

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 5, 2022

Company name: ALPHA SYSTEMS INC.
 Stock exchange listing: Tokyo
 Stock code: 4719 URL <https://www.alpha.co.jp/>
 Representative: President Kiyoshi Saito
 Inquiries: Senior Executive Managing Director Satoshi Takada TEL 044-733-4111
 Scheduled date to file Quarterly Securities Report: August 10, 2022
 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. Non-consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2022	8,539	6.9	992	2.1	1,007	2.1	682	2.2
Three months ended June 30, 2021	7,988	15.2	972	48.8	986	47.9	667	49.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	48.58		–	
Three months ended June 30, 2021	47.56		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	45,273	38,027	84.0
As of March 31, 2022	46,824	38,122	81.4

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 March 31, 2022	–	25.00	–	55.00	80.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	35.00	–	35.00	70.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	17,000	4.9	2,000	3.0	2,020	2.6	1,400	4.2	99.72
Full year	35,000	3.3	4,200	4.1	4,240	3.8	2,900	4.0	206.56

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: 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, 2022	14,052,400 shares	As of March 31, 2022	14,052,400 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	13,074 shares	As of March 31, 2022	13,007 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	14,039,375 shares	Three months ended June 30, 2021	14,039,638 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	22,700,793	22,276,942
accounts receivable and contract assets	8,556,001	6,656,987
Securities	1,499,953	1,599,903
Work in process	8,583	27,055
Other	238,804	373,077
Total current assets	33,004,137	30,933,967
Non-current assets		
Property, plant and equipment		
Buildings, net	4,244,378	4,197,153
Land	5,173,538	5,173,538
Other, net	123,629	118,128
Total property, plant and equipment	9,541,546	9,488,819
Intangible assets	24,429	23,042
Investments and other assets		
Investment securities	792,694	685,413
Other	3,462,880	4,142,955
Allowance for doubtful accounts	(1,000)	(1,000)
Total investments and other assets	4,254,575	4,827,369
Total non-current assets	13,820,551	14,339,231
Total assets	46,824,688	45,273,198
Liabilities		
Current liabilities		
Accounts payable - trade	1,380,293	1,161,009
Income taxes payable	860,989	68,899
Provision for bonuses	1,219,722	442,415
Provision for bonuses for directors (and other officers)	–	43,000
Provision for loss on orders received	–	1,400
Other	3,717,672	4,030,293
Total current liabilities	7,178,677	5,747,017
Non-current liabilities		
Provision for retirement benefits	1,283,906	1,259,508
Other	239,147	239,147
Total non-current liabilities	1,523,054	1,498,656
Total liabilities	8,701,731	7,245,673

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	8,500,550	8,500,550
Capital surplus	8,647,050	8,647,050
Retained earnings	20,960,509	20,870,414
Treasury shares	(38,352)	(38,636)
Total shareholders' equity	38,069,757	37,979,378
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	53,199	48,146
Total valuation and translation adjustments	53,199	48,146
Total net assets	38,122,956	38,027,525
Total liabilities and net assets	46,824,688	45,273,198

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	7,988,092	8,539,981
Cost of sales	5,927,025	6,447,634
Gross profit	2,061,066	2,092,347
Selling, general and administrative expenses	1,088,879	1,099,430
Operating profit	972,187	992,916
Non-operating income		
Interest income	4,449	5,137
Dividend income	1,820	550
Rental income	9,080	9,080
Other	2,855	3,820
Total non-operating income	18,205	18,588
Non-operating expenses		
Rental costs	4,108	4,212
Other	–	0
Total non-operating expenses	4,108	4,212
Ordinary profit	986,283	1,007,291
Extraordinary income		
Gain on sale of non-current assets	640	–
Gain on sale of investment securities	10	–
Total extraordinary income	650	–
Profit before income taxes	986,934	1,007,291
Income taxes - current	2,725	2,826
Income taxes - deferred	316,517	322,393
Total income taxes	319,242	325,220
Profit	667,692	682,071