



ALINCO INCORPORATED

Supplementary Materials for the First Quarter of the Fiscal Year Ending March 20, 2026

July 18, 2025

Stock code: 5933

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



ALINCO

FY3/26 Q1 Consolidated Results

- ✓ Net sales increased steadily by 6.1% year on year, resulting in a 16.9% rise in operating profit.
- ✓ Ordinary profit declined by 20.5% year on year, mainly due to a 265 million yen decline in foreign exchange gains caused by a reduction in hedging effectiveness from forward exchange contracts and the valuation impact on foreign currency-denominated assets. Profit attributable to owners of parent also declined by 40.4% year on year, due primarily to a 190 million yen decrease in extraordinary gains.
- ✓ As for progress against the first-half forecasts, net sales have reached 49.5%, indicating solid performance, while profit items are slightly behind the plan and will require further improvements.

(Millions of yen)

	FY3/24 Q1	FY3/25 Q1	FY3/26 Q1		FY3/26 Q2	
	Results (% to sales)	Results (% to sales)	Results (% to sales)	YoY change (Pct. change)	Forecasts (% to sales)	Q1 Progress rate
Net sales	14,149 (100.0%)	14,529 (100.0%)	15,415 (100.0%)	+885 (+6.1%)	31,170 (100.0%)	49.5%
Operating profit	762 (5.4%)	550 (3.8%)	643 (4.2%)	+92 (+16.9%)	1,320 (4.2%)	48.7%
Ordinary profit	1,227 (8.7%)	773 (5.3%)	614 (4.0%)	-158 (-20.5%)	1,500 (4.8%)	40.9%
Profit attributable to owners of parent	882 (6.2%)	670 (4.6%)	399 (2.6%)	-270 (-40.4%)	930 (3.0%)	42.9%

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

FY3/26 Q1 Segment Information

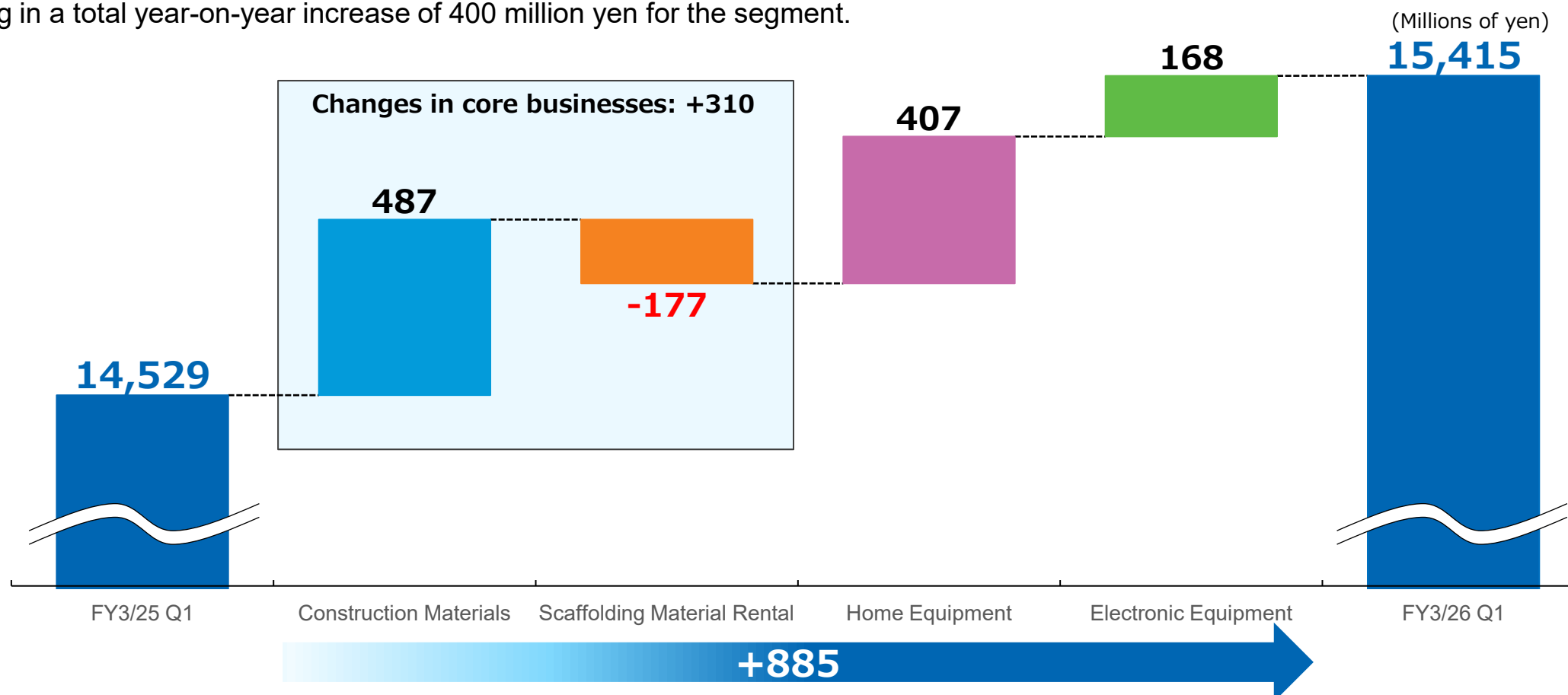
- ✓ In the Construction Materials segment, although sales increased, the segment profit declined due to a drop in the profit margin caused by changes in the product sales mix.
- ✓ In the Scaffolding Material Rental segment, utilization rates of key products such as the ALBATROSS remained solid, particularly in the Tokyo metropolitan area. However, in the Kansai region, the completion of a major project led to a lull in orders, resulting in a slight decrease in sales. On the profit side, segment profit declined due to increased depreciation expenses stemming from continued proactive investment in rental assets in response to the ongoing shift from purchasing to rental by scaffolding materials companies.
- ✓ In the Home Equipment segment, sales of brown rice storage refrigerators remained strong due to increased demand for household rice stockpiling amid a rice shortage. In addition, subsidiary SIP Co., Ltd. saw steady sales of elevated work platforms and other products for work in high places, and fitness equipment including relatively high-priced items also showed signs of recovery, contributing to increased sales.
- ✓ In the Electronic Equipment segment, solid sales of wireless communication devices were driven by demand for upgrades to digitized fire department radio systems. At subsidiary HIGASHI ELECTRONICS INDUSTRY CO., LTD., proactive efforts to secure stable orders for printed circuit boards following prototype orders proved successful, leading to an increase in sales.

(Millions of yen)

Upper: Sales Lower: Segment profit	FY3/24 Q1	FY3/25 Q1	FY3/26 Q1		FY3/26 Q2	
	Results	Results	Results	YoY change	Forecasts	Q1 Progress rate
Construction Materials	5,061 598	5,568 594	6,056 479	+8.8% -19.4%	11,750 1,075	51.5% 44.6%
Scaffolding Material Rental	4,305 267	4,420 364	4,242 247	-4.0% -32.0%	9,080 585	46.7% 42.2%
Home Equipment	3,415 -58	3,365 -118	3,772 12	+12.1% —	7,480 -209	50.4% —
Electronic Equipment	1,367 36	1,175 -181	1,344 -102	+14.3% —	2,860 -131	47.0% —
Adjustment	— 383	— 113	— -22	— —	— 180	— —
Consolidated Total	14,149 1,227	14,529 773	15,415 614	+6.1% -20.5%	31,170 1,500	49.5% 40.9%

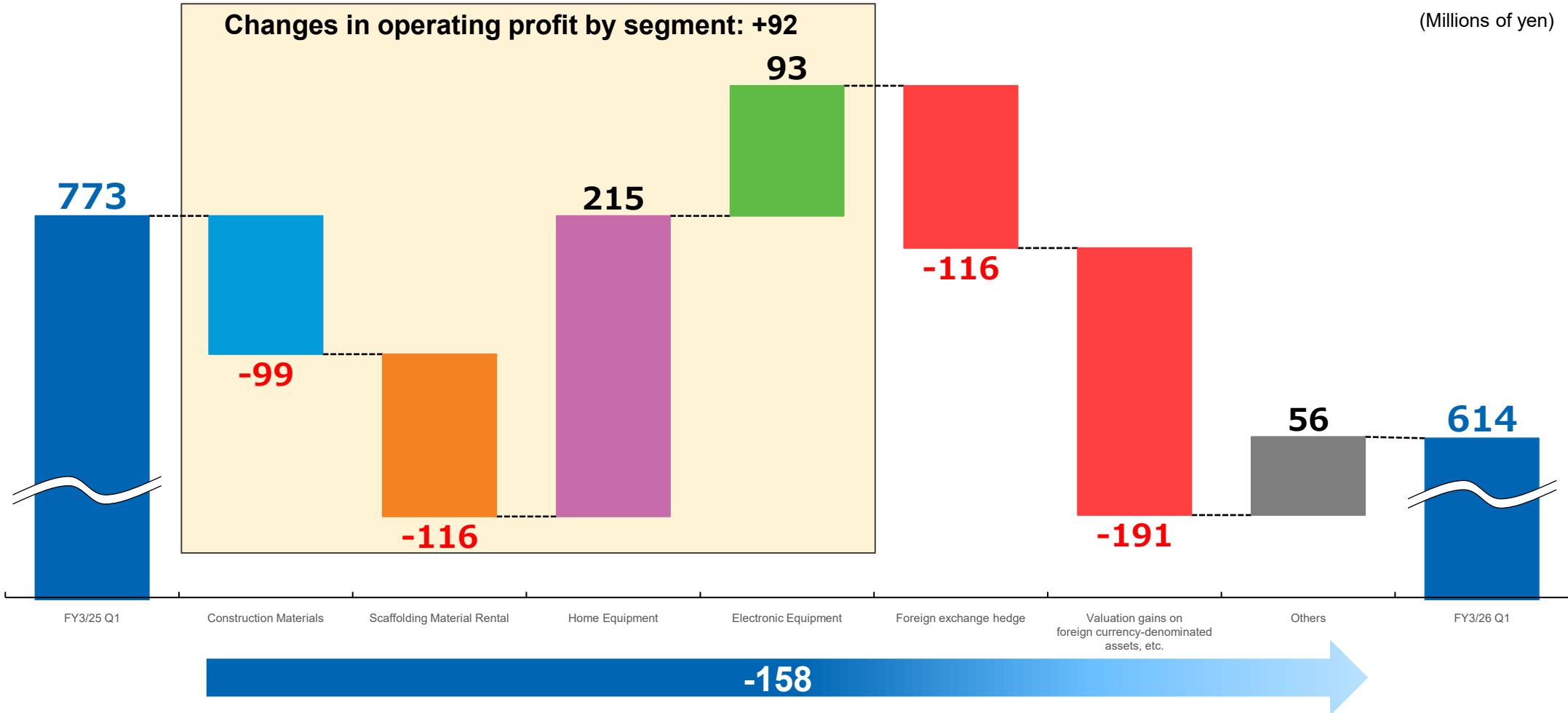
FY3/26 Q1 Factors behind Changes in Sales by Segment

- ✓ In our core businesses, sales of scaffolding materials increased by 290 million yen year on year, as we swiftly responded to purchasing needs for heavily used equipment, amid a continued shift among rental companies from purchasing to renting. Sales of logistics-related products also grew by 190 million yen, bringing the total year-on-year increase for the Construction Materials segment to 480 million yen. On the other hand, rental sales declined by 170 million yen due to a temporary lull in demand following the completion of a major project in the Kansai region.
- ✓ In the Home Equipment segment, sales of housing-related products rose by 140 million yen and fitness equipment by 260 million yen, resulting in a total year-on-year increase of 400 million yen for the segment.



FY3/26 Q1 Factors behind Changes in Ordinary Profit

- ✓ Operating profit increased by 90 million yen year on year, supported by higher sales in the Home Equipment and Electronic Equipment segments, as well as lower procurement costs due to the continued appreciation of the yen
- ✓ Ordinary profit declined by 150 million yen year on year, mainly due to a 110 million yen decrease in hedge gains from foreign exchange contracts and a 190 million yen decline in valuation gains on foreign currency-denominated assets and other factors.



FY3/26 Q1 Consolidated Balance Sheet

(Millions of yen)

	FY3/25	FY3/26 Q1	
	Results (Comp.)	Results (Comp.)	YoY change (Pct. change)
Current assets	43,194 (60.9%)	42,967 (60.9%)	-226 (-0.5%)
Non-current assets	27,689 (39.1%)	27,559 (39.1%)	-129 (-0.5%)
Total assets	70,883 (100.0%)	70,527 (100.0%)	-356 (-0.5%)
Current liabilities	21,739 (30.7%)	20,988 (29.8%)	-751 (-3.5%)
Non-current liabilities	17,149 (24.2%)	17,942 (25.4%)	+793 (+4.6%)
Total liabilities	38,888 (54.9%)	38,930 (55.2%)	+41 (+0.1%)
Net assets	31,994 (45.1%)	31,596 (44.8%)	-397 (-1.2%)
Total liabilities and net assets	70,883 (100.0%)	70,527 (100.0%)	-356 (-0.5%)
Equity ratio	45.1%	44.8%	-0.3ppt.
Debt equity ratio	0.81x	0.82x	—

Major factors (Millions of yen)

Current assets

Cash and deposits	-551
Inventories	+469

Non-current assets

Investment in rental assets	+203
Depreciation of rental assets	-235
Investment securities	-84

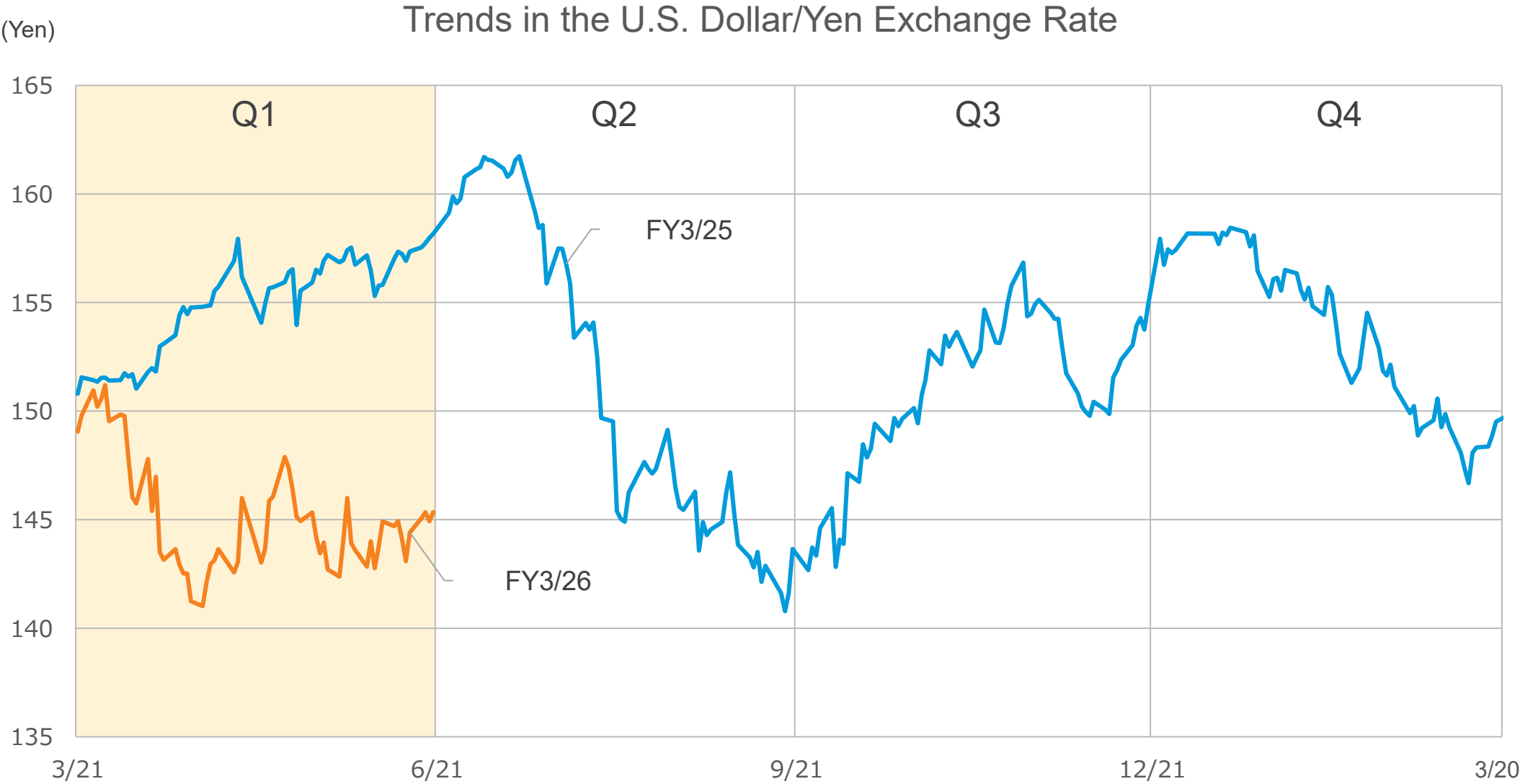
Net assets

Profit attributable to owners of parent	+399
Dividends paid	-438

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

[Reference] Trends in the U.S. Dollar/Yen Exchange Rate

✓ The dollar-yen exchange rate has been trending toward yen appreciation compared to the same period last year.



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