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Consolidated Financial Results for the Second Quarter (Interim) of the Fiscal Year Ending December 31, 2025 [Japanese GAAP]

August 6, 2025

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Stock exchange listing: Tokyo
URL <https://www.alpsgiken.co.jp/>
Scheduled date of filing semiannual securities report: August 7, 2025
Scheduled date of commencing dividend payments: September 12, 2025
Availability of supplementary briefing material on financial results: Yes
Schedule of financial results briefing session: Yes (for analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Second Quarter (Interim) of the Fiscal Year Ending December 31, 2025 (January 1, 2025 to June 30, 2025)

(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 | % |
| Six months ended June 30, 2025 | 25,340 | 5.2 | 2,690 | 9.5 | 2,820 | 12.1 | 1,868 | 16.5 |
| Six months ended June 30, 2024 | 24,098 | 5.6 | 2,457 | 3.2 | 2,515 | 1.8 | 1,603 | (11.6) |

(Note) Comprehensive income: Six months ended June 30, 2025: 1,875 million yen [(0.2)%]
Six months ended June 30, 2024: 1,880 million yen [(2.7)%]

| | Basic earnings per share | Diluted earnings per share |
|--------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Six months ended June 30, 2025 | 95.05 | - |
| Six months ended June 30, 2024 | 80.70 | - |

(2) Consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|-------------------------|-----------------|-----------------|------------------------|
| | Millions of yen | Millions of yen | % |
| As of June 30, 2025 | 27,615 | 18,994 | 68.6 |
| As of December 31, 2024 | 28,077 | 18,743 | 66.6 |

(Reference) Equity: As of June 30, 2025: 18,936 million yen As of December 31, 2024: 18,691 million yen

2. Dividends

| | Annual dividend | | | | |
|---|-----------------|-----------------|-----------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended December 31, 2024 | - | 44.00 | - | 49.00 | 93.00 |
| Fiscal year ending December 31, 2025 | - | 47.00 | | | |
| Fiscal year ending December 31, 2025 (Forecast) | | | - | 47.00 | 94.00 |

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(% 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 | 52,700 | 5.7 | 5,400 | 4.7 | 5,500 | 3.5 | 3,700 | 0.6 | 186.17 |

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

* Notes:

(1) Significant changes in the scope of consolidation during the interim period under review: No

New: — (Company name) —, Exclusion: — (Company name) -

(2) Accounting policies adopted specially for the preparation of interim consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retroactive 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): | As of June 30, 2025 | 20,746,675 shares | As of December 31, 2024 | 21,746,675 shares |
| 2) Total number of treasury shares at the end of the period: | As of June 30, 2025 | 1,128,038 shares | As of December 31, 2024 | 1,871,076 shares |
| 3) Average number of shares outstanding during the period (interim period) | Six months ended June 30, 2025 | 19,658,967 shares | Six months ended June 30, 2024 | 19,873,365 shares |

* Interim consolidated financial results are not subject to review by certified public accountants or auditing firms.

* Explanation on appropriate use of financial results forecast, and other special notes

(Caution regarding forward-looking statements, etc.)

Please refer to “(3) Explanation on Consolidated Financial Results Forecasts and Other Forward-looking Statements” on page 2 of the attached document for the assumptions used in developing the financial results forecasts. The forecast figures are based on information available at the present time, and contain some uncertainties. Actual results may differ from the above forecasts due to changes in business conditions and other factors.

(Reference) Non-consolidated Financial Results Forecast

Non-consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Ordinary profit | | Net profit | | Basic earnings per share |
|-----------|-----------------|-----|-----------------|-----|-----------------|-----|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 40,600 | 5.1 | 4,900 | 3.7 | 3,400 | 8.0 | 171.07 |

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

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1. Overview of Operating Results

(1) Overview of Operating Results for the Interim Period Under Review

During the interim period under review (from January 1, 2025, to June 30, 2025), the Japanese economy was on a moderate recovery trend due to the persistently high appetite for investment among corporations backed by strong financial performance with a continued improvement of the employment and income situation. On the other hand, the outlook remains uncertain due to factors such as the tariff issue in the United States and heightened geopolitical risks.

Amid this social and economic environment, major manufacturing companies maintained upfront investment in R&D for a competitive advantage, and requests made to the Group remained firm.

Based on the corporate philosophy “Heart to Heart,” the Group has set a vision of “Team Alps,” and aims to raise corporate value by taking on new business challenges with the full strength of the Group. In the engineer assignment business, which is the core of the Group, we strengthened our recruitment measures and worked to secure talented engineers. In addition, we made company-wide efforts to strengthen technical education in the fields of cutting-edge technologies, aerospace, and the environment where growth is expected, and implemented initiatives in conjunction with sales policies such as team assignments. As a result of the above measures, both the total number of staff in operation and the contract unit price have increased. Driven by these various factors in the engineer assignment business, in the interim period under review, the Company recorded net sales of 25,340 million yen (up 5.2% year on year), operating profit of 2,690 million yen (up 9.5% year on year), and ordinary profit of 2,820 million yen (up 12.1% year on year). Also, the Company recorded profit attributable to owners of parent of 1,868 million yen (up 16.5% year on year).

To create strengths for the next generation, the Company is strengthening its outsourcing service business, developing new business fields such as agriculture, nursing care, and supply chain management, and expanding its manufacturing business.

The results of operations by segment are as follows.

1) Outsourcing Service Business

In the outsourcing services business, which is the Company’s main business, we are engaged in the acceptance of consignment of technical projects, office staff assignment, and other services, with a focus on engineer assignments. In order to secure talented personnel even amid intensifying competition, we improved the environment by revising the starting salary for new graduates and reviewing the personnel system, and implemented recruitment plans that consider the intentions of job seekers, including referral recruiting. In addition, by strengthening technical education in the fields of cutting-edge technologies, aerospace, and the environment where growth is still expected and implementing initiatives in conjunction with sales policies such as team assignment, we successfully increased both the total number of workers in operation and the contract unit price.

As a result, net sales for the interim period under review were 22,994 million yen (up 2.4% year on year), and operating profit was 2,308 million yen (up 2.4% year on year).

2) Global Business

In the global business, the Company provides design, manufacturing, installation and maintenance services for plant facilities, machinery and equipment, and staffing services overseas.

Due to the acquisition of orders for new projects and the expansion of the staffing service business mainly in the semiconductor industry, where demand is growing, in the interim period under review, the Company recorded net sales of 2,290 million yen (up 41.5% year on year), and operating profit of 413 million yen (up 83.4% year on year).

(2) Overview of Financial Position for the Interim Period Under Review

Total assets at the end of the interim period under review were 27,615 million yen, a decrease of 461 million yen from the end of the previous consolidated fiscal year. This was mainly due to a drop in cash and deposits. Total liabilities were 8,620 million yen, down 713 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in accounts payable - other. As a result, net assets grew by 251 million yen from the end of the previous consolidated fiscal year to 18,994 million yen.

Accordingly, the capital adequacy ratio was 68.6%.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Statements

As for the forecast for the fiscal year ending December 31, 2025, there are no changes to the consolidated and non-consolidated forecasts announced on February 13, 2025, as the current requests for assignment to the Group remain strong.

2. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheets

(Thousands of yen)

| | Previous consolidated fiscal year (December 31, 2024) | Interim period under review (June 30, 2025) |
|--|--|--|
| Assets | | |
| Current assets | | |
| Cash and deposits | 13,343,307 | 12,490,415 |
| Notes and accounts receivable - trade, and contract assets | 7,051,270 | 7,347,870 |
| Merchandise and finished goods | 9,358 | 6,799 |
| Work in process | 245,278 | 261,507 |
| Raw materials and supplies | 249,226 | 294,778 |
| Others | 745,844 | 723,407 |
| Total current assets | 21,644,285 | 21,124,778 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 3,938,673 | 3,947,712 |
| Accumulated depreciation | (1,986,795) | (2,042,292) |
| Buildings and structures, net | 1,951,877 | 1,905,419 |
| Land | 1,803,637 | 1,803,637 |
| Others | 766,356 | 786,047 |
| Accumulated depreciation | (573,811) | (585,226) |
| Other, net | 192,544 | 200,821 |
| Total property, plant and equipment | 3,948,059 | 3,909,877 |
| Intangible assets | | |
| Goodwill | 89,696 | 76,882 |
| Others | 115,941 | 133,160 |
| Total intangible assets | 205,638 | 210,042 |
| Investments and other assets | | |
| Investment securities | 952,609 | 1,016,372 |
| Shares of subsidiaries and associates | 32,218 | 59,638 |
| Deferred tax assets | 861,890 | 914,392 |
| Others | 432,311 | 380,002 |
| Total investments and other assets | 2,279,030 | 2,370,405 |
| Total non-current assets | 6,432,728 | 6,490,326 |
| Total assets | 28,077,013 | 27,615,104 |

(Thousands of yen)

| | Previous consolidated fiscal year (December 31, 2024) | Interim period under review (June 30, 2025) |
|--|--|--|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 432,591 | 335,570 |
| Short-term borrowings | 210,280 | 208,568 |
| Accounts payable - other | 2,085,639 | 1,765,562 |
| Income taxes payable | 1,077,981 | 1,069,414 |
| Provision for bonuses | 1,898,426 | 2,110,565 |
| Provision for bonuses for directors (and other officers) | 28,646 | 13,400 |
| Others | 3,205,214 | 2,731,372 |
| Total current liabilities | 8,938,781 | 8,234,453 |
| Non-current liabilities | | |
| Long-term borrowings | 10,734 | 6,450 |
| Retirement benefit liability | 152,749 | 145,220 |
| Others | 231,490 | 234,139 |
| Total non-current liabilities | 394,974 | 385,809 |
| Total liabilities | 9,333,755 | 8,620,262 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,347,163 | 2,347,163 |
| Capital surplus | 2,811,011 | 2,784,651 |
| Retained earnings | 15,478,458 | 14,823,039 |
| Treasury shares | (2,725,483) | (1,791,835) |
| Total shareholders' equity | 17,911,150 | 18,163,019 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 441,360 | 482,909 |
| Foreign currency translation adjustment | 339,226 | 290,281 |
| Total accumulated other comprehensive income | 780,587 | 773,191 |
| Non-controlling interests | 51,521 | 58,631 |
| Total net assets | 18,743,258 | 18,994,841 |
| Total liabilities and net assets | 28,077,013 | 27,615,104 |

(2) Interim Consolidated Statements of Income and Comprehensive Income

(Interim Consolidated Statements of Income)

(Thousands of yen)

| | Previous interim period (From January 1, 2024 to June 30, 2024) | Interim period under review (From January 1, 2025 to June 30, 2025) |
|---|---|---|
| Net sales | 24,098,243 | 25,340,183 |
| Cost of sales | 18,456,484 | 19,348,608 |
| Gross profit | 5,641,759 | 5,991,575 |
| Selling, general and administrative expenses | 3,184,610 | 3,301,334 |
| Operating profit | 2,457,148 | 2,690,240 |
| Non-operating income | | |
| Interest income | 2,883 | 7,095 |
| Dividend income | 17,710 | 20,299 |
| Subsidy income | 19,964 | 33,642 |
| Foreign exchange gains | - | 25,710 |
| Others | 38,890 | 53,474 |
| Total non-operating income | 79,449 | 140,221 |
| Non-operating expenses | | |
| Interest expenses | 1,525 | 1,760 |
| Loss on extinguishment of share-based compensation expenses | 4,439 | 3,626 |
| Loss on investments in investment partnerships | 1,459 | 2,741 |
| Foreign exchange losses | 12,925 | - |
| Others | 389 | 2,281 |
| Total non-operating expenses | 20,738 | 10,410 |
| Ordinary profit | 2,515,858 | 2,820,051 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 163 | 1,009 |
| Donation income | - | 653 |
| Total extraordinary income | 163 | 1,662 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 2,383 | 216 |
| Cancellation penalty | 15,000 | - |
| Total extraordinary losses | 17,383 | 216 |
| Net profit before income taxes | 2,498,639 | 2,821,498 |
| Income taxes - current | 1,093,582 | 1,017,483 |
| Income taxes - deferred | (207,120) | (77,513) |
| Total income taxes | 886,462 | 939,970 |
| Net profit | 1,612,176 | 1,881,527 |
| Profit attributable to non-controlling interests | 8,393 | 12,961 |
| Profit attributable to owners of parent | 1,603,783 | 1,868,565 |

(Interim Consolidated Statements of Comprehensive Income)

(Thousands of yen)

| | Previous interim period (From January 1, 2024 to June 30, 2024) | Interim period under review (From January 1, 2025 to June 30, 2025) |
|--|---|---|
| Net profit | 1,612,176 | 1,881,527 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 154,439 | 41,549 |
| Foreign currency translation adjustment | 113,574 | (47,341) |
| Total other comprehensive income | 268,013 | (5,792) |
| Comprehensive income | 1,880,190 | 1,875,735 |
| Comprehensive income attributable to: | | |
| Comprehensive income attributable to owners of parent | 1,868,510 | 1,861,170 |
| Comprehensive income attributable to non-controlling interests | 11,680 | 14,565 |

(3) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern)

Not applicable.

(Changes in Accounting Policies)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, “Revised Accounting Standard 2022”) has been applied since the beginning of the interim period under review.

Revisions concerning the categories in which income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, “Revised Guidance 2022”). This change in accounting policies has no impact on the interim consolidated financial statements.

With regard to revisions related to the review of treatment in consolidated financial statements when gains/losses on sale of shares of subsidiaries, etc., among consolidated companies are deferred for tax purposes, the Company has applied the Revised Guidance 2022 since the beginning of the interim period under review. This change in accounting policies is applied retroactively, and the interim consolidated financial statements and the consolidated financial statements for the previous interim consolidated accounting period and the previous consolidated fiscal year are after retroactive application. This change in accounting policies has no impact on the interim consolidated financial statements for the previous interim consolidated accounting period and the consolidated financial statements for the previous consolidated fiscal year.

(Notes on Substantial Changes in the Amount of Shareholders’ Equity)

(Acquisition of Treasury Shares)

At the meeting of its Board of Directors held on February 13, 2025, the Company resolved to acquire treasury shares under the provision of Article 156 of the Companies Act of Japan, as applied pursuant to the provision of paragraph 3, Article 165 of said Act, and acquired 267,000 treasury shares on February 17, 2025, in accordance with such resolution. As a result, treasury shares increased by 674,770 thousand yen at the end of the interim period under review.

(Retirement of Treasury Shares)

At the meeting of its Board of Directors held on February 13, 2025, the Company resolved to retire treasury shares under the provision of Article 178 of the Companies Act of Japan, and retired 1,000,000 treasury shares on February 28, 2025, in accordance with such resolution. As a result of this retirement, capital surplus, retained earnings, and treasury shares decreased by 26,360 thousand yen, 1,562,640 thousand yen, and 1,589,000 thousand yen, respectively.

As a result of the above, capital surplus, retained earnings, and treasury shares amounted to 2,784,651 thousand yen, 14,823,039 thousand yen, and 1,791,835 thousand yen, respectively, at the end of the interim period under review.

(Segment Information)

[Segment Information]

I For the previous interim period (From January 1, 2024 to June 30, 2024)

1. Information on the Amount of Sales and Profit or Loss for Each Reportable Segment

(Thousands of yen)

| | Reportable segment | | | Others (Note) | Total |
|----------------------------------|---------------------------------|-----------------|------------|---------------|------------|
| | Outsourcing Service Business | Global Business | Total | | |
| Net sales | | | | | |
| Sales to external customers | 22,445,204 | 1,618,095 | 24,063,299 | 34,944 | 24,098,243 |
| Intersegment sales and transfers | - | - | - | - | - |
| Total | 22,445,204 | 1,618,095 | 24,063,299 | 34,944 | 24,098,243 |
| Segment profit (loss) | 2,253,864 | 225,383 | 2,479,247 | (23,567) | 2,455,680 |

(Note) “Others” is a business segment not included in the reportable segments and includes Elderly Housing with Home-care Services.

2. Differences Between the Total Amount of Reportable Segments Profit or Loss and the Amounts Reported in Interim Consolidated Statements of Income and the Details of the Differences (Matters Concerning Reconciliation of Differences)

(Thousands of yen)

| Profit | Amount |
|---|-----------|
| Reportable segment total | 2,479,247 |
| Loss in “Others” | (23,567) |
| Intersegment transaction elimination | 1,468 |
| Operating profit in Interim Consolidated Statements of Income | 2,457,148 |

II For the interim period under review (From January 1, 2025 to June 30, 2025)

1. Information on the Amount of Sales and Profit or Loss for Each Reportable Segment

(Thousands of yen)

| | Reportable segment | | | Others (Note) | Total |
|----------------------------------|---------------------------------|-----------------|------------|---------------|------------|
| | Outsourcing Service Business | Global Business | Total | | |
| Net sales | | | | | |
| Sales to external customers | 22,994,858 | 2,290,265 | 25,285,124 | 55,059 | 25,340,183 |
| Intersegment sales and transfers | - | 10,499 | 10,499 | - | 10,499 |
| Total | 22,994,858 | 2,300,765 | 25,295,624 | 55,059 | 25,350,683 |
| Segment profit (loss) | 2,308,459 | 413,265 | 2,721,724 | (32,743) | 2,688,980 |

(Note) “Others” is a business segment not included in the reportable segments and includes Elderly Housing with Home-care Services.

2. Differences Between the Total Amount of Reportable Segments Profit or Loss and the Amounts Reported in Interim Consolidated Statements of Income and the Details of the Differences (Matters Concerning Reconciliation of Differences)

(Thousands of yen)

| Profit | Amount |
|---|-----------|
| Reportable segment total | 2,721,724 |
| Loss in “Others” | (32,743) |
| Intersegment transaction elimination | 1,260 |
| Operating profit in Interim Consolidated Statements of Income | 2,690,240 |

3. (Reference)

(1) (Summary) Interim Non-consolidated Statements of Income for the Period of the Fiscal Year Ending December 31, 2025

| Account | Previous interim period (From January 1, 2024 to June 30, 2024) | Interim period under review (From January 1, 2025 to June 30, 2025) |
|---|---|---|
| | Amount (Thousands of yen) | Amount (Thousands of yen) |
| I Net sales | 18,849,741 | 19,583,452 |
| II Cost of sales | 14,209,405 | 14,789,506 |
| Gross profit | 4,640,336 | 4,793,945 |
| III Selling, general and administrative expenses | 2,417,185 | 2,622,860 |
| Operating profit | 2,223,150 | 2,171,085 |
| IV Non-operating income | 310,635 | 386,723 |
| V Non-operating expenses | 207,363 | 201,209 |
| Ordinary profit | 2,326,422 | 2,356,599 |
| VI Extraordinary income | 163 | 1,009 |
| VII Extraordinary losses | 17,200 | - |
| Net profit before income taxes | 2,309,386 | 2,357,608 |
| Income taxes - current | 937,060 | 827,811 |
| Income taxes - deferred | (195,967) | (97,587) |
| Net profit | 1,568,293 | 1,627,384 |

(Notes) 1. The interim statements of income are not subject to review in the statutory disclosure.

2. The interim statements of income are prepared in accordance with the “Regulation on Financial Statements” and are presented in summarized form.