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Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



May 13, 2022

Company name: FUJIKURA COMPOSITES Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 5121
 URL: <https://www.fujikuracomposites.jp/>
 Representative: Kenji Morita, Representative Director and President
 Contact: Hidetaka Takahashi, Managing Director, Vice President of Administration Division
 Phone: +81-3-3527-8111
 Scheduled date of general shareholders' meeting: June 29, 2022
 Scheduled date of commencing dividend payments: June 30, 2022
 Scheduled date of filing securities report: June 29, 2022
 Availability of supplementary explanatory materials on annual financial results: Not available
 Schedule of annual financial results briefing session: Scheduled (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	37,190	27.0	4,160	255.0	4,778	206.8	4,062	243.5
March 31, 2021	29,275	(8.5)	1,172	31.5	1,557	86.9	1,182	202.6

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥5,096 million [296.0%]

Fiscal year ended March 31, 2021: ¥1,286 million [-%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2022	180.58	–	14.8	12.7	11.2
March 31, 2021	50.56	–	4.8	4.5	4.0

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2022: ¥– million

Fiscal year ended March 31, 2021: ¥– million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	37,750	27,473	72.8	1,304.24
As of March 31, 2021	34,875	24,819	71.2	1,060.81

(Reference) Equity: As of March 31, 2022: ¥27,464 million

As of March 31, 2021: ¥24,819 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2022	4,795	(418)	(3,772)	6,905
March 31, 2021	3,129	(1,374)	(1,449)	5,780

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2021	–	5.00	–	7.00	12.00	280	23.7	1.1
Fiscal year ended March 31, 2022	–	10.00	–	16.00	26.00	570	14.1	2.1
Fiscal year ending March 31, 2023 (Forecast)	–	16.00	–	16.00	32.00		16.8	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	19,000	7.7	2,300	4.6	2,400	(3.4)	2,200	(19.3)	104.47
Full year	38,000	2.2	4,500	8.2	4,700	(1.6)	4,000	(1.5)	189.96

* Notes:

- (1) Changes in significant subsidiaries during the fiscal year under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: Yes
 - 4) Retrospective restatement: None
 (Note) For details, please see “Consolidated Financial Statements and Principal Notes (5) Notes to Consolidated Financial Statements (Changes in accounting policies) and (Changes in accounting estimates)” on pages 12-13 of the attachments.
- (3) Total number of issued and outstanding shares (common shares)
 - 1) Total number of issued and outstanding shares at the end of the year (including treasury shares):

March 31, 2022:	23,446,209 shares
March 31, 2021:	23,446,209 shares
 - 2) Total number of treasury shares at the end of the year:

March 31, 2022:	2,388,768 shares
March 31, 2021:	49,537 shares
 - 3) Average number of shares during the year:

Year ended March 31, 2022:	22,499,431 shares
Year ended March 31, 2021:	23,396,695 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 - March 31, 2022)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	23,476	16.8	1,657	185.1	2,721	105.8	2,121	70.2
March 31, 2021	20,095	(3.0)	581	157.7	1,322	97.3	1,246	220.8

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	94.29	—
March 31, 2021	53.27	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	29,588	20,877	70.5	991.05
As of March 31, 2021	29,839	21,198	71.0	906.04

(Reference) Equity: As of March 31, 2022: ¥20,868 million

As of March 31, 2021: ¥21,198 million

* These consolidated financial results are outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of the projections. In addition, actual results may differ significantly from these forecasts due to various factors.

(1) Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	5,780,151	6,905,294
Notes and accounts receivable - trade	9,698,550	10,710,980
Merchandise and finished goods	1,854,488	2,223,842
Work in process	2,174,461	2,613,550
Raw materials and supplies	695,685	836,011
Other	557,311	512,947
Allowance for doubtful accounts	(53,454)	(66,816)
Total current assets	20,707,194	23,735,810
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,027,122	12,575,474
Accumulated depreciation	(7,103,652)	(7,819,813)
Buildings and structures, net	4,923,469	4,755,661
Machinery, equipment and vehicles	17,571,040	17,959,799
Accumulated depreciation	(14,297,312)	(14,863,218)
Machinery, equipment and vehicles, net	3,273,728	3,096,580
Land	3,195,875	3,200,630
Construction in progress	104,038	206,684
Other	4,309,381	4,418,209
Accumulated depreciation	(3,689,128)	(3,869,276)
Other, net	620,253	548,933
Total property, plant and equipment	12,117,365	11,808,489
Intangible assets		
Software	96,516	74,696
Other	27,190	26,234
Total intangible assets	123,707	100,931
Investments and other assets		
Investment securities	1,219,023	1,217,944
Long-term loans receivable	330,157	297,686
Retirement benefit asset	17,948	180,881
Deferred tax assets	11,875	14,115
Other	1,591,132	1,794,992
Allowance for doubtful accounts	(1,242,426)	(1,399,993)
Total investments and other assets	1,927,710	2,105,627
Total non-current assets	14,168,782	14,015,048
Total assets	34,875,977	37,750,859

(Thousand yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,044,873	2,805,854
Short-term borrowings	3,516,967	2,759,004
Income taxes payable	234,625	591,426
Provision for bonuses	363,403	545,471
Provision for loss on disaster	–	69,528
Other	1,821,711	1,865,072
Total current liabilities	7,981,580	8,636,357
Non-current liabilities		
Long-term borrowings	560,000	85,870
Deferred tax liabilities	418,846	509,521
Provision for environmental measures	29,513	27,780
Retirement benefit liability	804,081	770,414
Asset retirement obligations	147,258	164,953
Other	115,213	82,873
Total non-current liabilities	2,074,913	1,641,414
Total liabilities	10,056,493	10,277,772
Net assets		
Shareholders' equity		
Share capital	3,804,298	3,804,298
Capital surplus	3,212,485	3,212,485
Retained earnings	17,676,139	21,341,327
Treasury shares	(20,473)	(2,074,304)
Total shareholders' equity	24,672,450	26,283,806
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	316,979	317,556
Foreign currency translation adjustment	(82,564)	837,185
Remeasurements of defined benefit plans	(87,381)	25,508
Total accumulated other comprehensive income	147,033	1,180,250
Share acquisition rights	–	9,030
Total net assets	24,819,483	27,473,087
Total liabilities and net assets	34,875,977	37,750,859

(2) Consolidated Statements of Income and Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	29,275,488	37,190,751
Cost of sales	22,687,824	26,902,255
Gross profit	6,587,664	10,288,496
Selling, general and administrative expenses		
Shipping cost	469,806	651,399
Salaries and allowances	2,100,270	2,231,664
Welfare expenses	445,923	557,776
Travel and communication expenses	112,709	134,918
Depreciation	157,480	223,019
Storage cost	235,775	252,784
Research and development expenses	363,840	386,827
Provision of allowance for doubtful accounts	(9,300)	8,703
Other	1,539,014	1,680,816
Total selling, general and administrative expenses	5,415,520	6,127,912
Operating profit	1,172,144	4,160,584
Non-operating income		
Interest income	24,870	32,761
Dividend income	37,026	70,384
Foreign exchange gains	51,586	382,825
Rental income	52,689	65,594
Subsidy income	126,424	18,471
Gain on write-off of debts	62,534	–
Other	123,384	136,056
Total non-operating income	478,516	706,092
Non-operating expenses		
Interest expenses	15,851	10,794
Rental costs	8,999	31,945
Loss on abandonment of non-current assets	1,780	18,943
Loss on retirement of non-current assets	14,744	8,759
Other	51,567	17,419
Total non-operating expenses	92,943	87,861
Ordinary profit	1,557,717	4,778,815
Extraordinary income		
Gain on reversal of liabilities	–	452,221
Total extraordinary income	–	452,221
Extraordinary losses		
Loss on retirement of non-current assets	19,453	–
Impairment losses	12,640	–
Loss on disaster	–	69,528
Total extraordinary losses	32,093	69,528
Profit before income taxes	1,525,624	5,161,508
Income taxes - current	333,223	1,061,476
Income taxes - deferred	9,556	37,101
Total income taxes	342,780	1,098,578
Profit	1,182,844	4,062,930
Profit attributable to		
Profit attributable to owners of parent	1,182,844	4,062,930

(Thousand yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Other comprehensive income		
Valuation difference on available-for-sale securities	151,543	577
Foreign currency translation adjustment	(202,867)	919,749
Remeasurements of defined benefit plans, net of tax	155,317	112,890
Total other comprehensive income	103,993	1,033,217
Comprehensive income	1,286,837	5,096,147
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,286,837	5,096,147

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,804,298	3,212,485	16,774,056	(20,438)	23,770,401
Changes during period					
Dividends of surplus			(280,760)		(280,760)
Profit attributable to owners of parent			1,182,844		1,182,844
Purchase of treasury shares				(34)	(34)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	902,083	(34)	902,048
Balance at end of period	3,804,298	3,212,485	17,676,139	(20,473)	24,672,450

	Accumulated other comprehensive income				Share acquisition rights	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	165,436	120,302	(242,699)	43,040	—	23,813,441
Changes during period						
Dividends of surplus						(280,760)
Profit attributable to owners of parent						1,182,844
Purchase of treasury shares						(34)
Net changes in items other than shareholders' equity	151,543	(202,867)	155,317	103,993		103,993
Total changes during period	151,543	(202,867)	155,317	103,993	—	1,006,041
Balance at end of period	316,979	(82,564)	(87,381)	147,033	—	24,819,483

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,804,298	3,212,485	17,676,139	(20,473)	24,672,450
Changes during period					
Dividends of surplus			(397,742)		(397,742)
Profit attributable to owners of parent			4,062,930		4,062,930
Purchase of treasury shares				(2,053,831)	(2,053,831)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	3,665,187	(2,053,831)	1,611,356
Balance at end of period	3,804,298	3,212,485	21,341,327	(2,074,304)	26,283,806

	Accumulated other comprehensive income				Share acquisition rights	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	316,979	(82,564)	(87,381)	147,033	—	24,819,483
Changes during period						
Dividends of surplus						(397,742)
Profit attributable to owners of parent						4,062,930
Purchase of treasury shares						(2,053,831)
Net changes in items other than shareholders' equity	577	919,749	112,890	1,033,217	9,030	1,042,247
Total changes during period	577	919,749	112,890	1,033,217	9,030	2,653,603
Balance at end of period	317,556	837,185	25,508	1,180,250	9,030	27,473,087

(4) Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	1,525,624	5,161,508
Depreciation	1,414,398	1,518,849
Impairment losses	12,640	–
Increase (decrease) in allowance for doubtful accounts	(17,981)	(8,146)
Increase (decrease) in provision for bonuses	(78,589)	182,068
Increase (decrease) in provision for loss on disaster	–	69,528
Increase (decrease) in retirement benefit liability	23,858	290,154
Decrease (increase) in retirement benefit asset	(17,948)	(162,932)
Interest and dividend income	(61,897)	(103,145)
Interest expenses	15,851	10,794
Foreign exchange losses (gains)	(142,185)	(334,800)
Loss on retirement of non-current assets	34,197	8,759
Decrease (increase) in trade receivables	(336,489)	(578,372)
Decrease (increase) in inventories	542,708	(776,940)
Decrease (increase) in other current assets	85,766	43,805
Increase (decrease) in trade payables	(58,425)	535,789
Increase (decrease) in other current liabilities	158,797	(495,065)
Other, net	171,371	63,490
Subtotal	3,271,697	5,425,344
Interest and dividends received	61,892	102,987
Interest paid	(15,851)	(10,794)
Income taxes paid	(187,834)	(721,977)
Net cash provided by (used in) operating activities	3,129,903	4,795,560
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	50,045	487
Purchase of property, plant and equipment	(1,411,807)	(280,858)
Purchase of intangible assets	(13,690)	(15,391)
Purchase of investment securities	(209)	(140)
Other investments expenditure	(1,466)	(174,976)
Other investments revenue	10,432	633
Loan advances	(29,000)	–
Proceeds from collection of loans receivable	21,322	51,270
Net cash provided by (used in) investing activities	(1,374,373)	(418,976)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(212,284)	(463,234)
Proceeds from long-term borrowings	–	9,686
Repayments of long-term borrowings	(930,000)	(856,247)
Proceeds from issuance of share acquisition rights	–	9,030
Purchase of treasury shares	(34)	(2,053,831)
Dividends paid	(280,889)	(396,797)
Repayments of lease liabilities	(26,518)	(21,094)
Net cash provided by (used in) financing activities	(1,449,726)	(3,772,489)
Effect of exchange rate change on cash and cash equivalents	(54,463)	521,047
Net increase (decrease) in cash and cash equivalents	251,340	1,125,142
Cash and cash equivalents at beginning of period	5,528,810	5,780,151
Cash and cash equivalents at end of period	5,780,151	6,905,294