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Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]



November 10, 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

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Scheduled date of filing quarterly securities report: November 10, 2022

Scheduled date of commencing dividend payments: December 1, 2022

Availability of supplementary explanatory materials on quarterly financial results: Not available

Schedule of quarterly financial results briefing session: Scheduled

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 1, 2022 - September 30, 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	%
Six months ended September 30, 2022	20,284	15.0	2,171	(1.2)	2,799	12.7	2,101	8.3
September 30, 2021	17,643	31.6	2,198	—	2,483	772.5	1,940	812.3

(Note) Comprehensive income: Six months ended September 30, 2022: ¥3,271 million [19.9%]

Six months ended September 30, 2021: ¥2,727 million [964.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	98.79	—
September 30, 2021	82.93	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2022	39,573	31,436	79.4
As of March 31, 2022	37,750	27,473	72.8

(Reference) Equity: As of September 30, 2022: ¥31,430 million

As of March 31, 2022: ¥27,464 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 March 31, 2022	–	10.00	–	16.00	26.00
Fiscal year ending March 31, 2023	–	20.00			
Fiscal year ending March 31, 2023 (Forecast)			–	20.00	40.00

- (Notes) 1. Revision to the dividend forecast announced most recently: Yes
2. For details, please refer to the Notice of Revision to Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2023, Distribution of Surplus and Year-End Dividend Forecast (Dividend Increase), disclosed today.

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
Full year	40,600	9.2	4,600	10.6	5,300	10.9	4,300	5.8	202.16

- (Notes) 1. Revision to the financial results forecast announced most recently: Yes
2. For details, please refer to the Notice of Revision to Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2023, Distribution of Surplus and Year-End Dividend Forecast (Dividend Increase), disclosed today.

* Notes:

- (1) Changes in significant subsidiaries during the period under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None
- (3) 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: None
4) Retrospective restatement: None
(Note) For details, please see “Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Changes in accounting policies)” on page 7 of the attachments.
- (4) Total number of issued and outstanding shares (common shares)
1) Total number of issued and outstanding shares at the end of the period (including treasury shares):
September 30, 2022: 23,446,209 shares
March 31, 2022: 23,446,209 shares
2) Total number of treasury shares at the end of the period:
September 30, 2022: 1,249,368 shares
March 31, 2022: 2,388,768 shares
3) Average number of shares during the period:
Six months ended September 30, 2022: 21,269,963 shares
Six months ended September 30, 2021: 23,396,672 shares

* These quarterly consolidated financial results are outside the scope of quarterly review 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) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	6,905,294	7,293,184
Notes and accounts receivable - trade	10,710,980	10,448,574
Merchandise and finished goods	2,223,842	2,819,853
Work in process	2,613,550	2,951,199
Raw materials and supplies	836,011	1,172,370
Other	512,947	569,351
Allowance for doubtful accounts	(66,816)	(93,124)
Total current assets	23,735,810	25,161,409
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,755,661	4,873,708
Machinery, equipment and vehicles, net	3,096,580	3,221,051
Land	3,200,630	3,057,584
Construction in progress	206,684	219,394
Other, net	548,933	668,377
Total property, plant and equipment	11,808,489	12,040,116
Intangible assets		
Software	74,696	76,386
Other	26,234	23,616
Total intangible assets	100,931	100,003
Investments and other assets		
Retirement benefit asset	180,881	221,455
Other	3,324,739	3,629,006
Allowance for doubtful accounts	(1,399,993)	(1,578,896)
Total investments and other assets	2,105,627	2,271,565
Total non-current assets	14,015,048	14,411,685
Total assets	37,750,859	39,573,095

(Thousand yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,805,854	2,752,729
Short-term borrowings	2,759,004	1,003,371
Income taxes payable	591,426	472,911
Provision for bonuses	545,471	549,710
Provision for loss on disaster	69,528	42,366
Other	1,865,072	1,622,090
Total current liabilities	8,636,357	6,443,180
Non-current liabilities		
Long-term borrowings	85,870	45,471
Deferred tax liabilities	509,521	478,558
Provision for environmental measures	27,780	26,793
Retirement benefit liability	770,414	774,681
Asset retirement obligations	164,953	194,278
Other	82,873	173,885
Total non-current liabilities	1,641,414	1,693,669
Total liabilities	10,277,772	8,136,849
Net assets		
Shareholders' equity		
Share capital	3,804,298	3,804,298
Capital surplus	3,212,485	3,255,422
Retained earnings	21,341,327	23,105,753
Treasury shares	(2,074,304)	(1,085,305)
Total shareholders' equity	26,283,806	29,080,168
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	317,556	272,032
Foreign currency translation adjustment	837,185	2,047,507
Remeasurements of defined benefit plans	25,508	30,936
Total accumulated other comprehensive income	1,180,250	2,350,476
Share acquisition rights	9,030	5,600
Total net assets	27,473,087	31,436,245
Total liabilities and net assets	37,750,859	39,573,095

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Six Months Ended September 30

(Thousand yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Net sales	17,643,086	20,284,905
Cost of sales	12,528,505	14,736,564
Gross profit	5,114,580	5,548,341
Selling, general and administrative expenses		
Packing and transportation costs	300,172	324,617
Salaries and allowances	917,147	1,087,424
Provision for bonuses	94,048	136,451
Retirement benefit expenses	32,338	36,857
Depreciation	81,268	95,243
Research and development expenses	190,715	217,239
Other	1,300,438	1,478,668
Total selling, general and administrative expenses	2,916,130	3,376,501
Operating profit	2,198,449	2,171,839
Non-operating income		
Interest income	14,812	15,450
Dividend income	54,632	40,848
Foreign exchange gains	120,510	524,917
Rental income	26,841	35,878
Subsidy income	8,415	8,941
Other	87,572	40,351
Total non-operating income	312,785	666,387
Non-operating expenses		
Interest expenses	5,084	7,963
Rental costs	11,533	22,422
Other	11,101	8,393
Total non-operating expenses	27,719	38,779
Ordinary profit	2,483,515	2,799,446
Extraordinary income		
Gain on sale of non-current assets	–	148,020
Total extraordinary income	–	148,020
Profit before income taxes	2,483,515	2,947,466
Income taxes - current	542,535	888,554
Income taxes - deferred	712	(42,431)
Total income taxes	543,248	846,122
Profit	1,940,267	2,101,344
Profit attributable to		
Profit attributable to owners of parent	1,940,267	2,101,344
Other comprehensive income		
Valuation difference on available-for-sale securities	75,086	(45,523)
Foreign currency translation adjustment	700,978	1,210,322
Remeasurements of defined benefit plans, net of tax	11,304	5,427
Total other comprehensive income	787,369	1,170,226
Comprehensive income	2,727,636	3,271,571
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,727,636	3,271,571