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Nov 14, 2024

## Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Alpha Purchase Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7115  
 URL: <https://www.alphapurchase.co.jp/>  
 Representative: Masayuki Tada, Representative Director, President and CEO  
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 Telephone: +81-3-6628-8453  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for individual investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

#### (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	%
Nine months ended								
September 30, 2024	40,363	8.1	842	4.9	827	4.3	594	5.8
September 30, 2023	37,336	17.7	802	5.8	793	11.6	561	12.8

Note: Comprehensive income For the nine months ended September 30, 2024: ¥594 million [5.8%]  
 For the nine months ended September 30, 2023: ¥561 million [12.8%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2024	61.66	60.49
September 30, 2023	59.31	57.57

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	14,313	5,776	40.4
December 31, 2023	17,115	5,370	31.4

Reference: Equity  
 As of September 30, 2024: ¥5,776 million  
 As of December 31, 2023: ¥5,370 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2023	-	0.00	-	22.00	22.00
Fiscal year ending December 31, 2024	-	0.00	-		
Fiscal year ending December 31, 2024 (Forecast)				27.00	27.00

Note: Revisions to the forecast of cash dividends most recently announced: None

### \* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (AP Renovations Co., Ltd.)

Excluded: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	9,664,000 shares
As of December 31, 2023	9,624,500 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	49 shares
As of December 31, 2023	49 shares

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

Nine months ended September 30, 2024	9,639,432 shares
Nine months ended September 30, 2023	9,474,656 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this report, such as forecast, are based on information currently available and certain assumptions that the Company believes to be reasonable and should not be construed as a guarantee that the Company will achieve these projections. Actual results may differ from the aforementioned forecasts depending on various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31,2023	As of September 30,2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,169,591	3,561,842
Account receivable-trade	9,527,667	7,413,678
Contract assets	80,139	37,575
Electronically recorded monetary claims	52,992	56,359
Merchandise	613,688	651,558
Work in process	4,915	1,080
Supplies	297	1,030
Costs on construction contracts in progress	79,231	44,779
Other	167,716	176,401
Allowance for doubtful accounts	-	(741)
Total current assets	14,696,240	11,943,565
Non-current assets		
Property, plant and equipment		
Buildings and structures	84,656	84,656
Accumulated depreciation	(48,097)	(53,044)
Buildings and structures, net	36,558	31,611
Tools furniture and fixtures	268,238	274,799
Accumulated depreciation	(192,668)	(215,558)
Tools furniture and fixtures, net	75,569	59,240
Construction in progress	3,373	-
Total property, plant and equipment	115,501	90,852
Intangible assets		
Software	1,520,877	1,455,175
Software in progress	361,559	588,810
Total intangible assets	1,882,437	2,043,985
Investments and other assets		
Stocks of subsidiaries and affiliates	4,386	4,386
Guarantee deposit	252,677	109,417
Deferred tax assets	159,040	118,284
Other	5,412	3,048
Allowance for doubtful accounts	△308	-
Total investments and other assets	421,209	235,137
Total non-current assets	2,419,148	2,369,975
Total assets	17,115,388	14,313,540

(Thousands of yen)

As of December 31,2023

As of September 30,2024

Liabilities		
Current liabilities		
Accounts payable-trade	10,663,412	7,950,944
Current portion of long-term borrowings	53,320	25,540
Accounts payable - other	252,514	279,582
Income taxes payable	207,560	42,120
Accrued consumption taxes	208,312	19,705
Contract liabilities	34,033	29,341
Provision for bonuses	156,312	89,237
Other	115,125	62,427
<b>Total current liabilities</b>	<b>11,690,592</b>	<b>8,498,898</b>
Non-current liabilities		
Long-term borrowings	23,364	6,704
Asset retirement obligations	30,701	30,701
Other	557	657
<b>Total non-current liabilities</b>	<b>54,622</b>	<b>38,062</b>
<b>Total liabilities</b>	<b>11,745,214</b>	<b>8,536,960</b>
Net assets		
Shareholders' equity		
Share capital	556,806	568,737
Capital surplus	759,527	771,459
Retained earnings	4,053,806	4,436,428
Treasury shares	(65)	(65)
<b>Total shareholders' equity</b>	<b>5,370,074</b>	<b>5,776,559</b>
Share acquisition rights	99	20
<b>Total net assets</b>	<b>5,370,174</b>	<b>5,776,579</b>
<b>Total liabilities and net assets</b>	<b>17,115,388</b>	<b>14,313,540</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
(Quarterly Consolidated Statements of Income)

(Thousands of yen)

	The nine months ended September 30, 2023	The nine months ended September 30, 2024
Net sales	37,336,803	40,363,703
Cost of sale	33,827,585	36,737,053
Gross profit	3,509,218	3,626,650
Selling, general and administrative expenses	2,706,236	2,784,240
Operating profit	802,981	842,410
Non-operating income		
Interest income	16	227
Insurance claim income	-	4,132
Other	976	1,981
Total non-operating income	993	6,341
Non-operating expenses		
Interest expenses	229	106
Foreign exchange losses	9,599	20,180
Other	424	876
Total non-operating expenses	10,253	21,163
Ordinary profit	793,721	827,588
Profit before income taxes	793,721	827,588
Income taxes-current	187,802	192,472
Income taxes-deferred	44,009	40,755
Total income tax	231,811	233,227
Profit	561,909	594,360
Profit attributable to owners of parent	561,909	594,360

(Quarterly Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	The nine months ended September 30, 2023	The nine months ended September 30, 2024
Profit	561,909	594,360
Comprehensive income	561,909	594,360
Comprehensive income attributable to owners of parent	561,909	594,360

## (3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	The nine months ended September 30, 2023	The nine months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	793,721	827,588
Depreciation and amortization	456,589	460,962
Increase (decrease) in allowance for doubtful accounts	(867)	432
Increase (decrease) in provision for bonuses	(27,453)	(67,075)
Interest and dividend income	(16)	(227)
Interest expenses	229	106
Foreign exchange losses (gains)	(410)	2,782
Decrease (increase) in trade receivables	(199,774)	2,153,494
Decrease (increase) in inventories	181,712	(316)
Increase (decrease) in trade payables	(233,578)	(2,712,467)
Increase (decrease) in accounts payables - other	35,337	22,666
Increase (decrease) in accrued consumption tax	73,324	(188,606)
Other	93,014	(35,892)
Sub-total	1,171,829	463,447
Interest and dividends received	16	227
Interest paid	(237)	(116)
Income taxes paid	(366,486)	(385,914)
Net cash provided by (used in) operating activities	805,122	77,643
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(57,565)	(3,801)
Purchase of intangible assets	(481,128)	(590,057)
Payments of guarantee deposits	(896)	(320)
Proceeds from refund of guarantee deposits	305	143,580
Other	-	100
Cash flows from investing activities	(539,285)	(450,499)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(124,660)	(44,440)
Proceeds from issuance of shares	39,764	23,783
Purchase of treasury shares	(65)	-
Payments of listing expenses	(16,726)	-
Payments of dividends	(141,158)	(211,453)
Cash flows from financing activities	(242,845)	(232,110)
Effect of exchange rate change on cash and cash equivalents	410	(2,782)
Net increase (decrease) in cash and cash equivalents	23,400	(607,749)
Cash and cash equivalents at beginning of period	3,896,783	4,169,591
Cash and cash equivalents at end of period	3,920,184	3,561,842

(4) Note to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable

(Notes to Significant Changes in the amount of Shareholder's Equity)

Not applicable

(Segment Information)

Information regarding Net Sales and Profit or Loss by the reportable Segments, and disaggregation of revenue from contracts with customers

I. For nine months ended September 30, 2023 (From January 1, 2023 to September 30, 2023)

(Thousands of yen)

	Reportable Segment			Other (Note)	Total	Adjustments	Posted amount to the quarterly consolidated statements of income
	MRO Business	FM Business	Total				
Net Sales							
Goods or services transferred at a point in time	27,252,855	8,538,413	35,791,268	4,342	35,795,610	-	35,795,610
Goods or services transferred over time	225,245	1,261,993	1,487,239	53,953	1,541,192	-	1,541,192
Revenue from contracts with customers	27,478,100	9,800,406	37,278,507	58,295	37,336,803	-	37,336,803
Sales to external customers	27,478,100	9,800,406	37,278,507	58,295	37,336,803	-	37,336,803
Intersegment sales and transfer	-	-	-	163,606	163,606	(163,606)	-
Total	27,478,100	9,800,406	37,278,507	221,902	37,500,410	(163,606)	37,336,803
Segment profit (loss)	426,747	315,298	742,046	60,935	802,981	-	802,981

(Notes)

The "Other" category is a business segment not included in the reported segments and includes software-related businesses.

II. For nine months ended September 30, 2024 (From January 1, 2024 to September 30, 2024)

(Thousands of yen)

	Reportable Segment			Other (Note)	Total	Adjustments	Posted amount to the quarterly consolidated statements of income
	MRO Business	FM Business	Total				
Net Sales							
Goods or services transferred at a point in time	30,223,350	8,972,326	39,195,676	90	39,195,767	-	39,195,767
Goods or services transferred over time	244,968	885,575	1,130,543	37,392	1,167,936	-	1,167,936
Revenue from contracts with customers	30,468,318	9,857,901	40,326,220	37,483	40,363,703	-	40,363,703
Sales to external customers	30,468,318	9,857,901	40,326,220	37,483	40,363,703	-	40,363,703
Intersegment sales and transfer	-	-	-	184,214	184,214	(184,214)	-
Total	30,468,318	9,857,901	40,326,220	221,698	40,547,918	(184,214)	40,363,703
Segment profit (loss)	531,426	252,607	784,033	58,377	842,410	-	842,410

(Notes)

The "Other" category is a business segment not included in the reported segments and includes software-related businesses.