

**Alpha Purchase (7115 TSE Standard)----- January 6, 2023****Develops indirect material sales business and facility/equipment management business**

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**[7115 Alpha Purchase Sector : Wholesale Trade]**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec.2020	32,447	-7.8	741	-	716	-	506	-	63.4	314.0	6.6
Dec.2021	37,948	17.0	864	16.6	827	15.5	510	0.9	62.0	369.3	12.4
Dec.2022 f	43,044	13.4	950	10.0	861	4.1	587	15.1	71.7	-	13.0

Note: Consolidated basis. Figures for the fiscal year ending December 2022 are the company's forecasts.  
It conducted 1-to-500 stock split on August 1, 2022. Per share indices are adjusted retroactively.

**Develops Indirect Material Sales Business and Facility/Equipment Management Business**

Alpha Purchase operates the maintenance repair and operation business (MRO business) and the facility management business (FM business).

In Japan, MRO is often referred to as the sale of indirect materials such as parts for repairing equipment and machinery, stationery and office equipment, so the company also refers to the sale of MRO products as the MRO business. On the other hand, equipment/facility management is included in MRO in the broad sense of the term, but because of the difference between selling goods and providing services, the company classifies it as the FM business.

In fiscal year ended December 2021, the MRO business accounted for 74.5% of total net sales, the FM business for 25.3% and others for 0.3%. Segment profit margin was 1.9% for the MRO business and 2.8% for the FM business.

**MRO Business Supports Purchasing Process of Indirect Materials for Large Companies**

The MRO business uses the internet to streamline processes from ordering to delivery, and sells indirect materials such as consumables that companies purchase on a daily basis. Indirect materials are typical high-mix, low-volume, small-value commodities with low purchase volume and low unit cost per item.

The company operates to serve entire corporate groups of large companies as customers by providing the optimal IT platform for their purchases, leveraging its strength in being able to purchase (1) the optimal products from a wide selection of products, (2) at competitive unit prices and (3) through customers' controlled internal decision-making.

**FM Business**

Facility management generally refers to the overall management of all business assets, including land, buildings, structures and equipment, to operate and maintain them at minimum cost and maximum utilization. The company limits its services to new construction, renovation, repair, cleaning and operational support for the interior and exterior of commercial facilities and equipment, as well as the provision of construction building materials to meet each store's construction schedule.

**Alpha Purchase (7115 TSE Standard)----- January 6, 2023****Financial Statements**

Statement of income	Fiscal Year	Dec.2020		Dec.2021		Nine months to Sep. 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		32,447	100.0	37,948	100.0	31,722	100.0
Cost of sales		29,030	89.5	34,041	89.7	28,561	90.0
Gross profit		3,416	10.5	3,907	10.3	3,161	10.0
Selling, general and administrative expenses		2,674	8.2	3,042	8.0	2,403	7.6
Operating profit		741	2.3	864	2.3	758	2.4
Non-operating income		12	-	4	-	0	-
Non-operating expenses		36	-	40	-	48	-
Ordinary profit		716	2.2	827	2.2	710	2.2
Profit before income taxes		711	2.2	724	1.9	710	2.2
Net profit		506	1.6	510	1.3	497	1.6

Balance sheet	Fiscal Year	Dec.2020		Dec.2021		Sep. 2022	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		9,963	82.3	11,066	83.6	9,662	81.2
Cash and deposits		3,290	27.2	2,864	21.6	1,313	11.0
Accounts receivable-trade		6,165	50.9	7,496	56.6	6,856	57.6
Prepaid expenses		406	3.4	594	4.5	1,287	10.8
Non-current assets		2,149	17.7	2,177	16.4	2,238	18.8
Property, plant and equipment		192	1.6	138	1.0	120	1.0
Intangible assets		1,594	13.2	1,633	12.3	1,735	14.6
Investments and other assets		362	3.0	405	3.1	382	3.2
Total assets		12,113	100.0	13,244	100.0	11,901	100.0
Current liabilities		8,970	74.1	9,944	75.1	8,329	70.0
Accounts payable - trade		7,986	65.9	8,628	65.1	7,653	64.3
Current portion of long-term borrowings		380	3.1	500	3.8	201	1.7
Non-current liabilities		563	4.6	254	1.9	125	1.1
Long-term borrowings		531	4.4	214	1.6	85	0.7
Net assets		2,580	21.3	3,046	23.0	3,446	29.0
Owners' equity		2,589	21.4	3,045	23.0	3,445	29.0

Statement of cash flows	Fiscal Year	Dec.2020		Dec.2021		Nine months to Sep. 2022	
		(mn yen)	(mn yen)	(mn yen)	(mn yen)		
Cash flows from operating activities		1,793	472	-525			
Depreciation		364	504	399			
Cash flows from investing activities		-680	-635	-499			
Cash flows from financing activities		-101	-263	-527			
Dividends paid		-52	-54	-102			
Net increase in cash and cash equivalents		1,010	-426	-1,551			
Cash and cash equivalents		3,290	2,864	1,313			

Note:Consolidated

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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