

ALINCO INCORPORATED

Results of Operations for Second Quarter of the Fiscal Year Ending March 20, 2025

October 29, 2024

Stock code: 5933

<https://www.alinco.co.jp/>



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Company Overview Toward Realization of Management that is Conscious of Cost of Capital

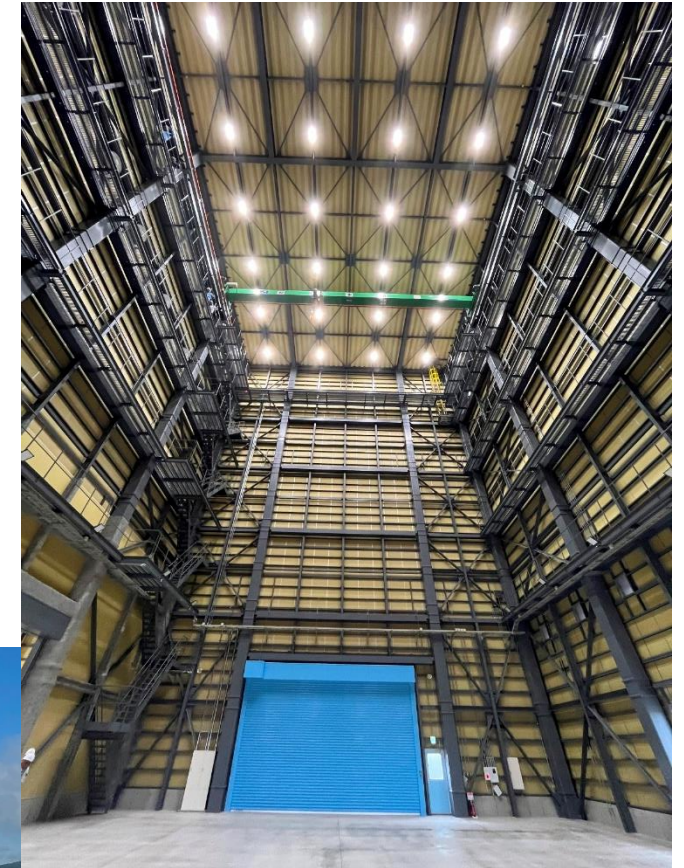
Outline of “Medium-term Business Plan 2027” Efforts to Address Social Challenges

New warehouse and experiment building to be completed by the end of October

In 2020, SOFUKUKOKI Co., Ltd. became a wholly owned subsidiary of ALINCO. SOFUKUKOKI is committed to manufacturing, and its mainstay products are Golden Power Rack, a logistics storage equipment made by advanced technologies and proprietary manufacturing methods, and Power Floor, an economical and lightweight, robust flooring material, making full use of its distinctive molding technologies.

To meet the needs of a wider range of customers, we have constructed a new warehouse and an experiment building for with 30m height.

Construction was completed at the end of October 2024, and full-scale operations are scheduled to begin in November.



Inside the 30-meter-high experiment building

New warehouse and experiment building



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Mainstay product: racks



In order to contribute to the realization of a sustainable society, we entered into a Nissay Sustainability-Linked Loan (the "Loan") with Nippon Life Insurance Company with the following outline.

Getting this loan has been identified as our materiality. We have set the following Sustainability Performance Targets (SPTs) valuation on the key performance indicators ("KPI") to reduce CO2 emissions, which is essential for our sustained growth and achievement of Japanese carbon neutrality.

- Date of execution: August 8, 2024
- Company name: Nippon Life Insurance Company
- Amount borrowed: 500 million yen
- Outline of KPI: Reduction of CO2 emissions (Scope1+Scope2)
- Outline of SPTs: Name: Reduce CO2 emissions to 1435.4[tCO2] on March 20, 2029.

Reduce CO2 emissions by 86.4[tCO2](*) each year compared to the base year (FY2022) CO2 emissions of 1953.8[tCO2]

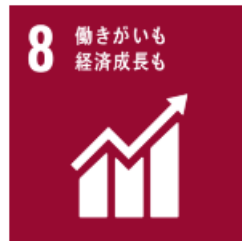
SPT	[Target values]					
	Mar. 20, 2024 Result	Mar. 20, 2025 Target	Mar. 20, 2026 Target	Mar. 20, 2027 Target	Mar. 20, 2028 Target	Mar. 20, 2029 Target
CO2 reduction target [tCO2] (YoY)	1,953.8	1,781.0 (-86.4)	1,694.6 (-86.4)	1,608.2 (-86.4)	1,521.8 (-86.4)	1,435.4 (-86.4)

(*) Calculated as annual reduction of 3% compared to FY2022 results (2879.7[tCO2]) before deduction of non-fossil fuels

Topics③ Certified as "Excellent Health Management Corporation 2024 (Large-Scale Corporation Category)"

Following 2023, we were certified as one of the "Excellent Health Management Corporations 2024 (Large Corporation Category)" by the Ministry of Economy, Trade and Industry and the Japan Health Council.

Our group will continue to promote health management



ALINCO Group Health Management Declaration

Since its establishment, the ALINCO Group has strived to realize the "safety and security" of society. To achieve this, the first step is to ensure that our employees can work in a safe and secure environment. We believe that a "safe and secure" work environment will help our employees become healthy in mind and body and maximize their capabilities, which in turn will enhance our corporate value and generate sustainable growth. The ALINCO Group is committed to creating a healthy and vibrant work environment and will continue to support the improvement of each employee's health awareness.

◆ Established Investor Relations Department

On September 21, 2024, we established Investor Relations Department within the General Accounting and Control Division.

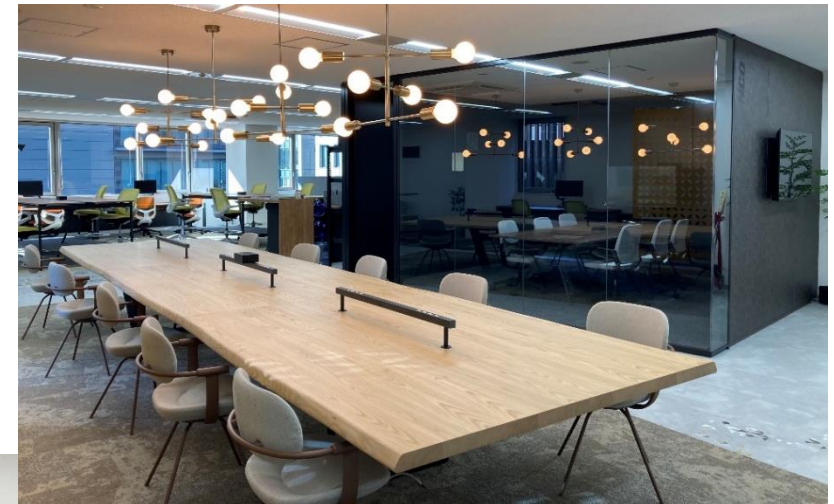
We will continue our efforts to disclose our information in a timely and appropriate manner so that our shareholders and investors can better understand our group.


Phone: 06-7636-2220 E-mail: alinco-ir@alinco.co.jp

◆ New office of the Technology Development Center: Completed on September 17

The Technology Development Center, which is the development base for our core business product, rental scaffolding materials, has been expanded along with an increase in staff.

In the new office, we will adopt a hot-desking system, promote communication among developers, and enhance our technological development capabilities for new product development.





FY3/25 Q2 Results

◆ Net sales increased due to a strengthened linkage between core-business rental scaffolding materials sales and rentals.

- ✓ Net sales were up 1.1% compared with the Q2 forecast, and up 5.4% year-on-year, as we worked to expand our market shares by strengthening linkage between rental scaffolding materials sales and rentals.
- ✓ Operating profit was down 15.3% compared with the Q2 forecast, and down 3.9% year-on-year due to cost pressures from further yen depreciation and persistently high raw material prices, despite a reduction in depreciation expenses resulting from a change in the depreciation method for rental assets since the beginning of this fiscal year.
- ✓ Ordinary profit was down 7.9% compared with the Q2 forecast, and down 29.9% year-on-year due to a decrease of 473 million yen in foreign exchange gains.
- ✓ Profit attributable to owners of parent was up 2.9% compared with the Q2 forecast, and down 29.9% year-on-year.

	Q2 result	YoY change (Pct. change)	Q2 forecast	Vs. Q2 forecast
Net sales	30,822 million yen	+1,591 million yen (+5.4%)	30,500 million yen	101.1%
Operating profit	1,313 million yen	-53 million yen (-3.9%)	1,550 million yen	84.7%
Ordinary profit	1,474 million yen	-629 million yen (-29.9%)	1,600 million yen	92.1%
Profit attributable to owners of parent	1,029 million yen	-438 million yen (-29.9%)	1,000 million yen	102.9%

Highlights of Financial Position FY3/25 Q2

◆ **Consolidated total assets increased due to continued proactive investment in rental assets. The equity ratio was 44.2%, unchanged from the previous fiscal year-end.**

- ✓ Property, plant, and equipment increased by 1,760 million yen from the end of the previous fiscal year due to proactive investment in rental assets in order to respond to customers' rental needs. In current assets, notes and accounts receivable-trade rose 1,800 million yen.
- ✓ Inventories increased because of planned production assuming continued high levels of construction investment declined by 450 million yen due to production adjustments.
- ✓ Liabilities increased by 1,997 million yen from the end of the previous fiscal year. The main factor was an increase in short-and long-term borrowings of 860 million yen. Increase in notes and accounts payable-trade was 670 million yen.

	Result	YoY
Total assets	71,259 million yen	+2,944 million yen
Net assets	31,490 million yen	+946 million yen
Equity Ratio	44.2%	-0.5 ppt.
Debt equity ratio	0.83x	unchanged

FY3/25 Q2 Consolidated Results



- ✓ Due to labor shortages, construction delays caused by stricter labor regulations in the construction industry, and soaring material prices, there was a continuing trend among customers who had been considering purchasing temporary equipment to choose rentals instead. We have expanded the market share of our new ring lock ALBATROSS system (ALBATROSS) and other high value-added products by strengthening the linkage between our sales and rental business for core scaffolding material products.
- ✓ In terms of profits, ordinary profit declined year-on-year. This was because the further depreciation of the yen and persistently high raw material prices put pressure on operating profit, and foreign exchange gains decreased due to the impact of finance and exchange rate, although depreciation expenses of rental assets decreased due to a change in the depreciation method.

(Millions of yen)

	FY3/23 Q2	FY3/24 Q2	FY3/25 Q2				FY3/25 Full-year	
	Results (% to sales)	Results (% to sales)	Results (% to sales)	YoY change (Pct. change)	Q2 forecast (year-on-year changes)	Vs. Q2 forecast	Forecast (% to sales)	Q2 Progress rate
Net sales	29,852 (100.0%)	29,230 (100.0%)	30,822 (100.0%)	+1,591 (+5.4%)	30,500 (+4.3%)	101.1%	61,000 (100.0%)	50.5%
Operating profit	1,002 (3.4%)	1,367 (4.7%)	1,313 (4.3%)	-53 (-3.9%)	1,550 (+13.4%)	84.7%	3,200 (5.2%)	41.0%
Ordinary profit	2,026 (6.8%)	2,103 (7.2%)	1,474 (4.8%)	-629 (-29.9%)	1,600 (-24.0%)	92.1%	3,300 (5.4%)	44.7%
Profit attributable to owners of parent	1,222 (4.1%)	1,468 (5.0%)	1,029 (3.3%)	-438 (-29.9%)	1,000 (-31.9%)	102.9%	2,100 (3.4%)	49.0%

Note: Amounts are rounded down to the nearest million yen.

FY3/25 Q2 Segment Information

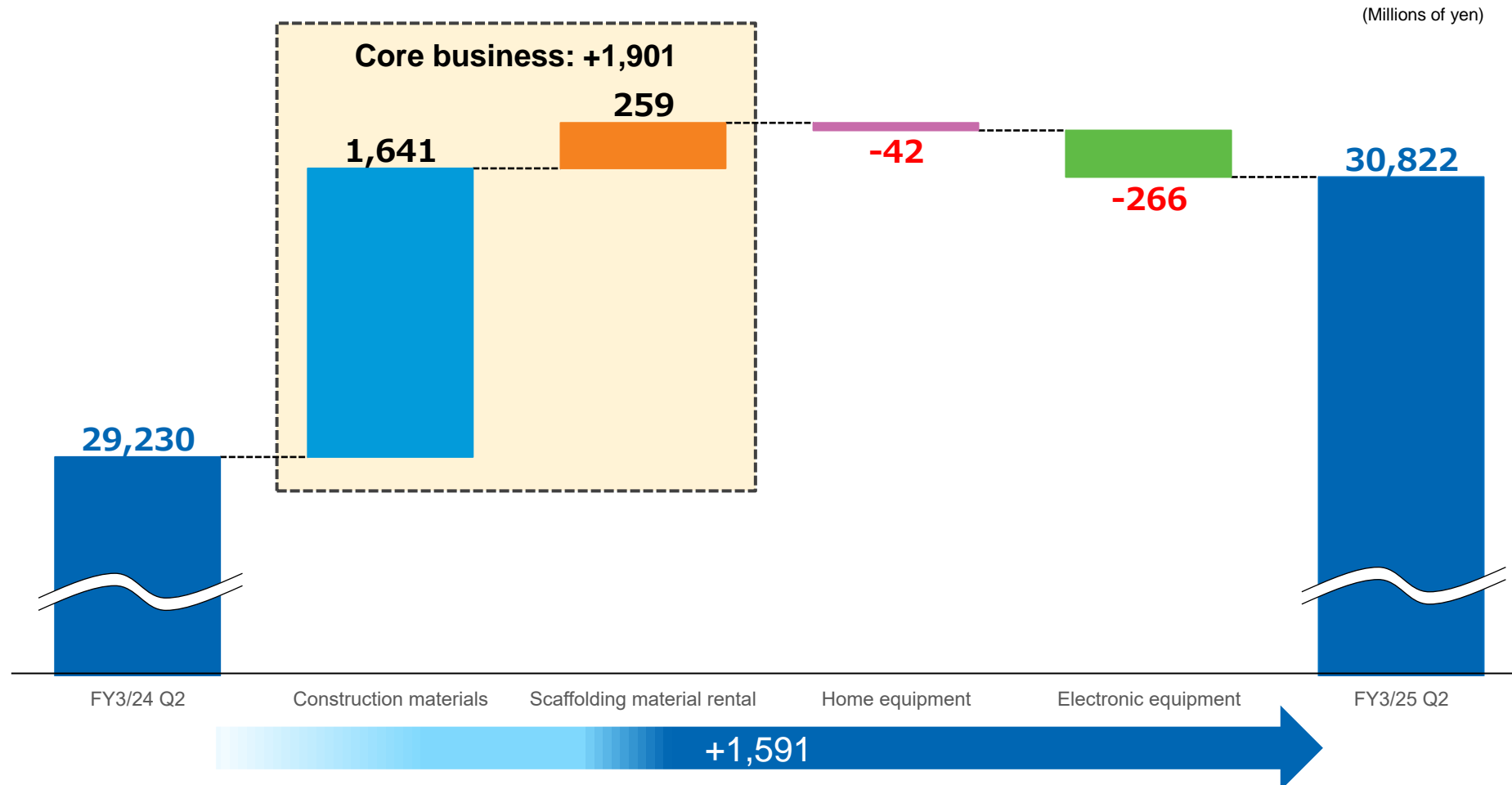
- ✓ In the Construction materials segment, amid the increasing trend of customers shifting from purchasing to renting the main lineup of scaffolding materials, some customers moved forward to purchase equipment, and sales of equipment and materials designed to reduce workloads increased. In the Scaffolding material rental segment, the need for rental services increased among customers who were considering purchasing scaffolding materials for medium to high-rise buildings, pushing up the utilization rate of the ALBATROSS and other major product groups, and sales trended favorably. Sales of materials for low-rise buildings were also robust due to the stabilisation of the construction workforce and the leveling off of construction workload.
- ✓ In the Home equipment segment, sales of aluminum lifting equipment were firm, but fitness equipment sales did not grow, and overall segment performance deteriorated due to the yen's depreciation.
- ✓ In the Electronic equipment segment, we have begun working to increase sales at HIGASHI ELECTRONICS INDUSTRY CO., LTD., where investment to expand the capacity of the new plant has been completed.

(Millions of yen)

Upper: Sales Lower: Segment profit	FY3/23 Q2	FY3/24 Q2	FY3/25 Q2				FY3/25 Full-year	
	Results	Results	Results	YoY change	Q2 Forecasts	Vs. Q2 Vs. Forecasts	Forecasts	Q2 Progress rate
Construction materials	12,068 1,334	10,853 1,323	12,495 1,328	+15.1% +0.4%	11,800 1,310	105.9% 101.4%	23,080 2,220	54.1% 59.8%
Scaffolding material rental	8,228 212	8,766 449	9,025 759	+3.0% +68.8%	8,800 560	102.6% 135.5%	17,830 1,250	50.6% 60.7%
Home equipment	6,829 -156	6,939 -196	6,896 -256	-0.6% -	7,100 -200	97.1% -	14,240 -170	48.4% -
Electronic equipment	2,725 156	2,670 0	2,404 -325	-10.0% -	2,800 -120	85.9% -	5,850 -100	41.1% -
Adjustment	- 479	- 525	- -31	- -	- 50	- -	- 100	- -
Consolidated total	29,852 2,026	29,230 2,103	30,822 1,474	+5.4% -29.9%	30,500 1,600	101.1% 92.1%	61,000 3,300	50.5% 44.7%

FY3/25 Q2 Factors behind Changes in Sales by Segment

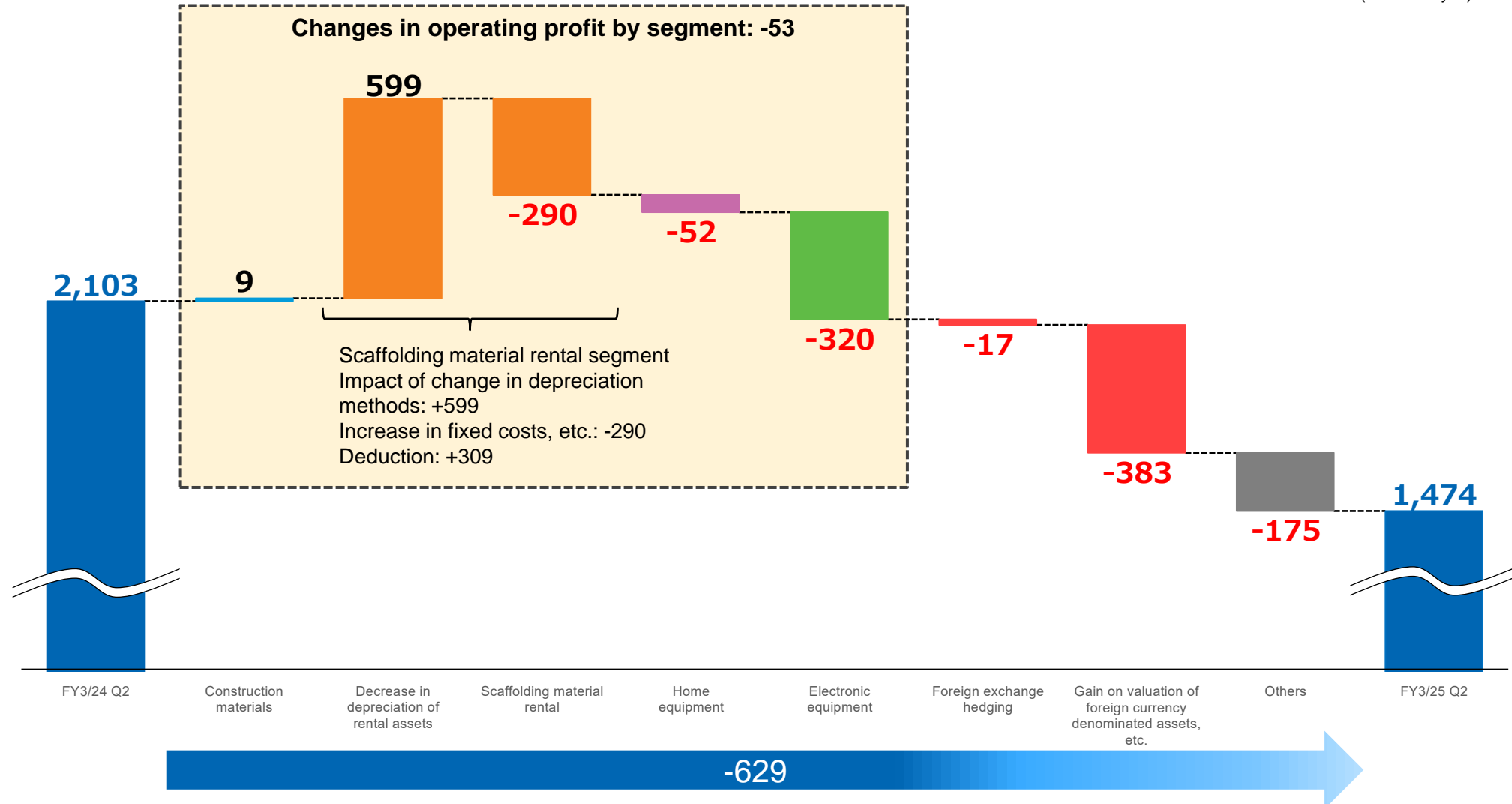
- ✓ In the Construction materials segment, sales of scaffolding materials increased by 780 million yen year-on-year, and sales of racks for logistics warehouses increased by 850 million yen.
- ✓ In the Scaffolding material rental segment, strong sales from scaffolding material rentals for medium to high-rise buildings continued as the need to purchase these materials shifted to rentals, and rental sales of scaffolding materials for low-rise buildings also remained strong due to stable construction workforce and leveling construction volume.
- ✓ In the Home equipment segment, sales of aluminum lifting equipment were firm, while fitness equipment sales declined.
- ✓ In the Electronic equipment segment, orders for amusement-related products in HIGASHI ELECTRONICS INDUSTRY CO., LTD. have settled down, resulting in a decrease in sales.



FY3/25 Q2 Factors behind Changes in Ordinary Profit

- ✓ Operating profit decreased year-on-year, as positive factors from the change in the depreciation method for rental assets from this fiscal year were offset by negative factors such as the yen's depreciation and other cost increases.
- ✓ Ordinary profit also fell year-on-year due to a decrease in foreign exchange gains from the valuation of foreign currency denominated assets.

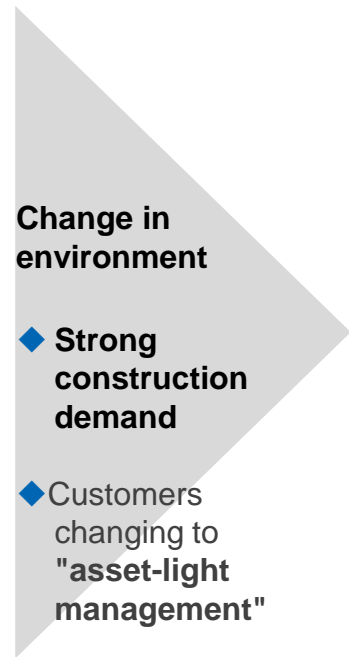
(Millions of yen)



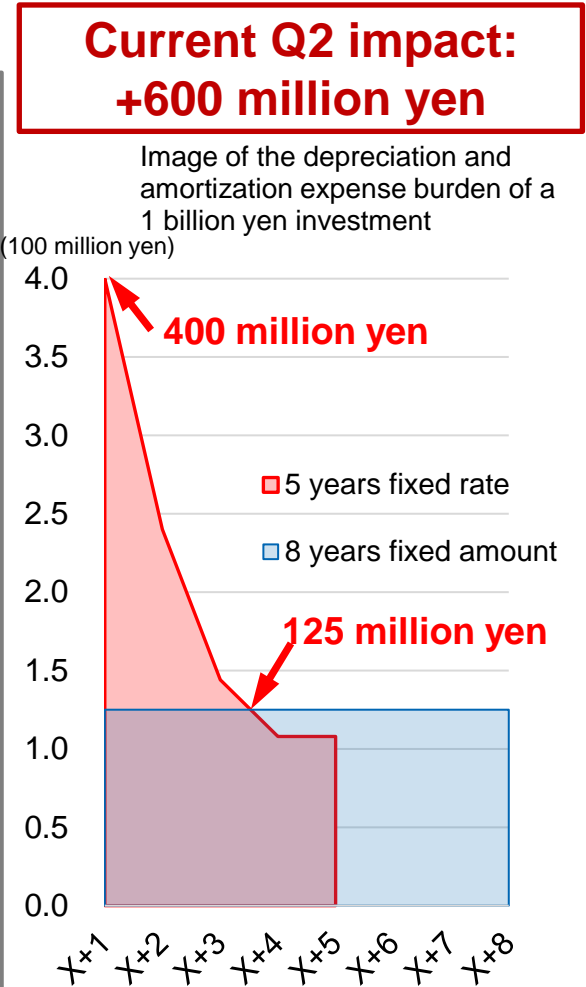
Change in depreciation period and method for rental assets

In line with the change in the positioning of the rental business, the period and method of depreciation of rental assets will be changed from the fiscal year ending March 20, 2025

	Previous
Positioning of Business	Control and focus on balance between scale of rental and sales business of scaffolding material
Status of Investment in Rental Assets	<ul style="list-style-type: none"> Investment fluctuates depending on short-term changes in utilization rates Focus on short-term profit restrains the scale of investment
Depreciation method	5 years Declining balance method
Approach to depreciation	<ul style="list-style-type: none"> Select a depreciation method that is shorter than the useful life of the asset, based on short-term changes in the asset's utilization rate Difficult to see the effect of investment from accounting profits



Future
Accelerate business development by proactively offering rental options to meet the wide range of replacement needs from framework scaffolds to ALBATROSS
Continued investment is needed to ensure stable response to rental needs as the scale of investment increases due to market share expansion
8 years Straight-line method
<ul style="list-style-type: none"> Select a depreciation method that more closely approximates the useful life of the asset with the expectation of a stable utilization rate Effect of investments are better reflected in accounting profits



The change in depreciation method is estimated to reduce the depreciation cost of rental assets by approximately 1.4 billion yen in the first year following the change, but due to continuous investment the impact is expected to decrease over the next four years to about 60% of previous annual depreciation costs.

FY3/25 Q2 Consolidated Balance Sheet

(Millions of yen)

	FY3/24	FY3/25 Q2	
	Results (Comp.)	Results (Comp.)	YoY change (Pct. change)
Current assets	43,894 (64.3%)	44,964 (63.1%)	+1,069 (+2.4%)
Non-current assets	24,420 (35.7%)	26,295 (36.9%)	+1,874 (+7.7%)
Total assets	68,315 (100.0%)	71,259 (100.0%)	+2,944 (+4.3%)
Current liabilities	19,860 (29.1%)	22,148 (31.1%)	+2,288 (+11.5%)
Non-current liabilities	17,910 (26.2%)	17,620 (24.7%)	-290 (-1.6%)
Total liabilities	37,771 (55.3%)	39,769 (55.8%)	+1,997 (+5.3%)
Net assets	30,544 (44.7%)	31,490 (44.2%)	+946 (+3.1%)
Total liabilities and net assets	68,315 (100.0%)	71,259 (100.0%)	+2,944 (+4.3%)
Equity ratio	44.7%	44.2%	-0.5 ppt.
Debt equity ratio	0.83x	0.83x	—

Note: Amounts are rounded down to the nearest million yen.

Major factors (Millions of yen)	
Current assets	
Notes and accounts receivable-trade	+1,801
Increase in inventories:	-448
Non-current assets	
Increase in property, plant, and equipment due to investments in rental assets, etc.:	+1,762
Liabilities	
Increase in long-term and short-term borrowings:	+864
Net assets	
Profit	+1,029
Foreign currency translation adjustment	+412
dividend payments	-418



FY3/25 Forecast

Progress toward Business Forecasts for FY3/25

- ✓ While net sales and profit attributable to owners of parent are generally in line with forecasts, operating profit and ordinary profit are slightly behind forecasts.
- ✓ By segment, the core Construction materials segment and Scaffolding material rental segment drove sales and profits, while Home equipment segment and Electronic equipment segment saw sales fall below initial forecasts, resulting in segment losses that were larger than expected.

(Millions of yen)

		FY3/24 Result (YoY Change)	FY3/25				
			Q2 Result (YoY Change)	Q2 Forecast (YoY Change)	Vs. Q2 Forecasts	Full-year Forecasts (YoY Change)	Q2 Progress rate to full-year forecast
Net sales		57,876 (-4.7%)	30,822 (+5.4%)	30,500 (+4.3%)	101.1%	61,000 (+5.4%)	50.5%
Operating profit		1,781 (-26.4%)	1,313 (-3.9%)	1,550 (+13.4%)	84.7%	3,200 (+79.6%)	41.0%
Ordinary profit		2,879 (-19.3%)	1,474 (-29.9%)	1,600 (-24.0%)	92.1%	3,300 (+14.6%)	44.7%
Profit attributable to owners of parent		1,988 (+28.5%)	1,029 (-29.9%)	1,000 (-31.9%)	102.9%	2,100 (+5.6%)	49.0%
Construction materials		Sales 21,829 Segment profit 2,514	12,495 1,328	11,800 1,310	105.9% 101.4%	23,080 2,220	54.1% 59.8%
Scaffolding material rental		Sales 17,607 Segment profit 383	9,025 759	8,800 560	102.6% 135.5%	17,830 1,250	50.6% 60.7%
Home equipment		Sales 13,274 Segment profit -462	6,896 -256	7,100 -200	97.1% -	14,240 -170	48.4% -
Electronic equipment		Sales 5,164 Segment profit -65	2,404 -325	2,800 -120	85.9% -	5,850 -100	41.1% -
Adjustment		- 509	- -31	- 50	- -	- 100	- -



Summary of “Medium-term Business Plan 2027”

Main theme

Restructuring the Earnings Base for Medium-to Long-Term Growth

Point
01

Evolve core businesses and restructure the business portfolio

Point
02

Realize management that is conscious of cost of capital and stock price

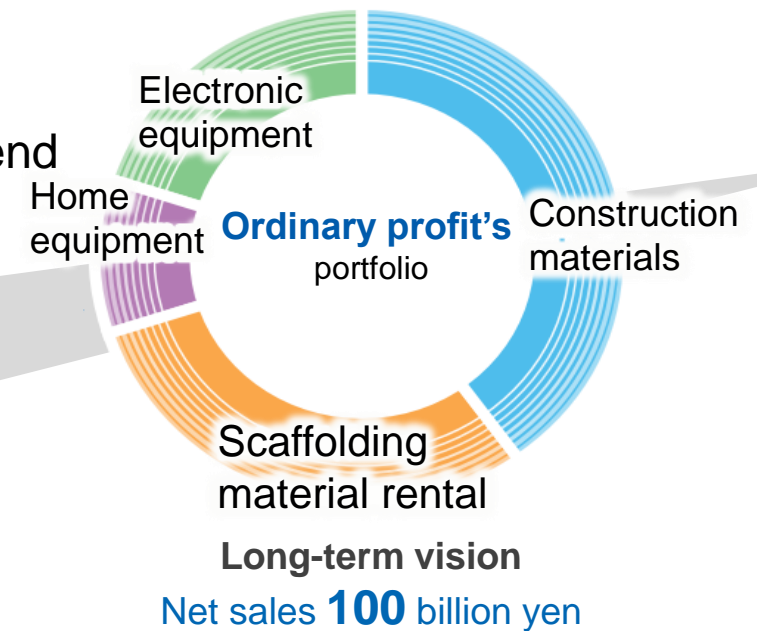
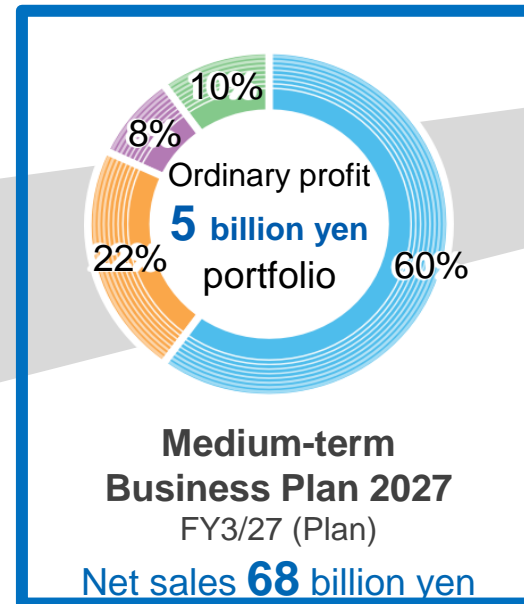
Point
03

Target payout ratio of 40% plus progressive dividend



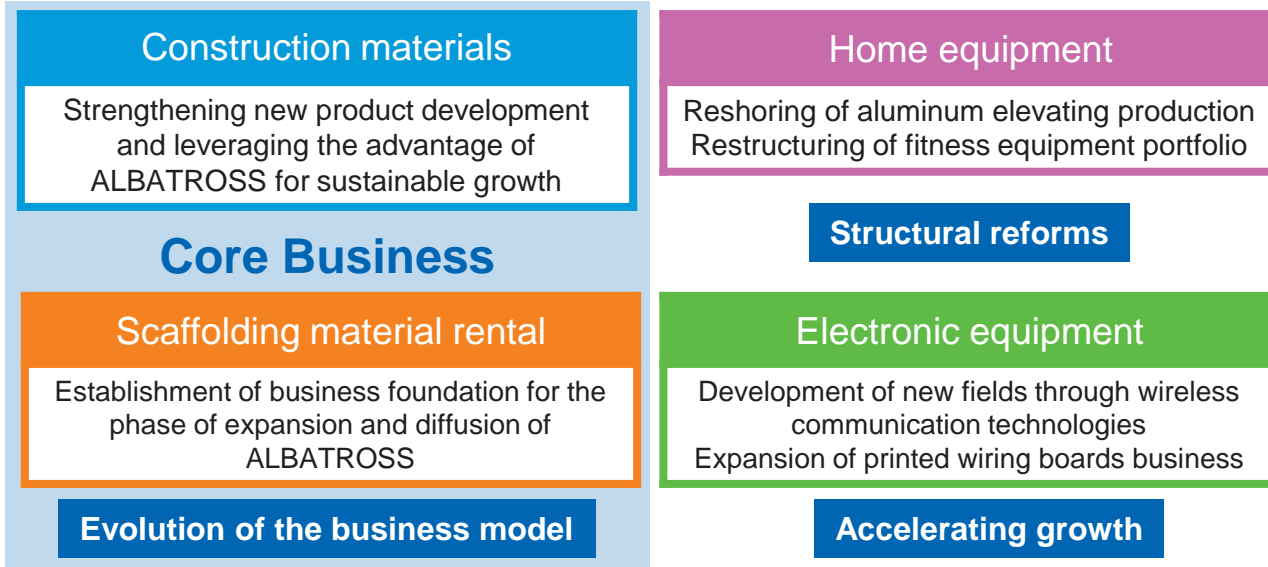
Medium-term
Business Plan 2024
FY3/24

Net sales **57.8** billion yen

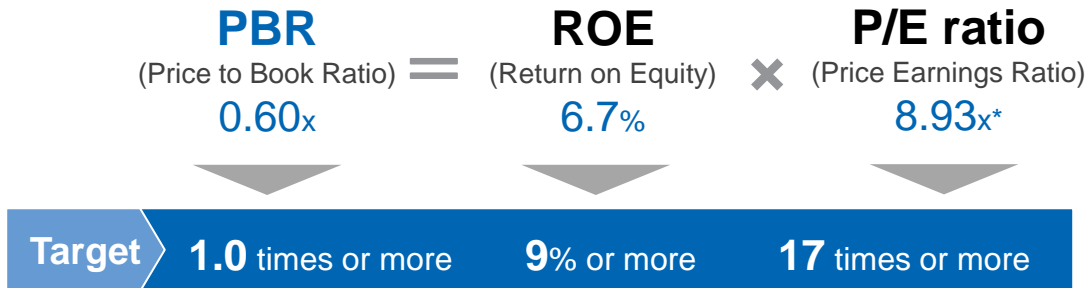


Aim for a well-balanced portfolio with high profitability in each business

Point 01 Evolve core businesses and restructure the business portfolio

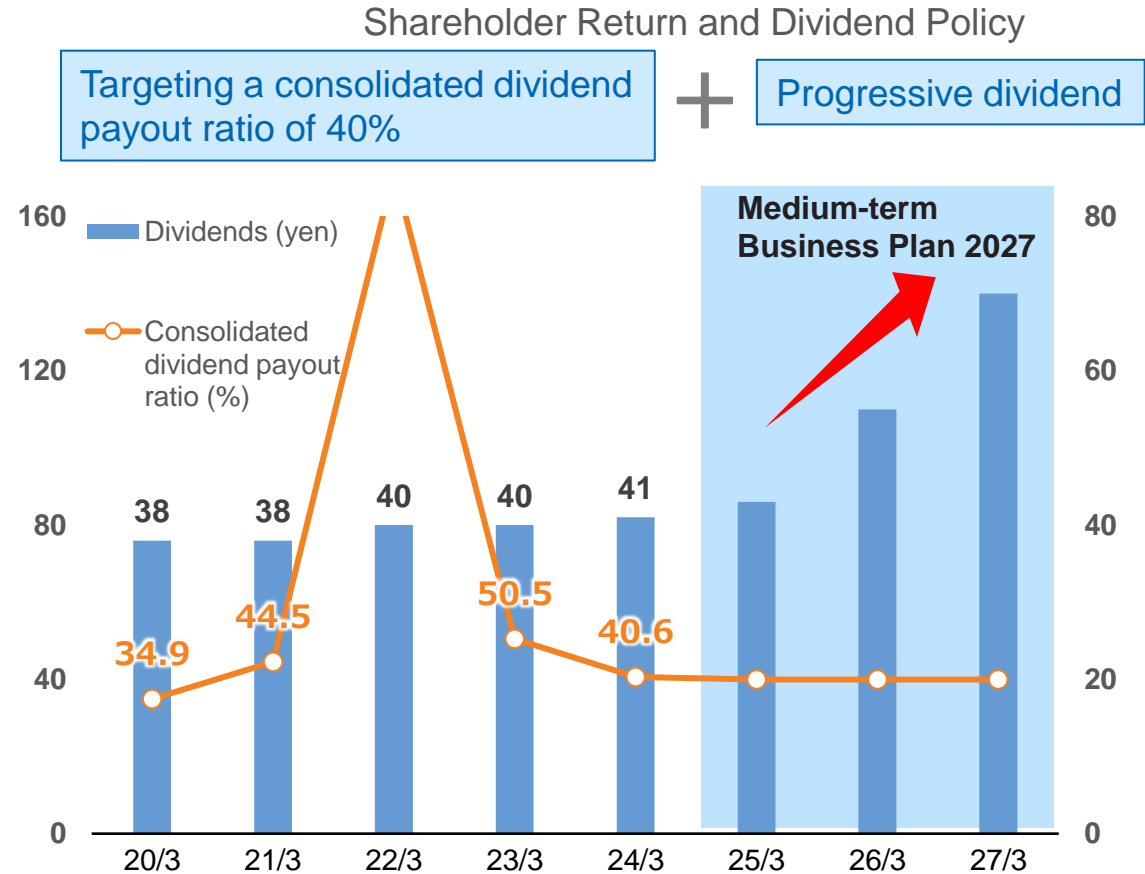


Point 02 Realize management that is conscious of cost of capital and stock price
Efforts to Achieve 1x P/B Ratio



*As of October 25, 2024

Point 03 Target payout ratio of 40% plus progressive dividends



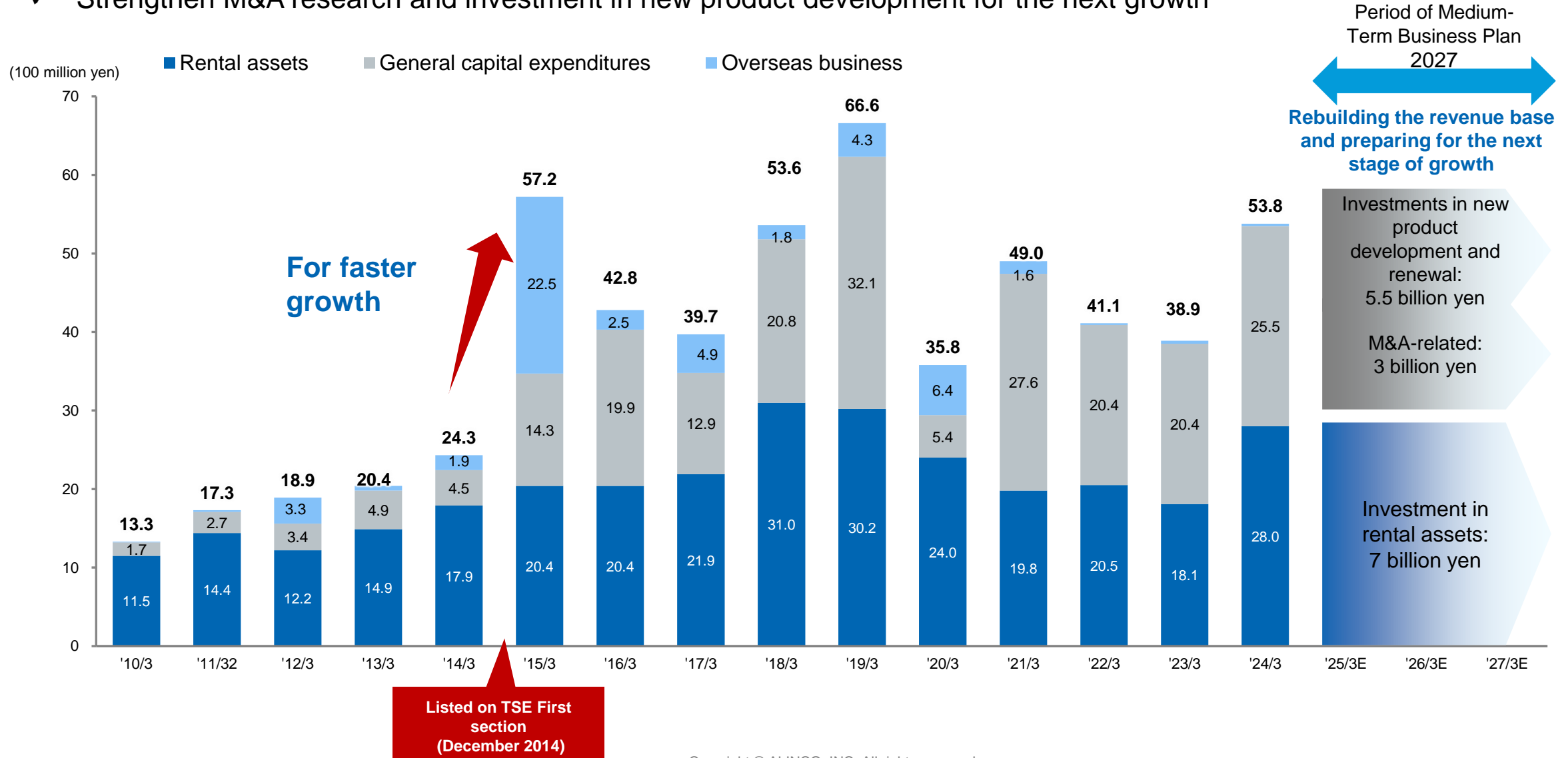
Planned Investments in Medium-term Business Plan

- ✓ Continue to strengthen investment in new product development
- ✓ Significant increase in investments for human capital and digital transformation (DX)

Category	Previous Medium-term Business Plan (FY3/22-FY3/24)	Medium-term Business Plan 2027 (FY3/25-FY3/27)		
	Result	Plan	Change from results of the previous plan	
Rental assets	¥6.66 billion	¥7.0 billion	+¥0.34 billion	<ul style="list-style-type: none"> Expand the market share of ALBATROSS
Development of new products Productivity and Capacity	¥3.56 billion	¥5.5 billion	+¥1.94 billion	<ul style="list-style-type: none"> Investment in development to increase the added value of products Investment to improve aircraft center maintenance capabilities Automate the manufacturing processes
M&A activities	¥3.16 billion	¥3.0 billion	-¥0.16 billion	<ul style="list-style-type: none"> Perform M&A with companies which have influence in niche markets to create synergies with our business
Human capital/ DX investment	¥0.11 billion	¥1.0 billion	+¥0.89 billion	<ul style="list-style-type: none"> Recruit individuals with advanced professional skills Streamlining of internal systems, development of data platforms, automation and labor saving of operations
Three-year total	¥13.49 billion	¥16.5 billion	+¥3.01 billion	

Status of Investments by Year

- ✓ Continue active investment in rental assets to evolve the business model of our core businesses
- ✓ Strengthen M&A research and investment in new product development for the next growth



Promoting measures to enhance corporate value linked to investment in human capital and DX promotion

Investment in DX

Responding to Construction DX

- Responding to BIM/CIM
- Build a data platform for centralized management of product and inventory information on rental scaffolding materials
- Development of sales support tools to support solution needs of rental scaffolding materials users

Digitalization of Management and Operations

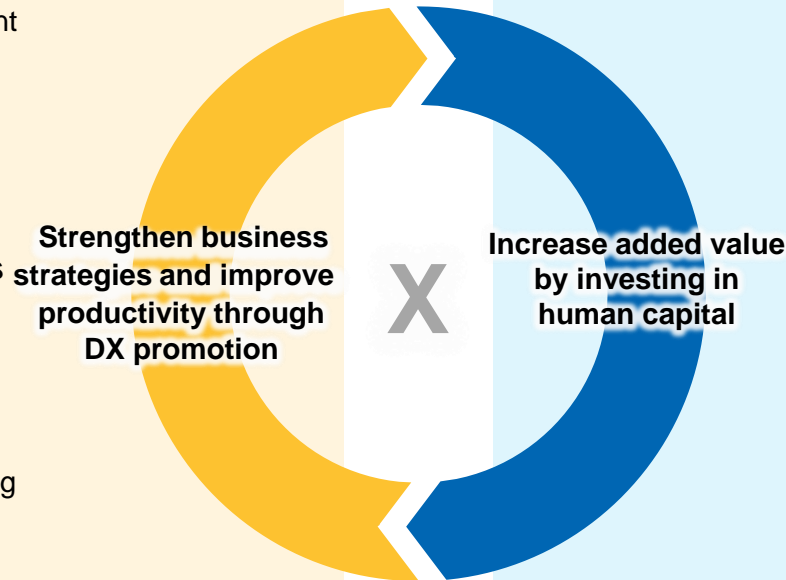
- Review and streamline internal systems
- Automate and save labor in operations
- Develop data platform
- Strengthen information security
- Digitalize business processes
- Introduce integrated enterprise resource planning (ERP) system

Innovation through Products & Digitalization

- Improve efficiency by introducing AI in production processes
- Digitalize technology and know-how
- Visualization of manufacturing sites

Strengthen business strategies and improve productivity through DX promotion

Increase in corporate value



Increase added value by investing in human capital

Investment in Human Capital

Initiatives to Improve Employee Skill and Competency

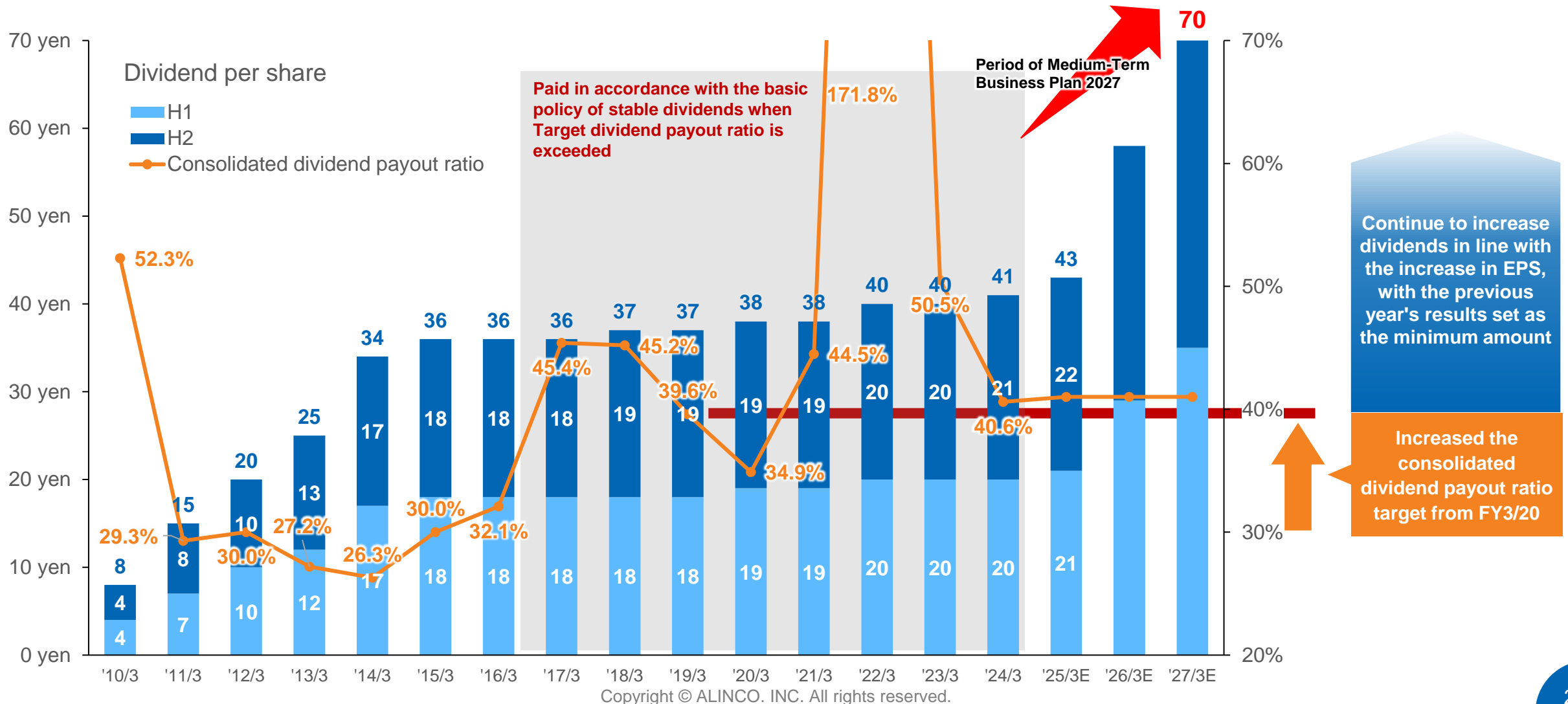
- Enhance training programs based on purpose and level
- Acquire highly specialized human resources with a view to business growth
- Enhance systems for acquiring and improving specialist skills
- Expand evaluation system for specialties

Develop a Work Environment that Utilizes Employee Individuality

- Create a workplace culture that respects diverse human resources
- Develop systems to maximize each individual's potential
- Create healthy employees through health management
- Create a work environment that ensures psychological safety

Shareholder Return and Dividend Policy

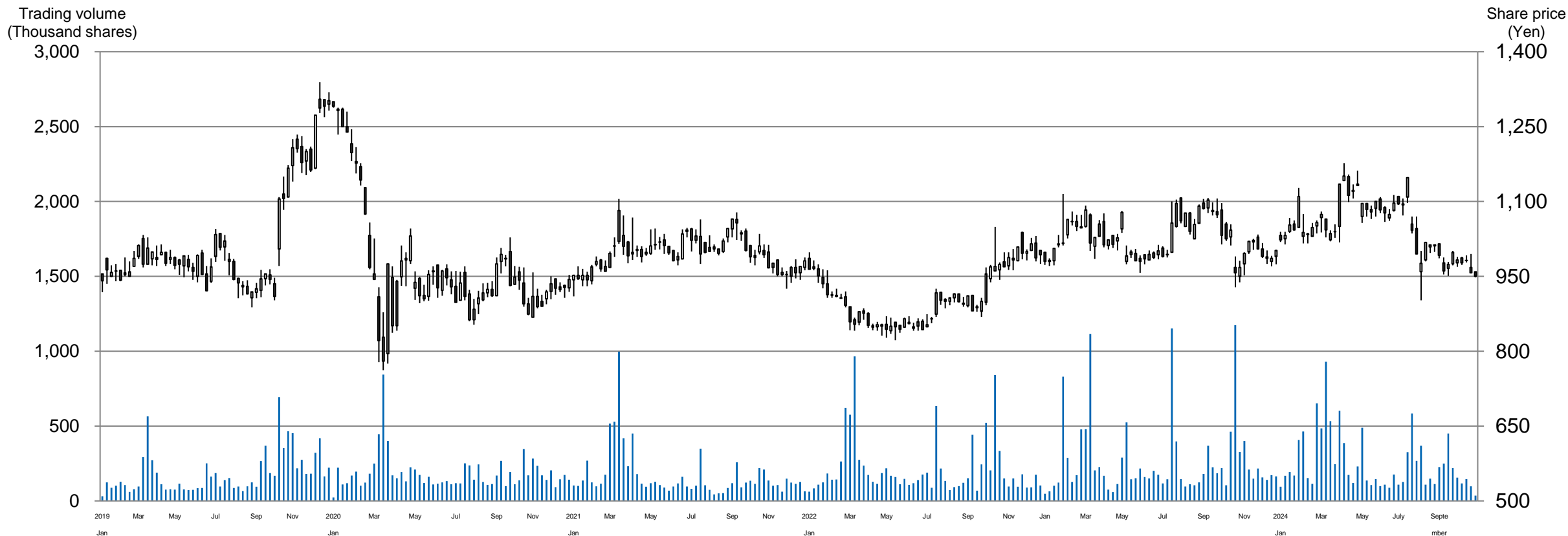
- We are committed to the basic policy of paying a stable dividend with a consolidated payout ratio of 40% as the target.
- During the period of the "Medium-term Business Plan 2027," dividends per share will be increased in line with profit growth, with the previous year's results set as the minimum amount.



Changes in Share Price and Trading Volume



Closing share price: ¥950 (as of October 25, 2024)



Dividend yield (actual)
4.5%

Price book-value ratio (PBR)
0.60 times

Price earnings ratio (PER)
8.93 times

Source: Yahoo! Finance



Appendix



Company Overview

Company name	ALINCO INCORPORATED
Listed exchange	Tokyo Stock Exchange, Prime (From April 4, 2022)
Foundation	1938
Establishment	July 4, 1970
Number of employees	Consolidated: 1,437; Non-consolidated: 764 (as of March 20, 2024)
Capital	¥6,361 million
Number of shares outstanding	21,039,326 shares
Total assets	¥68,315 million (as of March 20, 2024)
Group companies	21 (Japan: 11; China: 4; Thailand: 3; Vietnam: 1; Indonesia: 2)
Fiscal period	March 21 to March 20 of the following year
Accounting standards	Japanese GAAP

1938	Inoue Tekkousho started operating in Osaka as a manufacturer of bicycle parts and Other products
1970	Established Inoue Tekkou Co., Ltd.
1983	Changed company name to ALINCO INCORPORATED
1993	Listed on the Osaka Securities Exchange, Second Section
2003	Established a subsidiary in China for the production of aluminum products
2006	Listed on the Tokyo Stock Exchange, Second Section
2012	Established a subsidiary in Thailand for the production and rental of scaffolding
2014	Established a subsidiary in Indonesia Listed on the Tokyo Stock Exchange, First Section
2015	Opened the Tokyo Head Office, creating a dual head office structure Expanded the Hyogo No. 2 Factory to increase production capacity Acquired SIP Co., Ltd. a manufacturer of mobile elevating scaffolding
2016	Acquired STS Co., Ltd., a manufacturer of surveying and laser equipment Established a local subsidiary in the Socialist Republic of Vietnam
2017	Acquired Sofuku Koki Co., Ltd. (51% of equity) , a manufacturer of logistics products
2018	Acquired Showa Bridge Sales Incorporated , a manufacturer of aluminum bridges
2020	Made Sofuku Koki a wholly owned subsidiary
2021	Acquired Higashi Electronics Industry Co., Ltd. , a manufacturer of printed circuit boards Acquired Uekin Co., Ltd. , an integrated manufacturer covering processes from metal die fabrication to stamping processes
2022	Stock listing was moved to the Prime Market due to the reorganization of the markets of the Tokyo Stock Exchange

Management Policies

To be the Leading Company in Niche Markets

Current situation

Top group position for each segment in their respective business domains



Electronic equipment

Specified low-power wireless communication devices
Wireless communication devices option

Number of items **No.1**

Digital fire alarm receiver
In-vehicle digital simplified wireless communication devices

Market share **No.1**

Home equipment

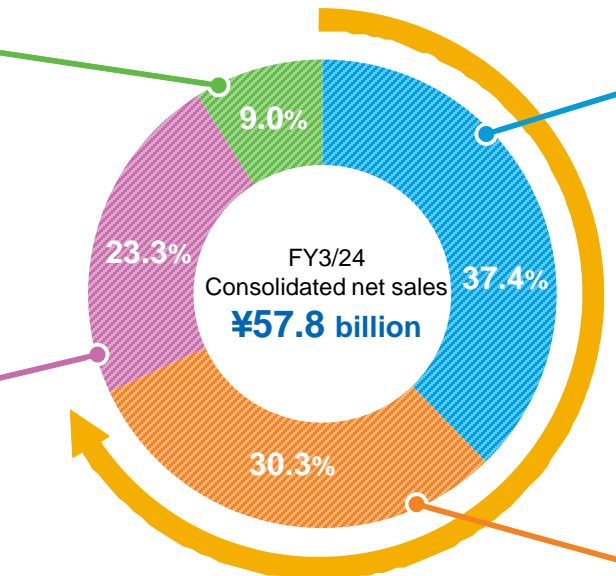
Aluminum elevating equipment, etc.
Share in the mass merchandiser market **No.1**

Home fitness
Market share **No.1**





Sales by Business Segment



*The core businesses are the construction materials business and scaffolding material rental business.

Construction materials

New ring lock ALBATROSS system

Share in the medium/high-rise building market **No.1**

Adoption rate among major general contractors **No.1**

Number of items handled **No.1**

Aluminum protective shelf/hanging scaffold

Market share **No.1**

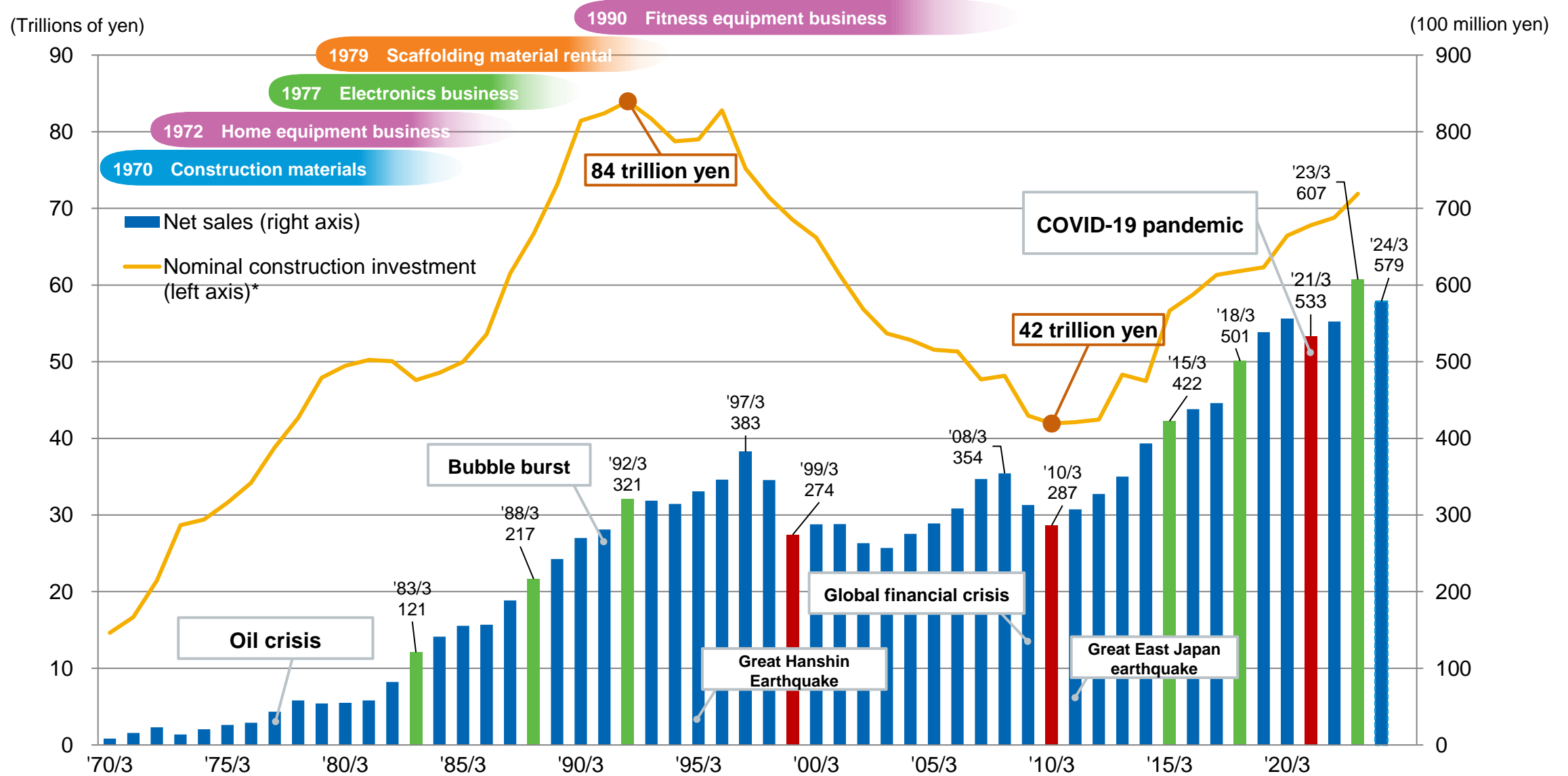




Scaffolding material rental

Business development in collaboration with the construction materials business

Trends in Sales Since Establishment



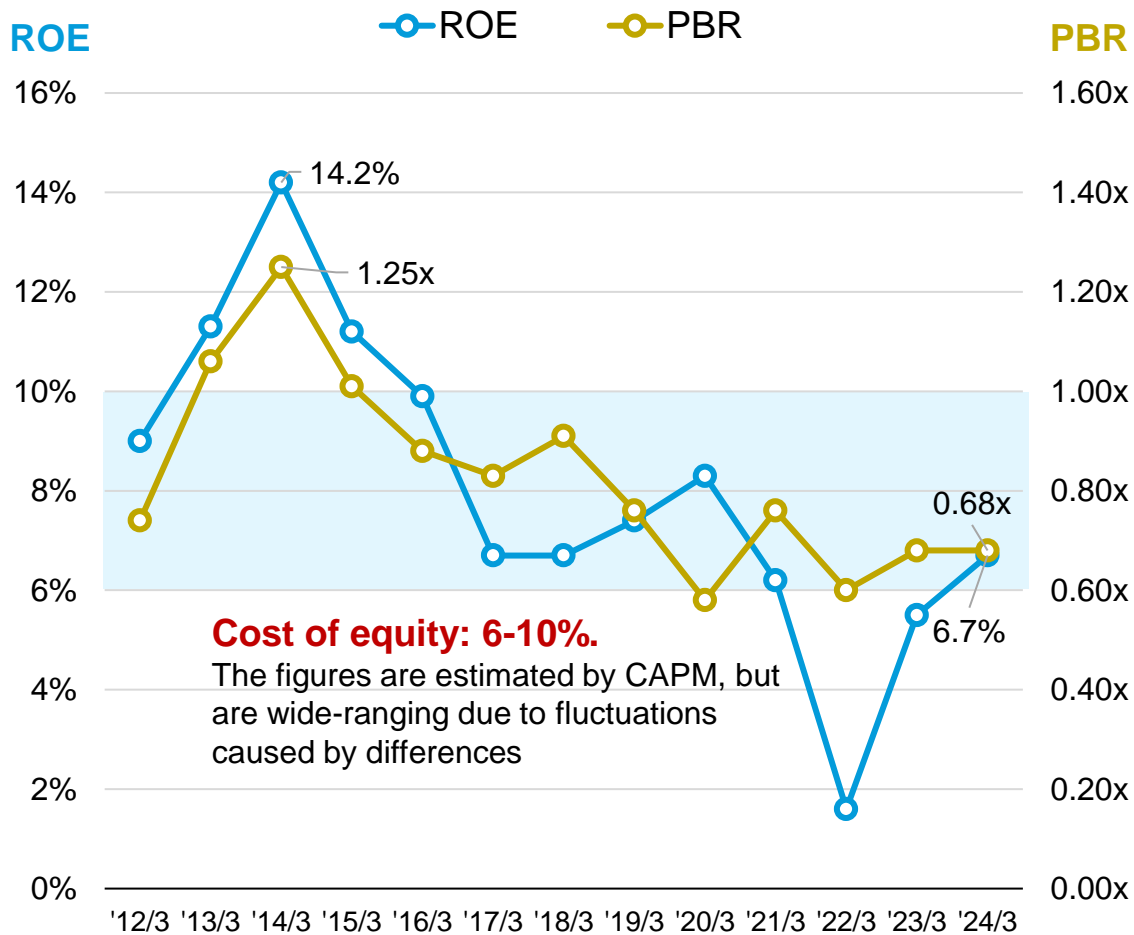
*Source: "Fiscal 2023 Construction Investment Outlook", Ministry of Land, Infrastructure, Transport and Tourism



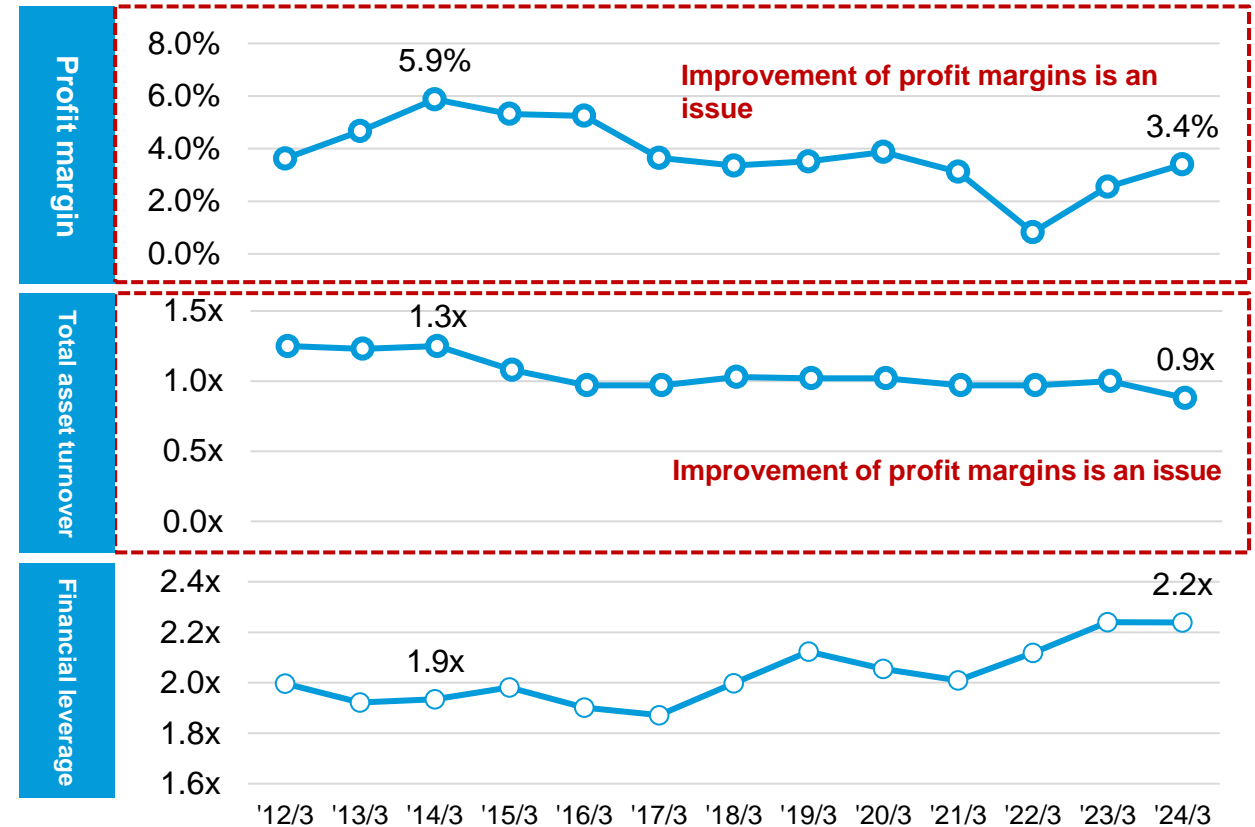
**Toward Realization of
Management that is Conscious
of Cost of Capital**

Trends in ROE and PBR (Analyze Current Status)

The main reason for the P/B ratio below 1x is the weak ROE due to lower profit margins in segments other than construction materials

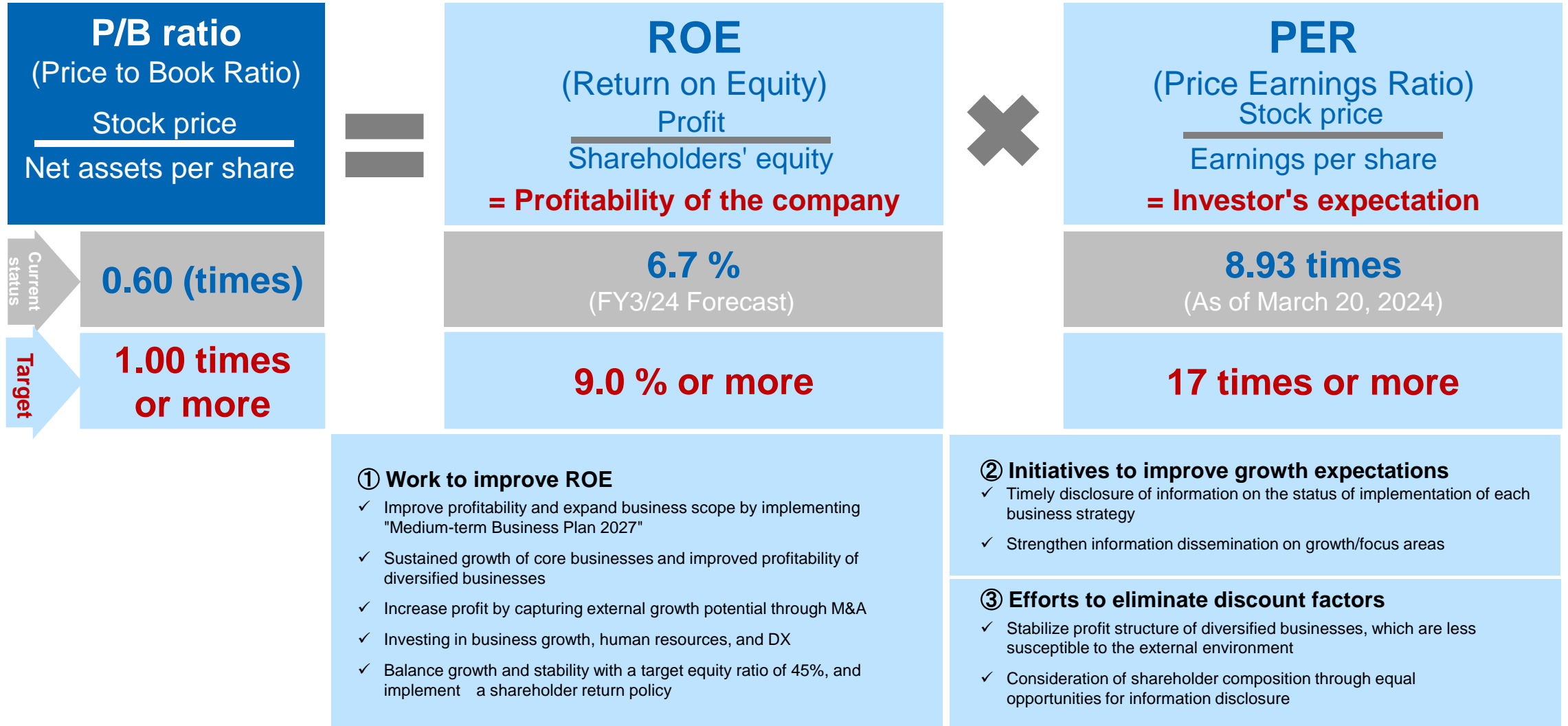


- Profitability of the home equipment business, which has a large share of overseas purchases, decreased due to higher purchasing costs due to the weaker yen.
- Depreciation burden due to investment in scaffolding material rental business and goodwill amortization burden due to aggressive M&A put pressure on accounting profit.



Efforts to Achieve 1x P/B Ratio

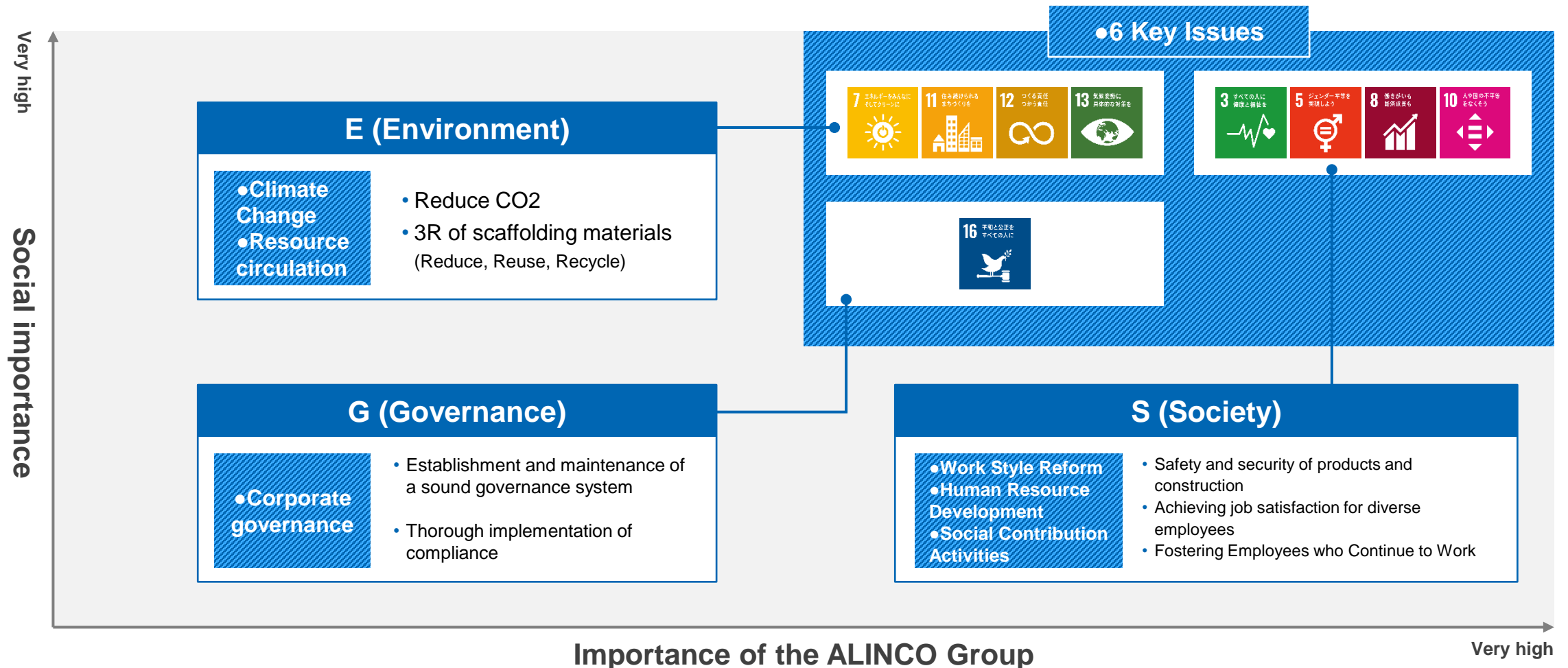
- Efforts to increase ROE and PER to achieve P/B ratio of above 1x as a top priority
- Improve PER and P/B ratio by enhancing the growth potential of each segment through our unique business model



The background of the slide is a high-angle, aerial view of a city skyline. The buildings are represented as 3D rectangular blocks of varying heights and widths, all rendered in a light blue, monochromatic color. The streets and roads are shown as thin, light blue lines forming a grid pattern. The overall aesthetic is clean, modern, and architectural. The text is centered over the middle of the image.

Our Approaches to Social Issues

We will achieve sustainable growth and increase corporate value over the medium to long term, while contributing to the realization of a sustainable society through our products and services.



ALINCO Group's basic management philosophy: "Contribution to Society", "Development of the Company", and "Growth of Employees"

Our Specific Approaches to Realize a Sustainable Society

	E (Environment)	S (Society)	G (Governance)
Key management issues	<p>Climate Change and Resource Circulation</p>	<p>Work Style Reform and Human Resource Development Social Contribution Activities</p>	<p>Corporate Governance</p>
Major approaches	<p>Reducing CO2 emissions through business activities</p> <ul style="list-style-type: none"> ✓ Calculating group-wide CO2 emissions ✓ Promote the introduction of renewable energy at major business sites <p>Contributing to resource circulation through scaffolding materials sales and rental businesses</p> <ul style="list-style-type: none"> ✓ Contributing to the reduction of environmental impact by effectively utilizing limited resources 	<p>Contributing to occupational health and safety through improved safety of rental scaffolding materials</p> <p>"Work Style Reform"</p> <ul style="list-style-type: none"> ✓ Flexible operation of working hours ✓ Enhancement of support system for balancing work and family care ✓ Recruiting diverse human resources to pass on technologies and strengthen competitiveness ✓ Expansion of education and training ✓ Promotion of health management <p>Supporting social activities for the next generation</p> <ul style="list-style-type: none"> ✓ Support for youth development through sports and other activities ✓ Promotion of community-based sports activities 	<p>Thorough implementation of compliance</p> <ul style="list-style-type: none"> ✓ Disseminating awareness through regular training and questionnaires <p>Enhancing whistleblower system</p> <ul style="list-style-type: none"> ✓ Establishment and operation of an external contact point that ensures anonymity and includes business partners <p>Internal management system</p> <ul style="list-style-type: none"> ✓ 3 organizations under the direct control of the president collaborate organically to achieve both sustainable growth and contributions to a sustainable society <ul style="list-style-type: none"> • Executive Officers' Meeting: Execution of business in accordance with the business policies of the Board of Directors • Risk Management Committee: Management and supervision of risk inspection, evaluation, countermeasures, etc. • Sustainability Committee: Identify important issues and promote initiatives

Local-community Contribution



©Expo 2025

Sponsoring the 2025 World Expo in Japan named Expo 2025 Osaka, Kansai
As an "Operational Participation Bronze Partner", we will lend transceivers free of charge to the Expo.

Youth development support activities



Japan Little League Baseball Federation



Osaka Evessa in the B-League



GAMBAssist



Children's invited performance "Kokoro no Gekijo"

Promotion and development of local sports



Japan Professional Football League
V. Farlen Nagasaki

Activities to support the independence of people with



Paralymp Art®
障がい者アートを応援しています

Paralymp Art®, the Organization for the Promotion of Self-reliance of People with Disabilities

Donations to various organizations

- Japan Shogi Association
Construction of kansai shogi hall (Takatsuki city, Osaka prefecture)
- The Japanese Red Cross Society
Funding Healthcare for COVID-19 Infections

Hometown tax donation program

Offering Takatsuki City's hometown tax return gifts

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Forecasts and other forward-looking statements in this presentation are based on information that was available when this presentation was prepared. These statements may be revised without prior notice due to changes in market conditions, competition and many other sources of uncertainty.

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