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Consolidated Financial Results for the Three Months Ended March 31, 2022 [Japanese GAAP]

May 12, 2022

Company name: Altech Corporation
 Stock exchange listing: Tokyo
 Code number: 4641
 URL: <https://www.alpsgiken.co.jp/>
 Representative: Atsushi Imamura President
 Contact: Nobuyuki Watanabe Senior Managing Director General Manager
 Phone: 042(774)3333
 Scheduled date of filing quarterly securities report: May 13, 2022
 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 Three Months Ended March 31, 2022 (January 01, 2022 to March 31, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended March 31, 2022	10,089	8.0	1,177	22.5	1,191	(0.8)	800	0.1
March 31, 2021	9,346	4.1	960	(8.7)	1,201	13.8	799	30.2

(Note) Comprehensive income: Three months ended March 31, 2022: ¥ 790 million [(14.8)%
 Three months ended March 31, 2021: ¥ 928 million [71.1%]

	Basic earnings per share	Diluted earnings per share
Three months ended March 31, 2022	Yen 39.51	Yen -
March 31, 2021	39.01	-

(Notes) The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 issued on March 31, 2020) has been adopted from the start of the first quarter of the current consolidated fiscal year, and the figures for the first quarter of the fiscal year ending December 2022 are the figures after application of this accounting standard.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of March 31, 2022	Million yen 21,792	Million yen 13,818	63.1%
December 31, 2021	22,545	14,635	64.8

(Reference) Equity: As of March 31, 2022: ¥ 13,747 million
 As of December 31, 2021: ¥ 14,601 million

(Notes) The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 issued on March 31, 2020) has been adopted from the start of the first quarter of the current consolidated fiscal year, and the figures for the first quarter of the fiscal year ending December 2022 are the figures after application of this accounting standard.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended December 31, 2021	Yen -	Yen 37.00	Yen -	Yen 39.00	Yen 76.00
Fiscal year ending December 31, 2022	-				
Fiscal year ending December 31, 2022 (Forecast)		38.00	-	38.00	76.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending December 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022(January 01, 2022 to December 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended June 30, 2022	20,100	7.1	1,800	3.9	1,800	(22.2)	1,200	(22.7)	58.47
Full year	42,500	8.2	4,550	17.4	4,590	0.3	3,120	0.8	152.02

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

(Notes) The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29 issued on March 31, 2020) has been adopted from the start of the first quarter of the current consolidated fiscal year, and the figures for the first quarter of the fiscal year ending December 2022 are the figures after application of this accounting standard.

* Notes:

(1) Changes in significant subsidiaries during the three months ended March 31, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 (Company name: DONKEY Corporation)

Exclusion: - (Company name:)

(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):

March 31, 2022: 21,746,675 shares

December 31, 2021: 24,746,675 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022: 1,638,074 shares

December 31, 2021: 4,223,393 shares

3) Average number of shares during the period:

Three months ended March 31, 2022: 20,251,192 shares

Three months ended March 31, 2021: 20,483,913 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of December 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	9,984,642	8,711,636
Notes and accounts receivable - trade	5,465,492	-
Notes and accounts receivable - trade, and contract assets	-	5,765,954
Merchandise and finished goods	-	1,074
Work in process	303,014	85,112
Raw materials and supplies	46,659	58,503
Other	531,672	543,302
Total current assets	16,331,481	15,165,584
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,294,499	3,295,355
Accumulated depreciation	(1,635,998)	(1,661,753)
Buildings and structures, net	1,658,501	1,633,602
Land	1,529,365	1,529,365
Other	528,454	534,655
Accumulated depreciation	(443,654)	(453,943)
Other, net	84,800	80,712
Total property, plant and equipment	3,272,666	3,243,679
Intangible assets		
Goodwill	327,133	443,806
Other	145,514	142,997
Total intangible assets	472,647	586,804
Investments and other assets		
Investment securities	1,139,226	1,034,061
Shares of subsidiaries and associates	77,575	32,218
Deferred tax assets	617,141	1,108,705
Other	679,304	666,851
Accumulated depreciation	(44,983)	(45,112)
Other, net	634,320	621,739
Total investments and other assets	2,468,264	2,796,725
Total non-current assets	6,213,578	6,627,208
Total assets	22,545,059	21,792,793

(Thousand yen)

	As of December 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	310,198	302,815
Short-term borrowings	773,730	277,732
Accounts payable - other	1,712,506	1,106,434
Income taxes payable	657,257	904,859
Provision for bonuses	1,421,931	2,680,219
Provision for bonuses for directors (and other officers)	32,260	8,037
Other	2,534,473	2,252,911
Total current liabilities	7,442,358	7,533,010
Non-current liabilities		
Long-term borrowings	120,167	101,484
Retirement benefit liability	192,332	188,573
Other	155,035	150,787
Total non-current liabilities	467,535	440,844
Total liabilities	7,909,893	7,973,855
Net assets		
Shareholders' equity		
Share capital	2,347,163	2,347,163
Capital surplus	3,124,180	2,784,651
Retained earnings	13,489,035	10,093,326
Treasury shares	(4,931,131)	(2,039,477)
Total shareholders' equity	14,029,247	13,185,663
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	439,412	371,616
Foreign currency translation adjustment	133,287	189,779
Total accumulated other comprehensive income	572,700	561,396
Non-controlling interests	33,218	71,878
Total net assets	14,635,166	13,818,938
Total liabilities and net assets	22,545,059	21,792,793

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended March 31,2021	For the three months ended March 31,2022
Net sales	9,346,499	10,089,592
Cost of sales	7,179,278	7,626,404
Gross profit	2,167,221	2,463,188
Selling, general and administrative expenses	1,206,285	1,285,975
Operating profit	960,935	1,177,212
Non-operating income		
Interest income	1,229	1,678
Dividend income	100	100
Subsidy income	227,944	11,188
Rental income	1,326	1,326
Miscellaneous income	22,437	22,828
Compensation income	2,029	2,057
Total non-operating income	255,067	39,179
Non-operating expenses		
Interest expenses	1,267	1,154
Rental costs	2,343	3,552
Loss on extinguishment share-based compensation expenses	3,625	2,394
Loss on investments in investment partnerships	-	12,089
Foreign exchange losses	4,920	4,623
Other	2,000	591
Total non-operating expenses	14,157	24,406
Ordinary profit	1,201,845	1,191,986
Extraordinary income		
Gain on sale of non-current assets	16	27
Total extraordinary income	16	27
Extraordinary losses		
Loss on retirement of non-current assets	11	0
Total extraordinary losses	11	0
Profit before income taxes	1,201,851	1,192,013
Income taxes - current	791,167	856,146
Income taxes - deferred	(388,768)	(465,424)
Total income taxes	402,398	390,721
Profit	799,452	801,292
Profit attributable to non-controlling interests	438	1,122
Profit attributable to owners of parent	799,013	800,169

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

(Thousand yen)

	For the three months ended March 31,2021	For the three months ended March 31,2022
Profit	799,452	801,292
Other comprehensive income		
Valuation difference on available-for-sale securities	78,972	(67,795)
Foreign currency translation adjustment	49,817	57,450
Total other comprehensive income	128,789	(10,345)
Comprehensive income	928,241	790,946
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	926,366	788,865
Comprehensive income attributable to non-controlling interests	1,875	2,081