

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 6, 2024

Summary of Financial Statements for the Three Months Ended June 30, 2024 (Japanese GAAP) (Consolidated)

Name of listed company: SINFONIA TECHNOLOGY CO., LTD.
Exchange for listed company: Tokyo Stock Exchange
Securities Code: 6507
URL: https://hibiki.sinfo-t.jp/eng/index_a.htm
Representative: Shinichi Hirano, Representative Director and President

(Rounded down to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) (Percentage (%) indicates the rate of year-over-year increase or decrease)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	21,440	11.8	1,926	213.2	2,528	148.3	1,800	153.4
June 30, 2023	19,178	(4.8)	615	(33.4)	1,018	(29.7)	710	(29.8)

Note: Comprehensive income Three months ended June 30, 2024 ¥1,359 million (37.8)%
Three months ended June 30, 2023 ¥2,183 million 199.2%

	Profit per share	Diluted profit per share
Three months ended June 30, 2024	Yen 63.86	Yen -
June 30, 2023	25.20	-

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
As of June 30, 2024	Millions of yen 131,766	Millions of yen 73,824	% 56.0
March 31, 2024	137,062	74,451	54.3

(Reference) Equity capital

As of June 30, 2024 ¥73,824 million
As of March 31, 2024 ¥74,451 million

2. Cash dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of period	Total
Fiscal year ended March 2024	Yen -	Yen 0.00	Yen -	Yen 70.00	Yen 70.00
Fiscal year ending March 2025	-	-	-	-	-
Fiscal year ending March 2025 (Forecast)	-	0.00	-	75.00	75.00

Note: Revisions to the most recently announced dividend forecast: No

3. Consolidated operating results forecast for fiscal year ending March 2025(April 1, 2024 to March 31, 2025)

(Percentage (%) indicates the rate of year-over-year increase or decrease)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	110,000	7.2	11,500	14.9	11,500	9.2	8,000	6.6	283.74

Note: Revisions to the most recently announced consolidated operating results forecast: No

*Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and/or restatements
- (i) Changes in accounting policies associated with any amendments in accounting standards, etc. No
 - (ii) Other changes in accounting policies: No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatements: No

(4) Number of issued shares (common shares)

a Number of issued shares at the end of the period (including treasury shares)

As of June 30, 2024	29,789,122 shares	As of March 31, 2024	29,789,122 shares
---------------------	-------------------	----------------------	-------------------

b Number of treasury shares at the end of the period

As of June 30, 2024	1,594,713 shares	As of March 31, 2024	1,594,605 shares
---------------------	------------------	----------------------	------------------

c Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	28,194,451 shares	Three months ended June 30, 2023	28,195,144 shares
----------------------------------	-------------------	----------------------------------	-------------------

Note: Number of treasury shares at the end of the period includes Sinfonia Technology's shares held by the Board Benefit Trust (BBT) (167,500 shares in three months ended June 2024 and 167,500 shares in fiscal year ended March 2024). Sinfonia Technology's shares held by the Board Benefit Trust (BBT) are included in the treasury shares deducted in the calculation of the average number of shares during the period (167,500 shares in three months ended June 2024 and 167,500 shares in three months ended June 2023).

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an auditing firm: None

*Explanation of proper use of financial results forecast and other special notes

The financial results forecast is based on information available as of the date of the announcement of this document. The actual results may differ from this forecast due to different future factors.

Quarterly consolidated financial statements
Quarterly consolidated balance sheets

(Unit: Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	9,573	7,699
Notes and accounts receivable - trade, and contract assets	38,075	31,065
Merchandise and finished goods	2,375	2,469
Work in process	9,512	12,767
Raw materials and supplies	12,557	13,158
Other	725	979
Allowance for doubtful accounts	(82)	(86)
Total current assets	72,737	68,055
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,598	15,116
Land	15,139	15,147
Other, net	7,190	5,644
Total property, plant and equipment	35,928	35,908
Intangible assets	999	944
Investments and other assets		
Investment securities	18,606	18,010
Other	8,913	8,975
Allowance for doubtful accounts	(123)	(128)
Total investments and other assets	27,396	26,857
Total non-current assets	64,325	63,711
Total assets	137,062	131,766

(Unit: Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,154	18,587
Short-term borrowings	6,070	4,170
Current portion of long-term borrowings	3,183	3,180
Income taxes payable	1,788	256
Provision for product warranties	573	561
Provision for loss on orders received	385	322
Other	11,054	10,193
Total current liabilities	41,208	37,270
Non-current liabilities		
Long-term borrowings	12,528	11,515
Provision for share awards for directors (and other officers)	157	171
Provision for environmental measures	-	6
Retirement benefit liability	2,300	2,298
Other	6,416	6,679
Total non-current liabilities	21,402	20,671
Total liabilities	62,611	57,941
Net assets		
Shareholders' equity		
Share capital	10,156	10,156
Capital surplus	452	452
Retained earnings	45,622	45,437
Treasury shares	(1,957)	(1,957)
Total shareholders' equity	54,274	54,089
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,530	10,109
Deferred gains or losses on hedges	(39)	(53)
Revaluation reserve for land	3,913	3,913
Foreign currency translation adjustment	1,090	1,218
Remeasurements of defined benefit plans	4,681	4,547
Total accumulated other comprehensive income	20,176	19,735
Total net assets	74,451	73,824
Total liabilities and net assets	137,062	131,766

Quarterly consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Quarterly consolidated statements of income (cumulative)

(Unit: Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	19,178	21,440
Cost of sales	14,826	15,663
Gross profit	4,352	5,776
Selling, general and administrative expenses	3,737	3,850
Operating profit (loss)	615	1,926
Non-operating income		
Interest and dividend income	200	466
Foreign exchange gains	215	137
Other	53	79
Total non-operating income	469	683
Non-operating expenses		
Interest expenses	36	38
Other	30	43
Total non-operating expenses	66	81
Ordinary profit (loss)	1,018	2,528
Profit (loss) before income taxes	1,018	2,528
Income taxes	307	728
Profit (loss)	710	1,800
Profit (loss) attributable to owners of parent	710	1,800

Quarterly consolidated statements of comprehensive income (cumulative)

(Unit: Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	710	1,800
Other comprehensive income		
Valuation difference on available-for-sale securities	1,404	(421)
Deferred gains or losses on hedges	(12)	(13)
Foreign currency translation adjustment	166	128
Remeasurements of defined benefit plans, net of tax	(85)	(134)
Total other comprehensive income	1,473	(440)
Comprehensive income	2,183	1,359
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,183	1,359
Comprehensive income attributable to non-controlling interests	—	—

**Supplementary Information of the Financial Results for the Three Months Ended
June 30, 2024 [Fiscal 2024] (Consolidated)**

August 6, 2024
SINFONIA TECHNOLOGY CO., LTD.

1. Summary of operating results

(Unit: Millions of yen)

		Three months ended June 30, 2023	Three months ended June 30, 2024	YOY increase/decrease	Increase/Decrease rate
		(A)	(B)	(B) - (A)	
Net sales		19,178	21,440	2,261	11.8%
Operating profit	(%)	3.2%	9.0%	5.8pt	
		615	1,926	1,311	213.2%
Ordinary profit	(%)	5.3%	11.8%	6.5 pt	
		1,018	2,528	1,510	148.3%
Profit attributable to owners of parent	(%)	3.7%	8.4%	4.7 pt	
		710	1,800	1,089	153.4%

2. Information by segment

(1) Net sales and operating profit

(Unit: Millions of yen)

		Three Months ended June 30, 2023	Three Months ended June 30, 2024	YOY increase/decrease	Increase/Decrease rate
		(A)	(B)	(B) - (A)	
Clean Transport System	Net sales	4,302	4,761	459	10.7%
	Operating profit	509	745	236	46.4%
Motion Equipment	Net sales	7,925	8,642	717	9.0%
	Operating profit	330	779	448	135.5%
Power Electronics Equipment	Net sales	3,388	3,825	436	12.9%
	Operating profit	(278)	86	364	-
Engineering& Service	Net sales	3,562	4,211	649	18.2%
	Operating profit	50	298	247	486.5%
Adjustment amount	Net sales	-	-	-	-
	Operating profit	2	16	14	-
Total	Net sales	19,178	21,440	2,261	11.8%
	Operating profit	615	1,926	1,311	213.2%

(2) Orders received

(Unit: Millions of yen)

	Three Months ended June 30, 2023	Three Months ended June 30, 2024	YOY increase/decrease	
	(A)	(B)	(B) - (A)	Increase/Decrease rate
Clean Transport System	4,684	5,507	822	17.6%
Motion Equipment	6,186	16,193	10,007	161.8%
Power Electronics Equipment	4,566	5,536	970	21.3%
Engineering&Service	6,695	7,872	1,176	17.6%
Total	22,132	35,110	12,977	58.6%

(3) Balance of orders received

(Unit: Millions of yen)

	As of June 30, 2023	As of June 30, 2024	YOY increase/decrease	
	(A)	(B)	(B) - (A)	Increase/Decrease rate
Clean Transport System	8,320	6,628	(1,692)	(20.3)%
Motion Equipment	33,470	48,542	15,071	45.0%
Power Electronics Equipment	31,880	33,440	1,560	4.9%
Engineering&Service	13,221	15,120	1,899	14.4%
Total	86,892	103,732	16,839	19.4%

3. Overseas net sales

(Unit: Millions of yen)

	Three Months ended June 30, 2023	Three Months ended June 30, 2024	YOY increase/decrease	
	(A)	(B)	(B) - (A)	Increase/Decrease rate
Overseas net sales	5,478	7,192	1,714	31.3%
Overseas net sales ratio (%)	28.6%	33.5%	4.9 pt	

4. Capital expenditures, depreciation, and research and development expenses

(Unit: Millions of yen)

	Three Months ended June 30, 2023	Three Months ended June 30, 2024	YOY increase/decrease	
	(A)	(B)	(B) - (A)	Increase/Decrease rate
Capital expenditures	2,051	626	(1,424)	(69.5)%
Depreciation	852	757	(95)	(11.2)%
Research and development expenses	768	780	11	1.5%