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July 29, 2022

## Consolidated Financial Results for the Three Months Ended June 30, 2022 (Under Japanese GAAP)

Company name: ALPS LOGISTICS CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 9055  
 URL: <https://www.alps-logistics.com/en/ir/>  
 Representative: Masaru Usui, Representative Director, President  
 Inquiries: Tomofumi Kameda, Vice President in charge of Corporate Accounting & Finance  
 Telephone: +81-45-532-1982  
 Scheduled date to file quarterly securities report: August 8, 2022  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

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

### 1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

#### (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	%
June 30, 2022	29,905	5.8	1,872	3.1	2,487	50.3	1,443	52.4
June 30, 2021	28,253	29.3	1,816	190.6	1,654	134.2	946	179.2

Note: Comprehensive income For the three months ended June 30, 2022: ¥2,730 million [108.6%]  
 For the three months ended June 30, 2021: ¥1,308 million [209.1%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	40.76	40.67
June 30, 2021	26.76	26.70

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2022	94,470	61,451	58.0	1,546.43
March 31, 2022	92,020	59,709	57.7	1,500.21

Reference: Equity  
 As of June 30, 2022: ¥54,745 million  
 As of March 31, 2022: ¥53,109 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 March 31, 2022	—	13.00	—	17.00	30.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		16.00	—	16.00	32.00

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

## 3. Consolidated earnings forecasts for the fiscal 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 attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	61,000	8.7	3,350	4.7	3,650	23.4	2,050	19.9	57.91
Fiscal year ending March 31, 2023	115,000	1.0	5,800	(3.7)	5,550	(10.0)	3,250	(9.7)	91.80

Note: Revisions to the earnings forecasts most recently announced: Yes

**\* Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): 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 stock)

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

As of June 30, 2022	35,474,400 shares
As of March 31, 2022	35,474,400 shares

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

As of June 30, 2022	72,988 shares
As of March 31, 2022	72,988 shares

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

Three months ended June 30, 2022	35,401,412 shares
Three months ended June 30, 2021	35,381,144 shares

- \* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

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

The forward-looking statements, including the earnings forecasts shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

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## 1. Qualitative information on quarterly financial statements

### (1) Explanation of operating results

During the three months ended June 30, 2022 (April-June 2022), the global economy encountered strong business conditions in the United States amid growth of personal consumption, capital investment, etc., but concerns of economic slowdown have emerged largely due to monetary tightening implemented to address high inflation. In Europe, uncertainty regarding the future of the economy has been mounting amid prolonging of the crisis in Ukraine, slowing business activity, and deteriorating consumer sentiment. In China, lockdowns in Shanghai, etc. due to the novel coronavirus (COVID-19) have weighed on the nation's economic activity. With respect to the Japanese economy, the service industry has been showing signs of gradual recovery amid relaxation of restrictions imposed on activities, but trends in the manufacturing industry have been mixed amid ups and downs when it comes to production.

In this business environment, the Company has been exercising sufficient care with respect to countermeasures for preventing the spread of COVID-19 in each country around the world, while also taking steps to improve services and extend sales to new customers in order to respond to changes in customers' supply chains while complying with different regulations in respective nations.

The Company has started the three-year Fifth Medium-Term Business Plan from the fiscal year ending March 2023. We have set our basic policy as "earth and society friendly, pursuit and evolution of optimal logistics," with the aim of contributing to solving social issues through the logistics business, while continuing to facilitate pursuit of optimal logistics for each customer in line with our corporate philosophy.

Beginning in the fiscal year ending March 2023, which serves as the initial fiscal year of the medium-term business plan, we have embarked on efforts to expand our business on a global scale by promoting the following strategies and measures.

- (i) GTB (Get The Business / Expansion of markets and products):  
Expand business domains, enhance global network, and expand cooperative creation and alliance systems.
- (ii) GTP (Get The Profit / Improvement of direct and indirect productivity):  
Promote labor saving and automation, expand strategic investment and reap the rewards, and take on the challenge of DX.
- (iii) GTC (Get The Confidence / Driving Sustainability):  
Strengthen ESG compliance, ensure safety and high quality, and maintain and strengthen non-financial capital.

Financial results for the three months ended June 30, 2022 showed ¥29,905 million in net sales (up 5.8% year on year), ¥1,872 million in operating profit (up 3.1%), ¥2,487 million in ordinary profit (up 50.3%) and ¥1,443 million in profit attributable to owners of parent (up 52.4%), thereby achieving significant increases in ordinary profit and profit attributable to owners of parent due to effects of yen depreciation.

#### Overview of segments

##### (i) Electronic components logistics business

In the electronic components industry, which is the main customer of this business, shipments of electronic components were sluggish amid a lack of a full-fledged recovery in production of automobiles, electronic equipment and other such goods due to supply chain disruptions as well as shortages of semiconductors and other parts stemming from lockdowns in China.

During the three months ended June 30, 2022, net sales increased due to factors that include an increase carrying over from the previous fiscal year in forwarding-related business including air freight handling mainly overseas, and due to effects of expanding sales to new customers. Meanwhile, we took steps to improve productivity in terms of costs, but profits decreased largely due to effects of deteriorating efficiency associated with lower freight handling volume in Japan.

Financial results for this segment showed ¥17,263 million in net sales (up 9.7% year on year) and ¥1,211 million in operating profit (down 6.1%).

##### (ii) Material sales business

In the material sales business, the Company sells electronic component-related packaging materials, molding materials, and electronic devices. The Company specializes in proposals for electronic device procurement

agency services with integrated procurement and logistics, as well as proposal of packing materials aimed at improving logistics.

During the three months ended June 30, 2022, net sales held steady amid a downturn in sales of automotive components to North America, and despite an increase in sales of molding materials and electronic devices in the business of telecommunications and IT equipment for China. Meanwhile, profits increased due to improvement in the cost of sales ratio combined with effects of yen depreciation.

Financial results for this segment showed ¥5,720 million in net sales (down 0.1% year on year) and ¥235 million in operating profit (up 28.8%).

### (iii) Consumer products logistics business

In the consumer products logistics field, demand is expanding in conjunction with growth in delivery services and mail order businesses provided by retail companies, while the industry overall faces challenges in securing and developing human resources, such as drivers.

In this business environment, Ryutsu Service Co., Ltd., which handles the Group's consumer logistics, is working to incorporate intercompany logistics, which corresponds to the upstream area of the consumer logistics sector, and to expand the product center operations, such as medical and cosmetics, as well as expand the consumer cooperative delivery business.

During the three months ended June 30, 2022, an increase in sales of medical-related services, launched in the previous fiscal year, contributed to results. Moreover, sales of mail-order services also increased due to the establishment of a home-based lifestyle associated with the prolongation of the COVID-19 situation. Also, notwithstanding the increasing costs, such as depreciation and fuel expenses, efforts that included reexamining the delivery process and reducing personnel expenses resulted in an increase in both sales and profit.

Financial results for this segment showed ¥6,921 million in net sales (up 1.9% year on year) and ¥426 million in operating profit (up 24.0%).

## (2) Explanation of financial position

Compared with the end of the previous fiscal year, assets, liabilities and net assets at the end of the first quarter of the fiscal year ending March 31, 2023 are as follows.

For assets, current assets increased by ¥2,015 million, mainly due to an increase of trade notes and accounts receivable, despite a decrease of cash and deposits. Non-current assets increased by ¥434 million, mainly due to an increase of investments and other assets. As a result, total assets were ¥94,470 million, an increase of ¥2,449 million compared with the end of the previous fiscal year.

For liabilities, current liabilities increased by ¥615 million, mainly due to an increase of trade accounts payable. Non-current liabilities increased by ¥92 million, mainly due to increases of retirement benefit liability. As a result, total liabilities were ¥33,018 million, an increase of ¥707 million compared with the end of the previous fiscal year.

Net assets increased by ¥1,741 million from the end of the previous fiscal year to ¥61,451 million, mainly reflecting an increase due to securing profits, partially offset by the payment of dividends and other factors.

Equity-to-asset ratio was 58.0%, an increase of 0.3 percentage points compared with the end of the previous fiscal year.

## (3) Explanation of consolidated earnings forecasts and other forward-looking statements

The consolidated earnings forecasts for the six months ending September 30, 2022 have been revised as disclosed in the "Announcement on Revisions to Financial Forecasts for the 2nd Quarter Ending September 30, 2022," issued on July 29, 2022, due to strong performance during the three months ended June 30, 2022 compared to the initial forecasts.

Although the global economy is apt to hold firm in the near term, we are encountering mounting uncertainty regarding business conditions ahead, particularly given concerns of economic slowdown largely due to effects of the COVID-19 pandemic, prolonging of the crisis in Ukraine, and monetary tightening implemented to address high inflation. Furthermore, in the electronic components industry, which is the Company's main customer, despite mounting demand mainly in telecommunications and IT equipment, as well as electronics for automobiles, the outlook is likely to remain uncertain given the presence of various undetermined factors.

Under these circumstances, the full-year consolidated earnings forecasts for the fiscal year ending March 31, 2023 have not changed from the forecast disclosed in “Consolidated Financial Results for the Fiscal Year Ended March 31, 2022,” issued on April 28, 2022.

**2. Quarterly consolidated financial statements and significant notes thereto****(1) Quarterly consolidated balance sheet**

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	22,745	22,389
Trade notes and accounts receivable	17,691	19,460
Merchandise	2,152	2,356
Other	2,531	2,930
Allowance for doubtful accounts	(18)	(20)
Total current assets	45,101	47,117
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,760	11,763
Land	17,966	18,002
Other, net	10,480	10,459
Total property, plant and equipment	40,208	40,226
Intangible assets		
Other	3,871	3,901
Total intangible assets	3,871	3,901
Investments and other assets		
Investment securities	122	142
Other	2,718	3,084
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	2,839	3,225
Total non-current assets	46,919	47,353
Total assets	92,020	94,470
<b>Liabilities</b>		
Current liabilities		
Trade accounts payable	11,525	12,217
Short-term borrowings	2,056	2,065
Income taxes payable	1,183	771
Provision for bonuses	1,777	1,081
Provision for bonuses for directors	–	6
Other	6,400	7,415
Total current liabilities	22,943	23,559
Non-current liabilities		
Long-term borrowings	988	954
Provision for retirement benefits for directors	33	34
Retirement benefit liability	1,767	1,818
Other	6,577	6,651
Total non-current liabilities	9,367	9,459
Total liabilities	32,311	33,018



	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	2,349	2,349
Capital surplus	1,999	1,999
Retained earnings	47,092	47,933
Treasury shares	(50)	(50)
Total shareholders' equity	51,389	52,231
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7	21
Foreign currency translation adjustment	1,862	2,636
Remeasurements of defined benefit plans	(150)	(142)
Total accumulated other comprehensive income	1,719	2,514
Share acquisition rights	53	53
Non-controlling interests	6,547	6,652
Total net assets	59,709	61,451
Total liabilities and net assets	92,020	94,470

**(2) Quarterly consolidated statement of income and comprehensive income**  
**For the three months ended June 30, 2021 and 2022**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	28,253	29,905
Cost of sales	24,594	26,076
Gross profit	3,658	3,828
Selling, general and administrative expenses	1,842	1,955
Operating profit	1,816	1,872
Non-operating income		
Interest income	16	18
Dividend income	2	3
Foreign exchange gains	–	575
Other	36	93
Total non-operating income	55	691
Non-operating expenses		
Interest expenses	58	64
Foreign exchange losses	109	–
Other	48	13
Total non-operating expenses	217	77
Ordinary profit	1,654	2,487
Extraordinary income		
Gain on sale of non-current assets	2	0
Total extraordinary income	2	0
Extraordinary losses		
Loss on sale and retirement of non-current assets	3	2
Total extraordinary losses	3	2
Profit before income taxes	1,652	2,485
Income taxes - current	517	707
Income taxes - deferred	(17)	56
Total income taxes	499	764
Profit	1,153	1,721
Profit attributable to		
Profit attributable to owners of parent	946	1,443
Profit attributable to non-controlling interests	206	278
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	14
Foreign currency translation adjustment	149	985
Remeasurements of defined benefit plans, net of tax	7	9
Total other comprehensive income	155	1,008
Comprehensive income	1,308	2,730
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,056	2,238
Comprehensive income attributable to non-controlling interests	252	491

**(3) Notes to the quarterly consolidated financial statements****Notes on premise of going concern**

Not applicable.

**Notes on significant changes in the amount of shareholders' equity**

Not applicable.

**Segment information**

## I. For the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

The amounts of net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segment				Adjustment	Per quarterly consolidated financial statements (Note)
	Electronic components logistics business	Material sales business	Consumer products logistics business	Total		
Net sales						
Net sales from external customers	15,737	5,723	6,792	28,253	—	28,253
Transactions with other segments	—	—	—	—	—	—
Total	15,737	5,723	6,792	28,253	—	28,253
Segment profit	1,289	183	343	1,816	—	1,816

(Note) Segment profit is the same as operating profit in the quarterly consolidated financial statements.

## II. For the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

The amounts of net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segment				Adjustment	Per quarterly consolidated financial statements (Note)
	Electronic components logistics business	Material sales business	Consumer products logistics business	Total		
Net sales						
Net sales from external customers	17,263	5,720	6,921	29,905	—	29,905
Transactions with other segments	—	—	—	—	—	—
Total	17,263	5,720	6,921	29,905	—	29,905
Segment profit	1,211	235	426	1,872	—	1,872

(Note) Segment profit is the same as operating profit in the quarterly consolidated financial statements.