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Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]

February 14, 2023

Company name: FUKUSHIMA GALILEI CO. LTD.

Stock exchange listing: Tokyo

Code number: 6420

URL: <https://www.galilei.co.jp>

Representative: Go Fukushima President & COO

Contact: Tatsuo Hino Director & Senior Executive Officer General Manager of Administration Headquarters

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Scheduled date of filing quarterly securities report: February 14, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2022 (April 01, 2022 to December 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2022	76,512	6.6	7,484	(3.6)	8,200	(4.0)	5,840	(1.1)
December 31, 2021	71,774	22.7	7,765	46.5	8,537	55.4	5,903	96.2

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥ 5,994 million [3.6%]
 Nine months ended December 31, 2021: ¥ 5,787 million [60.3%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	291.30	-
December 31, 2021	294.62	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2022	112,974	76,759	67.9	3,822.32
March 31, 2022	103,700	71,910	69.3	3,586.20

(Reference) Equity: As of December 31, 2022: ¥ 76,687 million
 As of March 31, 2022: ¥ 71,854 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	62.00	62.00
Fiscal year ending March 31, 2023		0.00	-		
Fiscal year ending March 31, 2023 (Forecast)				55.00	55.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	97,159	1.1	8,685	(11.4)	9,074	(19.5)	6,066	(25.8)	302.75

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)
Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2022: 22,066,160 shares

March 31, 2022: 22,066,160 shares

2) Total number of treasury shares at the end of the period:

December 31, 2022: 2,003,002 shares

March 31, 2022: 2,029,840 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 20,049,016 shares

Nine months ended December 31, 2021: 20,036,342 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of December 31,2022
Assets		
Current assets		
Cash and deposits	44,164	47,759
Notes and accounts receivable - trade, and contract assets	17,091	17,255
Electronically recorded monetary claims - operating	5,598	6,383
Merchandise and finished goods	2,265	3,134
Work in process	1,170	2,191
Raw materials and supplies	2,713	3,711
Other	1,075	1,192
Allowance for doubtful accounts	(941)	(191)
Total current assets	73,137	81,438
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,310	8,152
Machinery, equipment and vehicles, net	1,451	1,396
Land	6,954	6,967
Other, net	612	1,401
Total property, plant and equipment	17,330	17,918
Intangible assets	497	662
Investments and other assets		
Investment securities	8,545	8,619
Deferred tax assets	120	89
Retirement benefit asset	189	185
Other	3,976	4,154
Allowance for doubtful accounts	(96)	(93)
Total investments and other assets	12,735	12,955
Total non-current assets	30,562	31,536
Total assets	103,700	112,974
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,749	24,792
Income taxes payable	1,610	915
Provision for bonuses	1,756	1,356
Provision for product warranties	401	436
Provision for loss on construction contracts	75	36
Other	4,364	6,802
Total current liabilities	29,958	34,340
Non-current liabilities		
Deferred tax liabilities	345	384
Provision for retirement benefits for directors (and other officers)	1,272	23
Long-term accounts payable - other	-	1,244
Retirement benefit liability	118	125
Asset retirement obligations	82	82
Other	13	13
Total non-current liabilities	1,831	1,875
Total liabilities	31,789	36,215

(Million yen)

	As of March 31,2022	As of December 31,2022
Net assets		
Shareholders' equity		
Share capital	2,760	2,760
Capital surplus	3,168	3,222
Retained earnings	64,905	69,503
Treasury shares	(3,215)	(3,172)
Total shareholders' equity	67,619	72,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,218	4,190
Foreign currency translation adjustment	(19)	174
Remeasurements of defined benefit plans	36	9
Total accumulated other comprehensive income	4,235	4,374
Non-controlling interests	56	71
Total net assets	71,910	76,759
Total liabilities and net assets	103,700	112,974

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Net sales	71,774	76,512
Cost of sales	53,373	57,439
Gross profit	18,400	19,072
Selling, general and administrative expenses	10,635	11,588
Operating profit	7,765	7,484
Non-operating income		
Interest income	14	38
Dividend income	73	88
Rental income from buildings	86	78
Purchase discounts	42	29
Foreign exchange gains	218	388
Gain on sale of investment securities	58	-
Reversal of allowance for doubtful accounts	131	0
Gain on forgiveness of debts	42	-
Other	182	210
Total non-operating income	848	834
Non-operating expenses		
Provision of allowance for doubtful accounts	-	34
Compensation expenses	34	32
Loss on retirement of non-current assets	16	3
Settlement payments	-	22
Other	24	24
Total non-operating expenses	76	117
Ordinary profit	8,537	8,200
Extraordinary losses		
Impairment losses	72	-
Provision for contingent loss	142	-
Total extraordinary losses	215	-
Profit before income taxes	8,322	8,200
Income taxes - current	2,082	2,321
Income taxes - deferred	328	32
Total income taxes	2,410	2,354
Profit	5,911	5,846
Profit attributable to non-controlling interests	8	6
Profit attributable to owners of parent	5,903	5,840

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2021	For the nine months ended December 31,2022
Profit	5,911	5,846
Other comprehensive income		
Valuation difference on available-for-sale securities	102	(27)
Foreign currency translation adjustment	(42)	202
Remeasurements of defined benefit plans, net of tax	(184)	(27)
Total other comprehensive income	(124)	147
Comprehensive income	5,787	5,994
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,777	5,979
Comprehensive income attributable to non-controlling interests	9	14