

Translation

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**Summary of Consolidated Financial Results
for the Six Months Ended December 31, 2024
(Based on Japanese GAAP)**

February 6, 2025

Company name: Alpen Co.,Ltd.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 3028 URL <https://store.alpen-group.jp/corporate>
 Representative: President Atsushi Mizuno
 Inquiries: Operation Officer and Head of Administration Naoki Shimizu TEL 052-559-0121
 Scheduled date to file Quarterly Securities Report: February 12, 2025
 Scheduled date to commence dividend payments: March 10, 2025
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended December 31, 2024 (from July 1, 2024 to December 31, 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	%
Six months ended December 31, 2024	130,402	6.5	4,855	223.1	5,703	145.7	3,695	290.7
Six months ended December 31, 2023	122,401	1.8	1,502	(62.2)	2,321	(49.9)	945	(69.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended December 31, 2024	95.87	—
Six months ended December 31, 2023	24.54	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	211,893	120,237	56.7	3,119.09
As of June 30, 2024	201,884	117,240	58.1	3,041.96

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 June 30, 2024	—	25.00	—	25.00	50.00
Year ending June 30, 2025	—	25.00	—	—	—
Year ending June 30, 2025 (Forecast)	—	—	—	25.00	50.00

3. Forecast of consolidated financial results for the year ending June 30, 2025 (from July 1, 2024 to June 30, 2025)

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
Full year	268,000	6.0	7,500	125.2	8,930	68.3	4,420	154.9	114.65

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended December 31, 2024 : No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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: Yes
- 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 December 31, 2024	38,888,000 shares	As of June 30, 2024	38,888,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	339,143 shares	As of June 30, 2024	346,860 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended December 31, 2024	38,542,818 shares	Six months ended December 31, 2023	38,534,946 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of June 30, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	18,012	17,439
Accounts receivable - trade	13,160	14,785
Merchandise and finished goods	75,712	82,941
Other	5,308	7,196
Allowance for doubtful accounts	(94)	(94)
Total current assets	112,100	122,268
Non-current assets		
Property, plant and equipment		
Buildings and structures	85,150	85,826
Accumulated depreciation	(62,836)	(63,529)
Buildings and structures, net	22,313	22,296
Other	40,736	41,338
Accumulated depreciation	(14,803)	(15,690)
Other, net	25,932	25,647
Total property, plant and equipment	48,246	47,944
Intangible assets	2,707	2,509
Investments and other assets		
Guarantee deposits	19,323	19,443
Retirement benefit asset	3,154	3,189
Other	19,388	19,589
Accumulated depreciation	(2,982)	(2,997)
Other, net	16,406	16,592
Allowance for doubtful accounts	(52)	(52)
Total investments and other assets	38,830	39,171
Total non-current assets	89,784	89,625
Total assets	201,884	211,893

(Millions of yen)

	As of June 30, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,473	24,008
Electronically recorded obligations - operating	30,751	30,098
Short-term borrowings	7,000	8,000
Contract liabilities	2,958	2,971
Provisions	309	302
Other	11,996	12,453
Total current liabilities	70,489	77,834
Non-current liabilities		
Long-term borrowings	4,000	4,000
Lease liabilities	2,528	2,206
Provisions	853	829
Retirement benefit liability	104	112
Asset retirement obligations	5,231	5,260
Other	1,435	1,412
Total non-current liabilities	14,154	13,821
Total liabilities	84,644	91,656
Net assets		
Shareholders' equity		
Share capital	15,163	15,163
Capital surplus	21,626	21,626
Retained earnings	77,523	80,255
Treasury shares	(685)	(670)
Total shareholders' equity	113,627	116,374
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,797	2,036
Deferred gains or losses on hedges	—	88
Foreign currency translation adjustment	25	16
Remeasurements of defined benefit plans	1,790	1,721
Total accumulated other comprehensive income	3,613	3,862
Total net assets	117,240	120,237
Total liabilities and net assets	201,884	211,893

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Net sales	122,401	130,402
Cost of sales	74,457	77,131
Gross profit	47,944	53,271
Selling, general and administrative expenses	46,441	48,415
Operating profit	1,502	4,855
Non-operating income		
Rental income from real estate	505	562
Other	605	702
Total non-operating income	1,110	1,265
Non-operating expenses		
Interest expenses	36	50
Rental expenses on real estate	240	279
Other	14	86
Total non-operating expenses	291	417
Ordinary profit	2,321	5,703
Extraordinary income		
Penalty income	—	325
Total extraordinary income	—	325
Extraordinary losses		
Impairment losses	728	189
Loss on store closings	—	131
Other	19	150
Total extraordinary losses	748	471
Profit before income taxes	1,572	5,557
Income taxes - current	627	1,862
Total income taxes	627	1,862
Profit	945	3,695
Profit attributable to owners of parent	945	3,695

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Profit	945	3,695
Other comprehensive income		
Valuation difference on available-for-sale securities	(152)	239
Deferred gains or losses on hedges	11	88
Foreign currency translation adjustment	21	(8)
Remeasurements of defined benefit plans, net of tax	(12)	(69)
Total other comprehensive income	(131)	249
Comprehensive income	814	3,944
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	814	3,944
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Millions of yen)

	Six months ended December 31, 2023	Six months ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,572	5,557
Depreciation	2,704	2,921
Amortization of goodwill	70	70
Increase (decrease) in contract liabilities	(14)	13
Increase (decrease) in provision for loss on subleases	(20)	(20)
Offset of house rental and other guarantee money deposits paid	159	141
Interest and dividend income	(31)	(45)
Interest expenses	36	50
Loss (gain) on valuation of derivatives	4	—
Loss (gain) on sale of non-current assets	4	67
Impairment losses	728	189
Decrease (increase) in trade receivables	(1,750)	(1,598)
Decrease (increase) in inventories	(8,717)	(7,249)
Increase (decrease) in trade payables	17,093	5,881
Increase (decrease) in accrued consumption taxes	(2,139)	1,596
Other, net	1,217	(235)
Subtotal	10,917	7,341
Interest and dividends received	4	21
Interest paid	(18)	(33)
Income taxes paid	(620)	(239)
Income taxes refund	15	7
Net cash provided by (used in) operating activities	10,299	7,097
Cash flows from investing activities		
Proceeds from redemption of investment securities	100	—
Purchase of property, plant and equipment	(4,093)	(3,884)
Purchase of intangible assets	(708)	(227)
Purchase of long-term prepaid expenses	(5)	(30)
Payments of guarantee deposits	(842)	(782)
Proceeds from refund of guarantee deposits	207	297
Other, net	(41)	(94)
Net cash provided by (used in) investing activities	(5,384)	(4,720)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	1,000
Repayments of long-term borrowings	(1,000)	—
Refund of deposits received from members	(25)	(12)
Repayments of lease liabilities	(360)	(265)
Dividends paid	(962)	(963)
Other, net	1	1
Net cash provided by (used in) financing activities	(2,346)	(240)
Effect of exchange rate change on cash and cash equivalents	8	31
Net increase (decrease) in cash and cash equivalents	2,576	2,168
Cash and cash equivalents at beginning of period	18,238	18,840
Cash and cash equivalents at end of period	20,815	21,009