

**ALINCO INCORPORATED**

# **Supplementary Materials for the Third Quarter of the Fiscal Year Ending March 20, 2025**

**February 3, 2025**

Stock code: 5933

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



# FY3/25 Q3 Consolidated Results



- ✓ Progress against the full-year forecast was 77.4% for net sales, 80.0% for ordinary profit, and 84.6% for profit attributable to owners of parent, driven by stronger links between our core businesses, the Construction materials business and the Scaffolding material rental business.
- ✓ In our core businesses, we steadily captured the customers need for rental rather than purchasing and worked to expand market-share of the new ring lock ALBATROSS system (ALBATROSS) and other high-value-added products.
- ✓ Overall performance was generally in line with forecasts, although profits declined YoY due to pressure on rising costs from yen's depreciation and a decrease in foreign exchange gains affected by financial and foreign exchange trends.

(Millions of yen)

	FY3/23 Q3	FY3/24 Q3	FY3/25 Q3		FY3/25 Full-year	
	Results (% to sales)	Results (% to sales)	Results (% to sales)	YoY change (Pct. change)	Forecast (% to sales)	Q3 Progress rate
Net sales	46,691 (100.0%)	44,692 (100.0%)	<b>47,197</b> <b>(100.0%)</b>	+2,505 (+5.6%)	61,000 (100.0%)	77.4%
Operating profit	1,897 (4.1%)	1,916 (4.3%)	<b>2,043</b> <b>(4.3%)</b>	127 (6.7%)	3,200 (5.2%)	63.8%
Ordinary profit	3,171 (6.8%)	2,793 (6.2%)	<b>2,641</b> <b>(5.6%)</b>	-152 (-5.5%)	3,300 (5.4%)	80.0%
Profit attributable to owners of parent	1,322 (2.8%)	1,916 (4.3%)	<b>1,775</b> <b>(3.8%)</b>	-141 (-7.4%)	2,100 (3.4%)	84.6%

# FY3/25 Q3 Segment Information

- ✓ In the Construction materials segment, sales of scaffolding materials increased as we steadily captured customers' needs. In logistics-related products, sales of racks for logistics warehouses remained strong, and we expanded sales channels to semiconductor manufacturing plants. In the Scaffolding material rental segment, the utilization rate of ALBATROSS and other major product groups was high, and sales were solid. As a result, both sales and segment profit in the core businesses were maintained at a high level compared to the full-year forecast.
- ✓ In the Home equipment segment, sales of aluminum lifting equipment were firm, but fitness equipment sales did not grow, affected by yen's depreciation.
- ✓ In the Electronic equipment segment, sales of specified low-power wireless communication devices and wireless communication devices for business applications were strong. Meanwhile, HIGASHI ELECTRONICS INDUSTRY CO., LTD., a subsidiary engaged in printed wiring boards manufacturing, began operating manufacturing facilities that we expanded its facilities to meet increased orders, resulting in higher depreciation expenses.

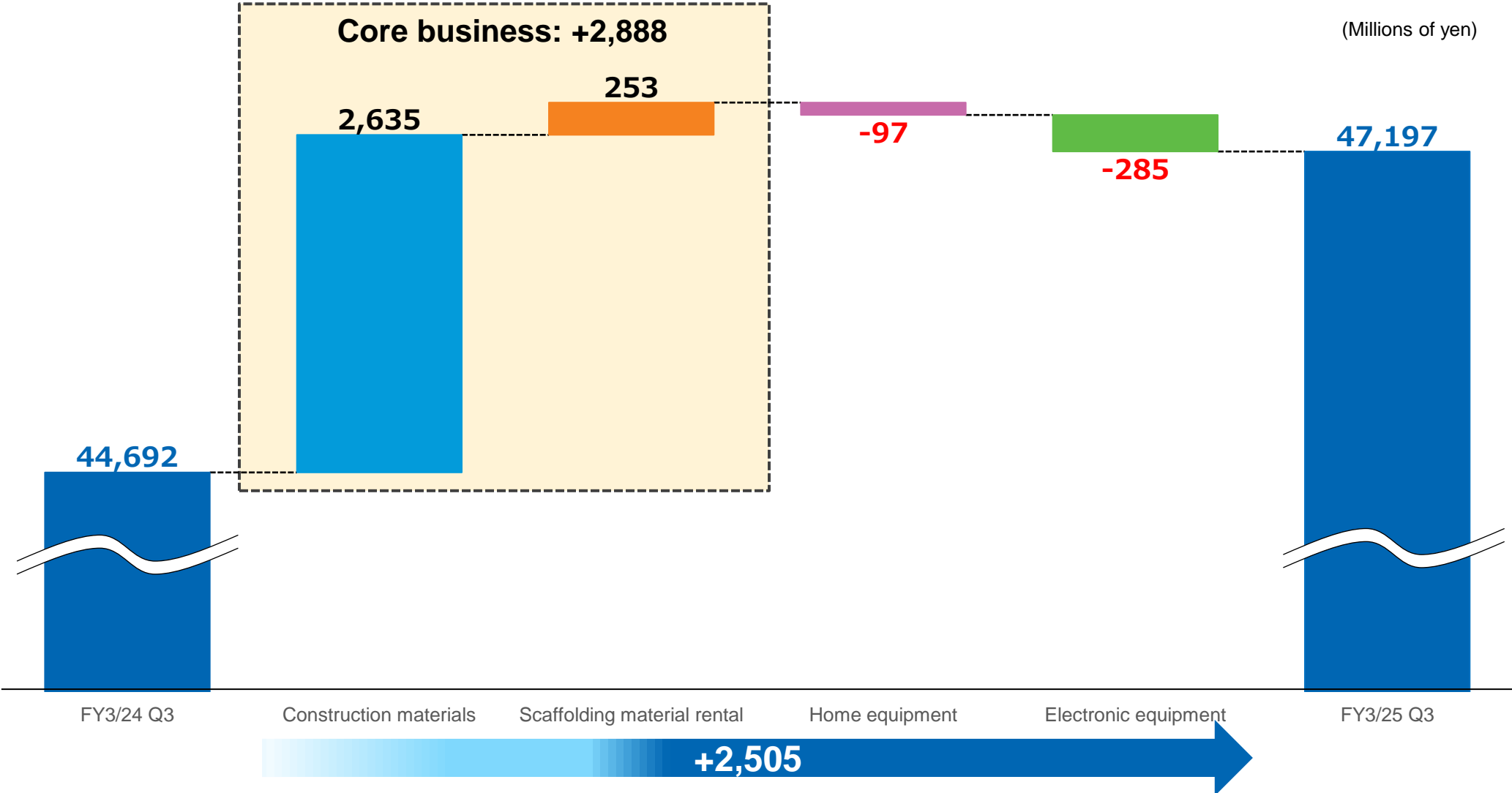
(Millions of yen)

Upper: Sales Lower: Segment profit	FY3/23 Q3	FY3/24 Q3	FY3/25 Q3		FY3/25 Full-year	
	Results	Results	Results	YoY change	Forecasts	Q3 Progress rate
Construction materials	19,020 2,298	16,442 1,985	<b>19,077</b> <b>1,869</b>	+16.0% -5.9%	23,080 2,220	82.7% 84.2%
Scaffolding material rental	12,749 362	13,543 589	<b>13,797</b> <b>1,240</b>	+1.9% +110.3%	17,830 1,250	77.4% 99.2%
Home equipment	10,763 -87	10,761 -193	<b>10,663</b> <b>-339</b>	-0.9% -	14,240 -170	74.9% -
Electronic equipment	4,158 235	3,944 -20	<b>3,659</b> <b>-443</b>	-7.2% -	5,850 -100	62.5% -
Adjustment	- 362	- 433	<b>-</b> <b>315</b>	- -	- 100	- -
Consolidated total	46,691 3,171	44,692 2,793	<b>47,197</b> <b>2,641</b>	+5.6% -5.5%	61,000 3,300	77.4% 80.0%

# FY3/25 Q3 Factors behind Changes in Sales by Segment



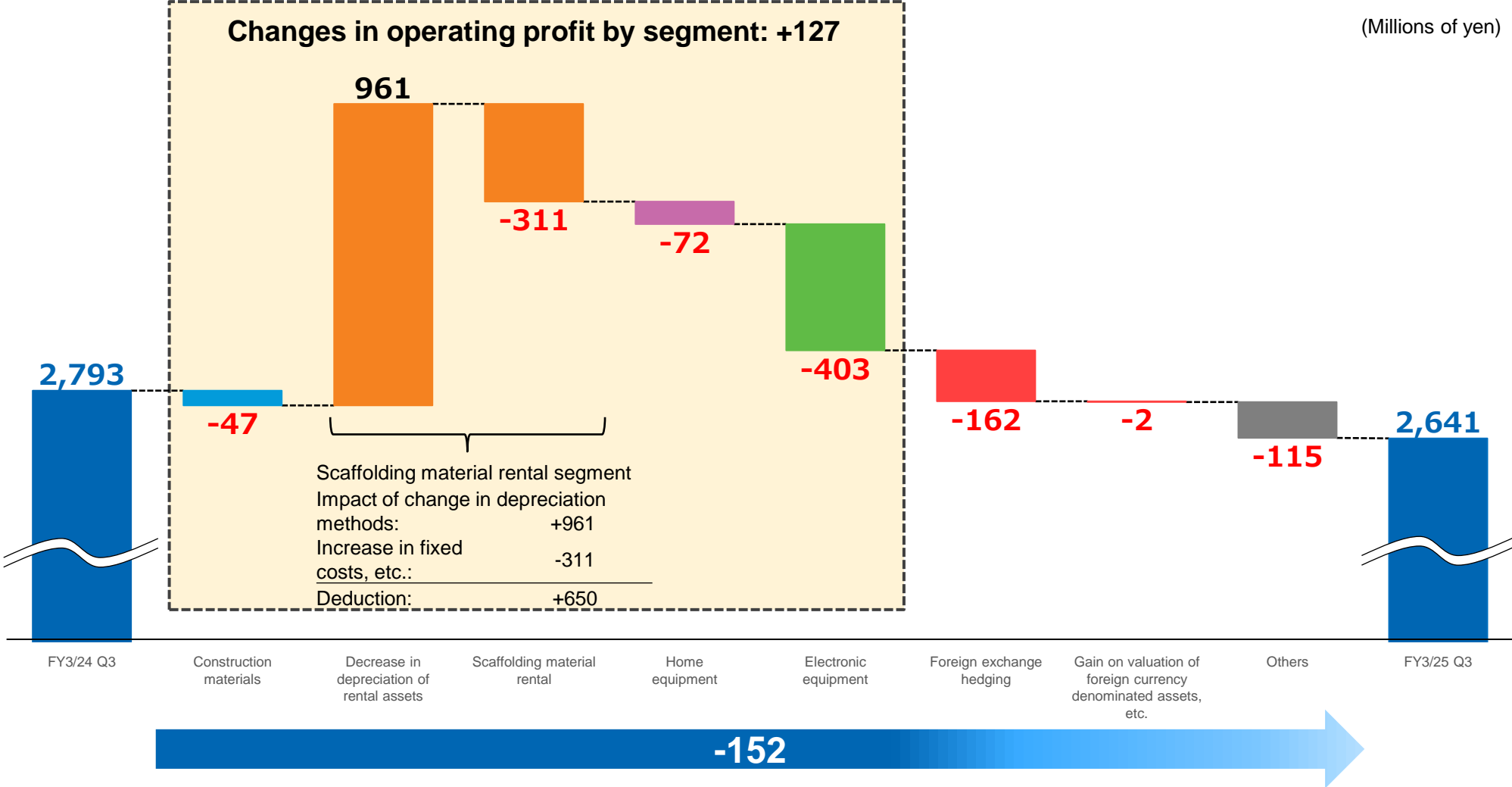
- ✓ Consolidated net sales rose by 2.5 billion yen YoY, driven by an YoY increase in sales in the core businesses of 2.88 billion yen.
- ✓ In our core businesses, sales of scaffolding materials increased by 1.39 billion yen YoY, sales of logistics-related products increased by 1.24 billion yen YoY, and sales from rentals increased by 250 million yen YoY.



# FY3/25 Q3 Factors behind Changes in Ordinary Profit



- ✓ Depreciation and amortization expenses decreased by 960 million yen from the change in the depreciation method for rental assets from the 5-year declining-balance method to the 8-year straight-line method from this fiscal year, supporting operating profit growth.
- ✓ Ordinary profit decreased by 150 million yen YoY due to a 160 million yen decrease in the effect from hedging foreign exchange contracts.



# FY3/25 Q3 Consolidated Balance Sheet



(Millions of yen)

	FY3/24	FY3/25 Q3	
	Results (Comp.)	Results (Comp.)	YoY change (Pct. change)
Current assets	43,894 (64.3%)	<b>45,711</b> <b>(63.0%)</b>	+1,816 (+4.1%)
Non-current assets	24,420 (35.7%)	<b>26,840</b> <b>(37.0%)</b>	+2,419 (+9.9%)
Total assets	68,315 (100.0%)	<b>72,551</b> <b>(100.0%)</b>	+4,236 (+6.2%)
Current liabilities	19,860 (29.1%)	<b>21,869</b> <b>(30.1%)</b>	+2,009 (+10.1%)
Non-current liabilities	17,910 (26.2%)	<b>19,150</b> <b>(26.4%)</b>	+1,239 (+6.9%)
Total liabilities	37,771 (55.3%)	<b>41,019</b> <b>(56.5%)</b>	+3,248 (+8.6%)
Net assets	30,544 (44.7%)	<b>31,532</b> <b>(43.5%)</b>	+987 (+3.2%)
Total liabilities and net assets	68,315 (100.0%)	<b>72,551</b> <b>(100.0%)</b>	+4,236 (+6.2%)
Equity ratio	44.7%	<b>43.5%</b>	-1.2 ppt.
Debt equity ratio	0.83x	<b>0.87x</b>	-

Major factors (Millions of yen)	
<b>Current assets</b>	
Notes and accounts receivable-trade:	+2,637
Inventories:	-618
<b>Non-current assets</b>	
Increase in property, plant, and equipment due to investments in rental assets, etc.:	+2,350
<b>Liabilities</b>	
Increase in long-term and short-term borrowings:	+2,148
<b>Net assets</b>	
Profit:	+1,775
Foreign currency translation adjustment:	+6
Dividends of surplus:	-836

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