

Translation

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Summary of Consolidated Financial Results for the Year Ended June 30, 2024 (Based on Japanese GAAP)

August 8, 2024

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 of ordinary general meeting of shareholders: September 26, 2024
 Scheduled date to file Securities Report: September 26, 2024
 Scheduled date to commence dividend payments: September 11, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended June 30, 2024 (from July 1, 2023 to June 30, 2024)

(1) Consolidated operating results

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	%
Year ended June 30, 2024	252,936	3.4	3,330	(34.2)	5,307	(23.4)	1,733	(68.3)
Year ended June 30, 2023	244,540	5.3	5,062	(29.2)	6,930	(22.9)	5,469	3.0

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended June 30, 2024	44.99	–	1.5	2.7	1.3
Year ended June 30, 2023	141.48	–	4.8	3.6	2.1

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	201,884	117,240	58.1	3,041.96
As of June 30, 2023	186,505	115,700	62.0	3,002.60

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended June 30, 2024	5,705	(10,508)	5,391	18,840
Year ended June 30, 2023	5,785	(6,746)	(9,866)	18,238

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended June 30, 2023	–	25.00	–	25.00	50.00	1,936	35.3	1.7
Year ended June 30, 2024	–	25.00	–	25.00	50.00	1,926	111.1	1.7
Year ending June 30, 2025 (Forecast)	–	25.00	–	25.00	50.00		59.3	

3. Forecast of consolidated financial results for the year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

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, 2024	130,600	6.7	3,140	109.1	3,600	55.1	2,370	150.8	61.49
Full year	268,000	6.0	6,300	89.2	7,220	36.0	3,250	87.5	84.32

4. Notes

(1) Significant changes in the scope of consolidation during the year ended June 30, 2024: No

(2) 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

(3) Number of issued shares (common shares)

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

As of June 30, 2024	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 June 30, 2024	346,860 shares	As of June 30, 2023	354,666 shares
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Average number of shares during the period

Year ended June 30, 2024	38,538,026 shares	Year ended June 30, 2023	38,661,006 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	17,510	18,012
Accounts receivable - trade	10,876	13,160
Merchandise and finished goods	68,963	75,712
Other	4,387	5,308
Allowance for doubtful accounts	(107)	(94)
Total current assets	101,631	112,100
Non-current assets		
Property, plant and equipment		
Buildings and structures	82,364	85,150
Accumulated depreciation	(60,647)	(62,836)
Buildings and structures, net	21,717	22,313
Land	13,470	13,441
Leased assets	5,156	4,143
Accumulated depreciation	(3,188)	(2,116)
Leased assets, net	1,968	2,027
Other	18,841	23,150
Accumulated depreciation	(11,189)	(12,687)
Other, net	7,651	10,463
Total property, plant and equipment	44,808	48,246
Intangible assets	3,194	2,707
Investments and other assets		
Investment securities	3,564	4,309
Guarantee deposits	19,188	19,323
Retirement benefit asset	1,213	3,154
Deferred tax assets	6,985	6,284
Other	8,936	8,793
Accumulated depreciation	(2,969)	(2,982)
Other, net	5,967	5,811
Allowance for doubtful accounts	(48)	(52)
Total investments and other assets	36,870	38,830
Total non-current assets	84,873	89,784
Total assets	186,505	201,884

(Millions of yen)

	As of June 30, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,674	17,473
Electronically recorded obligations - operating	27,148	30,751
Short-term borrowings	–	7,000
Current portion of long-term borrowings	3,000	–
Contract liabilities	2,731	2,958
Provisions	300	309
Other	13,034	11,996
Total current liabilities	60,888	70,489
Non-current liabilities		
Long-term borrowings	–	4,000
Lease liabilities	2,442	2,528
Provisions	895	853
Retirement benefit liability	93	104
Asset retirement obligations	4,731	5,231
Other	1,754	1,435
Total non-current liabilities	9,916	14,154
Total liabilities	70,804	84,644
Net assets		
Shareholders' equity		
Share capital	15,163	15,163
Capital surplus	21,626	21,626
Retained earnings	77,716	77,523
Treasury shares	(701)	(685)
Total shareholders' equity	113,805	113,627
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,365	1,797
Foreign currency translation adjustment	1	25
Remeasurements of defined benefit plans	528	1,790
Total accumulated other comprehensive income	1,895	3,613
Total net assets	115,700	117,240
Total liabilities and net assets	186,505	201,884

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Net sales	244,540	252,936
Cost of sales	150,325	154,869
Gross profit	94,214	98,066
Selling, general and administrative expenses		
Employees' salaries and bonuses	25,037	26,994
Retirement benefit expenses	358	282
Provision for bonuses	265	274
Rent expenses	23,265	24,008
Other	40,225	43,176
Total selling, general and administrative expenses	89,151	94,736
Operating profit	5,062	3,330
Non-operating income		
Interest income	101	83
Rental income from real estate	1,010	1,013
Sponsorship money income	222	366
Other	1,176	1,105
Total non-operating income	2,512	2,568
Non-operating expenses		
Interest expenses	94	80
Rental expenses on real estate	480	480
Other	68	30
Total non-operating expenses	643	590
Ordinary profit	6,930	5,307
Extraordinary income		
Gain on sale of non-current assets	185	11
settlement money received	490	–
Gain on reversal of foreign currency translation adjustment	111	–
Other	30	–
Total extraordinary income	818	11
Extraordinary losses		
Impairment losses	2,840	2,344
Other	198	283
Total extraordinary losses	3,038	2,628
Profit before income taxes	4,711	2,690
Income taxes - current	2,077	1,258
Income taxes - deferred	(2,836)	(302)
Total income taxes	(758)	956
Profit	5,469	1,733
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	5,469	1,733

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Profit	5,469	1,733
Other comprehensive income		
Valuation difference on available-for-sale securities	1,184	431
Foreign currency translation adjustment	(88)	24
Remeasurements of defined benefit plans, net of tax	261	1,262
Total other comprehensive income	1,356	1,718
Comprehensive income	6,826	3,452
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,826	3,452
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended June 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,163	21,626	74,183	(182)	110,790
Changes during period					
Dividends of surplus			(1,936)		(1,936)
Profit attributable to owners of parent			5,469		5,469
Purchase of treasury shares				(537)	(537)
Cancellation of treasury shares					–
Restricted stock payment			(0)	18	18
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,533	(518)	3,014
Balance at end of period	15,163	21,626	77,716	(701)	113,805

	Accumulated other comprehensive income				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	181	89	266	538	111,328
Changes during period					
Dividends of surplus					(1,936)
Profit attributable to owners of parent					5,469
Purchase of treasury shares					(537)
Cancellation of treasury shares					–
Restricted stock payment					18
Net changes in items other than shareholders' equity	1,184	(88)	261	1,356	1,356
Total changes during period	1,184	(88)	261	1,356	4,371
Balance at end of period	1,365	1	528	1,895	115,700

Fiscal year ended June 30, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,163	21,626	77,716	(701)	113,805
Changes during period					
Dividends of surplus			(1,926)		(1,926)
Profit attributable to owners of parent			1,733		1,733
Purchase of treasury shares					–
Cancellation of treasury shares					–
Restricted stock payment			(0)	15	15
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(193)	15	(177)
Balance at end of period	15,163	21,626	77,523	(685)	113,627

	Accumulated other comprehensive income				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	1,365	1	528	1,895	115,700
Changes during period					
Dividends of surplus					(1,926)
Profit attributable to owners of parent					1,733
Purchase of treasury shares					–
Cancellation of treasury shares					–
Restricted stock payment					15
Net changes in items other than shareholders' equity	431	24	1,262	1,718	1,718
Total changes during period	431	24	1,262	1,718	1,540
Balance at end of period	1,797	25	1,790	3,613	117,240

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended June 30, 2023	Fiscal year ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	4,711	2,690
Depreciation	5,692	5,611
Amortization of goodwill	140	140
Decrease/Increase/Contract Liabilities	44	226
Increase (decrease) in provision for loss on subleases	(41)	(41)
Decrease (increase) in retirement benefit asset	(79)	(121)
Offset of house and other guarantee money deposits paid	352	311
Interest and dividend income	(141)	(141)
Interest expenses	94	80
Loss (gain) on valuation of derivatives	2	–
Loss (gain) on sale and retirement of non-current assets	(178)	(3)
Gain on reversal of foreign currency translation adjustment	(111)	–
Impairment losses	2,840	2,344
Decrease (increase) in trade receivables	(926)	(2,293)
Decrease (increase) in inventories	850	(6,713)
Increase (decrease) in trade payables	(7,967)	6,403
Increase (decrease) in accrued consumption taxes	2,635	(2,671)
Other, net	(162)	1,487
Subtotal	7,752	7,308
Interest and dividends received	46	75
Interest paid	(55)	(44)
Income taxes refund	5	15
Income taxes paid	(1,963)	(1,650)
Net cash provided by (used in) operating activities	5,785	5,705
Cash flows from investing activities		
Purchase of investment securities	–	(100)
Proceeds from redemption of investment securities	–	100
Purchase of property, plant and equipment	(5,628)	(8,911)
Proceeds from sale of property, plant and equipment	185	11
Purchase of intangible assets	(551)	(648)
Purchase of long-term prepaid expenses	(44)	(35)
Payments of guarantee deposits	(710)	(1,097)
Proceeds from refund of guarantee deposits	51	301
Other, net	(47)	(128)
Net cash provided by (used in) investing activities	(6,746)	(10,508)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	–	7,000
Proceeds from long-term borrowings	–	4,000
Repayments of long-term borrowings	(6,500)	(3,000)
Repayments of lease liabilities	(848)	(651)
Purchase of treasury shares	(537)	–
Dividends paid	(1,935)	(1,929)
Other, net	(44)	(28)
Net cash provided by (used in) financing activities	(9,866)	5,391
Effect of exchange rate change on cash and cash equivalents	6	14
Net increase (decrease) in cash and cash equivalents	(10,820)	602
Cash and cash equivalents at beginning of period	29,059	18,238
Cash and cash equivalents at end of period	18,238	18,840