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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 13, 2024

Company name: FUKUSHIMA GALILEI CO. LTD.

Stock exchange listing: Tokyo

Code number: 6420

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

Representative: Go Fukushima President

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Scheduled date of filing quarterly securities report: February 13, 2024

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, 2023 (April 1, 2023 to December 31, 2023)

(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	%
Nine months ended December 31, 2023	84,275	10.1	10,804	44.4	11,395	39.0	8,761	50.0
December 31, 2022	76,512	6.6	7,484	(3.6)	8,200	(4.0)	5,840	(1.1)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 9,435 million [57.4%]
 Nine months ended December 31, 2022: ¥ 5,994 million [3.6%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	437.79	-
December 31, 2022	291.30	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2023	123,203	87,202	70.7	4,371.90
March 31, 2023	112,997	79,907	70.7	3,979.14

(Reference) Equity: As of December 31, 2023: ¥ 87,112 million
 As of March 31, 2023: ¥ 79,834 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, 2023	0.00	0.00	0.00	73.00	73.00
Fiscal year ending March 31, 2024	-	-	0.00		
Fiscal year ending March 31, 2024 (Forecast)				73.00	73.00

(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, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

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

(% 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
Full year	107,824	2.7	12,317	7.2	13,378	8.8	9,389	8.5	471.18

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(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) 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, 2023: 22,066,160 shares

March 31, 2023: 22,066,160 shares

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

December 31, 2023: 2,140,553 shares

March 31, 2023: 2,003,002 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 20,013,968 shares

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

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	46,392	51,409
Notes and accounts receivable - trade, and contract assets	19,653	18,788
Electronically recorded monetary claims - operating	5,380	7,781
Merchandise and finished goods	3,072	2,864
Work in process	1,396	2,284
Raw materials and supplies	4,068	4,583
Other	759	1,394
Allowance for doubtful accounts	(162)	(153)
Total current assets	80,561	88,952
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,156	9,027
Machinery, equipment and vehicles, net	1,352	1,422
Land	7,047	7,338
Other, net	1,469	837
Total property, plant and equipment	18,025	18,626
Intangible assets	649	594
Investments and other assets		
Investment securities	9,118	9,859
Deferred tax assets	188	110
Retirement benefit asset	255	236
Other	4,311	4,949
Allowance for doubtful accounts	(113)	(126)
Total investments and other assets	13,760	15,029
Total non-current assets	32,435	34,250
Total assets	112,997	123,203
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,760	24,635
Income taxes payable	2,644	557
Provision for bonuses	2,231	1,659
Provision for product warranties	468	429
Provision for loss on construction contracts	36	36
Other	5,329	6,761
Total current liabilities	31,471	34,079
Non-current liabilities		
Deferred tax liabilities	121	426
Provision for retirement benefits for directors (and other officers)	24	21
Long-term accounts payable - other	1,244	1,244
Retirement benefit liability	127	129
Asset retirement obligations	86	87
Other	13	12
Total non-current liabilities	1,618	1,921
Total liabilities	33,089	36,000

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Share capital	2,760	2,760
Capital surplus	3,222	3,299
Retained earnings	72,318	79,646
Treasury shares	(3,172)	(3,972)
Total shareholders' equity	75,127	81,733
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,536	4,865
Foreign currency translation adjustment	123	502
Remeasurements of defined benefit plans	47	11
Total accumulated other comprehensive income	4,706	5,379
Non-controlling interests	73	89
Total net assets	79,907	87,202
Total liabilities and net assets	112,997	123,203

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	76,512	84,275
Cost of sales	57,439	60,820
Gross profit	19,072	23,455
Selling, general and administrative expenses	11,588	12,650
Operating profit	7,484	10,804
Non-operating income		
Interest income	38	74
Dividend income	88	93
Rental income from buildings	78	77
Purchase discounts	29	39
Foreign exchange gains	388	234
Reversal of allowance for doubtful accounts	0	-
Other	210	187
Total non-operating income	834	707
Non-operating expenses		
Provision of allowance for doubtful accounts	34	42
Compensation expenses	32	16
Loss on retirement of non-current assets	3	-
Settlement payments	22	-
Other	24	57
Total non-operating expenses	117	116
Ordinary profit	8,200	11,395
Extraordinary income		
Gain on sale of investment securities	-	51
Gain on sale of non-current assets	-	187
Total extraordinary income	-	239
Extraordinary losses		
Loss on reversal of foreign currency translation adjustment due to liquidation of overseas subsidiary	-	154
Total extraordinary losses	-	154
Profit before income taxes	8,200	11,479
Income taxes - current	2,321	2,461
Income taxes - deferred	32	251
Total income taxes	2,354	2,712
Profit	5,846	8,766
Profit attributable to non-controlling interests	6	4
Profit attributable to owners of parent	5,840	8,761

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

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	5,846	8,766
Other comprehensive income		
Valuation difference on available-for-sale securities	(27)	329
Foreign currency translation adjustment	202	375
Remeasurements of defined benefit plans, net of tax	(27)	(35)
Total other comprehensive income	147	669
Comprehensive income	5,994	9,435
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,979	9,423
Comprehensive income attributable to non-controlling interests	14	12