

FY2011 Third-quarter Financial Results (Japanese GAAP) (Consolidated)

February 1, 2011

FUJIMI INCORPORATED

Stock exchanges on which the shares are listed: Tokyo, Nagoya

Code: #5384

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Scheduled date for the submission of quarterly securities report: February 8, 2011

Scheduled date for the commencement of dividend payments: –

Supplementary materials explaining quarterly financial results: None

Possibility of meeting to explain quarterly financial results: None

1. Financial Results for Third-quarter FY2011 (April 1, 2010 – December 31, 2010)

(1) Consolidated Financial Results (Fractions are rounded down to millions of yen.)
(% indicates the increase/decrease compared to the same term of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q FY2011	23,882	16.9	2,574	184.9	2,571	144.5	1,708	153.7
3Q FY2010	20,434	(29.8)	903	(65.1)	1,051	(60.0)	673	(51.1)
	Net income per share		Net income per share (diluted)					
			Yen	Yen				
3Q FY2011			59.52	—				
3Q FY2010			23.10	—				

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
3Q FY2011	47,084	40,871	86.2	1,453.27
FY2010	47,462	41,426	86.7	1,432.59

(Reference) Shareholders' equity: (3Q FY2011) 40,603 million yen (FY2010) 41,171 million yen

2. Dividends

	Dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	Yearly
	Yen	Yen	Yen	Yen	Yen
FY2010	—	15.00	—	15.00	30.00
FY2011	—	15.00	—		
FY2011 (Forecast)				20.00	35.00

Note: The possibility of revising the dividend forecast for the third quarter: Yes

Breakdown of dividend for FY2011: Regular dividend: 15.00 yen; Anniversary dividend: 5.00 yen (dividend to celebrate 60 years since establishment)

The dividend forecast in the FY2011 First-half Financial Results announced on November 1, 2010 has been revised.

3. Consolidated Financial Forecast for FY2011 (April 1, 2010 – March 31, 2011)

(% indicates the increase/decrease compared to the previous term.)

Fiscal year	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	32,300	14.6	3,100	107.2	3,150	85.4	2,050	76.4	71.33

Note: The possibility of revising the Consolidated Financial Forecast for the third quarter: None

4. Others

(1) Changes in significant subsidiaries during FY2011 Third Quarter: None

(2) Simplified or special accounting methods applied: Yes

(3) Changes in accounting standards or processes, and notation methods for accounting procedures

① Changes due to accounting standard revisions: Yes

② Changes other than ①: None

Note: Changes in accounting standards or processes, and notation methods for accounting procedures during preparation of the quarterly consolidated financial statements to be recorded in "Changes in Important Matters Used as the Basis for Preparing Quarterly Consolidated Financial Statements."

(4) Number of shares issued (common stock)

① Number of shares issued at the end of the term (including treasury stock)

Third quarter of FY2011: 30,699,500

FY2010: 30,699,500

② Number of treasury stock held at the end of the term

Third quarter of FY2011: 2,760,146

FY2010: 1,960,008

③ Average number of shares during the term (cumulative)

Third quarter of FY2011: 28,707,557

Third quarter of FY2010: 29,161,389

Third-quarter Consolidated Financial Statement
(1) Third-quarter Consolidated Balance Sheet

(Millions of yen)

	3Q FY2011 (as of December 31, 2010)	FY2010 (as of March 31, 2010)
ASSETS		
Current assets		
Cash and cash equivalents	13,863	13,835
Notes and accounts receivable	8,503	8,027
Marketable securities	2,303	2,303
Merchandise and finished goods	2,839	2,573
Products in process	1,006	1,094
Raw materials and inventory	1,499	1,008
Other	696	884
Allowance for doubtful accounts	(123)	(110)
Total current assets	30,589	29,617
Fixed assets		
Tangible fixed assets		
Buildings and structures (net)	7,101	7,568
Other (net)	6,987	7,670
Total tangible fixed assets	14,089	15,239
Intangible fixed assets	297	331
Investments and other assets		
Investment in securities	103	253
Other	2,018	2,036
Allowance for doubtful accounts	(12)	(16)
Total investments and other assets	2,109	2,273
Total fixed assets	16,495	17,844
Total assets	47,084	47,462
LIABILITIES		
Current liabilities		
Notes and accounts payable	3,770	3,335
Short-term loans payable	83	184
Corporate tax payable	317	476
Allowance for bonuses payable	267	456
Allowance for directors' bonuses payable	29	—
Other	1,505	1,310
Total current liabilities	5,974	5,763
Fixed liabilities		
Long-term borrowing	83	161
Allowance for employees' retirement benefits	114	98
Other	40	11
Total fixed liabilities	238	271
Total liabilities	6,212	6,035
NET ASSETS		
Shareholders' equity		
Paid-in capital	4,753	4,753
Capital surplus	5,069	5,069
Retained earnings	35,958	35,111
Treasury stock	(3,792)	(2,764)
Total shareholders' equity	41,988	42,170
Gain/Loss on valuation and transactions		
Gain/Loss on valuation of other marketable securities	14	79
Foreign exchange transaction adjustment	(1,400)	(1,078)
Total gain/loss on valuation and transactions	(1,385)	(998)
Stock acquisition rights	61	63
Minority shareholders' interest	206	191
Total net assets	40,871	41,426
Total liabilities and net assets	47,084	47,462

(2) Third-quarter Consolidated Statement of Income

(Millions of yen)

	3Q FY2010 (April 1, 2009 - December 31, 2009)	3Q FY2011 (April 1, 2010 - December 31, 2010)
Net sales	20,434	23,882
Cost of sales	15,068	16,326
Gross profit on sales	5,366	7,555
Selling and general administrative expenses	4,462	4,980
Operating income	903	2,574
Non-operating income		
Interest received	36	42
Dividends received	2	—
Income from waste disposal	21	29
Foreign exchange gain	18	—
Income from subsidies	49	—
Other	40	20
Total non-operating income	168	91
Non-operating expenses		
Interest paid	15	10
Foreign exchange loss	—	68
Other	4	15
Total non-operating expenses	20	95
Ordinary income	1,051	2,571
Extraordinary profit		
Profit from adjustments to previous term	34	—
Profit from sales of fixed assets	1	2
Profit from sales of investment securities	—	38
Other	0	12
Total extraordinary profit	36	53
Extraordinary loss		
Loss from adjustments to previous term	2	—
Loss from disposal of fixed assets	44	7
Loss from sales of investment securities	—	9
Effect of applying standards of accounting for asset retirement obligations	—	9
Other	0	—
Total extraordinary loss	47	27
Net income before taxes	1,040	2,598
Corporate tax, inhabitant tax, and business tax	289	602
Corporate tax adjustment	67	274
Total corporate tax, etc.	357	876
Net income before minority shareholders' profit/loss	—	1,721
Minority shareholders' interest	9	12
Net income	673	1,708

(3) Third-quarter Consolidated Cashflow Statement

(Millions of yen)

	3Q FY2010 (April 1, 2009 - December 31, 2009)	3Q FY2011 (April 1, 2010 - December 31, 2010)
Cashflow from operating activities		
Net income before taxes	1,040	2,598
Depreciation expense	1,835	1,473
Amortization for long-term prepaid expense	10	10
Stock compensation expense	22	—
Profit/Loss from adjustments to previous term	(34)	(10)
Effect of applying standards of accounting for asset retirement obligations	—	9
Increase/Decrease in allowance for doubtful accounts	49	10
Increase/Decrease in allowance for employees' retirement benefits	12	15
Increase/Decrease in allowance for directors' bonus payable	4	29
Increase/Decrease in allowance for bonuses payable	(171)	(188)
Interest and dividends received	(38)	(44)
Interest paid	15	10
Foreign exchange gain/loss	11	53
Profit/Loss from sales of investment securities	—	(28)
Loss from disposal of fixed assets	44	—
Increase/Decrease in receivables	(3,159)	(598)
Increase/Decrease in payables	1,255	529
Increase/Decrease in inventories	2,617	(796)
Increase/Decrease in accrued amount payable	(9)	0
Other	139	(22)
Subtotal	3,645	3,050
Income from interests and dividends	45	60
Income from subsidies	36	—
Interest paid	(15)	(11)
Income from business closure	20	—
Corporate tax, etc. paid	(120)	(743)
Corporate tax refunded	791	9
Cashflow from operating activities	4,401	2,365
Cashflow from investing activities		
Payment for time deposits	(1,000)	(1,505)
Income from payments of time deposits	150	1,500
Income from sales of marketable securities	99	—
Payment for acquisition of tangible fixed assets	(219)	(243)
Income from sales of investment securities	—	108
Payment for acquisition of intangible fixed assets	(42)	(48)
Other	1	(3)
Cashflow from investing activities	(1,010)	(192)
Cashflow from financing activities		
Net increase/decrease in short-term borrowing	56	(89)
Expense for reimbursement of long-term borrowing	(70)	(66)
Expense for acquisition of treasury stock	(675)	(1,028)
Income from use of stock options	15	—
Payment of dividends	(729)	(862)
Other	(3)	(5)
Cashflow from financing activities	(1,407)	(2,052)
Profit/Loss on cash/cash-equivalent transactions	(55)	(98)
Increase/Decrease in cash/cash-equivalent transactions	1,928	22
Balance of cash/cash-equivalent transactions at beginning of term	10,899	14,639
Balance of cash/cash-equivalent transactions at end of term	12,827	14,661