

FY 2006 Third Quarter Financial Results (Consolidated)

FUJIMI INCORPORATED

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1. Notes to Quarterly Financial Results

1) Adoption of a concise method for the accounting system: Yes

Based on the preparation standard of the mid-term consolidated financial statement etc., adopted a concise method within the limit of not leading investors to major misjudgments.

2) Changes in the accounting method from the most recent consolidated fiscal year: None

3) Changes in the scope of consolidation and equity method: None

2. Financial Results for Third Quarter FY 2006 (April 1, 2005 - December 31, 2005)

(1) Summary of Consolidated Financial Results

(Fractions less than one million yen are rounded off.)

	Q3 FY 2006	Q3 FY 2005	FY 2005 (reference)
	Million yen (%)	Million yen (%)	Million yen
Net sales	23,660 (15.5)	20,492 (14.1)	27,109
Operating income	3,472 (14.0)	3,046 (36.1)	3,514
Ordinary income	3,569 (15.0)	3,102 (42.4)	3,614
Net income	2,306 (57.1)	1,468 (12.8)	1,823
Net income per share	78.50 yen	99.64 yen	121.16 yen
Net income per share (diluted)	78.19 yen	---	121.14 yen

- Note:
- Percentages for net sales and operating income, etc., indicate the year-on-year rate.
 - As of May 20, 2005, we split our ordinary shares 2 for 1. The quarter net income per share and the quarter net income per share after the adjustment of residual securities for the third quarter FY 2006 are calculated under the assumption that the share split was implemented at the beginning of FY 2006.
 - The quarter net income per share for the third quarter FY 2005 is 49.82 yen, the current net income per share is 60.58 yen, and the current net income per share after the adjustment of residual securities for FY 2005 is 60.57 yen; these figures were calculated under the assumption that the share split was implemented at the beginning of FY 2005.
 - Fujimi Europe Limited and Fujimi Europe GmbH are not included in the consolidation and equity method for the results of the third quarter FY 2005.

(2) Consolidated Financial Position

	Q3 FY 2006	Q3 FY 2005	FY 2005 (reference)
	Million yen	Million yen	Million yen
Total assets	45,919	43,579	43,448
Shareholders' equity	38,018	35,933	36,049
Shareholders' equity ratio	82.8%	82.5%	83.0%
Shareholders' equity per share	1,293.40 yen	2,449.36 yen	2,452.69 yen

Note: The shareholders' equity per share for the third quarter FY 2005 is 1,224.68 yen, shareholders' equity per share for FY 2005 is 1,226.34 yen; these figures were calculated under the assumption that the share split was implemented at the beginning of FY 2005.

[Reference]

<Qualitative Information Regarding Forecast for FY 2006>

Since financial results for this quarter have been achieved generally as planned, no modification is needed in the forecast for FY 2006 which is included in the previous financial results (announced on November 11, 2005). However, if the forecast needs to be revised, such revised figures will be disclosed on a timely basis.

(1) Quarterly Consolidated Balance Sheet (Summary)

(Thousands of yen)

Item	Term	Q3 FY 2005 (As of December 31,2004)		Q3 FY 2006 (As of December 31,2005)		FY 2005 (Reference)	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
ASSETS			%		%		%
Current assets							
1. Cash and deposits		11,069,769		12,342,548		12,594,996	
2. Notes and accounts receivable		9,319,421		10,666,611		7,839,892	
3. Inventories		3,559,213		4,519,898		4,262,330	
4. Other current assets		1,095,005		729,659		1,202,428	
Allowance for doubtful accounts		25,000		25,000		25,000	
Total current assets		25,018,409	57.4	28,233,718	61.5	25,874,649	59.6
Fixed Assets							
1. Tangible fixed assets		14,832,496	34.0	14,855,406	32.3	14,268,064	32.8
2. Intangible fixed assets		354,549	0.8	274,870	0.6	366,185	0.8
3. Investments and other assets		3,373,842	7.7	2,555,342	5.6	2,939,344	6.8
(1) Investment in securities		816,654		570,146		828,241	
(2) Other investments and assets		2,587,638		1,993,595		2,140,302	
Allowance for doubtful accounts		30,450		8,400		29,200	
Total fixed assets		18,560,887	42.6	17,685,618	38.5	17,573,595	40.4
Total Assets		43,579,297	100.0	45,919,337	100.0	43,448,244	100.0
LIABILITIES							
Current liabilities							
1. Notes and accounts payable		3,759,378		4,373,842		3,641,550	
2. Short-term loans payable		644,090		379,186		604,418	
3. Corporate tax payable		951,712		454,581		1,052,121	
4. Other current liabilities		1,733,303		2,324,921		1,753,467	
Total current liabilities		7,088,484	16.2	7,532,531	16.4	7,051,557	16.2
Fixed liabilities							
1. Allowance for employees' retirement benefits		115,864		80,890		71,758	
2. Other fixed liabilities		404,145		220,939		239,467	
Total fixed liabilities		520,009	1.2	301,829	0.7	311,225	0.7
Total Liabilities		7,608,494	17.4	7,834,361	17.1	7,362,783	16.9
MINORITY INTEREST							
Minority interest		37,045	0.1	66,567	0.1	36,364	0.1
SHAREHOLDERS' EQUITY							
Capital stock		4,753,438	10.9	4,753,438	10.3	4,753,438	11.0
Capital surplus		5,038,765	11.6	5,042,032	11.0	5,040,075	11.6
Retained earnings		27,757,359	63.7	29,556,346	64.4	28,112,489	64.7
Gain or loss on revaluation of other securities		86,727	0.2	236,349	0.5	93,782	0.2
Foreign currency translation adjustment		77,294	0.2	141,644	0.3	199,217	0.5
Treasury stock		1,779,827	4.1	1,711,403	3.7	1,751,472	4.0
Total shareholders' equity		35,933,757	82.5	38,018,407	82.8	36,049,096	83.0
Total of liabilities, minority interest and shareholders' equity		43,579,297	100.0	45,919,337	100.0	43,448,244	100.0

(2) Quarterly Consolidated Statement of Income (Summary)

(Thousands of yen)

Term Item	Q3 FY 2005 〔 April 1, 2004 - December 31, 2004 〕		Q3 FY 2006 〔 April 1, 2005 - December 31, 2005 〕		FY 2005 (Reference)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
		%		%		%
Net sales	20,492,596	100.0	23,660,589	100.0	27,109,070	100.0
Cost of sales	13,614,698	66.5	15,876,627	67.2	18,206,495	67.1
Gross income on sales	6,877,897	33.5	7,783,961	32.8	8,902,575	32.9
Selling, general and administrative expenses	3,831,502	18.7	4,311,224	18.2	5,388,328	19.9
Operating income	3,046,395	14.8	3,472,737	14.6	3,514,246	13.0
Non-operating income	90,887	0.5	130,535	0.6	133,637	0.4
1. Interest received	42,554		25,732		31,874	
2. Dividends received	1,934		19,936		2,407	
3. Other	46,399		84,867		99,355	
Non-operating expenses	34,308	0.2	33,526	0.1	33,640	0.1
1. Interest paid	22,583		22,027		30,436	
2. Other	11,724		11,499		3,204	
Ordinary income	3,102,974	15.1	3,569,746	15.1	3,614,243	13.3
Extraordinary profit	39,029	0.2	1,461	0.0	44,227	0.2
1. Gain from sale of membership	---		1,461		1,800	
2. Income from recovery of bad debts	---		---		10,396	
3. Damage deposit revenue	32,031		---		32,031	
4. Other	6,998		---		---	
Extraordinary loss	495,506	2.4	55,772	0.2	510,638	1.9
1. Loss on sale and disposal of fixed assets	12,548		51,350		27,681	
2. Loss due to impairment	412,373		---		412,373	
3. Loss on transition to defined contribution pension plan	70,584		---		70,584	
4. Other	---		4,422		---	
Net income before tax adjustment	2,646,497	12.9	3,515,436	14.9	3,147,832	11.6
Tax related expenses	1,175,279	5.7	1,179,723	5.0	1,319,854	4.9
Minority interest	3,086	0.0	29,122	0.1	4,715	0.0
Net income	1,468,132	7.2	2,306,589	9.8	1,823,262	6.7