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Company name: ALINCO INCORPORATED
Representative: Nobuo Kobayashi, Representative
Director and President
(Stock code: 5933; TSE 1st Section)
Inquiries: Takashi Sakaguchi, Director,
General Manager of Accounting Division
(Tel: +81-6-7636-2222)

Announcement of Medium-term Business Plan 2024

We have started implementing our Medium-term Business Plan 2024, which covers the three-year period ending in March 2024.

1. Reasons for the plan and its goals

The COVID-19 pandemic had a severe impact on social and economic activity worldwide during the fiscal year that ended in March 2021. There are still no signs of when this crisis will end. In addition, frequent major natural disasters around the world are highlighting risk concerning climate change and rapidly raising public awareness of the need to increase recycling and achieve carbon neutrality. The resulting changes in the business climate for our operations are becoming even greater and more complex. At the same time, these changes are creating more business opportunities.

In the fiscal year that ended in March 2021, we managed to minimize the impact of the COVID-19 crisis because of business diversification that we have been working under management policy of "Become the Leading Company in Niche Market" since our inception.

In order to respond to the various and drastic change in business environment, we have established the Medium-term Business Plan 2024 for further growth by focusing on our management policy and strengthening business diversification.

The three year period from March 2022 till March 2024, we aim to improve corporate value centered on "satisfaction and trust." We plan to achieve this growth by making the core business of producing, selling and renting scaffolding materials even more powerful and by building a base for growth in other business sectors.

2. Key initiatives

1) Make the core businesses even more powerful

- Capture the leading share of the market for the new ring lock ALBATROSS system ("ALBATROSS")
- Develop products for more applicability of ALBATROSS
- Make production and distribution activities more efficient
- Grow the Asian market for scaffolding and other construction materials

2) Aim for the growth in other business sectors

- Build a base for the growth of logistics business, home equipment business and electronic equipment business
- Use M&A and alliances to speed up growth

3) Build substantial relationships with stakeholders

- Maintain the stability of business relationships by further upgrading compliance programs
- Increase capabilities concerning dialogues with investors
- Conduct activities for coexistence with society

4) Develop human resource and respond to new work style

- Recruit people needed for new product development and business expansion for new market sectors
- Succeed technologies and skills to younger employees and train the next generation of leaders
- Make working environment where employee can work with confidence and safe

5) Strengthen corporate governance

- Strengthen the governance structure in response to reorganization of Tokyo Stock Exchange market
- Increase the commitment to issues involving the environment, society and governance (ESG)

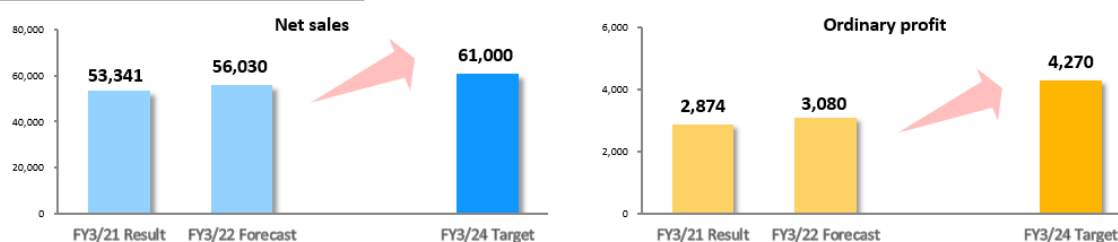
3. Management Numerical Targets in the Medium-term Business Plan 2024 (Consolidated Basis)

	FY3/21 results	FY3/22 forecast	(Millions of yen) FY3/24 targets
Net sales	53,341	56,030	61,000
Ordinary profit	2,874	3,080	4,270
Ordinary profit to sales	5.4%	5.5%	7.0%
ROE	6.2%	7.0%	9.0%
Equity ratio	49.8%	51.0%	50.0%

Management Numerical Targets in the Medium-term Business Plan 2024 (Consolidated Basis)

ALINCO

Net Sales / Ordinary Profit Plan (Millions of yen)



	FY3/21 Results		FY3/22 Forecast		FY3/24 Targets	
	Net sales/ Ordinary profit	Financial KPIs	Net sales/ Ordinary profit	Financial KPIs	Net sales/ Ordinary profit	Financial KPIs
Net sales	53,341		56,030		61,000	
Construction materials	17,400	■ Ordinary profit to net sales	18,800	■ Ordinary profit to net sales	21,260	■ Ordinary profit to net sales
Scaffolding material rental	15,265		16,610		16,710	
Home equipment	16,925	5.4%	16,450	5.5%	18,000	7.0%
Electronic equipment	3,751		4,170		5,030	
Ordinary profit	2,874	■ ROE	3,080	■ ROE	4,270	■ ROE
Construction materials	1,410	6.2%	1,602	7.0%	2,551	9.0%
Scaffolding material rental	56		468		248	
Home equipment	1,029	49.8%	731	51.0%	830	50.0%
Electronic equipment	53		190		460	
Adjustments	323		90		180	

Note: Forecasts of future performance including plans and targets in this material are based on assumptions judged to be valid and information available to ALINCO's management at the time the materials were prepared. As such, actual results may differ significantly from these projections resulting from changes in the economic environment and other risks and uncertainties.