

Translation

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Summary of Consolidated Financial Results for the Three Months Ended September 30, 2023 (Based on Japanese GAAP)

November 8, 2023

Company name: Alpen Co.,Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 3028 URL <https://store.alpen-group.jp/corporate>
 Representative: President Atsushi Mizuno
 Inquiries: Director and Head of Administration Yasuhiko Mizumaki TEL 052-559-0121
 Scheduled date to file Quarterly Securities Report: November 10, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended September 30, 2023 (from July 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	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 September 30, 2023	59,049	3.8	(644)	–	(254)	–	(245)	–
Three months ended September 30, 2022	56,891	8.2	(32)	–	466	(69.6)	157	(81.5)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended September 30, 2023	(6.37)	–
Three months ended September 30, 2022	4.06	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	198,064	114,594	57.9	2,973.90
As of June 30, 2023	186,505	115,700	62.0	3,002.60

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended June 30, 2023	–	25.00	–	25.00	50.00
Year ending June 30, 2024	–				
Year ending June 30, 2024 (Forecast)		25.00	–	25.00	50.00

3. Forecast of consolidated financial results for the year ending June 30, 2024 (from July 1, 2023 to June 30, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending December 31, 2023	130,000	8.1	3,370	(15.1)	3,965	(14.5)	2,670	(14.5)	69.29
Full year	265,000	8.4	6,700	32.4	7,960	14.9	4,250	(22.3)	110.29

4. Notes

- (1) Changes in significant subsidiaries during the three months ended September 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2023	38,888,000 shares	As of June 30, 2023	38,888,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	354,666 shares	As of June 30, 2023	354,666 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2023	38,533,334 shares	Three months ended September 30, 2022	38,791,852 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	17,510	19,325
Accounts receivable - trade	10,876	9,806
Merchandise and finished goods	68,963	78,251
Other	4,387	4,321
Allowance for doubtful accounts	(107)	(107)
Total current assets	101,631	111,597
Non-current assets		
Property, plant and equipment		
Buildings and structures	82,364	83,969
Accumulated depreciation	(60,647)	(61,227)
Buildings and structures, net	21,717	22,742
Other	37,468	38,173
Accumulated depreciation	(14,377)	(14,479)
Other, net	23,091	23,693
Total property, plant and equipment	44,808	46,435
Intangible assets	3,194	3,036
Investments and other assets		
Guarantee deposits	19,188	19,547
Other	20,700	20,474
Accumulated depreciation	(2,969)	(2,979)
Other, net	17,730	17,494
Allowance for doubtful accounts	(48)	(48)
Total investments and other assets	36,870	36,994
Total non-current assets	84,873	86,466
Total assets	186,505	198,064

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	39,788	44,124
Short-term borrowings	–	5,000
Contract liabilities	2,731	2,723
Provisions	300	1,061
Other	18,068	20,895
Total current liabilities	60,888	73,804
Non-current liabilities		
Provisions	895	884
Retirement benefit liability	93	97
Asset retirement obligations	4,731	4,794
Other	4,197	3,888
Total non-current liabilities	9,916	9,664
Total liabilities	70,804	83,469
Net assets		
Shareholders' equity		
Share capital	15,163	15,163
Capital surplus	21,626	21,626
Retained earnings	77,716	76,507
Treasury shares	(701)	(701)
Total shareholders' equity	113,805	112,596
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,365	1,408
Deferred gains or losses on hedges	–	50
Foreign currency translation adjustment	1	16
Remeasurements of defined benefit plans	528	522
Total accumulated other comprehensive income	1,895	1,998
Total net assets	115,700	114,594
Total liabilities and net assets	186,505	198,064

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Net sales	56,891	59,049
Cost of sales	34,543	36,545
Gross profit	22,348	22,503
Selling, general and administrative expenses	22,381	23,148
Operating loss	(32)	(644)
Non-operating income		
Rental income from real estate	254	254
Other	409	278
Total non-operating income	664	533
Non-operating expenses		
Interest expenses	24	17
Rental expenses on real estate	121	120
Other	19	4
Total non-operating expenses	164	143
Ordinary profit (loss)	466	(254)
Extraordinary losses		
Loss on valuation of investment securities	162	–
Impairment losses	15	35
Other	0	2
Total extraordinary losses	178	37
Profit (loss) before income taxes	287	(292)
Income taxes - current	130	(46)
Total income taxes	130	(46)
Profit (loss)	157	(245)
Profit (loss) attributable to owners of parent	157	(245)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Profit (loss)	157	(245)
Other comprehensive income		
Valuation difference on available-for-sale securities	175	42
Deferred gains or losses on hedges	9	50
Foreign currency translation adjustment	35	15
Remeasurements of defined benefit plans, net of tax	(3)	(6)
Total other comprehensive income	217	103
Comprehensive income	374	(142)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	374	(142)
Comprehensive income attributable to non-controlling interests	–	–