

Annual Report
For the year ended March 31, 2020

**Consolidated Financial Statements
of the Fiscal Year Ended March 31, 2020
(April 1, 2019 - March 31, 2020)**

 **FUJI OIL HOLDINGS INC.**

Consolidated Balance Sheets

(Millions of Japanese yen)

	FY2019 as of Mar. 31, 2019 Amount	FY2020 as of Mar. 31, 2020 Amount	vs. last year Variance Amount
[Assets]			
Current assets	185,435	168,662	(16,773)
Cash and cash equivalents	21,217	18,589	(2,628)
Notes and accounts receivable-trade	71,192	65,749	(5,443)
Merchandise and finished goods	31,315	33,932	2,617
Raw materials and supplies	53,895	45,529	(8,366)
Other current assets	8,068	5,056	(3,012)
Allowance for bad debt	(254)	(196)	58
Fixed assets	205,088	198,459	(6,629)
Tangible fixed assets	117,327	123,606	6,279
Buildings and structures, net	39,562	37,988	(1,574)
Machinery and vehicles, net	49,671	48,473	(1,198)
Land	18,052	18,243	191
Construction in progress	7,580	12,593	5,013
Other Tangible fixed assets, net	2,461	6,308	3,847
Intangible fixed assets	67,140	59,679	(7,461)
Goodwill	34,083	29,227	(4,856)
Customer-related intangible assets	20,197	18,080	(2,117)
Other intangible fixed assets	12,860	12,371	(489)
Investments and other assets	20,620	15,173	(5,447)
Investment securities	12,388	8,133	(4,255)
Net defined benefit asset	2,707	2,238	(469)
Deferred tax assets	1,178	1,504	326
Other fixed assets	4,468	3,417	(1,051)
Allowance for bad debt	(123)	(119)	4
Deferred assets	-	243	243
Bond issue expenses	-	243	243
Total assets	390,524	367,365	(23,159)
[Liabilities]			
Current liabilities	168,333	105,484	(62,849)
Notes and accounts payable-trade	31,723	26,671	(5,052)
Short-term borrowings	114,249	51,300	(62,949)
Commercial paper	-	10,000	10,000
Accrued income taxes	1,531	2,935	1,404
Accrued bonuses for employees	2,533	2,589	56
Accrued bonuses for directors	106	128	22
Other current liabilities	18,188	11,859	(6,329)
Fixed liabilities	62,963	103,894	40,931
Bonds	10,000	45,000	35,000
Long-term borrowings	36,205	39,931	3,726
Deferred tax liabilities	12,788	12,300	(488)
Net defined benefit liability	1,992	2,028	36
Other fixed liabilities	1,976	4,634	2,658
Total liabilities	231,297	209,379	(21,918)
[Net assets]			
Shareholder's equity	160,249	171,306	11,057
Common stock	13,208	13,208	-
Capital surplus	12,478	11,730	(748)
Retained earnings	136,315	148,119	11,804
Treasury stock	(1,752)	(1,753)	(1)
Accumulated other comprehensive income	(3,829)	(15,838)	(12,009)
Unrealized holding gain/(loss) on securities	4,176	2,272	(1,904)
Unrealized gain/(loss) on hedging instruments	(9)	124	133
Foreign currency translation adjustment	(7,487)	(16,950)	(9,463)
Remeasurements of defined benefit plans	(507)	(1,285)	(778)
Non-controlling interests	2,806	2,518	(288)
Total net assets	159,227	157,986	(1,241)
Total liabilities and net assets	390,524	367,365	(23,159)

Consolidated Income Statements

(Millions of Japanese yen)

	Fiscal Year Ended FY2019 Full from Apr. 1, 2018 to Mar. 31, 2019	Fiscal Year Ended FY2020 Full from Apr. 1, 2019 to Mar. 31, 2020	Variance
Revenue	300,844	414,727	113,883
Cost of sales	235,593	334,411	98,818
Gross profit	65,250	80,315	15,065
Selling, general and administrative expenses	46,725	56,717	9,992
Operating profit	18,525	23,598	5,073
Interest income	305	266	(39)
Dividend income	144	121	(23)
Exchange gains	32	489	457
Refunded taxes	-	298	298
Profit from equity method	84	100	16
Other non-operating income	458	384	(74)
Total non-operating income	1,025	1,662	637
Interest expenses	510	2,106	1,596
Other non-operating expenses	863	794	(69)
Total non-operating expenses	1,374	2,900	1,526
Ordinary profit	18,176	22,359	4,183
Gain on sales of investment securities	2,182	1,987	(195)
Gain on sales of fixed assets	19	899	880
Gain on transfer of business	-	152	152
Total extraordinary gain	2,202	3,038	836
Loss on disposal of fixed assets	665	447	(218)
Loss on business reconstruction of subsidiaries and affiliates	200	489	289
Loss on cancellation of contracts	-	120	120
Impairment loss	2,039	900	(1,139)
Loss on valuation of shares of subsidiaries and affiliates	428	158	(270)
Loss on disaster	505	-	(505)
Total extraordinary loss	3,840	2,117	(1,723)
Income before income taxes	16,538	23,279	6,741
Income taxes	3,974	5,824	1,850
Income taxes adjustment	562	539	(23)
Total Income taxes	4,536	6,364	1,828
Net income	12,002	16,915	4,913
Net income attributable to non-controlling interests	420	539	119
Net income attributable to owners of parent	11,582	16,375	4,793

Consolidated Cash Flow Statements

(Millions of Japanese yen)

	Fiscal Year Ended FY2019 Full from Apr. 1, 2018 to Mar. 31, 2019	Fiscal Year Ended FY2020 Full from Apr. 1, 2019 to Mar. 31, 2020	Variance
I Cash flows from operating activities			
Income before income taxes	16,538	23,279	6,741
Depreciation and amortization	11,989	15,537	3,548
Amortization of goodwill	709	2,399	1,690
(Inc)/dec in net defined benefit asset	(630)	469	1,099
Inc/(dec) in net defined benefit liability	(39)	(1,018)	(979)
Interest income and dividend income	(449)	(388)	61
Interest expenses	510	2,106	1,596
Impairment loss	2,039	900	(1,139)
Loss on disaster	505	-	(505)
Investment loss/(profit) on equity method	(84)	(100)	(16)
Loss/(gain) on sales of investment securities	(2,182)	(1,987)	195
Loss/(gain) on disposal of fixed assets	646	(451)	(1,097)
Loss/(gain) on sales of investments in capital of subsidiaries and associates	-	489	489
Loss on valuation of shares of subsidiaries and affiliates	428	158	(270)
(Inc)/dec in notes and accounts receivable-trade	1,062	2,877	1,815
(Inc)/dec in inventories	(1,298)	4,032	5,330
Inc/(dec) in notes and accounts payable-trade	(887)	(4,049)	(3,162)
Other cash flows from operating activities	(581)	(2,803)	(2,222)
Sub-total	28,275	41,453	13,178
Interest income and dividend income received	442	399	(43)
Interest expense paid	(536)	(1,996)	(1,460)
Income taxes (paid) refunded	(5,544)	(2,797)	2,747
Cash flows from operating activities	22,637	37,058	14,421
II Cash flows from investing activities			
Payments for purchases of tangible fixed assets	(15,101)	(19,701)	(4,600)
Proceeds from sales of tangible fixed assets	391	1,165	774
Payments for purchases of intangible fixed assets	(1,884)	(1,847)	37
Payments for purchases of investment securities	(13)	(17)	(4)
Proceeds from sales of investment securities	4,221	2,976	(1,245)
Proceeds from liquidation of subsidiaries and affiliates	-	288	288
Payments for purchase of shares of subsidiaries	(65,262)	-	65,262
Payments for sales of investments in capital of subsidiaries resulting in change in scope of consolidation	(1,012)	(225)	787
Other cash flows from investing activities	(444)	(943)	(499)
Cash flows from investing activities	(79,104)	(18,302)	60,802
Free cash flow	(56,467)	18,755	75,222
III Cash flows from financing activities			
Net inc/(dec) in short-term borrowings	82,914	(81,563)	(164,477)
Net inc/(dec) in commercial papers	(5,000)	10,000	15,000
Proceeds from long-term borrowings	2,764	29,516	26,752
Repayment of long-term borrowings	(5,243)	(6,811)	(1,568)
Proceeds from issuance of bonds	-	34,707	34,707
Cash dividends paid	(4,297)	(4,469)	(172)
Dividends paid to non-controlling interests	(126)	(137)	(11)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(4,874)	(1,094)	3,780
Payments from changes in ownership interests in investments in capital of subsidiaries that do not result in change in scope of consolidation	(517)	-	517
Other cash flows from financing activities	(131)	(821)	(690)
Cash flows from financing activities	65,487	(20,674)	(86,161)
IV Effect of exchange rate changes on cash and cash equivalents	(811)	(829)	(18)
V Net increase/(decrease) in cash and cash equivalents	8,208	(2,748)	(10,956)
VI Cash and cash equivalents at beginning of period	12,999	21,207	8,208
VII Increase in cash and cash equivalents from newly consolidated subsidiary	-	119	119
VIII Cash and cash equivalents at end of period	21,207	18,578	(2,629)

*Note

Cash and cash equivalents at end of period	21,207	18,578	(2,629)
Fixed deposits mature over 3 months	10	10	-
Cash and bank balances	21,217	18,589	(2,628)

Consolidated Statements of Comprehensive Income

	(Millions of Japanese yen)		
	Fiscal Year Ended FY2019 Full from Apr. 1, 2018 to Mar. 31, 2019	Fiscal Year Ended FY2020 Full from Apr. 1, 2019 to Mar. 31, 2020	Variance
Net income	12,002	16,915	4,913
[Other comprehensive income]			
Unrealized holding gain/(loss) on securities	(1,367)	(1,903)	(536)
Deferred gain/(loss) on hedges	279	151	(128)
Foreign currency translation adjustment	(7,590)	(9,777)	(2,187)
Remeasurements of defined benefit plans	1	(777)	(778)
Share of other comprehensive income of affiliates accounted for using equity method	(98)	(167)	(69)
Total other comprehensive income	(8,775)	(12,474)	(3,699)
Comprehensive income	3,226	4,440	1,214
[Com Profit from equity method]			-
Comprehensive income attributable to owners of parent	3,640	4,365	725
Comprehensive income attributable to non-controlling interests	(413)	74	487
Total comprehensive income	3,226	4,440	1,214

Consolidated Statements of Changes in Equity

	Shareholder's equity				Accumulated other comprehensive income					
	Common Stock	Capital surplus	Retained earnings	Treasury stock	Unrealized holding gain/(loss) on securities	Unrealized gain/(loss) on hedging instruments	Translation adjustments	Accumulated Remeasurements of defined benefit plans	Net income attributable to non-controlling interests	Total shareholder's equity
BALANCE on April 1, 2018	13,208	15,609	129,031	(1,750)	5,543	(329)	(592)	(509)	4,686	164,897
Cash dividends paid			(4,297)							(4,297)
Net income attributable to owners of parent			11,582							11,582
Purchase of treasury stock				(1)						(1)
Change in scope of consolidation		(3,131)								(3,131)
Net changes of items other than shareholder's equity					(1,367)	319	(6,895)	1	(1,880)	(9,821)
Total changes of items during period		(3,131)	7,284	(1)	(1,367)	319	(6,895)	1	(1,880)	(5,670)
BALANCE on March 31, 2019	13,208	12,478	136,315	(1,752)	4,176	(9)	(7,487)	(507)	2,806	159,227
Cash dividends paid			(4,469)							(4,469)
Net income attributable to owners of parent			16,375							16,375
Purchase of treasury stock				(0)						(0)
Change in scope of consolidation			(101)							(101)
Purchase of share of consolidated subsidiaries		(747)								(747)
Net changes of items other than shareholder's equity					(1,903)	134	(9,463)	(777)	(287)	(12,297)
Total changes of items during period	-	(747)	11,805	(0)	(1,903)	134	(9,463)	(777)	(287)	(1,240)
BALANCE on March 31, 2020	13,208	11,730	148,119	(1,753)	2,272	124	(16,950)	(1,285)	2,518	157,986