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Consolidated Financial Results
for the Nine Months Ended September 30, 2023
[Japanese GAAP]

November 8, 2023

Company name: Altech Corporation
 Stock exchange listing: Tokyo
 Code number: 4641
 URL: <https://www.alpsgiken.co.jp/>
 Representative: Atsushi Imamura President
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 Scheduled date of filing quarterly securities report: November 9, 2023
 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 September 30, 2023 (January 1, 2023 to September 30, 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 September 30, 2023:	34,186	6.5	3,542	0.8	3,597	3.1	2,537	5.7
September 30, 2022:	32,105	13.7	3,514	38.8	3,487	2.6	2,402	5.6

(Note) Comprehensive income: Nine months ended September 30, 2023: ¥ 2,685 million [10.8%]
 Nine months ended September 30, 2022: ¥ 2,424 million [(0.9)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2023:	126.94	—
September 30, 2022:	119.10	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023:	25,435	15,709	61.6
December 31, 2022:	24,274	15,741	64.6

(Reference) Equity: As of September 30, 2023 : ¥15,662 million
 As of December 31, 2022 : ¥15,687 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 December 31, 2022	—	38.00	—	47.00	85.00
Fiscal year ending December 31, 2023	—	52.00	—		
Fiscal year ending December 31, 2023 (Forecast)				43.00	95.00

(Note 1) Revision to the forecast for dividends announced most recently: No

(Note 2) Breakdown of the 2nd quarter dividend for the fiscal year ending December 31, 2023:

Ordinary dividend 42 yen
Commemorative dividend 10 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2023 (January 1, 2023 to December 31, 2023)

(% 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	46,600	6.8	5,000	7.5	5,060	10.9	3,420	0.1	169.62

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

* Notes:

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2023:
(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes
- New: - (Company name: -)
Exclusion: 1 (Company name: PANA R&D 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: No
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):
September 30, 2023: 21,746,675 shares
December 31, 2022: 21,746,675 shares
- 2) Number of treasury shares at the end of the period:
September 30, 2023: 1,875,372 shares
December 31, 2022: 1,600,065 shares
- 3) Average number of shares outstanding during the period:
Nine months ended September 30, 2023: 19,993,022 shares
Nine months ended September 30, 2022: 20,167,480 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2022	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	10,696,566	11,176,215
Notes and accounts receivable - trade, and contract assets	6,622,872	6,481,709
Merchandise and finished goods	1,074	1,074
Work in process	238,003	387,501
Raw materials and supplies	57,597	76,489
Other	535,665	722,813
Total current assets	18,151,780	18,845,803
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,301,101	3,360,723
Accumulated depreciation	(1,737,179)	(1,854,953)
Buildings and structures, net	1,563,922	1,505,770
Land	1,527,337	1,541,637
Other	560,786	690,802
Accumulated depreciation	(473,658)	(498,896)
Other, net	87,127	191,905
Total property, plant and equipment	3,178,388	3,239,312
Intangible assets		
Goodwill	243,122	180,113
Other	141,115	133,434
Total intangible assets	384,237	313,548
Investments and other assets		
Investment securities	1,049,802	994,689
Shares of subsidiaries and associates	32,218	32,218
Deferred tax assets	862,242	1,501,872
Other	661,449	507,781
Accumulated depreciation	(45,592)	—
Other, net	615,857	507,781
Total investments and other assets	2,560,120	3,036,561
Total non-current assets	6,122,746	6,589,422
Total assets	24,274,526	25,435,226

(Thousands of yen)

	As of December 31, 2022	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	459,100	376,273
Short-term borrowings	274,391	233,550
Accounts payable - other	1,978,431	1,451,510
Income taxes payable	897,393	1,227,205
Provision for bonuses	1,704,119	3,564,431
Provision for bonuses for directors (and other officers)	28,497	23,625
Other	2,791,114	2,514,401
Total current liabilities	8,133,048	9,390,997
Non-current liabilities		
Long-term borrowings	45,276	24,908
Deferred tax liabilities	4,012	4,318
Retirement benefit liability	177,916	162,560
Other	172,331	142,977
Total non-current liabilities	399,535	334,765
Total liabilities	8,532,583	9,725,762
Net assets		
Shareholders' equity		
Share capital	2,347,163	2,347,163
Capital surplus	2,784,651	2,798,742
Retained earnings	11,973,136	12,530,825
Treasury shares	(1,987,433)	(2,739,120)
Total shareholders' equity	15,117,517	14,937,611
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	385,442	460,950
Foreign currency translation adjustment	184,722	263,670
Total accumulated other comprehensive income	570,165	724,621
Non-controlling interests	54,259	47,231
Total net assets	15,741,943	15,709,463
Total liabilities and net assets	24,274,526	25,435,226

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2023
Net sales	32,105,070	34,186,961
Cost of sales	24,539,922	26,253,119
Gross profit	7,565,148	7,933,842
Selling, general and administrative expenses	4,050,950	4,391,435
Operating profit	3,514,197	3,542,406
Non-operating income		
Interest income	5,133	6,518
Dividend income	20,822	16,137
Subsidy income	130,509	12,786
Foreign exchange gains	—	24,014
Other	66,241	85,140
Total non-operating income	222,706	144,597
Non-operating expenses		
Interest expenses	2,179	833
Donations	200,000	61,531
Foreign exchange losses	16,933	—
Other	30,262	27,277
Total non-operating expenses	249,375	89,642
Ordinary profit	3,487,528	3,597,360
Extraordinary income		
Gain on sale of non-current assets	101	364
Gain on sale of investment securities	—	257,611
Donation income	300,000	—
Total extraordinary income	300,101	257,975
Extraordinary losses		
Loss on retirement of non-current assets	8	30
Impairment losses	128,330	—
Total extraordinary losses	128,338	30
Profit before income taxes	3,659,291	3,855,305
Income taxes - current	1,970,798	1,947,260
Income taxes - deferred	(710,147)	(625,059)
Total income taxes	1,260,651	1,322,201
Profit	2,398,639	2,533,103
Profit/(loss) attributable to non-controlling interests	(3,376)	(4,807)
Profit attributable to owners of parent	2,402,016	2,537,910

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

(Thousands of yen)

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2023
Profit	2,398,639	2,533,103
Other comprehensive income		
Valuation difference on available-for-sale securities	(88,425)	75,507
Foreign currency translation adjustment	113,873	76,726
Total other comprehensive income	25,447	152,234
Comprehensive income	2,424,087	2,685,338
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	2,428,912	2,692,366
Comprehensive income attributable to non-controlling interests	(4,825)	(7,027)