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May 14, 2025

Consolidated Financial Results for the Three Months Ended March 31, 2025 (Under Japanese GAAP)

Company name: AlphaPurchase Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 7115
 URL: <https://www.alphapurchase.co.jp/>
 Representative: Takao Tanabe, President and Representative Director
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 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 three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	14,418	6.3	389	34.5	390	43.0	278	45.1
March 31, 2024	13,566	10.7	289	(14.9)	273	(17.9)	192	(18.8)

Note: Comprehensive income For the three months ended March 31, 2025: ¥278 million [45.1%]
 For the three months ended March 31, 2024: ¥192 million [(18.8%)]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
March 31, 2025	28.76	27.89
March 31, 2024	19.97	19.53

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2025	16,011	6,099	38.1
December 31, 2024	18,381	6,071	33.0

Reference: Equity
 As of March 31, 2025: ¥6,099 million
 As of December 31, 2024: ¥6,071 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, 2024	-	0.00	-	27.00	27.00
Fiscal year ending December 31, 2025	-				
Fiscal year ending December 31, 2025 (Forecast)		0.00	-	35.00	35.00

Note: Revisions to the forecast of cash dividends most recently announced: None
Breakdown of fiscal year-end dividends for the fiscal year ending December 31, 2025
Ordinary dividends: 30.00yen; 25th anniversary commemorative dividends: 5.00yen

* Notes

- (1) Significant changes in the scope of consolidation during the period: 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: Yes
 - (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 March 31, 2025	9,705,000 shares
As of December 31, 2024	9,692,500 shares

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

As of March 31, 2025	90 shares
As of December 31, 2024	49 shares

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

Three months ended March 31, 2025	9,699,758 shares
Three months ended March 31, 2024	9,628,237 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.

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	5,759,082	3,771,608
Accounts receivable - trade	9,075,345	8,339,910
Contract assets	173,635	249,046
Electronically recorded monetary claims	214,197	343,761
Merchandise	391,809	510,110
Work in process	-	2,932
Supplies	623	587
Costs on construction contracts in progress	44,000	70,900
Other	268,120	264,128
Allowance for doubtful accounts	(912)	(829)
Total current assets	15,925,901	13,552,158
Non-current assets		
Property, plant and equipment		
Buildings and structures	85,595	85,595
Accumulated depreciation	(54,736)	(56,400)
Buildings and structures, net	30,859	29,194
Tools, furniture and fixtures	272,802	272,802
Accumulated depreciation	(221,349)	(227,331)
Tools, furniture and fixtures, net	51,452	45,470
Total property, plant and equipment	82,312	74,665
Intangible assets		
Software	1,506,843	1,796,481
Software in progress	605,642	375,952
Total intangible assets	2,112,486	2,172,434
Investments and other assets		
Shares of subsidiaries and associates	4,386	4,386
Guarantee deposits	115,063	114,991
Deferred tax assets	139,044	91,767
Other	1,946	1,243
Total investments and other assets	260,440	212,388
Total non-current assets	2,455,239	2,459,488
Total assets	18,381,140	16,011,646

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	11,401,280	9,263,794
Current portion of long-term borrowings	19,992	16,700
Accounts payable - other	291,929	300,694
Income taxes payable	203,805	74,513
Accrued consumption taxes	79,388	74,723
Contract liabilities	19,651	32,467
Provision for bonuses	177,778	63,301
Other	80,966	54,595
Total current liabilities	12,274,792	9,880,789
Non-current liabilities		
Long-term borrowings	3,372	-
Asset retirement obligations	30,701	30,701
Other	657	657
Total non-current liabilities	34,730	31,358
Total liabilities	12,309,522	9,912,147
Net assets		
Shareholders' equity		
Share capital	580,489	585,835
Capital surplus	783,211	788,556
Retained earnings	4,707,983	4,725,227
Treasury shares	(65)	(120)
Total shareholders' equity	6,071,618	6,099,499
Total net assets	6,071,618	6,099,499
Total liabilities and net assets	18,381,140	16,011,646

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

(Thousands of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Net sales	13,566,712	14,418,039
Cost of sales	12,240,884	12,875,082
Gross profit	1,325,828	1,542,957
Selling, general and administrative expenses	1,036,144	1,153,402
Operating profit	289,684	389,554
Non-operating income		
Interest income	13	2,021
Other	61	1,056
Total non-operating income	74	3,078
Non-operating expenses		
Interest expenses	44	12
Foreign exchange losses	16,153	1,553
Other	192	228
Total non-operating expenses	16,389	1,794
Ordinary profit	273,368	390,837
Profit before income taxes	273,368	390,837
Income taxes - current	27,497	64,620
Income taxes - deferred	53,622	47,277
Total income taxes	81,119	111,897
Profit	192,248	278,939
Profit attributable to owners of parent	192,248	278,939

(Quarterly Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Profit	192,248	278,939
Comprehensive income	192,248	278,939
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	192,248	278,939

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	273,368	390,837
Depreciation and amortization	151,926	174,888
Increase (decrease) in allowance for doubtful accounts	844	(83)
Increase (decrease) in provision for bonuses	(126,567)	(114,476)
Interest and dividend income	(13)	(2,021)
Interest expenses	44	12
Foreign exchange losses (gains)	(284)	3,331
Decrease (increase) in trade receivables	1,227,352	530,458
Decrease (increase) in inventories	(409,135)	(148,098)
Increase (decrease) in trade payables	131,999	(2,137,486)
Increase (decrease) in accounts payable - other	16,920	4,420
Increase (decrease) in accrued consumption taxes	(186,068)	(4,665)
Other	51,872	1,670
Subtotal	1,132,259	(1,301,211)
Interest and dividends received	13	2,021
Interest paid	(44)	(17)
Income taxes paid	(207,562)	(204,440)
Net cash provided by (used in) operating activities	924,665	(1,503,646)
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,253)	-
Purchase of intangible assets	(184,153)	(222,535)
Payments of guarantee deposits	-	(14)
Proceeds from refund of guarantee deposits	-	86
Net cash provided by (used in) investing activities	(186,406)	(222,463)
Cash flows from financing activities		
Repayments of long-term borrowings	(13,332)	(6,664)
Proceeds from issuance of shares	2,476	10,691
Purchase of treasury shares	-	(54)
Payments of dividends	(211,752)	(262,005)
Net cash provided by (used in) financing activities	(222,607)	(258,032)
Effect of exchange rate change on cash and cash equivalents	284	(3,331)
Net increase (decrease) in cash and cash equivalents	515,935	(1,987,474)
Cash and cash equivalents at beginning of period	4,169,591	5,759,082
Cash and cash equivalents at end of period	4,685,526	3,771,608

(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

(Notes to Changes in Accounting Policies)

(Application of the "Accounting Standard for Current Income Taxes" and other relevant Accounting Standards Board of Japan (ASBJ) regulations)

The company applied the Revised Accounting Standard for Current Income Taxes, etc. (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as the "2022 Revised Accounting Standard") from the beginning of the first quarter of the current fiscal year. With regard to the revision concerning the accounting classification of income taxes, etc. (taxation of other comprehensive income), the company followed the transitional treatment set out in the provisional clause of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment set out in the provisional clause of Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as the "2022 Revised Guidance"). This change in accounting policy had no impact on the quarterly consolidated financial statements.

In addition, the company has applied the 2022 Revised Guidance from the beginning of the first quarter of the current fiscal year with regard to the revision of the treatment in consolidated financial statements of the deferral for tax purposes of gains or losses on sales of investments in subsidiaries among consolidated companies. This change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements and full-year consolidated financial statements for the previous fiscal year are presented on a retrospective basis. This change in accounting policy had no impact on the quarterly consolidated financial statements and full-year consolidated financial statements for the previous fiscal year.

(Additional information)

(Changes in Presentation Method)

A portion of expenses related to FM Business were previously presented under Cost of sales. From the current fiscal year, the company has changed the presentation method to show the expense under Selling, general and administrative expenses. This change was implemented to more appropriately reflect the nature of actual business activities and review the expense categories following the spinning off the construction department. As a result of the changes, in the quarterly consolidated statement of income for the first three months of the previous fiscal year, ¥116,210 thousand under Cost of sales reclassified under selling, general and administrative expenses. Due to this reclassification, Cost of sales decreased, Gross profit and Selling, general and administrative expenses increased but there is no impact on operating profit.

(Segment Information)

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

I. For three months ended March 31, 2024 (From January 1, 2024 to March 31, 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	10,280,634	2,582,816	12,863,451	41	12,863,492	-	12,863,492
Goods or services transferred over time	82,710	610,726	693,437	9,782	703,219	-	703,219
Revenue from contracts with customers	10,363,345	3,193,543	13,556,889	9,823	13,566,712	-	13,566,712
Sales to external customers	10,363,345	3,193,543	13,556,889	9,823	13,566,712	-	13,566,712
Intersegment sales and transfer	-	-	-	59,839	59,839	(59,839)	-
Total	10,363,345	3,193,543	13,556,889	69,663	13,626,552	(59,839)	13,566,712
Segment profit (loss)	182,045	93,197	275,242	14,441	289,684	-	289,684

(Notes)

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

II. For three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)

(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	11,438,102	2,541,866	13,979,968	2,094	13,982,063	-	13,982,063
Goods or services transferred over time	81,681	353,390	435,071	903	435,975	-	435,975
Revenue from contracts with customers	11,519,783	2,895,256	14,415,040	2,998	14,418,039	-	14,418,039
Sales to external customers	11,519,783	2,895,256	14,415,040	2,998	14,418,039	-	14,418,039
Intersegment sales and transfer	-	-	-	65,710	65,710	(65,710)	-
Total	11,519,783	2,895,256	14,415,040	68,709	14,483,749	(65,710)	14,418,039
Segment profit (loss)	308,315	67,411	375,727	13,827	389,554	-	389,554

(Notes)

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