576
<b>Total liabilities</b>	<b>31,557</b>	<b>38,548</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,799	3,799
Capital surplus	4,409	4,409
Retained earnings	24,628	26,048
Treasury shares	(590)	(579)
Total shareholders' equity	32,246	33,677
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(23)	838
Deferred gains or losses on hedges	–	39
Foreign currency translation adjustment	458	1,195
Remeasurements of defined benefit plans	(2)	(3)
Total accumulated other comprehensive income	432	2,069
Non-controlling interests	1	2
<b>Total net assets</b>	<b>32,681</b>	<b>35,750</b>
<b>Total liabilities and net assets</b>	<b>64,239</b>	<b>74,298</b>

## 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, 2021	Six months ended March 31, 2022
Net sales	17,277	17,726
Cost of sales	9,613	10,050
Gross profit	7,664	7,675
Selling, general and administrative expenses	4,977	4,963
Operating profit	2,686	2,712
Non-operating income		
Interest income	0	0
Foreign exchange gains	77	175
Commission income	0	1
Compensation income	0	0
Subsidy income	7	0
Other	5	29
Total non-operating income	91	207
Non-operating expenses		
Interest expenses	18	44
Sales discounts	3	–
Other	18	9
Total non-operating expenses	40	53
Ordinary profit	2,738	2,866
Extraordinary income		
Gain on sale of non-current assets	1	–
Gain on sale of securities	153	–
Total extraordinary income	154	–
Extraordinary losses		
Loss on retirement of non-current assets	21	1
Total extraordinary losses	21	1
Profit before income taxes	2,871	2,865
Income taxes - current	779	848
Income taxes - deferred	70	182
Total income taxes	849	1,030
Profit	2,022	1,834
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,021	1,834

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended March 31, 2021	Six months ended March 31, 2022
Profit	2,022	1,834
Other comprehensive income		
Valuation difference on available-for-sale securities	136	861
Deferred gains or losses on hedges	–	39
Foreign currency translation adjustment	301	737
Remeasurements of defined benefit plans, net of tax	(3)	(1)
Total other comprehensive income	435	1,637
Comprehensive income	2,457	3,471
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,456	3,471
Comprehensive income attributable to non-controlling interests	0	0

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended March 31, 2021	Six months ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	2,871	2,865
Depreciation	978	1,100
Amortization of goodwill	138	138
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	(10)	(251)
Increase (decrease) in provision for bonuses for directors (and other officers)	(3)	(3)
Increase (decrease) in retirement benefit liability	54	37
Interest and dividend income	(0)	(0)
Interest expenses	18	44
Foreign exchange losses (gains)	(102)	(192)
Loss on retirement of non-current assets	21	1
Decrease (increase) in trade receivables	(425)	(441)
Decrease (increase) in inventories	(42)	(1,270)
Increase (decrease) in trade payables	1,637	(422)
Other, net	(322)	(1,896)
Subtotal	4,811	(291)
Interest and dividends received	0	0
Interest paid	(20)	(46)
Income taxes paid	(387)	(739)
Net cash provided by (used in) operating activities	4,405	(1,076)
Cash flows from investing activities		
Proceeds from sale of investment securities	193	–
Purchase of property, plant and equipment	(1,800)	(2,977)
Proceeds from sale of property, plant and equipment	1	4
Purchase of intangible assets	(102)	(7,092)
Decrease (increase) in long-term advance payments	(310)	(230)
Other, net	(0)	(0)
Net cash provided by (used in) investing activities	(2,018)	(10,296)
Cash flows from financing activities		
Purchase of treasury shares	(9,405)	–
Net increase (decrease) in short-term borrowings	6,300	1,300
Proceeds from long-term borrowings	1,000	7,300
Repayments of long-term borrowings	(836)	(920)
Dividends paid	(467)	(364)
Repayments of lease obligations	(243)	(326)
Net cash provided by (used in) financing activities	(3,653)	6,988
Effect of exchange rate change on cash and cash equivalents	59	160
Net increase (decrease) in cash and cash equivalents	(1,206)	(4,223)
Cash and cash equivalents at beginning of period	12,041	10,199
Cash and cash equivalents at end of period	10,835	5,975