

Translation

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Summary of Consolidated Financial Results for the Three Months Ended March 31, 2021 (Based on Japanese GAAP)

May 13, 2021

Company name: Altech Corporation
 Stock exchange listing: Tokyo
 Stock code: 4641 URL <https://www.alpsgiken.co.jp/>
 Representative: President Atsushi Imamura
 Inquiries: Senior Managing Director General Manager Nobuyuki Watanabe TEL 042(774)3333
 Scheduled date to file Quarterly Securities Report: May 14, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended March 31, 2021 (from January 1, 2021 to March 31, 2021)

(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 March 31, 2021	9,346	4.1	960	(8.7)	1,201	13.8	799	30.2
Three months ended March 31, 2020	8,978	9.9	1,052	18.0	1,055	16.1	613	(10.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2021	39.01	–
Three months ended March 31, 2020	29.77	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2021	21,289	12,880	60.4
As of December 31, 2020	20,996	12,771	60.7

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 December 31, 2020	–	35.00	–	40.00	75.00
Year ending December 31, 2021	–	–	–	–	–
Year ending December 31, 2021 (Forecast)	–	37.00	–	38.00	75.00

3. Forecast of consolidated financial results for the year ending December 31, 2021 (from January 1, 2021 to December 31, 2021)

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 June 30, 2021	19,200	9.8	1,650	(7.6)	1,950	(8.9)	1,300	(8.9)	63.41
Full year	40,000	11.9	4,000	9.9	4,400	(4.3)	3,060	0.1	149.25

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 2021
(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: No
- (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 March 31, 2021	24,746,675 shares	As of December 31, 2020	24,746,675 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	4,263,143 shares	As of December 31, 2020	4,261,696 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2021	20,483,913 shares	Three months ended March 31, 2020	20,617,349 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	8,619,755	8,420,252
Notes and accounts receivable - trade	5,227,621	5,352,079
Work in process	267,586	255,950
Raw materials and supplies	50,781	51,893
Other	495,567	464,190
Allowance for doubtful accounts	(3,848)	(3,849)
Total current assets	14,657,463	14,540,517
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,284,234	3,291,337
Accumulated depreciation	(1,538,931)	(1,564,340)
Buildings and structures, net	1,745,303	1,726,997
Land	1,529,761	1,529,761
Other	510,708	513,065
Accumulated depreciation	(425,533)	(431,034)
Other, net	85,174	82,030
Total property, plant and equipment	3,360,239	3,338,789
Intangible assets		
Goodwill	411,143	390,141
Other	146,838	157,466
Total intangible assets	557,982	547,607
Investments and other assets		
Investment securities	975,273	1,054,267
Shares of subsidiaries and associates	129,718	129,718
Deferred tax assets	669,693	1,046,124
Other	691,127	677,346
Accumulated depreciation	(44,528)	(44,642)
Other, net	646,599	632,704
Total investments and other assets	2,421,284	2,862,814
Total non-current assets	6,339,506	6,749,211
Total assets	20,996,970	21,289,728

(Thousands of yen)

	As of December 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	182,107	127,032
Short-term borrowings	1,058,716	1,106,318
Accounts payable - other	1,630,863	1,102,808
Income taxes payable	978,830	797,204
Provision for bonuses	1,326,338	2,575,308
Provision for bonuses for directors (and other officers)	26,075	8,065
Other	2,565,216	2,187,550
Total current liabilities	7,768,147	7,904,288
Non-current liabilities		
Deferred tax liabilities	2,137	2,266
Retirement benefit liability	198,160	196,883
Other	257,365	306,029
Total non-current liabilities	457,663	505,179
Total liabilities	8,225,811	8,409,467
Net assets		
Shareholders' equity		
Share capital	2,347,163	2,347,163
Capital surplus	3,086,165	3,086,165
Retained earnings	11,971,018	11,950,642
Treasury shares	(4,981,321)	(4,981,487)
Total shareholders' equity	12,423,026	12,402,484
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	300,176	379,565
Foreign currency translation adjustment	22,840	71,220
Total accumulated other comprehensive income	323,017	450,785
Non-controlling interests	25,115	26,990
Total net assets	12,771,158	12,880,261
Total liabilities and net assets	20,996,970	21,289,728

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Net sales	8,978,965	9,346,499
Cost of sales	6,688,810	7,179,278
Gross profit	2,290,154	2,167,221
Selling, general and administrative expenses	1,237,898	1,206,285
Operating profit	1,052,256	960,935
Non-operating income		
Interest income	262	1,229
Dividend income	100	100
Subsidy income	3,966	227,944
Rental income	1,536	1,326
Compensation income	–	2,029
Other	13,825	22,437
Total non-operating income	19,690	255,067
Non-operating expenses		
Interest expenses	462	1,267
Foreign exchange losses	4,453	4,920
Loss on extinguishment of share-based remuneration expenses	2,981	3,625
Other	8,227	4,343
Total non-operating expenses	16,125	14,157
Ordinary profit	1,055,820	1,201,845
Extraordinary income		
Gain on sales of non-current assets	183	16
Total extraordinary income	183	16
Extraordinary losses		
Loss on retirement of non-current assets	0	11
Loss on valuation of investment securities	95,549	–
Total extraordinary losses	95,549	11
Profit before income taxes	960,454	1,201,851
Income taxes - current	745,187	791,167
Income taxes - deferred	(399,060)	(388,768)
Total income taxes	346,126	402,398
Profit	614,328	799,452
Profit attributable to non-controlling interests	596	438
Profit attributable to owners of parent	613,732	799,013

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Profit	614,328	799,452
Other comprehensive income		
Valuation difference on available-for-sale securities	(60,922)	78,972
Foreign currency translation adjustment	(10,827)	49,817
Total other comprehensive income	(71,749)	128,789
Comprehensive income	542,578	928,241
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	542,111	926,366
Comprehensive income attributable to non-controlling interests	467	1,875