

## FY2003 Mid-Term Consolidated Financial Results

### FUJIMI INCORPORATED

JASDAQ Code: #5384

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US GAAP: Not adopted

Registered trademark: FUJIMI INC.

Location of headquarters: Aichi Prefecture

## 1. Operations for FY2003 Mid-Term (April 1, 2002 - September 30, 2002)

### (1) Summary of mid-term results

	FY2003 Mid-Term	FY2002 Mid-Term	FY2002
	Million yen (%)	Million yen (%)	Million yen (%)
Net sales	11,255 (12.9)	9,974 ( 19.2 )	18,945
Operating income	1,146 (148.4)	461 ( 81.1 )	274
Ordinary income	1,147 (132.4)	493 ( 80.0 )	284
Interim net income	629 ( - )	65 ( - )	315
Interim net income per share (basic)	Y41.26	Y 4.24	Y 20.43
Interim net income per share (diluted)	-	-	-

(Notes) 1. Equity in profits (losses) of associated companies:

(FY2003 Mid-Term) - (FY2002 Mid-Term) - (FY2002) - million yen

2. Average shares: (FY2003 Mid-Term) 15,247,627 (FY2002 Mid-Term) 15,543,207 (FY2002) 15,450,274

3. Changes in accounting policies: None

4. The figures in percentage for net sales, operating income, ordinary income and interim net income indicate changes from a year earlier.

### (2) Financial position

	Yen (millions)		
	FY2003 Mid-Term	FY2002 Mid-Term	FY 2002
Total assets	41,335	43,227	41,032
Shareholders' equity	34,513	35,603	35,314
Shareholders' equity ratio	83.5%	82.4%	86.1%
Shareholders' equity per share	Y2293.33	Y2,312.10	Y2,300.78

(Notes) The number of issued shares at the term-end:

(FY2003 Mid-Term) 15,049,656 (FY2002 Mid-Term) 15,398,657 (FY2002) 15,349,112

### (3) Consolidated cash flows

	Yen (millions)		
	FY2003 Mid-Term	FY2002 Mid-Term	FY2002
Operating activities	3,268	1,783	2,332
Investing activities	161	2,403	3,905
Financing activities	1,338	767	1,227
Cash and cash equivalents at the term-end	12,384	11,820	10,402

### (4) The number of consolidated subsidiaries and other affiliated companies (equity method)

Consolidated subsidiaries: 3 Unconsolidated subsidiaries: - Associated companies: -

### (5) Changes in the number of consolidated subsidiaries and other affiliated companies (equity method)

Consolidated subsidiaries (new): - Consolidated subsidiaries (exclusion): -

Unconsolidated subsidiaries (new): - Unconsolidated subsidiaries (exclusion): -

## 2. Forecast for FY2003 (April 1, 2002 - March 31, 2003)

	Yen (millions)
	Yearly
Net Sales	21,700
Ordinary income	1,900
Net income	1,000

(Reference) Estimated net income per share (yearly): 65.15 yen

Forecasts contained in this documentation are provided as a reference only. They are based on the company's projection and estimates and should not be construed as an assurance or guarantee of future performance. When using this information, please keep in mind that results may differ from the estimates.

## ( 1 ) Mid-Term Balance Sheet

(Thousands of yen)

Item	Term	FY 2003 Mid-Term ( As of September 30, 2002 )		FY 2002 Mid-Term ( As of September 30, 2001 )		FY2002 ( As of March 31, 2002 )	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>ASSETS</b>			%		%		%
Current assets							
1 . Cash and deposits		12,184,320		5,455,342		7,312,120	
2 . Notes and accounts receivable		6,752,377		6,312,833		5,981,332	
3 . Marketable securities		354,908		6,619,422		1,664,477	
4 . Inventories		3,047,492		3,957,777		3,403,424	
5 . Deferred tax assets		350,192		202,943		94,546	
6 . Prepaid expenses		11,016		52,722		40,672	
7 . Short-term loans receivable		6,962		6,373		2,008,081	
8 . Accrued corporate tax		264,883		-		1,134,274	
9 . Other current assets		57,626		128,026		48,439	
Allowance for doubtful accounts		5,922		13,383		17,739	
Total current assets		23,023,860	55.7	22,722,057	52.6	21,669,629	52.8
Fixed Assets							
1 . Tangible fixed assets							
(1) Building and structures		6,607,885		7,141,309		6,971,424	
(2) Machinery and vehicles		3,677,824		4,499,895		4,161,512	
(3) Land		3,983,848		3,981,036		4,001,483	
(4) Construction in progress		188,765		1,436,095		95,147	
(5) Other tangible fixed assets		1,407,745		929,870		1,682,548	
Total tangible fixed assets		15,866,069		17,988,208		16,912,116	
2 . Intangible fixed assets							
(1) Software		431,734		80,414		116,527	
(2) Consolidated adjustment accounts		81,879		245,639		163,759	
(3) Temporary accounts for software		-		220,783		257,037	
(4) Other intangible fixed assets		33,768		35,500		34,634	
Total intangible fixed assets		547,383		582,338		571,959	
3 . Investments and other assets							
(1) Investment in securities		625,837		740,886		614,153	
(2) Long-term loans receivable		3,464		2,299		4,221	
(3) Deferred tax assets		566,048		468,858		544,861	
(4) Other investments and assets		746,460		772,657		758,240	
Allowance for doubtful accounts		43,902		50,141		42,585	
Total of investments and other assets		1,897,907		1,934,560		1,878,890	
Total fixed assets		18,311,360	44.3	20,505,107	47.4	19,362,967	47.2
Total Assets		41,335,221	100.0	43,227,164	100.0	41,032,596	100.0

(Thousands of yen)

Item	Term	FY2003 Mid-Term		FY2002 Mid-Term		FY2002	
		( As of September 30, 2002 )		( As of September 30, 2001 )		( As of March 31, 2002 )	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>LIABILITIES</b>			%		%		%
Current liabilities							
1 .Notes and accounts payable		2,753,396		2,869,853		2,281,878	
2 .Short-term loans payable		915,125		1,377,499		1,359,287	
3 .Corporate tax payable		839,072		221,128		-	
4 .Deferred tax liabilities		1,816		-		31,229	
5 .Accrued expenses		196,250		154,639		228,776	
6 .Reserve for bonus payment		420,382		252,426		238,298	
7 .Notes payable for facilities		60,527		866,671		11,021	
8 .Other current liabilities		582,320		722,845		474,820	
Total current liabilities		5,768,891	14.0	6,465,063	15.0	4,625,312	11.3
Fixed liabilities							
1 .Long-term loans payable		-		37,832		-	
2 .Deferred tax liabilities		79,649		70,533		90,732	
3 .Allowance for employees' retirement benefits		416,543		503,507		446,751	
4 .Allowance for directors' retirement benefits		526,301		518,853		522,526	
Total fixed liabilities		1,022,495	2.5	1,130,727	2.6	1,060,010	2.6
Total liabilities		6,791,386	16.4	7,595,790	17.6	5,685,323	13.9
<b>MINORITY INTEREST</b>							
Minority interest		29,979	0.1	28,138	0.0	32,416	0.1
<b>SHAREHOLDERS' EQUITY</b>							
Capital stock		-	-	4,753,438	11.0	4,753,438	11.6
Legal reserve for capital surplus		-	-	5,038,501	11.7	5,038,501	12.3
Consolidated retained earnings		-	-	25,336,572	58.6	24,751,277	60.3
Gain or loss on revaluation of other securities		-	-	71,357	0.2	1,378	0.0
Foreign currency translation adjustment		-	-	546,268	1.3	771,613	1.9
Treasury stock		-	-	189	0.0	1,361	0.0
Total shareholders' equity		-	-	35,603,234	82.4	35,314,856	86.1
Capital stock		4,753,438	11.5	-	-	-	-
Additional paid-in capital		5,038,501	12.2	-	-	-	-
Retained earnings		25,150,138	60.8	-	-	-	-
Gain or loss on revaluation of other securities		1,254	0.0	-	-	-	-
Foreign currency translation adjustment		338,045	0.8	-	-	-	-
Treasury stock		765,015	1.9	-	-	-	-
Total shareholders' equity		34,513,855	83.5	-	-	-	-
Total of liabilities, minority interest and shareholders' equity		41,335,221	100.0	43,227,164	100.0	41,032,596	100.0

## ( 2 ) Mid-Term Statement of Income

( Thousands of yen

Term Item	FY 2003 Mid-Term 〔 April 1, 2002- September 30, 2002 〕		FY 2002 Mid-Term 〔 April 1, 2001- September 30, 2001 〕		FY2002 〔 April 1, 2001- March 31, 2002 〕	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Net sales	11,255,982	100.0	9,974,051	100.0	18,945,292	100.0
Cost of sales	7,752,907	68.9	7,404,930	74.3	14,281,035	75.4
Gross profit on sales	3,503,075	31.1	2,569,120	25.7	4,664,256	24.6
Selling, general and administrative expenses	2,356,911	20.9	2,107,723	21.1	4,389,354	23.2
Operating income	1,146,164	10.2	461,396	4.6	274,902	1.4
Non-operating income						
1 . Interest received	34,959		41,964		39,429	
2 . Dividends received	1,020		1,084		1,641	
3 . Exchange profit	-		12,503		41,010	
4 . Other	20,696		20,713		26,656	
Total	56,676	0.5	76,265	0.8	108,737	0.6
Non-operating expenses						
1 . Interest paid	21,262		25,445		56,427	
2 . Loss on securities sold	-		-		32,369	
3 . Other	33,725		18,398		10,346	
Total	54,987	0.5	43,844	0.4	99,143	0.5
Ordinary income	1,147,852	10.2	493,817	5.0	284,496	1.5
Extraordinary income						
1 . Reversal of allowance for doubtful accounts	12,000		16,700		9,663	
2 . Other	1,285		-		-	
Total	13,285	0.1	16,700	0.2	9,663	0.1
Extraordinary loss						
1 . Loss on sale and disposal of fixed assets	8,283		26,298		33,189	
2 . Loss on revaluation of membership	1,500		10,832		11,082	
3 . Loss on revaluation of investment in securities	-		314,458		567,687	
4 . Other	2,085		17,503		29,779	
Total	11,868	0.1	369,092	3.7	641,739	3.4
Current net income before tax ( : loss)	1,149,270	10.2	141,424	1.4	347,578	1.8
Corporate tax, inhabitant tax, and business tax	832,846	7.4	167,313	1.7	70,926	0.4
Corporate tax for previous period	-	-	83,359	0.8	93,563	0.5
Corporate tax refund	-	-	-	-	125,102	0.7
Corporate tax adjustment	314,589	2.8	48,523	0.5	76,716	0.4
Minority interest	1,914	0.0	5,187	0.1	5,428	0.0
Net income ( : loss)	629,098	5.6	65,912	0.7	315,678	1.6

( 3 ) Mid-Term Statement of Consolidated Retained Earnings

(Thousands of yen)

Term Item	FY2003 〔 April 1, 2002- September 30, 2002 〕	FY2002 〔 April 1, 2001- September 30, 2001 〕	FY2002 〔 April 1, 2001- March 31, 2002 〕
	Amount	Amount	Amount
Initial balance of consolidated retained earnings	-	26,135,750	26,135,750
Increase in consolidated retained earnings	-	50,598	50,598
Increase in retained earnings from new consolidation	-	50,598	50,598
Decrease in consolidated retained earnings	-	783,863	1,119,392
1. Dividends	-	273,041	504,020
2. Bonuses to directors	-	80,000	80,000
3. Retirement of treasury stock	-	430,822	535,372
Net loss	-	65,912	315,678
Final balance of consolidated retained earnings	-	25,336,572	24,751,277
(Additional paid-in capital)			
Initial balance of additional paid-in capital	5,038,501	-	-
Final balance of additional paid-in capital	5,038,501	-	-
(Retained earnings)			
Initial balance of retained earnings	24,751,277	-	-
Increase in retained earnings	629,098	-	-
Net income	629,098	-	-
Decrease in retained earnings	230,236	-	-
Dividends	230,236	-	-
Final balance of retained earnings	25,150,138	-	-

## (4) Mid-Term Cash Flows

(Thousands of yen)

Item	Term	FY 2003 Mid-term	FY 2002 Mid-term	FY2002 Abstracts from consolidated cash flows
		〔 April 1, 2002 September 30, 2002 〕	〔 April 1, 2001 September 30, 2001 〕	〔 April 1, 2001 March 31, 2002 〕
		Amount	Amount	Amount
Cash flows from operating activities				
Net income before tax adjustment ( : loss)		1,149,270	141,424	347,578
Depreciation expense		1,149,340	1,170,975	2,482,071
Amortization of consolidated adjustment account		81,879	81,879	163,759
Loss on revaluation of marketable securities		-	314,458	567,687
Increase/decrease in allowance for doubtful accounts ( : decrease)		12,000	6,963	10,163
Increase/decrease in allowance for employees' retirement benefits ( : decrease)		30,207	58,321	115,077
Increase/decrease in allowance for directors' retirement benefits ( : decrease)		3,775	30,998	27,325
Increase/decrease for bonus payments ( : decrease)		182,084	171,497	185,625
Interest and dividends received		35,979	43,048	41,071
Interest paid		21,262	25,445	56,427
Other non-operating expenses		-	4,081	-
Loss on sale of marketable securities		-	-	32,369
Loss on sale and disposal of tangible fixed assets		8,283	26,298	31,903
Loss on disposal of intangible fixed assets		2,085	777	1,286
Loss on revaluation of membership		1,500	10,832	11,082
Increase/decrease in receivables ( : increase)		897,361	2,583,283	2,977,535
Increase/decrease in payables ( : decrease)		565,250	1,087,501	1,714,127
Increase/decrease in inventories ( : increase)		239,063	280,019	330,939
Increase/decrease in accounts payable ( : decrease)		45,021	52,855	137,044
Increase/decrease in accrued consumption tax ( : decrease)		36,099	-	5,117
Increase/decrease in other assets and liabilities ( : decrease)		825,471	276,125	178,342
Bonuses to directors		-	80,000	80,000
Subtotal		3,244,795	2,824,377	4,180,507
Interest and dividends received		35,979	43,048	41,071
Subsidy received		-	-	311,400
Interest paid		21,262	25,445	56,427
Corporate tax		9,396	1,058,810	2,143,882
Cash flows from operating activities		3,268,908	1,783,169	2,332,667
Cash flows from investing activities				
Fixed deposits		500,000	500,000	500,000
Withdrawal from fixed deposit accounts		500,000	-	-
Purchases of marketable securities		99,950	204,875	549,456
Proceeds from sales of marketable securities		512,599	204,567	254,447
Purchases of investment in securities		16,233	30,901	32,105
Proceeds from sale of investment in securities		-	6	6
Purchases of tangible fixed assets		137,104	1,618,508	2,749,679
Proceeds from collection of loans		1,393	-	1,517
Loans		-	5,221	10,533
Purchases of intangible fixed assets		110,250	248,873	334,381
Proceeds from sale of other investments		11,435	405	14,573
Cash flows from investing activities		161,890	2,403,402	3,905,612
Cash flows from financing activities				
Net increase/decrease in short-term loans ( : decrease)		344,280	194,098	256,758
Repayment of long-term loans		-	253,937	437,968
Purchases of treasury stock		763,653	435,070	542,247
Dividends paid by parent company		230,236	273,041	504,020
Cash flows from financing activities		1,338,170	767,950	1,227,477
Effect of currency rate exchanges on cash and cash equivalents		110,448	45,629	40,008
Increase/decrease in cash and cash equivalents ( : decrease)		1,982,179	1,342,553	2,760,413
Increase in cash and cash equivalents from new consolidation		-	90,085	90,085
Cash and cash equivalents at the beginning of mid-term		10,402,149	13,072,477	13,072,477
Cash and cash equivalents at the end of mid-term		12,384,329	11,820,009	10,402,149