

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

<After correction>



Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 8, 2024

Company name: FUKUSHIMA GALILEI CO. LTD.

Stock exchange listing: Tokyo

Code number: 6420

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

Representative: Go Fukushima President

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

Phone: +81-6-6477-2011

Scheduled date of Annual General Meeting of Shareholders: June 26, 2024

Scheduled date of commencing dividend payments: June 27, 2024

Scheduled date of filing annual securities report: June 26, 2024

Availability of supplementary briefing material on annual financial results: No

Schedule of annual financial results briefing session: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	<u>115,815</u>	10.3	<u>15,298</u>	33.2	<u>16,159</u>	31.5	<u>12,306</u>	<u>42.2</u>
March 31, 2023	104,996	9.3	11,485	17.1	12,292	9.1	8,654	5.9

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 14,621 million [59.9%]
Fiscal year ended March 31, 2023: ¥ 9,142 million [12.4%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	<u>615.52</u>	-	14.3	13.3	13.2
March 31, 2023	431.60	-	11.4	11.3	10.9

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	<u>130,532</u>	<u>92,826</u>	71.0	<u>4,631.37</u>
March 31, 2023	112,997	79,907	70.7	3,979.14

(Reference) Equity: As of March 31, 2024: ¥ 92,714 million
As of March 31, 2023: ¥ 79,834 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	<u>12,584</u>	(2,877)	(2,295)	54,026
March 31, 2023	5,512	(2,258)	(1,242)	46,182

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	0.00	-	73.00	73.00	1,464	16.9	1.9
March 31, 2024	-	0.00	-	105.00	105.00	2,101	17.1	2.4
Fiscal year ending March 31, 2025 (Forecast)	-	0.00	-	105.00	105.00		21.5	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

Commemorative dividend	- yen
------------------------	-------

Special dividend	- yen
------------------	-------

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	57,824	8.0	6,207	(6.4)	6,434	(14.0)	4,640	(12.5)	231.79
Full year	119,383	3.1	13,191	(13.8)	13,575	(16.0)	9,784	(20.5)	488.78

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New - (Company name:)

Exclusion:	1	(Company name: Beijing ER Shang-Fukushima Machinery Electric Co., Ltd
------------	---	---

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

1) Changes in accounting policies due to the revision of accounting standards: No

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

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

March 31, 2024: 22,066,160 shares

March 31, 2023: 22,066,160 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 2,047,283 shares

March 31, 2023: 2,003,002 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 19,993,787 shares

Fiscal Year ended March 31, 2023: 20,052,503 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	<u>92,023</u>	11.5	<u>10,911</u>	<u>33.2</u>	<u>12,437</u>	29.7	<u>9,152</u>	<u>35.7</u>
March 31, 2023	82,527	9.7	8,191	6.5	9,591	0.2	6,743	(2.0)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2024	<u>457.75</u>	-
March 31, 2023	336.27	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	<u>103,314</u>	<u>75,550</u>	73.1	<u>3,773.96</u>
March 31, 2023	89,505	66,260	74.0	3,302.58

(Reference) Equity: As of March 31, 2024: ¥ 75,550 million
As of March 31, 2023: ¥ 66,260 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	46,392	54,236
Notes and accounts receivable - trade, and contract assets	19,653	<u>21,443</u>
Electronically recorded monetary claims - operating	5,380	7,540
Merchandise and finished goods	3,072	<u>2,854</u>
Work in process	1,396	1,412
Raw materials and supplies	4,068	4,123
Other	759	1,386
Allowance for doubtful accounts	(162)	(191)
Total current assets	<u>80,561</u>	<u>92,805</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,156	8,968
Machinery, equipment and vehicles, net	1,352	1,525
Land	7,047	7,881
Other, net	1,469	687
Total property, plant and equipment	<u>18,025</u>	<u>19,063</u>
Intangible assets	649	561
Investments and other assets		
Investment securities	9,118	12,184
Deferred tax assets	188	158
Retirement benefit asset	255	354
Other	4,311	5,511
Allowance for doubtful accounts	(113)	(106)
Total investments and other assets	<u>13,760</u>	<u>18,102</u>
Total non-current assets	<u>32,435</u>	<u>37,727</u>
Total assets	<u>112,997</u>	<u>130,532</u>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,760	24,562
Income taxes payable	2,644	2,133
Provision for bonuses	2,231	2,681
Provision for product warranties	468	435
Provision for loss on construction contracts	36	49
Other	5,329	5,483
Total current liabilities	31,471	35,347
Non-current liabilities		
Deferred tax liabilities	121	858
Provision for retirement benefits for directors (and other officers)	24	21
Long-term accounts payable - other	1,244	1,244
Retirement benefit liability	127	132
Asset retirement obligations	86	87
Other	13	13
Total non-current liabilities	1,618	2,357
Total liabilities	33,089	37,705
Net assets		
Shareholders' equity		
Share capital	2,760	2,760
Capital surplus	3,222	3,576
Retained earnings	72,318	83,191
Treasury shares	(3,172)	(3,799)
Total shareholders' equity	75,127	85,728
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,536	6,449
Foreign currency translation adjustment	123	450
Remeasurements of defined benefit plans	47	87
Total accumulated other comprehensive income	4,706	6,986
Non-controlling interests	73	112
Total net assets	79,907	92,826
Total liabilities and net assets	112,997	130,532

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	104,996	<u>115,815</u>
Cost of sales	77,862	<u>83,418</u>
Gross profit	27,133	<u>32,397</u>
Selling, general and administrative expenses	15,647	17,098
Operating profit	11,485	<u>15,298</u>
Non-operating income		
Interest income	58	100
Dividend income	104	102
Rental income from buildings	103	96
Purchase discounts	59	40
Foreign exchange gains	296	471
Reversal of allowance for doubtful accounts	10	-
Other	279	237
Total non-operating income	912	1,050
Non-operating expenses		
Provision of allowance for doubtful accounts	6	72
Compensation expenses	42	21
Other	56	93
Total non-operating expenses	105	188
Ordinary profit	12,292	<u>16,159</u>
Extraordinary income		
Gain on sale of investment securities	-	51
Gain on sale of non-current assets	21	187
Total extraordinary income	21	239
Extraordinary losses		
Loss on valuation of investment securities	4	-
Loss on sale of non-current assets	0	-
Loss on disposal of non-current assets	8	-
Settlement payments	22	-
Loss on reversal of foreign currency translation adjustment due to liquidation of overseas subsidiary	-	154
Total extraordinary losses	35	154
Profit before income taxes	12,279	<u>16,244</u>
Income taxes - current	4,010	4,019
Income taxes - deferred	(398)	(110)
Total income taxes	3,612	3,908
Profit	8,666	<u>12,335</u>
Profit attributable to non-controlling interests	12	28
Profit attributable to owners of parent	8,654	<u>12,306</u>

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	8,666	<u>12,335</u>
Other comprehensive income		
Valuation difference on available-for-sale securities	317	1,912
Foreign currency translation adjustment	147	<u>333</u>
Remeasurements of defined benefit plans, net of tax	10	39
Total other comprehensive income	475	<u>2,286</u>
Comprehensive income	9,142	<u>14,621</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,126	<u>14,586</u>
Comprehensive income attributable to non-controlling interests	16	35

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,760	3,168	64,905	(3,215)	67,619
Changes during period					
Dividends of surplus			(1,242)		(1,242)
Profit attributable to owners of parent			8,654		8,654
Purchase of treasury shares				(0)	(0)
Restricted stock payment		53		42	96
Decrease from liquidation of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	-	53	7,412	42	7,508
Balance at end of period	2,760	3,222	72,318	(3,172)	75,127

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,218	(19)	36	4,235	56	71,910
Changes during period						
Dividends of surplus						(1,242)
Profit attributable to owners of parent						8,654
Purchase of treasury shares						(0)
Restricted stock payment						96
Decrease from liquidation of consolidated subsidiaries						-
Net changes in items other than shareholders' equity	317	142	10	471	16	487
Total changes during period	317	142	10	471	16	7,996
Balance at end of period	4,536	123	47	4,706	73	79,907

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,760	3,222	72,318	(3,172)	75,127
Changes during period					
Dividends of surplus			(1,464)		(1,464)
Profit attributable to owners of parent			<u>12,306</u>		<u>12,306</u>
Purchase of treasury shares				(836)	(836)
Restricted stock payment		354		209	564
Decrease from liquidation of consolidated subsidiaries			31		31
Net changes in items other than shareholders' equity					
Total changes during period	-	354	<u>10,873</u>	(626)	<u>10,600</u>
Balance at end of period	2,760	3,576	<u>83,191</u>	(3,799)	<u>85,728</u>

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,536	123	47	4,706	73	79,907
Changes during period						
Dividends of surplus						(1,464)
Profit attributable to owners of parent						<u>12,306</u>
Purchase of treasury shares						(836)
Restricted stock payment						564
Decrease from liquidation of consolidated subsidiaries						31
Net changes in items other than shareholders' equity	1,912	327	39	2,280	39	2,319
Total changes during period	1,912	327	39	2,280	39	<u>12,919</u>
Balance at end of period	6,449	450	87	6,986	112	<u>92,826</u>

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	12,279	<u>16,244</u>
Depreciation	1,289	1,349
Increase (decrease) in allowance for doubtful accounts	(805)	21
Increase (decrease) in provision for bonuses	474	450
Increase (decrease) in provision for product warranties	67	(32)
Increase (decrease) in provision for loss on construction contracts	(38)	12
Decrease (increase) in retirement benefit asset	(51)	(41)
Increase (decrease) in retirement benefit liability	8	4
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(1,247)	(3)
Increase (decrease) in long-term accounts payable - other	1,244	-
Interest and dividend income	(162)	(203)
Foreign exchange losses (gains)	(198)	<u>(544)</u>
Reversal of provision (provision) incurred from foreign currency translation adjustment	-	154
Loss (gain) on valuation of investment securities	4	17
Loss (gain) on sale of investment securities	-	(51)
Loss (gain) on sale of property, plant and equipment	(21)	<u>(187)</u>
Loss on disposal of fixed assets	8	5
Decrease (increase) in accounts receivable - trade, and contract assets	(2,275)	<u>(3,825)</u>
Decrease (increase) in inventories	(2,310)	<u>212</u>
Increase (decrease) in trade payables	(884)	3,434
Increase (decrease) in accrued consumption taxes	-	(322)
Other, net	994	<u>(10)</u>
Subtotal	8,375	<u>16,684</u>
Interest and dividends received	162	200
Proceeds from compensation for expropriation	103	-
Settlement paid	(22)	-
Income taxes paid	(3,106)	(4,300)
Net cash provided by (used in) operating activities	5,512	<u>12,584</u>

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from investing activities		
Payments into time deposits	(105)	(814)
Proceeds from withdrawal of time deposits	-	145
Purchase of property, plant and equipment	(1,975)	(2,300)
Proceeds from sale of property, plant and equipment	38	436
Purchase of intangible assets	(34)	(82)
Purchase of investment securities	(143)	(451)
Proceeds from sale of investment securities	-	198
Purchase of shares of subsidiaries	(15)	-
Loan advances	(34)	(10)
Proceeds from collection of loans receivable	11	0
Net cash provided by (used in) investing activities	(2,258)	(2,877)
Cash flows from financing activities		
Purchase of treasury shares	(0)	(836)
Repayments of finance lease liabilities	(0)	(0)
Dividends paid	(1,241)	(1,462)
Proceeds from share issuance to non-controlling shareholders	-	4
Net cash provided by (used in) financing activities	(1,242)	(2,295)
Effect of exchange rate change on cash and cash equivalents	214	<u>432</u>
Net increase (decrease) in cash and cash equivalents	2,227	7,843
Cash and cash equivalents at beginning of period	43,954	46,182
Cash and cash equivalents at end of period	46,182	54,026