

Second Quarter Report
Period Ended September 30, 2020

**Consolidated Financial Statements
of the Fiscal Year Ended September 30, 2020
(April 1, 2020 - September 30, 2020)**

 **FUJI OIL HOLDINGS INC.**

Consolidated Balance Sheets

(Millions of Japanese yen)

	FY2019 as of Mar. 31, 2020 Amount	2nd Q of FY2020 as of Sep. 30, 2020 Amount	vs. last year Variance Amount
[Assets]			
Current assets	168,662	164,237	(4,425)
Cash and cash equivalents	18,589	26,109	7,520
Notes and accounts receivable-trade	65,749	59,995	(5,754)
Merchandise and finished goods	33,932	32,660	(1,272)
Raw materials and supplies	45,529	40,979	(4,550)
Other current assets	5,056	4,699	(357)
Allowance for bad debt	(196)	(206)	(10)
Fixed assets	198,459	192,715	(5,744)
Tangible fixed assets	123,606	123,080	(526)
Buildings and structures, net	37,988	36,847	(1,141)
Machinery and vehicles, net	48,473	46,925	(1,548)
Land	18,243	17,785	(458)
Construction in progress	12,593	15,163	2,570
Other Tangible fixed assets, net	6,308	6,359	51
Intangible fixed assets	59,679	55,118	(4,561)
Goodwill	29,227	26,976	(2,251)
Customer-related intangible assets	18,080	16,940	(1,140)
Other intangible fixed assets	12,371	11,201	(1,170)
Investments and other assets	15,173	14,516	(657)
Investment securities	8,133	8,338	205
Net defined benefit asset	2,238	2,583	345
Deferred tax assets	1,504	985	(519)
Other fixed assets	3,417	2,676	(741)
Allowance for bad debt	(119)	(68)	51
Deferred assets	243	214	(29)
Bond issue expenses	243	214	(29)
Total assets	367,365	357,167	(10,198)
[Liabilities]			
Current liabilities	105,484	97,902	(7,582)
Notes and accounts payable-trade	26,671	23,205	(3,466)
Short-term borrowings	51,300	49,962	(1,338)
Commercial paper	10,000	10,000	-
Accrued income taxes	2,935	2,066	(869)
Accrued bonuses for employees	2,589	2,476	(113)
Accrued bonuses for directors	128	0	(128)
Other current liabilities	11,859	10,191	(1,668)
Fixed liabilities	103,894	104,805	911
Bonds	45,000	45,000	-
Long-term borrowings	39,931	40,801	870
Deferred tax liabilities	12,300	12,583	283
Net defined benefit liability	2,028	1,645	(383)
Other fixed liabilities	4,634	4,775	141
Total liabilities	209,379	202,707	(6,672)
[Net assets]			
Shareholder's equity	171,306	171,408	102
Common stock	13,208	13,208	-
Capital surplus	11,730	11,945	215
Retained earnings	148,119	148,221	102
Treasury stock	(1,753)	(1,967)	(214)
Accumulated other comprehensive income	(15,838)	(19,555)	(3,717)
Unrealized holding gain/(loss) on securities	2,272	2,388	116
Unrealized gain/(loss) on hedging instruments	124	(50)	(174)
Foreign currency translation adjustment	(16,950)	(20,660)	(3,710)
Remeasurements of defined benefit plans	(1,285)	(1,232)	53
Non-controlling interests	2,518	2,606	88
Total net assets	157,986	154,459	(3,527)
Total liabilities and net assets	367,365	357,167	(10,198)

Consolidated Income Statements

(Millions of Japanese yen)

	Six Months Ended FY2019 Q2 from Apr. 1, 2019 to Sep. 30, 2019	Six Months Ended FY2020 Q2 from Apr. 1, 2020 to Sep. 30, 2020	Variance
Revenue	191,585	172,589	(18,996)
Cost of sales	156,197	141,761	(14,436)
Gross profit	35,388	30,827	(4,561)
Selling, general and administrative expenses	26,261	23,489	(2,772)
Operating profit	9,127	7,338	(1,789)
Interest income	110	88	(22)
Dividend income	68	48	(20)
Foreign Exchange gains	-	83	83
Profit from equity method	17	52	35
Gain on valuation of derivatives	-	135	135
Refunded taxes	314	-	(314)
Other non-operating income	135	169	34
Total non-operating income	646	578	(68)
Interest expenses	1,010	773	(237)
Foreign exchange losses	185	-	(185)
Other non-operating expenses	248	307	59
Total non-operating expenses	1,444	1,080	(364)
Ordinary profit	8,328	6,835	(1,493)
Gain on sales of fixed assets	896	12	(884)
Gain on sales of investment securities	-	65	65
Gain on sales of Subsidiaries and affiliates stocks	-	530	530
Gain on transfer of business	152	-	(152)
Total extraordinary gain	1,048	609	(439)
Loss on disposal of fixed assets	101	142	41
Impairment loss	117	586	469
Loss on valuation of shares of subsidiaries and affiliates	57	102	45
Restructuring of affiliate company business	567	-	(567)
Loss on cancellation of leasehold contracts	131	-	(131)
Total extraordinary loss	975	832	(143)
Income before income taxes	8,401	6,613	(1,788)
Income taxes	2,028	1,427	(601)
Income taxes adjustment	(86)	778	864
Total Income taxes	1,942	2,206	264
Net income	6,458	4,406	(2,052)
Net income attributable to non-controlling interests	246	87	(159)
Net income attributable to owners of parent	6,212	4,318	(1,894)

Consolidated Cash Flow Statements

(Millions of Japanese yen)

	Six Months Ended FY2019 Q2 from Apr. 1, 2019 to Sep. 30, 2019	Six Months Ended FY2020 Q2 from Apr. 1, 2020 to Sep. 30, 2020	Variance
I Cash flows from operating activities			
Income before income taxes	8,401	6,613	(1,788)
Depreciation and amortization	7,221	7,081	(140)
Amortization of goodwill	1,162	1,046	(116)
(Inc)/dec in net defined benefit asset	(354)	(345)	9
Inc/(dec) in net defined benefit liability	34	111	77
Interest income and dividend income	(178)	(137)	41
Interest expenses	1,010	773	(237)
Impairment loss	117	586	469
Restructuring of affiliate company business	567	-	(567)
Investment loss/(profit) on equity method	(17)	(52)	(35)
Loss/(gain) on sales of investment securities	-	(65)	(65)
Loss/(gain) on disposal of fixed assets	(795)	129	924
Loss/(gain) on sales of stocks of subsidiaries and affiliates	-	(530)	(530)
Loss on valuation of shares of subsidiaries and affiliates	57	102	45
(Inc)/dec in notes and accounts receivable-trade	6,140	4,181	(1,959)
(Inc)/dec in inventories	2,439	4,433	1,994
Inc/(dec) in notes and accounts payable-trade	(7,071)	(2,478)	4,593
Other cash flows from operating activities	(2,569)	(769)	1,800
Sub-total	16,166	20,681	4,515
Interest income and dividend income received	185	140	(45)
Interest expense paid	(935)	(776)	159
Income taxes (paid) refunded	(1,220)	(2,680)	(1,460)
Cash flows from operating activities	14,195	17,365	3,170
II Cash flows from investing activities			
Payments for purchases of tangible fixed assets	(9,063)	(9,409)	(346)
Proceeds from sales of tangible fixed assets	1,042	18	(1,024)
Payments for purchases of intangible fixed assets	(919)	(457)	462
Proceeds from sales of investment in subsidiaries resulting in change in scope of consolidation	-	1,145	1,145
Collection of long term loans receivable	13	1,735	1,722
Other cash flows from investing activities	(1,081)	(45)	1,036
Cash flows from investing activities	(10,007)	(7,012)	2,995
Free cash flow	4,187	10,353	6,166
III Cash flows from financing activities			
Net inc/(dec) in short-term borrowings	(66,981)	7,162	74,143
Net inc/(dec) in commercial papers	10,000	-	(10,000)
Proceeds from long-term borrowings	20,303	5,128	(15,175)
Repayment of long-term borrowings	(3,229)	(12,427)	(9,198)
Proceeds from issuance of bonds	34,707	-	(34,707)
Cash dividends paid	(2,148)	(2,492)	(344)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(110)	-	110
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	79	79
Dividends paid to non-controlling interests	(32)	(129)	(97)
Other cash flows from financing activities	(313)	(384)	(71)
Cash flows from financing activities	(7,803)	(3,064)	4,739
IV Effect of exchange rate changes on cash and cash equivalents	(199)	231	430
V Net increase/(decrease) in cash and cash equivalents	(3,815)	7,520	11,335
VI Cash and cash equivalents at beginning of period	21,207	18,578	(2,629)
VII Increase in cash and cash equivalents from newly consolidated subsidiary	119	-	(119)
VIII Cash and cash equivalents at end of period	17,511	26,099	8,588

*Note

Cash and cash equivalents at end of period	17,511	26,099	8,588
Fixed deposits mature over 3 months	10	10	-
Cash and bank balances	17,521	26,109	8,588

Consolidated Statements of Comprehensive Income

(Millions of Japanese yen)

	Six Months Ended FY2019 Q2 from Apr. 1, 2019 to Sep. 30, 2019	Six Months Ended FY2020 Q2 from Apr. 1, 2020 to Sep. 30, 2020	Variance
Net income	6,458	4,406	(2,052)
[Other comprehensive income]			
Unrealized holding gain/(loss) on securities	(844)	115	959
Deferred gain/(loss) on hedges	(59)	(174)	(115)
Foreign currency translation adjustment	(2,949)	(3,696)	(747)
Remeasurements of defined benefit plans	24	52	28
Share of other comprehensive income of affiliates accounted for using equity method	(26)	101	127
Total other comprehensive income	(3,857)	(3,601)	256
Comprehensive income	2,601	805	(1,796)
[Com Profit from equity method]			
Comprehensive income attributable to owners of parent	2,381	602	(1,779)
Comprehensive income attributable to non-controlling interests	220	202	(18)
Total comprehensive income	2,601	805	(1,796)