

**Translation**

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Non-Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 8, 2024

Company name: ALPHA SYSTEMS INC.  
 Stock exchange listing: Tokyo  
 Stock code: 4719 URL <https://www.alpha.co.jp/>  
 Representative: President Kiyoshi Saito  
 Inquiries: Senior Managing Director Kazuhiro Kubota TEL 044-733-4111  
 Scheduled date to file Semi-annual Securities Report: November 12, 2024  
 Scheduled date to commence dividend payments: December 6, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

## 1. Non-consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

## (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	%
Six months ended September 30, 2024	18,139	2.8	2,110	5.4	2,171	6.5	1,475	6.6
Six months ended September 30, 2023	17,653	1.5	2,003	(2.8)	2,039	(2.5)	1,384	(3.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	105.11		-	
Six months ended September 30, 2023	98.58		-	

## (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	50,573	42,439	83.9
As of March 31, 2024	50,807	41,861	82.4

## 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, 2024	-	35.00	-	65.00	100.00
Year ending March 31, 2025	-	50.00	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	50.00	100.00

## 3. Forecast of non-consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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
Full year	37,500	3.1	4,400	1.2	4,480	1.3	3,050	0.2	217.26

4. Notes

(1) Application of special accounting methods for preparing Semi-annual 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 September 30, 2024	14,052,400 shares	As of March 31, 2024	14,052,400 shares
--------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2024	13,652 shares	As of March 31, 2024	13,584 shares
--------------------------	---------------	----------------------	---------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	14,038,779 shares	Six months ended September 30, 2023	14,039,105 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

**Semi-annual non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	25,626,683	24,877,447
Accounts receivable - trade, and contract assets	7,875,454	7,605,884
Securities	1,499,966	1,499,822
Work in process	1,885	4,061
Other	192,521	302,730
Allowance for doubtful accounts	–	(2,000)
<b>Total current assets</b>	<b>35,196,511</b>	<b>34,287,946</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings, net	3,934,480	3,856,927
Land	5,173,538	5,173,538
Other, net	104,827	108,912
<b>Total property, plant and equipment</b>	<b>9,212,846</b>	<b>9,139,378</b>
Intangible assets	26,622	23,682
<b>Investments and other assets</b>		
Investment securities	1,625,058	2,147,263
Other	4,747,090	4,975,777
Allowance for doubtful accounts	(1,000)	(1,000)
<b>Total investments and other assets</b>	<b>6,371,149</b>	<b>7,122,040</b>
<b>Total non-current assets</b>	<b>15,610,619</b>	<b>16,285,101</b>
<b>Total assets</b>	<b>50,807,130</b>	<b>50,573,047</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	1,609,132	1,226,010
Income taxes payable	788,707	882,849
Provision for bonuses	1,277,802	1,703,630
Provision for bonuses for directors (and other officers)	–	80,400
Other	3,980,571	3,115,707
<b>Total current liabilities</b>	<b>7,656,214</b>	<b>7,008,598</b>
<b>Non-current liabilities</b>		
Provision for retirement benefits	1,061,764	897,025
Other	228,010	228,010
<b>Total non-current liabilities</b>	<b>1,289,774</b>	<b>1,125,035</b>
<b>Total liabilities</b>	<b>8,945,988</b>	<b>8,133,633</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	8,500,550	8,500,550
Capital surplus	8,647,050	8,647,050
Retained earnings	24,678,311	25,241,373
Treasury shares	(40,429)	(40,628)
<b>Total shareholders' equity</b>	<b>41,785,481</b>	<b>42,348,344</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	75,660	91,069
<b>Total valuation and translation adjustments</b>	<b>75,660</b>	<b>91,069</b>
<b>Total net assets</b>	<b>41,861,141</b>	<b>42,439,414</b>
<b>Total liabilities and net assets</b>	<b>50,807,130</b>	<b>50,573,047</b>

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	17,653,007	18,139,724
Cost of sales	13,545,772	13,777,549
Gross profit	4,107,234	4,362,175
Selling, general and administrative expenses	2,104,097	2,251,335
Operating profit	2,003,137	2,110,839
Non-operating income		
Interest income	16,486	26,779
Dividend income	600	650
Rental income	18,160	18,160
Compensation income	–	19,573
Other	8,350	3,688
Total non-operating income	43,597	68,851
Non-operating expenses		
Rental costs	7,575	7,979
Total non-operating expenses	7,575	7,979
Ordinary profit	2,039,159	2,171,712
Extraordinary income		
Gain on sale of non-current assets	423	447
Total extraordinary income	423	447
Extraordinary losses		
Loss on retirement of non-current assets	1,819	573
Total extraordinary losses	1,819	573
Profit before income taxes	2,037,763	2,171,586
Income taxes - current	667,743	732,377
Income taxes - deferred	(14,010)	(36,375)
Total income taxes	653,732	696,001
Profit	1,384,030	1,475,584

## Non-consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,037,763	2,171,586
Depreciation	113,141	114,559
Increase (decrease) in allowance for doubtful accounts	4,369	2,000
Increase (decrease) in provision for bonuses	272,620	425,828
Increase (decrease) in provision for retirement benefits	(62,274)	(164,739)
Interest and dividend income	(17,086)	(27,568)
Decrease (increase) in accounts receivable - trade, and contract assets	951,946	269,569
Decrease (increase) in inventories	3,834	(1,882)
Increase (decrease) in trade payables	(66,633)	(383,121)
Other, net	(201,900)	(908,422)
Subtotal	3,035,779	1,497,808
Interest and dividends received	16,974	24,076
Income taxes paid	(651,249)	(639,396)
Net cash provided by (used in) operating activities	2,401,504	882,488
Cash flows from investing activities		
Payments into time deposits	(500,000)	(700,000)
Proceeds from withdrawal of time deposits	500,000	500,000
Purchase of property, plant and equipment	(29,122)	(27,911)
Purchase of intangible assets	(2,886)	(1,320)
Purchase of short-term and long-term investment securities	(999,900)	(1,499,601)
Proceeds from sale and redemption of short-term and long-term investment securities	1,000,000	1,000,000
Proceeds from refund of guarantee deposits	–	9,638
Other, net	(2,244)	(403)
Net cash provided by (used in) investing activities	(34,153)	(719,597)
Cash flows from financing activities		
Purchase of treasury shares	(491)	(198)
Dividends paid	(491,546)	(911,928)
Net cash provided by (used in) financing activities	(492,038)	(912,127)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	1,875,312	(749,235)
Cash and cash equivalents at beginning of period	22,542,284	25,126,683
Cash and cash equivalents at end of period	24,417,596	24,377,447