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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2021 [Based on Japanese GAAP]

November 11, 2021

Company name: Altech Corporation
 Stock exchange listing: Tokyo
 Code number: 4641
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 Scheduled date of filing quarterly securities report: November 12, 2021
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2021 (January 01, 2021 to September 30, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2021	28,243	8.7	2,532	(2.3)	3,397	2.5	2,274	2.5
September 30, 2020	25,976	2.5	2,592	(5.3)	3,314	18.6	2,218	9.5

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2021	110.99	-
September 30, 2020	108.16	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
September 30, 2021	22,671	13,728	60.4
December 31, 2020	20,996	12,771	60.7

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2020	-	35.00	-	40.00	75.00
Fiscal year ending December 31, 2021	-	37.00	-		
Fiscal year ending December 31, 2021 (Forecast)				38.00	75.00

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2021 (January 01, 2021 to December 31, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	40,000	11.9	4,000	9.9	4,400	(4.3)	3,060	0.1	149.25

* Notes:

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2021
(changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 - September 30, 2021: 24,746,675 shares
 - December 31, 2020: 24,746,675 shares
 - 2) Total number of treasury shares at the end of the period:
 - September 30, 2021: 4,222,546 shares
 - December 31, 2020: 4,261,696 shares
 - 3) Average number of shares during the period:
 - Nine months ended September 30, 2021: 20,494,501 shares
 - Nine months ended September 30, 2020: 20,511,437 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of December 31,2020	As of September 30,2021
Assets		
Current assets		
Cash and deposits	8,619,755	8,975,160
Notes and accounts receivable - trade	5,227,621	5,319,231
Work in process	267,586	521,093
Raw materials and supplies	50,781	46,198
Other	495,567	927,044
Allowance for doubtful accounts	(3,848)	(3,539)
Total current assets	14,657,463	15,785,189
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,284,234	3,288,522
Accumulated depreciation	(1,538,931)	(1,615,009)
Buildings and structures, net	1,745,303	1,673,512
Land	1,529,761	1,529,365
Construction in progress	-	100
Other	510,708	530,838
Accumulated depreciation	(425,533)	(441,758)
Other, net	85,174	89,079
Total property, plant and equipment	3,360,239	3,292,057
Intangible assets		
Goodwill	411,143	348,135
Other	146,838	155,112
Total intangible assets	557,982	503,248
Investments and other assets		
Investment securities	975,273	1,068,315
Shares of subsidiaries and associates	129,718	129,718
Deferred tax assets	669,693	1,240,801
Other	691,127	696,669
Accumulated depreciation	(44,528)	(44,870)
Other, net	646,599	651,799
Total investments and other assets	2,421,284	3,090,634
Total non-current assets	6,339,506	6,885,941
Total assets	20,996,970	22,671,130

(Thousand yen)

	As of December 31,2020	As of September 30,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	182,107	262,465
Short-term borrowings	1,058,716	761,226
Accounts payable - other	1,630,863	868,036
Income taxes payable	978,830	958,561
Provision for bonuses	1,326,338	3,090,322
Provision for bonuses for directors (and other officers)	26,075	24,195
Other	2,565,216	2,489,189
Total current liabilities	7,768,147	8,453,997
Non-current liabilities		
Deferred tax liabilities	2,137	2,328
Retirement benefit liability	198,160	194,205
Other	257,365	291,978
Total non-current liabilities	457,663	488,512
Total liabilities	8,225,811	8,942,509
Net assets		
Shareholders' equity		
Share capital	2,347,163	2,347,163
Capital surplus	3,086,165	3,124,180
Retained earnings	11,971,018	12,668,048
Treasury shares	(4,981,321)	(4,930,965)
Total shareholders' equity	12,423,026	13,208,427
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	300,176	392,354
Foreign currency translation adjustment	22,840	97,880
Total accumulated other comprehensive income	323,017	490,234
Non-controlling interests	25,115	29,958
Total net assets	12,771,158	13,728,620
Total liabilities and net assets	20,996,970	22,671,130

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Thousand yen)

	For the nine months ended September 30,2020	For the nine months ended September 30,2021
Net sales	25,976,572	28,243,076
Cost of sales	19,871,801	22,037,081
Gross profit	6,104,770	6,205,994
Selling, general and administrative expenses	3,512,667	3,673,546
Operating profit	2,592,103	2,532,447
Non-operating income		
Interest income	2,513	3,570
Dividend income	14,305	15,559
Subsidy income	666,507	808,342
Rental income	2,680	3,991
Compensation income	51,797	7,672
Other	34,307	62,815
Total non-operating income	772,112	901,952
Non-operating expenses		
Interest expenses	1,370	3,805
Rental costs	18,947	5,849
Loss on investments in investment partnerships	10,404	12,728
Foreign exchange losses	6,289	2,144
Loss on extinguishment of share-based remuneration expenses	8,446	9,290
Other	4,334	3,050
Total non-operating expenses	49,792	36,868
Ordinary profit	3,314,423	3,397,531
Extraordinary income		
Gain on sales of non-current assets	183	144
Donation income	100,000	-
Total extraordinary income	100,183	144
Extraordinary losses		
Loss on retirement of non-current assets	0	210
Impairment loss	-	3,606
Loss on valuation of investment securities	91,051	-
Total extraordinary losses	91,051	3,817
Profit before income taxes	3,323,555	3,393,858
Income taxes - current	1,674,281	1,713,158
Income taxes - deferred	(570,739)	(596,866)
Total income taxes	1,103,541	1,116,291
Profit	2,220,014	2,277,566
Profit attributable to non-controlling interests	1,570	2,820
Profit attributable to owners of parent	2,218,443	2,274,746

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousand yen)

	For the nine months ended September 30,2020	For the nine months ended September 30,2021
Profit	2,220,014	2,277,566
Other comprehensive income		
Valuation difference on available-for-sale securities	35,218	91,761
Foreign currency translation adjustment	(660)	77,062
Total other comprehensive income	34,557	168,823
Comprehensive income	2,254,572	2,446,390
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,253,162	2,441,547
Comprehensive income attributable to non-controlling interests	1,409	4,842