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MEMBERSHIP

July 30, 2024

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

Company name: ALPS LOGISTICS CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 9055  
 URL: <https://www.alps-logistics.com/jp/ir/>  
 Representative: Hideaki Terasaki, Representative Director, President  
 Inquiries: Tomofumi Kameda, Vice President, General Manager, Administration Division  
 Telephone: +81-45-532-1982  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: None  
 Holding of 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, 2024 (from April 1, 2024 to June 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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2024	30,547	5.9	1,251	(11.9)	1,404	(23.3)	835	(19.1)
June 30, 2023	28,833	(3.6)	1,419	(24.2)	1,830	(26.4)	1,032	(28.4)

Note: Comprehensive income For the three months ended June 30, 2024: ¥1,944 million [(1.0)%]  
 For the three months ended June 30, 2023: ¥1,964 million [(28.0)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2024	23.57	23.53
June 30, 2023	29.16	29.10

#### (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, 2024	103,034	66,289	59.7	1,733.45
March 31, 2024	102,521	65,506	59.2	1,710.41

Reference: Equity

As of June 30, 2024: ¥61,490 million  
 As of March 31, 2024: ¥60,652 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, 2024	—	22.00	—	22.00	44.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecast)		0.00	—	0.00	0.00

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

As announced in the “Notice Regarding Expression of Opinion in Support of the Planned Commencement of and Recommendation to Tender in the Tender Offer for Company’s Share Certificates etc. by LDEC, Ltd. and Notice of Capital and Business Alliance” and the “Notice Regarding Dividends of Surplus (No Dividends)” released on May 9, 2024, the Company passed a resolution that it would not be providing dividends of surplus for the second quarter-end and for the fiscal year-end for the fiscal year ending March 31, 2025 in light of plans for LDEC, Ltd. to conduct a tender offer for the Company’s common shares, etc.

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

As announced in the “Notice Regarding Expression of Opinion in Support of the Planned Commencement of and Recommendation to Tender in the Tender Offer for Company’s Share Certificates etc. by LDEC, Ltd. and Notice of Capital and Business Alliance” released on May 9, 2024, the Company’s shares will be delisted as a result of the tender offer for the Company’s common share, etc. by LDEC, Ltd. and a series of procedures to be implemented thereafter. As the Company has not formulated the consolidated earnings forecasts, based on the assumption that the shares will be delisted, consolidated earnings forecasts for the fiscal year ending March 31, 2025 are not presented.

**\* 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: 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, 2024	35,501,000 shares
As of March 31, 2024	35,488,600 shares

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

As of June 30, 2024	28,036 shares
As of March 31, 2024	27,928 shares

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

Three months ended June 30, 2024	35,462,695 shares
Three months ended June 30, 2023	35,429,279 shares

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

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

As announced in the “Notice Regarding Expression of Opinion in Support of the Planned Commencement of and Recommendation to Tender in the Tender Offer for Company’s Share Certificates etc. by LDEC, Ltd. and Notice of Capital and Business Alliance” released on May 9, 2024, the Company’s shares will be delisted as a result of the tender offer for the Company’s common share, etc. by LDEC, Ltd. and a series of procedures to be implemented thereafter. As the Company has not formulated the consolidated earnings forecasts, based on the assumption that the shares will be delisted, consolidated earnings forecasts for the fiscal year ending March 31, 2025 are not presented.

**Attached Material****Index**

1. Overview of operating results, etc.....	2
(1) Analysis of operating results.....	2
(2) Overview of financial position .....	3
(3) Explanation of consolidated earnings forecasts and other forward-looking statements .....	3
2. Quarterly consolidated financial statements and significant notes thereto.....	4
(1) Quarterly consolidated balance sheet.....	4
(2) Quarterly consolidated statement of income and comprehensive income .....	6
For the three months ended June 30, 2023 and 2024.....	6
(3) Notes to the quarterly consolidated financial statements.....	7
Notes on segment information .....	7
Notes on significant changes in the amount of shareholders' equity .....	7
Notes on premise of going concern .....	7
Notes on quarterly consolidated statement of cash flows .....	8
Additional information .....	8

## 1. Overview of operating results, etc.

### (1) Analysis of operating results

During the three months ended June 30, 2024 (April-June 2024), with regard to the global economy, inflation slowed and the employment and income environment remained firm in the United States, and the economy remained resilient overall. In Europe, due to interest rate cuts as inflationary pressure subsides and other factors, the downward pressure on the economy is expected to gradually ease. In China, consumer sentiment cooled against the backdrop of the real estate recession and other factors, and the economic recovery lacked strength mainly due to the sluggish domestic demand. The Japanese economy showed signs of a gradual recovery, including firm inbound consumption, although the outlook is uncertain mainly due to ongoing inflation from the depreciation of the yen.

In this business environment, financial results for the three months ended June 30, 2024 showed ¥30,547 million in net sales (up 5.9% year on year), ¥1,251 million in operating profit (down 11.9%), ¥1,404 million in ordinary profit (down 23.3%) and ¥835 million in profit attributable to owners of parent (down 19.1%).

#### Overview of segments

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

In the electronic components industry, which is the main customer of this business, automotive components-related production remained relatively strong. The results for industrial machinery components remained weak overall mainly against the backdrop of sluggish capital investment. Although demand for consumer equipment and telecommunications and IT equipment, such as personal computers and smartphones, appeared to recover in part, mostly in emerging countries, demand for such equipment in North America, Japan and other countries was stagnant.

During the three months ended June 30, 2024, net sales increased as the Company focused on initiatives, such as conducting sales promotions for new customers, although the business environment was challenging largely as a result of a decrease in air freight mostly due to the shift in cargo from air transportation to marine transportation and a decrease in existing cargo handling volume mostly due to stagnant production. Despite efforts to improve productivity, profits decreased due to the impact of one-time expenses accompanying the opening of a new warehouse and increases in personnel expenses, rent expenses and other fixed costs.

Financial results for this segment showed ¥16,064 million in net sales (up 3.8% year on year) and ¥529 million in operating profit (down 40.2%).

##### (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 proposals of packing materials aimed at improving logistics.

During the three months ended June 30, 2024, net sales increased due to an increase in sales of electronic devices for automotive components to overseas. Meanwhile, profits increased due to the impact of the increase in revenue combined with the effects of yen depreciation, etc.

Financial results for this segment showed ¥6,842 million in net sales (up 10.4% year on year) and ¥239 million in operating profit (up 27.7%).

##### (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, 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 distribution center operations, such as cosmetics, medical-related delivery and transportation, as well as expand the consumer cooperative delivery business.

During the three months ended June 30, 2024, net sales increased due to factors that include new contracts in the consumer cooperative delivery business, as well as sales promotions for new customers and solid results in shipments for existing customers in mail-order and EC logistics. Meanwhile, profits increased due to the

impact of the increase in revenue and efforts that included improving efficiency through automation, despite higher freight costs accompanying business expansion and other factors.

Financial results for this segment showed ¥7,639 million in net sales (up 6.7% year on year) and ¥482 million in operating profit (up 39.2%).

## **(2) Overview 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, 2025 are as follows.

For assets, current assets increased by ¥293 million, mainly due to an increase of merchandise and prepaid expenses included in other, despite a decrease of cash and deposits. Non-current assets increased by ¥219 million, mainly due to an increase of deferred tax assets included in other under investments and other assets. As a result, total assets were ¥103,034 million, an increase of ¥512 million compared with the end of the previous fiscal year.

For liabilities, current liabilities decreased by ¥165 million, mainly due to decreases of provision for bonuses and income taxes payable. Non-current liabilities decreased by ¥104 million, mainly due to a decrease of lease liabilities included in other. As a result, total liabilities were ¥36,744 million, a decrease of ¥270 million compared with the end of the previous fiscal year.

Net assets increased by ¥783 million from the end of the previous fiscal year to ¥66,289 million, mainly reflecting an increase due to securing profits and an increase of foreign currency translation adjustment, partially offset by a decrease due to the payment of dividends.

Equity-to-asset ratio was 59.7%, an increase of 0.5 percentage points compared with the end of the previous fiscal year.

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

As announced in the “Notice Regarding Expression of Opinion in Support of the Planned Commencement of and Recommendation to Tender in the Tender Offer for Company’s Share Certificates etc. by LDEC, Ltd. and Notice of Capital and Business Alliance” released on May 9, 2024, the Company’s shares will be delisted as a result of the tender offer for the Company’s common share, etc. by LDEC, Ltd. and a series of procedures to be implemented thereafter. As the Company has not formulated the consolidated earnings forecasts, based on the assumption that the shares will be delisted, consolidated earnings forecasts for the fiscal year ending March 31, 2025 are not presented.

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

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	23,933	23,890
Trade notes and accounts receivable	18,953	18,994
Merchandise	1,788	1,882
Other	3,195	3,414
Allowance for doubtful accounts	(18)	(36)
Total current assets	47,852	48,146
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,754	18,834
Land	19,245	19,306
Other, net	9,393	9,287
Total property, plant and equipment	47,394	47,428
Intangible assets		
Other	3,882	3,868
Total intangible assets	3,882	3,868
Investments and other assets		
Investment securities	277	301
Other	3,116	3,292
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	3,391	3,591
Total non-current assets	54,668	54,888
Total assets	102,521	103,034
<b>Liabilities</b>		
Current liabilities		
Trade accounts payable	12,967	12,814
Short-term borrowings	1,938	1,944
Income taxes payable	691	501
Provision for bonuses	1,579	974
Provision for bonuses for directors	–	14
Other	7,164	7,926
Total current liabilities	24,342	24,177
Non-current liabilities		
Long-term borrowings	5,100	5,100
Provision for retirement benefits for directors	34	35
Retirement benefit liability	1,821	1,865
Other	5,716	5,566
Total non-current liabilities	12,672	12,567
Total liabilities	37,014	36,744

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	2,353	2,357
Capital surplus	2,057	2,055
Retained earnings	52,754	52,810
Treasury shares	(19)	(20)
Total shareholders' equity	57,145	57,202
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	115	132
Foreign currency translation adjustment	3,388	4,146
Remeasurements of defined benefit plans	2	9
Total accumulated other comprehensive income	3,506	4,287
Share acquisition rights	44	36
Non-controlling interests	4,809	4,762
Total net assets	65,506	66,289
Total liabilities and net assets	102,521	103,034



**(2) Quarterly consolidated statement of income and comprehensive income**  
**For the three months ended June 30, 2023 and 2024**

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	28,833	30,547
Cost of sales	25,350	27,039
Gross profit	3,482	3,507
Selling, general and administrative expenses	2,062	2,256
Operating profit	1,419	1,251
Non-operating income		
Interest income	25	26
Dividend income	6	6
Foreign exchange gains	421	381
Other	39	26
Total non-operating income	493	440
Non-operating expenses		
Interest expenses	60	61
Commission expenses	—	185
Other	22	40
Total non-operating expenses	82	287
Ordinary profit	1,830	1,404
Extraordinary income		
Gain on sale of non-current assets	4	2
Total extraordinary income	4	2
Extraordinary losses		
Loss on sale and retirement of non-current assets	9	13
Total extraordinary losses	9	13
Profit before income taxes	1,825	1,392
Income taxes - current	653	430
Income taxes - deferred	(11)	54
Total income taxes	641	485
Profit	1,183	907
Profit attributable to		
Profit attributable to owners of parent	1,032	835
Profit attributable to non-controlling interests	151	71
Other comprehensive income		
Valuation difference on available-for-sale securities	29	16
Foreign currency translation adjustment	742	1,014
Remeasurements of defined benefit plans, net of tax	9	6
Total other comprehensive income	780	1,037
Comprehensive income	1,964	1,944
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,708	1,617
Comprehensive income attributable to non-controlling interests	256	327

**(3) Notes to the quarterly consolidated financial statements****Notes on segment information****I. For the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)**

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	15,475	6,198	7,159	28,833	—	28,833
Transactions with other segments	—	—	—	—	—	—
Total	15,475	6,198	7,159	28,833	—	28,833
Segment profit	885	187	346	1,419	—	1,419

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

**II. For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)**

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	16,064	6,842	7,639	30,547	—	30,547
Transactions with other segments	—	—	—	—	—	—
Total	16,064	6,842	7,639	30,547	—	30,547
Segment profit	529	239	482	1,251	—	1,251

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

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

Not applicable.

**Notes on premise of going concern**

Not applicable.

**Notes on quarterly consolidated statement of cash flows**

Quarterly consolidated statement of cash flows for the three months ended June 30, 2024 is not prepared.  
Depreciation (including amortization of intangible assets) for the three-month ended June 30, 2024 is as follows.

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Depreciation	1,158	1,396

**Additional information**

(Tender Offer)

Regarding the tender offer (“Tender Offer”) for the Company’s shares (“Company Shares”) and the Share Options (as defined in “(ii) Share options,” “(2) Purchase price” of “2. Overview of the Tender Offer” below; hereinafter the same) by LDEC, Ltd. (“Tender Offeror”), the Company resolved at its board of directors meeting held on May 9, 2024, as the Company’s opinion as of the same date, to the effect that, if the Tender Offer is commenced, it shall express its opinion in support of the Tender Offer, and recommend that the Company’s shareholders and the holders of the Share Options tender their shares in the Tender Offer.

The above resolution of the board of directors of the Company was passed on the assumption that, after the Tender Offeror conducts the Tender Offer and the series of subsequent procedures scheduled thereafter, the Company becomes a wholly-owned subsidiary and the Company Shares will be delisted.

**1. Overview of the Tender Offeror**

(1)	Name	LDEC, Ltd.
(2)	Location	2-9-2, Kyobashi, Chuo-ku, Tokyo
(3)	Title/name of representative	Kazuhiro Nishikawa, Representative Director
(4)	Type of business	Trade and any other business incidental or related to trade
(5)	Amount of Capital	5,000 yen
(6)	Date of foundation	April 30, 2024
(7)	Major shareholders and shareholding ratio	LOGISTEED, Ltd. (shareholding ratio: 100%)
(8)	Relationship between the Company and the Tender Offeror	
	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	Not applicable.
	Applicable status of applicability to related parties	Not applicable.

**2. Overview of the Tender Offer****(1) Period of the Tender Offer**

The Tender Offer is expected to commence by mid-August 2024.

**(2) Purchase price**

(i) 5,774 yen per Company Share

(ii) Share options

- 1) 1,154,600 yen per share option issued pursuant to the resolution of the Company’s board of directors meeting held on June 18, 2014 (“1st Series of Share Option”) (The exercise period is from July 24, 2014 to July 23, 2054.)
- 2) 1,154,600 yen per share option issued pursuant to the resolution of the Company’s board of directors meeting held on June 17, 2015 (“2nd Series of Share Option”) (The exercise period is from July 23, 2015 to July 22, 2055.)

- 3) 577,300 yen per share option issued pursuant to the resolution of the Company's board of directors meeting held on June 21, 2016 ("3rd Series of Share Option") (The exercise period is from July 16, 2016 to July 15, 2056.)
  - 4) 577,300 yen per share option issued pursuant to the resolution of the Company's board of directors meeting held on June 21, 2017 ("4th Series of Share Option") (The exercise period is from July 20, 2017 to July 19, 2057.)
  - 5) 577,300 yen per share option issued pursuant to the resolution of the Company's board of directors meeting held on June 20, 2018 ("5th Series of Share Option") (The exercise period is from July 21, 2018 to July 20, 2058.)
- (The share options in 1) through 5) above are collectively referred to as "Share Option.")

## (3) Number of share certificates, etc. to be purchased

Number of Shares Planned to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
18,211,672 shares	6,368,200 shares	--shares