

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 4, 2020

Company name: FUJIMI INCORPORATED  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 5384 URL <http://www.fujimiinc.co.jp/>  
 Representative: President and CEO Keishi Seki  
 Inquiries: General Manager of Corporate Planning Department Keigo Ohashi TEL 052-503-8181  
 Scheduled date to file Quarterly Securities Report: August 7, 2020  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

#### (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	%
Three months ended June 30, 2020	10,435	15.4	2,272	69.2	2,283	62.7	1,651	67.4
Three months ended June 30, 2019	9,046	(2.4)	1,343	(14.9)	1,404	(18.6)	986	(19.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	66.82		–	
Three months ended June 30, 2019	40.04		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2020	59,968	52,643	87.8	2,129.55
As of March 31, 2020	59,496	52,079	87.5	2,106.74

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2020	–	40.00	–	47.00	87.00
Year ending March 31, 2021	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	50.00	–	–	–

### 3. Forecast of consolidated financial results 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 attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2020	20,000	5.9	3,600	25.7	3,650	22.7	2,800	26.6	113.26

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020  
 (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
- 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

(4) Number of issued shares (common shares)

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

As of June 30, 2020	28,699,500 shares	As of March 31, 2020	28,699,500 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	3,979,131 shares	As of March 31, 2020	3,979,111 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	24,720,389 shares	Three months ended June 30, 2019	24,647,992 shares
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## 1. Information Concerning Consolidated Financial Results and Forecast

### (1) Financial Results

In the first three months of FY2021 (April-June 2020), global economic uncertainty increased due to the world-wide spread of the novel coronavirus (COVID-19), and increasing concerns about the US-China trade friction as well as the Hong Kong matter and so forth.

Despite weak demand for smartphones and automobiles, the global semiconductor market showed firm demand of logic devices and memory devices used for data centers and PCs fueled by “Stay Home” to prevent the spread of novel coronavirus (COVID-19). Additionally, inventory levels increased due to concerns over the spread of the novel coronavirus (COVID-19) and the intensified US-China trade friction.

The consolidated results for this period are shown below.

Consolidated Results for the First Three Months of Fiscal Year 2021:			Millions of JPY
	FY ended June 30, 2019	FY ended June 30, 2020	Change YoY
Net Sales	9,046	10,435	15.4%
Operating Profit	1,343	2,272	69.2%
Ordinary Profit	1,404	2,283	62.7%
Profit Attributable to Owners of Parent	986	1,651	67.4%

### (2) Segment Operating Results by Region

#### (i) Japan

Net sales in Japan increased by 17.9% to JPY 5,996 million. The increase was mainly due to firm demand for products related to semiconductor devices and silicon wafers. Operating profit increased by 61.7% to JPY 1,962 million. The increase was mainly due to sales increase and a favorable product mix.

#### (ii) North America

Net sales in North America increased by 1.4% to JPY 1,507 million compared with the same term in the previous fiscal year. Operating profit increased by 108.9% to JPY 169 million. The increase was mainly due to a favorable product mix.

#### (iii) Asia

Net sales in Asia increased by 22.8% to JPY 2,542 million compared with the same term in the previous fiscal year. Operating profit increased by 58.5% to JPY 567 million. The increases were mainly due to firm demand for CMP products related to the advanced logic devices.

(iv) Europe

Net sales in Europe decreased by 3.7% to JPY 388 million compared with the same term in the previous fiscal year. Operating profit decreased by 5.3% to JPY 53 million. The decreases were mainly due to foreign currency fluctuations.

**(3) Segment Operating Results by Application**

(i) Silicon Wafers

Regarding products for silicon wafers, net sales of lapping abrasive products increased by 19.2% to JPY 1,179 million compared with the same term in the previous fiscal year and net sales of polishing slurry products increased by 4.2% to JPY 2,284 million. The increases in net sales of both product lines were mainly due to high production levels in the semiconductor industry and an inventory increase of silicon wafers.

(ii) Semiconductor Devices

Regarding products for the CMP process of semiconductor devices, net sales increased by 30.3% to JPY 5,015 million compared with the same term in the previous fiscal year. The increase was mainly due to firm demand from both advanced logic devices and advanced memory devices for data centers and PCs.

(iii) Hard Disks

Regarding products for hard disks, net sales decreased by 11.2% to JPY 481 million compared with the same term in the previous fiscal year. The decrease in net sales was mainly due to market shrinkage caused by replacement with Solid State Drives (SSDs) and customers' manufacturing process changes.

(iv) General Industries

Regarding products for general industries, net sales increased by 4.7% to JPY 900 million compared with the same term in the previous fiscal year.

#### (4) Financial Forecast

Financial forecast for the first six months of FY2021 (April-September 2020) is shown below.

Financial Forecast for the First Six Months of Fiscal Year 2021:		Millions of JPY
	FY ended September 30, 2020	Change YoY
Net Sales	20,000	5.9%
Operating Profit	3,600	25.7%
Ordinary Profit	3,650	22.7%
Profit Attributable to Owners of Parent	2,800	26.6%

Full year financial forecast of FY2021 (April 2020 - March 2021) will be announced as soon as it becomes possible to forecast reasonably considering the impact of the novel coronavirus (COVID-19) and the US-China trade friction.

The financial forecast and other forward-looking statements are based on information available to the management at the present time and on certain assumptions judged by the management to be reasonable. Due to various factors, actual performance and financial results in future periods may differ materially from the forecast.

## 2. Information Concerning Consolidated Financial Status

### (1) Summary of Total Assets, Total Liabilities and Net Assets as of June 30, 2020

Total assets increased by JPY 472 million to JPY 59,968 million compared with the end of the previous fiscal year mainly due to increases of JPY 593 million in cash and deposit and of JPY 521 million in notes and accounts receivable - trade, offsetting decreases of JPY 327 million in other in current assets and of JPY 300 million in deferred tax assets.

Total liabilities decreased by JPY 91 million to JPY 7,325 million compared with the end of the previous fiscal year mainly due to decreases of JPY 573 million in provision for employee bonuses and of JPY 146 million in income taxes payable, offsetting increases of JPY 345 million in other in current liabilities and of JPY 263 million in notes and accounts payable - trade.

Net assets increased by JPY 563 million to JPY 52,643 million compared with the end of the previous fiscal year mainly due to increases of JPY 475 million in retained earnings and of JPY 77 in valuation difference on available-for-sale securities.

**Quarterly Consolidated Financial Statements**  
**Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	23,769	24,362
Notes and accounts receivable - trade	8,228	8,749
Securities	1,499	1,299
Merchandise and finished goods	3,695	3,901
Work in process	988	957
Raw materials and supplies	2,610	2,592
Other	503	176
Allowance for doubtful accounts	(18)	(19)
<b>Total current assets</b>	<b>41,279</b>	<b>42,021</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	6,788	6,695
Other, net	7,144	7,190
<b>Total property, plant and equipment</b>	<b>13,933</b>	<b>13,886</b>
Intangible assets	437	394
<b>Investments and other assets</b>		
Investment securities	2,939	3,051
Deferred tax assets	787	486
Other	129	137
Allowance for doubtful accounts	(9)	(9)
<b>Total investments and other assets</b>	<b>3,846</b>	<b>3,666</b>
<b>Total non-current assets</b>	<b>18,217</b>	<b>17,947</b>
<b>Total assets</b>	<b>59,496</b>	<b>59,968</b>

FUJIMI INCORPORATED  
FY2021 First Quarter Financial Summary

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	2,499	2,763
Income taxes payable	767	621
Provision for bonuses	1,242	668
Provision for bonuses for directors (and other officers)	-	19
Other	1,886	2,231
<b>Total current liabilities</b>	<b>6,395</b>	<b>6,304</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	0	2
Retirement benefit liability	752	760
Provision for share-based remuneration	157	151
Other	110	106
<b>Total non-current liabilities</b>	<b>1,021</b>	<b>1,021</b>
<b>Total liabilities</b>	<b>7,416</b>	<b>7,325</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	4,753	4,753
Capital surplus	5,570	5,570
Retained earnings	47,124	47,599
Treasury shares	(5,449)	(5,449)
<b>Total shareholders' equity</b>	<b>51,998</b>	<b>52,473</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	94	172
Foreign currency translation adjustment	30	36
Remeasurements of defined benefit plans	(44)	(40)
<b>Total accumulated other comprehensive income</b>	<b>80</b>	<b>169</b>
<b>Total net assets</b>	<b>52,079</b>	<b>52,643</b>
<b>Total liabilities and net assets</b>	<b>59,496</b>	<b>59,968</b>



**Consolidated Statements of Income (cumulative) and Consolidated Statements of Comprehensive Income (cumulative)**

**Consolidated Statements of Income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	9,046	10,435
Cost of sales	5,324	5,528
Gross profit	3,721	4,906
Selling, general and administrative expenses	2,378	2,634
Operating profit	1,343	2,272
Non-operating income		
Interest income	31	24
Dividend income	15	14
Foreign exchange gains	0	-
Other	14	19
Total non-operating income	62	58
Non-operating expenses		
Foreign exchange losses	-	45
Other	1	1
Total non-operating expenses	1	47
Ordinary profit	1,404	2,283
Profit before income taxes	1,404	2,283
Income taxes - current	207	366
Income taxes - deferred	209	265
Total income taxes	417	632
Profit	986	1,651
Profit attributable to owners of parent	986	1,651

**Consolidated Statements of Comprehensive Income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit	986	1,651
Other comprehensive income		
Valuation difference on available-for-sale securities	20	77
Foreign currency translation adjustment	(452)	6
Remeasurements of defined benefit plans, net of tax	7	4
Total other comprehensive income	(423)	88
Comprehensive income	563	1,740
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	563	1,740