

Third Quarter Report  
Period Ended December 31, 2020

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

 **FUJI OIL HOLDINGS INC.**

## Consolidated Balance Sheets

(Millions of Japanese yen)

	FY2019 as of Mar. 31, 2020 Amount	3rd Q of FY2020 as of Dec. 31, 2020 Amount	vs. last year Variance Amount
<b>[Assets]</b>			
<b>Current assets</b>	168,662	168,197	(465)
Cash and cash equivalents	18,589	26,875	8,286
Notes and accounts receivable-trade	65,749	71,918	6,169
Merchandise and finished goods	33,932	30,146	(3,786)
Raw materials and supplies	45,529	34,812	(10,717)
Other current assets	5,056	4,695	(361)
Allowance for bad debt	(196)	(251)	(55)
<b>Fixed assets</b>	198,459	192,463	(5,996)
<b>Tangible fixed assets</b>	123,606	125,245	1,639
Buildings and structures, net	37,988	37,447	(541)
Machinery and vehicles, net	48,473	48,184	(289)
Land	18,243	18,006	(237)
Construction in progress	12,593	15,361	2,768
Other Tangible fixed assets, net	6,308	6,244	(64)
<b>Intangible fixed assets</b>	59,679	53,928	(5,751)
Goodwill	29,227	26,399	(2,828)
Customer-related intangible assets	18,080	16,506	(1,574)
Other intangible fixed assets	12,371	11,022	(1,349)
<b>Investments and other assets</b>	15,173	13,289	(1,884)
Investment securities	8,133	7,091	(1,042)
Net defined benefit asset	2,238	2,756	518
Deferred tax assets	1,504	906	(598)
Other fixed assets	3,417	2,600	(817)
Allowance for bad debt	(119)	(63)	56
<b>Deferred assets</b>	243	199	(44)
Bond issue expenses	243	199	(44)
<b>Total assets</b>	367,365	360,861	(6,504)
<b>[Liabilities]</b>			
<b>Current liabilities</b>	105,484	104,327	(1,157)
Notes and accounts payable-trade	26,671	27,815	1,144
Short-term borrowings	51,300	50,952	(348)
Commercial paper	10,000	10,000	-
Accrued income taxes	2,935	1,979	(956)
Accrued bonuses for employees	2,589	1,367	(1,222)
Accrued bonuses for directors	128	0	(128)
Other current liabilities	11,859	12,212	353
<b>Fixed liabilities</b>	103,894	100,995	(2,899)
Bonds	45,000	45,000	-
Long-term borrowings	39,931	37,316	(2,615)
Deferred tax liabilities	12,300	12,375	75
Net defined benefit liability	2,028	1,655	(373)
Other fixed liabilities	4,634	4,648	14
<b>Total liabilities</b>	209,379	205,322	(4,057)
<b>[Net assets]</b>			
<b>Shareholder's equity</b>	171,306	173,464	2,158
Common stock	13,208	13,208	-
Capital surplus	11,730	11,945	215
Retained earnings	148,119	150,278	2,159
Treasury stock	(1,753)	(1,968)	(215)
<b>Accumulated other comprehensive income</b>	(15,838)	(20,666)	(4,828)
Unrealized holding gain/(loss) on securities	2,272	1,710	(562)
Unrealized gain/(loss) on hedging instruments	124	(226)	(350)
Foreign currency translation adjustment	(16,950)	(20,944)	(3,994)
Remeasurements of defined benefit plans	(1,285)	(1,205)	80
<b>Non-controlling interests</b>	2,518	2,740	222
<b>Total net assets</b>	157,986	155,538	(2,448)
<b>Total liabilities and net assets</b>	367,365	360,861	(6,504)

## Consolidated Income Statements

(Millions of Japanese yen)

	Nine Months Ended FY2019 Q3 from Apr. 1, 2019 to Dec. 31, 2019	Nine Months Ended FY2020 Q3 from Apr. 1, 2020 to Dec. 31, 2020	Variance
Revenue	291,499	273,144	(18,355)
Cost of sales	235,748	224,347	(11,401)
<b>Gross profit</b>	<b>55,751</b>	<b>48,797</b>	<b>(6,954)</b>
Selling, general and administrative expenses	39,111	35,274	(3,837)
<b>Operating profit</b>	<b>16,640</b>	<b>13,522</b>	<b>(3,118)</b>
Interest income	160	140	(20)
Dividend income	118	80	(38)
Refunded taxes	306	-	(306)
Profit from equity method	-	148	148
Gain on valuation of derivatives	-	204	204
Other non-operating income	163	354	191
Total non-operating income	749	929	180
Interest expenses	1,519	1,082	(437)
Foreign exchange losses	171	4	(167)
Loss from equity method	2	-	(2)
Other non-operating expenses	581	499	(82)
Total non-operating expenses	2,275	1,586	(689)
<b>Ordinary profit</b>	<b>15,113</b>	<b>12,865</b>	<b>(2,248)</b>
Gain on sales of fixed assets	865	12	(853)
Gain on sales of investment securities	1,884	526	(1,358)
Gain on sales of Subsidiaries and affiliates stocks	-	530	530
Gain on transfer of business	152	-	(152)
Total extraordinary gain	2,901	1,069	(1,832)
Loss on disposal of fixed assets	166	184	18
Impairment loss	117	774	657
Loss on valuation of shares of subsidiaries and affiliates	57	102	45
Restructuring of affiliate company business	489	-	(489)
Loss on cancellation of leasehold contracts	125	-	(125)
Total extraordinary loss	956	1,061	105
<b>Income before income taxes</b>	<b>17,058</b>	<b>12,874</b>	<b>(4,184)</b>
Income taxes	3,949	2,910	(1,039)
Income taxes adjustment	713	1,186	473
Total Income taxes	4,662	4,096	(566)
<b>Net income</b>	<b>12,395</b>	<b>8,777</b>	<b>(3,618)</b>
Net income attributable to non-controlling interests	364	163	(201)
<b>Net income attributable to owners of parent</b>	<b>12,031</b>	<b>8,613</b>	<b>(3,418)</b>

**Consolidated Cash Flow Statements**

(Millions of Japanese yen)

	Nine Months Ended FY2019 Q3 from Apr. 1, 2019 to Dec. 31, 2019	Nine Months Ended FY2020 Q3 from Apr. 1, 2020 to Dec. 31, 2020	Variance
<b>I Cash flows from operating activities</b>			
Income before income taxes	17,058	12,874	(4,184)
Depreciation and amortization	10,744	10,659	(85)
Amortization of goodwill	1,710	1,561	(149)
(Inc)/dec in net defined benefit asset	(531)	(518)	13
Inc/(dec) in net defined benefit liability	37	140	103
Interest income and dividend income	(279)	(221)	58
Interest expenses	1,519	1,082	(437)
Impairment loss	117	774	657
Restructuring of affiliate company business	489	-	(489)
Investment loss/(profit) on equity method	2	(148)	(150)
Loss/(gain) on sales of investment securities	(1,884)	(526)	1,358
Loss/(gain) on disposal of fixed assets	(698)	171	869
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	(5,621)	(7,858)	(2,237)
(Inc)/dec in inventories	4,555	12,874	8,319
Inc/(dec) in notes and accounts payable-trade	(1,817)	2,038	3,855
Other cash flows from operating activities	(2,017)	(1,322)	695
Sub-total	23,445	31,152	7,707
Interest income and dividend income received	283	226	(57)
Interest expense paid	(1,493)	(1,191)	302
Income taxes (paid) refunded	(2,039)	(3,712)	(1,673)
<b>Cash flows from operating activities</b>	<b>20,195</b>	<b>26,475</b>	<b>6,280</b>
<b>II Cash flows from investing activities</b>			
Payments for purchases of tangible fixed assets	(13,157)	(13,932)	(775)
Proceeds from sales of tangible fixed assets	1,135	37	(1,098)
Payments for purchases of intangible fixed assets	(1,272)	(589)	683
Proceeds from sales of investment securities	2,829	767	(2,062)
Proceeds from sales of investment in subsidiaries resulting in change in scope of consolidation	-	1,145	1,145
Payments for sales of investments in capital of subsidiaries resulting in change in scope of consolidation	(225)	-	225
Collection of long term loans receivable	23	1,739	1,716
Other cash flows from investing activities	(1,101)	(52)	1,049
<b>Cash flows from investing activities</b>	<b>(11,768)</b>	<b>(10,885)</b>	<b>883</b>
<b>Free cash flow</b>	<b>8,427</b>	<b>15,590</b>	<b>7,163</b>
<b>III Cash flows from financing activities</b>			
Net inc/(dec) in short-term borrowings	(72,481)	13,603	86,084
Net inc/(dec) in commercial papers	10,000	-	(10,000)
Proceeds from long-term borrowings	27,266	5,099	(22,167)
Repayment of long-term borrowings	(3,345)	(21,036)	(17,691)
Proceeds from issuance of bonds	34,707	-	(34,707)
Cash dividends paid	(4,469)	(4,730)	(261)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(108)	-	108
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	(137)	(128)	9
Other cash flows from financing activities	(473)	(515)	(42)
<b>Cash flows from financing activities</b>	<b>(9,042)</b>	<b>(7,628)</b>	<b>1,414</b>
<b>IV Effect of exchange rate changes on cash and cash equivalents</b>	<b>(668)</b>	<b>325</b>	<b>993</b>
<b>V Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,284)</b>	<b>8,286</b>	<b>9,570</b>
<b>VI Cash and cash equivalents at beginning of period</b>	<b>21,207</b>	<b>18,578</b>	<b>(2,629)</b>
<b>VI Increase in cash and cash equivalents from newly consolidated subsidiary</b>	<b>119</b>	<b>-</b>	<b>(119)</b>
<b>VII Cash and cash equivalents at end of period</b>	<b>20,042</b>	<b>26,865</b>	<b>6,823</b>

\*Note

<b>Cash and cash equivalents at end of period</b>	20,042	26,865	6,823
<b>Fixed deposits mature over 3 months</b>	10	10	-
<b>Cash and bank balances</b>	20,053	26,875	6,822

**Consolidated Statements of Comprehensive Income**

(Millions of Japanese yen)

	Nine Months Ended <b>FY2019 Q3</b> from Apr. 1, 2019 to Dec. 31, 2019	Nine Months Ended <b>FY2020 Q3</b> from Apr. 1, 2020 to Dec. 31, 2020	Variance
<b>Net income</b>	12,395	8,777	(3,618)
[Other comprehensive income]			
Unrealized holding gain/(loss) on securities	(1,873)	(562)	1,311
Deferred gain/(loss) on hedges	261	(350)	(611)
Foreign currency translation adjustment	(5,820)	(3,884)	1,936
Remeasurements of defined benefit plans	36	79	43
Share of other comprehensive income of affiliates accounted for using equity method	(45)	61	106
Total other comprehensive income	(7,442)	(4,656)	2,786
<b>Comprehensive income</b>	4,953	4,121	(832)
[Com Profit from equity method]			
Comprehensive income attributable to owners of parent	4,848	3,786	(1,062)
Comprehensive income attributable to non-controlling interests	104	335	231
<b>Total comprehensive income</b>	4,953	4,121	(832)