

FY 2005 Consolidated Financial Results

FUJIMI INCORPORATED

JASDAQ Code: #5384

URL: <http://www.fujimiinc.co.jp>

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Date of board meeting approving the financial results: May 13, 2005

Name of parent company: (code number:)

US GAAP: Not adopted

Listed on JASDAQ

Location of headquarters: Aichi Prefecture

President: Akira Koshiyama

Parent company's stockholding ratio: -%

1. Operations for FY 2005 (April 1, 2004 - March 31, 2005)

(1) Summary of results

Notes: Fractions less than one million yen are rounded off.

	FY 2005	FY 2004
	Million yen (%)	Million yen (%)
Net sales	27,109 (13.2)	23,938 (8.9)
Operating income	3,514 (16.9)	3,007 (38.1)
Ordinary income	3,614 (21.2)	2,981 (38.8)
Net income	1,823 (5.2)	1,922 (77.0)
Net income per share	121.16 yen	125.21 yen
Net income per share (diluted)	121.14 yen	123.91 yen
Net income to capital stock ratio	5.10%	5.50%
Ordinary income to gross capital ratio	8.6%	7.2%
Ordinary income to net sales ratio	13.3%	12.5%

Notes: 1. Equity in earnings (losses) of affiliated companies:

(FY 2005) --- million yen (FY 2004) --- million yen

2. Average shares: (FY 2005) 14,718,731 (FY 2004) 15,036,105

3. Changes in accounting policies: Applied

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

(2) Financial position

Notes: Fractions less than one million yen are rounded off.

	FY 2005	FY 2004
	Million yen	Million yen
Total assets	43,448	40,990
Shareholders' equity	36,049	35,068
Shareholders' equity ratio	83.0%	85.6%
Shareholders' equity per share	2,452.69 yen	2,371.68 yen

Notes: The number of issued shares at the term-end: (FY 2005) 14,681,471 (FY 2004) 14,769,326

(3) Consolidated cash flows

Notes: Fractions less than one million yen are rounded off.

	FY 2005	FY 2004
	Million yen	Million yen
Operating activities	3,584	2,490
Investing activities	1,851	3,008
Financing activities	518	1,413
Cash and cash equivalents at the term-end	12,969	11,419

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

Consolidated subsidiaries: 4 Unconsolidated subsidiaries: --- Affiliated companies: ---

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

Consolidated subsidiaries (new): 2 (exclusion): ---

Equity method (new): --- (exclusion): ---

2. Forecast for FY2006 (April 1, 2005 - March 31, 2006)

	Yen (millions)	
	Mid-term	Yearly
Net Sales	14,390	30,340
Ordinary income	1,940	4,650
Net income	1,260	3,000

Reference: Estimated net income per share (yearly): 102.17 yen

The aforementioned estimated figures are based on information that was obtained as of today and contains many uncertainties. Please keep in mind that actual results may differ from the above estimates due to changes in business circumstances etc.

3. Consolidated Financial Statement

(1) Consolidated Balance Sheet

Item	Notes	FY 2004 (As of March 31, 2004)		FY 2005 (As of March 31, 2005)		Year-on-year percentage changes Increase/decrease (in thousand yen)
		Amount (in thousand yen)	Percentage	Amount (in thousand yen)	Percentage	
ASSETS			%		%	
Current assets						
1. Cash and deposits		10,869,864		12,594,996		1,725,132
2. Notes and accounts receivable		7,345,453		7,839,892		494,439
3. Marketable securities		615,918		374,692		241,225
4. Inventories		3,006,039		4,262,330		1,256,291
5. Deferred tax assets		342,050		626,691		284,640
6. Prepaid expenses		12,308		43,615		31,306
7. Short-term loans receivable		1,382		1,360		21
8. Accrued corporate tax		42,004		75,941		33,937
9. Other current assets		54,042		80,126		26,084
Allowance for doubtful accounts		16,000		25,000		9,000
Total current assets		22,273,064	54.3	25,874,649	59.5	3,601,584
Fixed Assets						
1. Tangible fixed assets						
(1) Building and structures	*2	11,515,922		12,150,251		634,328
Accumulated depreciation		5,231,509	6,284,413	5,662,874	6,487,377	202,964
(2) Machinery, equipment and vehicles		15,615,119		16,070,245		455,126
Accumulated depreciation		12,735,686	2,879,433	13,314,673	2,755,572	123,860
(3) Land	*2		3,949,434		3,528,938	420,496
(4) Construction in progress			719,377		373,984	345,392
(5) Other tangible fixed assets		3,897,981		4,404,675		506,693
Accumulated depreciation		2,791,070	1,106,911	3,282,482	1,122,192	15,281
Total tangible fixed assets		14,939,570	36.5	14,268,064	32.8	671,505
2. Intangible fixed assets						
(1) Software		366,140		320,735		45,405
(2) Other intangible fixed assets		51,451		45,449		6,001
Total intangible fixed assets		417,592	1.0	366,185	0.9	51,406
3. Investments and other assets		804,014		828,241		24,227
(1) Investment in securities	*1	372,724		3,153		369,570
(2) Long-term loans receivable		264,055		149,679		114,375
(3) Deferred tax assets		1,949,191		1,987,469		38,278
(4) Other investments and assets		29,500		29,200		300
Allowance for doubtful accounts		3,360,485	8.2	2,939,344	6.8	421,141
Total investment and other assets		18,717,648	45.7	17,573,595	40.5	1,144,052
Total fixed assets		40,990,712	100.0	43,448,244	100.0	2,457,531
Total Assets						
LIABILITIES						
Current liabilities						
1. Notes and accounts payable	*2	3,110,052		3,641,550		531,497
2. Short-term loans payable		449,946		604,418		154,472
3. Corporate tax payable		137,393		1,052,121		914,727
4. Deferred tax liabilities		1,414		1,394		19
5. Accrued expenses		383,445		378,184		5,261
6. Allowance for bonus payment		417,547		470,585		53,038
7. Notes payable for facilities		120,880		79,060		41,819
8. Other current liabilities		713,515		824,242		110,726
Total current liabilities		5,334,196	13.0	7,051,557	16.3	1,717,360
Fixed liabilities						
1. Deferred tax liabilities		6,887		18,458		11,571
2. Allowance for employees' retirement benefits		431,328		71,758		359,569
3. Allowance for directors' retirement benefits		117,478		---		117,478
4. Long-term accrued amount payable		---		221,008		221,008
Total fixed liabilities		555,693	1.3	311,225	0.6	244,467
Total liabilities		5,889,889	14.3	7,362,783	16.9	1,472,893
MINORITY INTEREST						
Minority interest		32,708	0.1	36,364	0.1	3,656
SHAREHOLDERS' EQUITY						
Capital stock	*3	4,753,438	11.6	4,753,438	11.0	---
Capital surplus		5,038,501	12.3	5,040,075	11.6	1,574
Retained earnings		26,800,275	65.4	28,112,489	64.7	1,312,213
Gain or loss on revaluation of other securities		80,381	0.2	93,782	0.2	13,401
Foreign currency translation adjustment		75,280	0.2	199,217	0.5	123,936
Treasury stock	*4	1,529,202	3.7	1,751,472	4.0	222,270
Total shareholders' equity		35,068,114	85.6	36,049,096	83.0	980,982
Total of liabilities, minority interest and shareholders' equity		40,990,712	100.0	43,448,244	100.0	2,457,531

(2) Consolidated Statement of Income

Item	Notes	FY 2004 (April 1, 2003 March 31, 2004)		FY 2005 (April 1, 2004 March 31, 2005)		Year-on-year percentage changes		
		Amount (in thousand yen)	Percentage	Amount (in thousand yen)	Percentage	Increase/decrease (in thousand yen)		
Net sales			23,938,874	100.0		27,109,070	100.0	3,170,196
Cost of sales	*2		16,191,570	67.6		18,206,495	67.1	2,014,925
Gross income on sales			7,747,304	32.4		8,902,575	32.9	1,155,270
Selling, general and administrative expenses	*1							
1. Selling expenses		646,478			941,823			295,345
2. General and administrative expenses	*2	4,093,374	4,739,852	19.8	4,446,505	5,388,328	19.9	648,476
Operating income			3,007,451	12.6		3,514,246	13.0	506,794
Non-operating income								
1. Interest received		32,743			31,874			868
2. Dividends received		1,543			2,407			863
3. Profit from waste disposal		13,198			15,815			2,617
4. Income from subsidies		10,401			9,242			1,159
5. Foreign exchange profit		---			38,224			38,224
6. Other		32,867	90,754	0.4	36,073	133,637	0.5	42,883
Non-operating expenses								
1. Interest paid		17,841			30,436			12,594
2. Foreign Exchange loss		83,255			---			83,255
3. Other		15,197	116,295	0.5	3,204	33,640	0.1	82,654
Ordinary income			2,981,910	12.5		3,614,243	13.4	632,332
Extraordinary income								
1. Gain on sale of fixed assets	*3	30,469			---			30,469
2. Gain on sale of membership		---			1,800			1,800
3. Gain on sale of investment in securities		133,248			---			133,248
4. Damage deposit revenue		---			32,031			32,031
5. Income from recovery of bad debts		---			10,396			10,396
6. Other		5,682	169,399	0.7	---	44,227	0.2	125,171
Extraordinary loss								
1. Loss from sale of fixed assets	*4	46,307			27,681			18,625
2. Loss on revaluation of membership	*5	10,700			---			10,700
3. Loss due to impairment	*6	---			412,373			412,373
4. Loss on transition to defined contribution pension plan		---			70,584			70,584
5. Other		1,386	58,393	0.3	---	510,638	2.0	452,245
Net income before tax adjustment			3,092,917	12.9		3,147,832	11.6	54,915
Corporate tax, inhabitant tax, and business tax		780,428			1,490,333			709,904
Corporate tax adjustment		383,359	1,163,787	4.9	170,478	1,319,854	4.9	156,066
Minority interest			6,482	0.0		4,715	0.0	1,766
Net income			1,922,647	8.0		1,823,262	6.7	99,385

(3) Statement of Consolidated Retained Earnings

Item	Notes	FY 2004 April 1, 2003 March 31, 2004		FY 2005 April 1, 2004 March 31, 2005		Year-on-year percentage changes
		Amount (in thousand yen)		Amount (in thousand yen)		Increase/decrease (in thousand yen)
(Capital surplus)						
Initial balance of capital surplus			5,038,501		5,038,501	---
Increase in capital surplus						
1 Surplus from transaction in treasury stock		---	---	1,574	1,574	1,574
Final balance of capital surplus			5,038,501		5,040,075	1,574
(Retained earnings)						
Initial balance of retained earnings			25,394,114		26,800,275	1,406,160
Increase in retained earnings						
Net income		1,922,647	1,922,647	1,823,262	1,823,262	99,385
Decrease in retained earnings						
1 Dividends		466,486		471,048		4,561
2 Directors' bonus		50,000	516,486	40,000	511,048	5,438
Final balance of retained earnings			26,800,275		28,112,489	1,312,213

(4) Consolidated Cash Flows

Item	Notes	FY 2004	FY 2005
		{ April 1, 2003 March 31, 2004 }	{ April 1, 2004 March 31, 2005 }
		Amount (in thousand yen)	Amount (in thousand yen)
· Cash flows from operating activities			
Net income before tax adjustment		3,092,917	3,147,832
Depreciation expense		2,020,681	1,925,555
Service cost for long-term prepaid expenses		---	12,108
Loss due to impairment		---	412,373
Increase/decrease in allowance for doubtful accounts (: decrease)		27,025	8,700
Increase/decrease in allowance for employees' retirement benefits (: decrease)		20,802	383,985
Increase/decrease in allowance for directors' retirement benefits (: decrease)		412,598	117,478
Increase/decrease in allowance for bonus payments (: decrease)		3,696	53,038
Interest and dividends received		34,287	34,281
Interest paid		17,841	30,436
Foreign exchange gain or loss (: decrease)		84,125	12,903
Gain on sale of marketable securities		133,248	---
Gain on sale of fixed assets		30,469	---
Gain on sale of membership		---	1,800
Damage deposit revenue		---	32,031
Loss on sale and disposal of tangible fixed assets		44,492	27,681
Loss on disposal of intangible fixed assets		1,815	---
Loss on transition to defined contribution pension plan		---	70,584
Loss on revaluation of membership		2,500	---
Increase/decrease in receivables (: increase)		1,268,261	850,782
Increase/decrease in payables (: decrease)		571,555	697,975
Increase/decrease in inventories (: increase)		252,579	1,101,526
Increase/decrease in accrued amount payable (: decrease)		95,632	113,667
Accrued expenses payable for transition to defined contribution pension plan (: decrease)		---	331,513
Increase/decrease in accrued corporate tax (: decrease)		---	53,170
Increase/decrease in accrued consumption tax (: decrease)		6,682	82,564
Increase/decrease in other assets and liabilities		263,151	71,517
Bonuses to directors		50,000	40,000
Subtotal		4,317,954	4,145,367
Interest and dividends received		34,287	34,281
Damage deposit revenue		---	32,031
Interest paid		17,841	30,436
Corporate tax		1,843,872	607,063
Cash flows from operating activities		2,490,527	3,584,577
· Cash flows from investing activities			
Fixed deposits		950,000	---
Proceeds from sale and redemption of marketable securities		---	66,531
Purchases of tangible fixed assets		1,872,416	1,738,071
Purchases of investment in securities		2,385	2,618
Proceeds from sale and redemption of investment in securities		201,813	---
Spending for loans		372,568	3,900
Proceeds from collection of loans		1,812	1,793
Purchases of intangible fixed assets		58,939	80,267
Purchases of subsidiaries' stock		937	---
Payments for long-term prepaid expenses		---	92,913
Purchases of other investments		34,973	6,203
Proceeds from sale of other investments		80,091	4,300
Cash flows from investing activities		3,008,501	1,851,348
· Cash flows from financing activities			
Net increase/decrease in short-term loans (: decrease)		185,728	172,800
Purchases or sale of treasury stock (net)		761,354	220,696
Dividend amount payable		466,486	471,048
Cash flows from financing activities		1,413,568	518,944
· Effect of currency rate exchanges on cash and cash equivalents		139,890	20,833
· Increase/decrease in cash and cash equivalents (: decrease)		2,071,432	1,193,450
· Increase in cash and cash equivalents due to additional consolidation of subsidiaries		---	356,451
· Cash and cash equivalents at the beginning of the term		13,491,220	11,419,787
· Cash and cash equivalents at the end of the term	*	11,419,787	12,969,689