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

November 02, 2022

Company name: FUJI KYUKO CO., LTD.

Stock exchange listing: Tokyo

Code number: 9010

URL: <https://www.fujikyuko.co.jp>

Representative: Koichiro Horiuchi

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Scheduled date of filing quarterly securities report: November 14, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

Representative Director and President

Director, Executive Officer, in charge of Management & Administration Department

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

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

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2022	20,610	21.6	1,944	420.9	1,807	699.4	941	602.2
September 30, 2021	16,948	-	373	-	226	-	134	-

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ 1,126 million [454.9%]
Six months ended September 30, 2021: ¥ 202 million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2022	17.73	-
September 30, 2021	2.53	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
September 30, 2022	99,710	25,180	24.4
March 31, 2022	98,336	24,582	24.1

(Reference) Equity: As of September 30, 2022: ¥ 24,303 million
As of March 31, 2022: ¥ 23,731 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	10.00
Fiscal year ending March 31, 2023	-	-			
Fiscal year ending March 31, 2023 (Forecast)			-	12.00	12.00

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

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Operating revenues		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	41,640	18.7	3,520	362.2	3,120	537.3	1,450	285.2	27.31

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

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022

(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: Yes

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):

September 30, 2022: 54,884,738 shares

March 31, 2022: 54,884,738 shares

2) Total number of treasury shares at the end of the period:

September 30, 2022: 1,784,174 shares

March 31, 2022: 1,785,505 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 53,100,044 shares

Six months ended September 30, 2021: 53,099,834 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	17,118,113	18,576,046
Notes and accounts receivable - trade, and contract assets	2,674,903	2,830,622
Land and buildings for sale in lots	8,406,132	8,471,197
Merchandise and finished goods	626,958	658,846
Work in process	19,585	58,603
Raw materials and supplies	752,108	785,187
Costs on construction contracts in progress	204,489	236,509
Other	1,365,299	1,442,612
Allowance for doubtful accounts	(15,003)	(14,944)
Total current assets	31,152,588	33,044,683
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	27,028,121	27,123,942
Machinery, equipment and vehicles, net	5,160,722	5,027,929
Land	15,603,865	15,612,422
Leased assets, net	2,402,554	1,876,790
Construction in progress	3,075,206	3,323,575
Other, net	1,767,081	1,711,355
Total property, plant and equipment	55,037,551	54,676,015
Intangible assets	2,676,684	2,698,527
Investments and other assets		
Investment securities	6,003,800	6,130,938
Deferred tax assets	2,584,694	2,296,314
Other	872,789	858,405
Allowance for doubtful accounts	(24,660)	(24,660)
Total investments and other assets	9,436,624	9,260,998
Total non-current assets	67,150,860	66,635,541
Deferred assets		
Bond issuance costs	32,811	30,351
Total deferred assets	32,811	30,351
Total assets	98,336,260	99,710,576

(Thousand yen)

	As of March 31,2022	As of September 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,698,770	1,772,049
Short-term borrowings	9,115,348	11,840,148
Lease liabilities	989,802	838,361
Income taxes payable	248,377	357,803
Provision for bonuses	345,462	370,246
Provision for bonuses for directors (and other officers)	6,500	-
Other	3,657,540	4,641,439
Total current liabilities	16,061,802	19,820,048
Non-current liabilities		
Bonds payable	5,000,000	5,000,000
Long-term borrowings	44,992,446	42,778,963
Lease liabilities	1,751,265	1,315,893
Deferred tax liabilities	26,653	26,556
Retirement benefit liability	927,396	825,129
Provision for share awards for directors (and other officers)	20,906	16,950
Other	4,972,848	4,746,986
Total non-current liabilities	57,691,516	54,710,477
Total liabilities	73,753,318	74,530,526
Net assets		
Shareholders' equity		
Share capital	9,126,343	9,126,343
Capital surplus	3,688,469	3,691,371
Retained earnings	12,025,846	12,437,022
Treasury shares	(1,548,415)	(1,541,988)
Total shareholders' equity	23,292,243	23,712,747
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	749,533	844,540
Remeasurements of defined benefit plans	(310,697)	(253,916)
Total accumulated other comprehensive income	438,836	590,624
Non-controlling interests	851,861	876,677
Total net assets	24,582,941	25,180,049
Total liabilities and net assets	98,336,260	99,710,576

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

(Thousand yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Operating revenue	16,948,577	20,610,753
Operating expenses		
Operating expenses and cost of sales of transportation	15,960,321	18,045,894
Selling, general and administrative expenses	614,999	620,545
Total operating expenses	16,575,320	18,666,440
Operating profit	373,256	1,944,313
Non-operating income		
Interest and dividend income	51,229	59,855
Share of profit of entities accounted for using equity method	8,200	-
Miscellaneous income	86,146	72,317
Total non-operating income	145,575	132,172
Non-operating expenses		
Interest expenses	232,232	225,140
Share of loss of entities accounted for using equity method	-	340
Miscellaneous expenses	60,551	43,938
Total non-operating expenses	292,783	269,418
Ordinary profit	226,048	1,807,067
Extraordinary income		
Gain on sale of non-current assets	25,370	2,209
Subsidies	108,822	52,932
Subsidies for employment adjustment	542,045	23,974
Total extraordinary income	676,238	79,116
Extraordinary losses		
Loss on valuation of investment securities	-	3,094
Loss on sale of non-current assets	15,715	-
Loss on tax purpose reduction entry of non-current assets	60,344	1,532
Loss on retirement of non-current assets	170,349	299,171
Allowance for absence from work	396,430	17,598
Total extraordinary losses	642,839	321,397
Profit before income taxes	259,447	1,564,786
Income taxes - current	248,386	375,250
Income taxes - deferred	(122,911)	216,421
Total income taxes	125,474	591,672
Profit	133,973	973,114
Profit (loss) attributable to non-controlling interests	(130)	31,466
Profit attributable to owners of parent	134,103	941,647

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

(Thousand yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	133,973	973,114
Other comprehensive income		
Valuation difference on available-for-sale securities	49,452	102,345
Remeasurements of defined benefit plans, net of tax	32,757	56,781
Share of other comprehensive income of entities accounted for using equity method	(13,257)	(6,137)
Total other comprehensive income	68,952	152,989
Comprehensive income	202,925	1,126,104
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	202,951	1,093,435
Comprehensive income attributable to non-controlling interests	(25)	32,668

Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Cash flows from operating activities		
Profit before income taxes	259,447	1,564,786
Depreciation	3,101,097	2,826,887
Loss on retirement of non-current assets	101,218	106,999
Loss on tax purpose reduction entry of non-current assets	60,344	1,532
Increase (decrease) in allowance for doubtful accounts	3,753	(58)
Increase (decrease) in provision for bonuses	(41,093)	24,783
Increase (decrease) in provision for bonuses for directors (and other officers)	(7,000)	(6,500)
Increase (decrease) in provision for share awards for directors (and other officers)	3,389	(3,956)
Increase (decrease) in retirement benefit liability	50,740	(20,615)
Interest and dividend income	(51,229)	(59,855)
Interest expenses	232,232	225,140
Share of loss (profit) of entities accounted for using equity method	(8,200)	340
Loss (gain) on sale of non-current assets	(9,655)	(2,209)
Loss (gain) on valuation of investment securities	-	3,094
Subsidy income	(108,822)	(52,932)
Decrease (increase) in trade receivables	437,548	(155,718)
Decrease (increase) in inventories	(311,287)	(190,981)
Increase (decrease) in trade payables	(805,484)	73,278
Increase/decrease in other assets/liabilities	493,864	425,687
Subtotal	3,400,864	4,759,703
Interest and dividends received	58,460	72,136
Interest paid	(230,396)	(226,063)
Subsidies received	65,695	61,042
Income taxes refund (paid)	118,870	(253,543)
Net cash provided by (used in) operating activities	3,413,494	4,413,275
Cash flows from investing activities		
Subsidies received	120,345	134,087
Purchase of property, plant and equipment and intangible assets	(2,019,873)	(2,348,103)
Proceeds from sale of property, plant and equipment and intangible assets	32,171	2,794
Purchase of investment securities	(1,328)	(1,332)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(31,001)
Net cash provided by (used in) investing activities	(1,868,684)	(2,243,555)

(Thousand yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(2,000,000)	(250,000)
Proceeds from long-term borrowings	9,590,000	3,740,000
Repayments of long-term borrowings	(6,248,646)	(2,978,683)
Proceeds from sale-and-leaseback transactions	-	4,633
Repayments of lease liabilities	(655,503)	(496,422)
Purchase of treasury shares	(790)	(251)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,938)	(4,522)
Dividends paid	(319,384)	(530,655)
Dividends paid to non-controlling interests	(1,211)	(1,211)
Other, net	(230,859)	(197,224)
Net cash provided by (used in) financing activities	131,666	(714,337)
Net increase (decrease) in cash and cash equivalents	1,676,477	1,455,383
Cash and cash equivalents at beginning of period	17,729,690	17,043,667
Cash and cash equivalents at end of period	19,406,167	18,499,050