

Translation

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Summary of Non-Consolidated Financial Results for the Year Ended March 31, 2020 (Based on Japanese GAAP)

May 14, 2020

Company name: FURYU CORPORATION

Stock exchange listing: Tokyo

Stock code: 6238 URL <https://www.furyu.jp/>

Representative: President Takashi Mishima

Inquiries: Manager Finance&Accounting Department Taku Fujimura TEL 03(5728)1761

Scheduled date of ordinary general meeting of shareholders: June 23, 2020

Scheduled date to file Securities Report: June 23, 2020

Scheduled date to commence dividend payments: June 5, 2020

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the year ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2020	27,431	3.9	3,637	Δ3.9	3,656	Δ3.8	3,020	58.9
Year ended March 31, 2019	26,405	5.7	3,786	57.2	3,801	54.0	1,901	10.2

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2020	108.54	—	16.4	15.2	13.3
Year ended March 31, 2019	67.20	—	—	—	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	24,024	18,994	79.1	694.22
As of March 31, 2019	24,186	17,821	73.7	629.83

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2020	2,952	Δ1,854	Δ1,857	12,706
Year ended March 31, 2019	—	—	—	—

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2019	—	0.00	—	30.00	30.00	848	—	—
Year ended March 31, 2020	—	0.00	—	40.00	40.00	1,094	36.9	6.0
Year ending March 31, 2021 (Forecast)	—	0.00	—	35.00	35.00		70.9	

3. Earnings forecast for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	27,000	Δ1.6	2,000	Δ45.0	2,000	Δ45.3	1,350	Δ55.3	49.34

※ Notes

(1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:	No
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(2) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2020	28,296,000	shares	As of March 31, 2019	28,296,000	shares
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Number of treasury shares at the end of the period

As of March 31, 2020	935,672	shares	As of March 31, 2019	325	shares
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Average number of shares during the period

Year ended March 31, 2020	27,829,472	shares	Year ended March 31, 2019	28,295,767	shares
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Non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	12,776,079	12,706,286
Accounts receivable - trade	3,689,228	3,375,546
Electronically recorded monetary claims - operating	993,306	941,552
Merchandise and finished goods	992,475	1,357,304
Work in process	15,975	8,247
Raw materials and supplies	190,437	227,278
Prepaid expenses	218,216	265,736
Accounts receivable - other	338,093	431,060
Other	361,862	553,835
Allowance for doubtful accounts	△2,680	△3,565
Total current assets	19,572,995	19,863,283
Non-current assets		
Property, plant and equipment		
Buildings	197,426	263,862
Tools, furniture and fixtures	177,121	173,462
Leased assets	1,769,183	1,794,203
Assets for rent	5,184	801
Other	56,336	115,596
Total property, plant and equipment	2,205,252	2,347,925
Intangible assets		
Software	126,396	158,996
Other	86,558	94,798
Total intangible assets	212,955	253,795
Investments and other assets		
Investment securities	60,720	49,967
Shares of subsidiaries and associates	606,537	—
Distressed receivables	5,727	19,256
Long-term prepaid expenses	33,287	43,399
Prepaid pension costs	—	86,324
Leasehold and guarantee deposits	392,348	443,446
Deferred tax assets	1,096,837	925,851
Other	5,500	10,975
Allowance for doubtful accounts	△5,727	△19,256
Total investments and other assets	2,195,232	1,559,965
Total non-current assets	4,613,440	4,161,685
Total assets	24,186,435	24,024,969

(Thousands of yen)

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Accounts payable - trade	498,564	540,992
Electronically recorded obligations - operating	1,772,461	1,645,094
Lease obligations	293,208	334,401
Accounts payable - other	605,256	525,335
Accrued expenses	1,066,766	1,201,679
Income taxes payable	869,000	45,000
Accrued consumption taxes	201,213	114,448
Other	321,453	617,314
Total current liabilities	5,627,924	5,024,266
Non-current liabilities		
Provision for retirement benefits	730,275	—
Other	6,629	6,629
Total non-current liabilities	736,905	6,629
Total liabilities	6,364,829	5,030,896
Net assets		
Shareholders' equity		
Share capital	1,639,216	1,639,216
Capital surplus		
Legal capital surplus	1,639,216	1,639,216
Total capital surpluses	1,639,216	1,639,216
Retained earnings		
Other retained earnings		
Retained earnings brought forward	14,549,050	16,720,712
Total retained earnings	14,549,050	16,720,712
Treasury shares	△314	△1,000,275
Total shareholders' equity	17,827,168	18,998,868
Valuation and translation adjustments		
Deferred gains or losses on hedges	△5,561	△4,796
Total valuation and translation adjustments	△5,561	△4,796
Total net assets	17,821,606	18,994,072
Total liabilities and net assets	24,186,435	24,024,969

Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020
Net sales	26,405,566	27,431,578
Cost of sales	12,095,662	12,735,756
Gross profit	14,309,903	14,695,822
Selling, general and administrative expenses	10,523,714	11,057,843
Operating profit	3,786,189	3,637,978
Non-operating income		
Consulting fee income	7,800	1,950
Gain on investments in investment partnerships	5,101	34,690
Dividend income	11,366	—
Settlement received	9,259	—
Compensation income	—	12,109
Other	1,948	3,848
Total non-operating income	35,475	52,597
Non-operating expenses		
Interest expenses	154	240
Foreign exchange losses	18,477	22,698
Commission expenses	—	6,572
Other	1,885	4,433
Total non-operating expenses	20,517	33,944
Ordinary profit	3,801,147	3,656,632
Extraordinary income		
Gain on sales of non-current assets	263	737
Gain on extinguishment of tie-in shares	—	223,251
Total extraordinary income	263	223,989
Extraordinary losses		
Loss on sales and retirement of non-current assets	24,949	32,152
Impairment loss	609,828	—
Loss on valuation of investment securities	20,000	—
Loss on valuation of shares of subsidiaries and associates	239,806	92,943
Total extraordinary losses	894,583	125,096
Profit before income taxes	2,906,827	3,755,525
Income taxes - current	1,208,786	564,344
Income taxes - deferred	△203,375	170,648
Total income taxes	1,005,411	734,993
Profit	1,901,415	3,020,531

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2019

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	1,639,216	1,639,216	1,639,216	13,496,509	13,496,509	Δ178	16,774,762
Changes during period							
Dividends of surplus				Δ848,874	Δ848,874		Δ848,874
Profit				1,901,415	1,901,415		1,901,415
Purchase of treasury shares						Δ135	Δ135
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	1,052,541	1,052,541	Δ135	1,052,405
Balance at end of period	1,639,216	1,639,216	1,639,216	14,549,050	14,549,050	Δ314	17,827,168

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	Δ19,028	Δ19,028	16,755,734
Changes during period			
Dividends of surplus			Δ848,874
Profit			1,901,415
Purchase of treasury shares			Δ135
Net changes in items other than shareholders' equity	13,466	13,466	13,466
Total changes during period	13,466	13,466	1,065,871
Balance at end of period	Δ5,561	Δ5,561	17,821,606

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	1,639,216	1,639,216	1,639,216	14,549,050	14,549,050	△314	17,827,168
Changes during period							
Dividends of surplus				△848,870	△848,870		△848,870
Profit				3,020,531	3,020,531		3,020,531
Purchase of treasury shares						△999,961	△999,961
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	2,171,661	2,171,661	△999,961	1,171,700
Balance at end of period	1,639,216	1,639,216	1,639,216	16,720,712	16,720,712	△1,000,275	18,998,868

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	△5,561	△5,561	17,821,606
Changes during period			
Dividends of surplus			△848,870
Profit			3,020,531
Purchase of treasury shares			△999,961
Net changes in items other than shareholders' equity	765	765	765
Total changes during period	765	765	1,172,466
Balance at end of period	△4,796	△4,796	18,994,072

Non-consolidated statements of cash flows

(Thousands of yen)

Fiscal year ended
March 31, 2020

Cash flows from operating activities	
Profit before income taxes	3,755,525
Depreciation	1,607,082
Increase (decrease) in allowance for doubtful accounts	6,068
Increase (decrease) in provision for sales returns	4,398
Increase (decrease) in provision for retirement benefits	83,296
contribution of securities to retirement benefit trust	△900,000
Interest and dividend income	△33
Interest expenses	240
Foreign exchange losses (gains)	△1,399
Loss (gain) on sales and retirement of non-current assets	31,414
Loss (gain) on extinguishment of tie-in shares	△223,251
Loss on valuation of shares of subsidiaries and associates	92,943
Decrease (increase) in trade receivables	508,616
Decrease (increase) in inventories	△374,361
Decrease (increase) in accounts receivable - other	△38,122
Increase (decrease) in trade payables	△152,123
Increase (decrease) in accounts payable - other	△98,464
Increase (decrease) in accrued expenses	132,953
Other, net	△118,303
Subtotal	4,316,479
Interest and dividends received	33
Interest paid	△240
Income taxes paid	△1,363,909
Net cash provided by (used in) operating activities	2,952,362
Cash flows from investing activities	
Purchase of property, plant and equipment	△1,569,955
Proceeds from sales of property, plant and equipment	2,487
Purchase of intangible assets	△261,551
Payments of guarantee deposits	△112,682
Other, net	86,770
Net cash provided by (used in) investing activities	△1,854,930
Cash flows from financing activities	
Proceeds from sale and leaseback transactions	1,229,646
Repayments of lease obligations	△1,238,379
Purchase of treasury shares	△999,961
Dividends paid	△848,870
Net cash provided by (used in) financing activities	△1,857,564
Effect of exchange rate change on cash and cash equivalents	1,399
Net increase (decrease) in cash and cash equivalents	△758,732
Cash and cash equivalents at beginning of period	12,776,079
Increase in cash and cash equivalents resulting from merger of consolidated subsidiaries	688,939
Cash and cash equivalents at end of period	12,706,286