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Notice Concerning Revisions to Cumulative Second Quarter Financial Results Forecasts

Based on recent business trends, ALINCO INCORPORATED hereby announces to revise the financial results forecasts for the cumulative second quarter of FY2022, disclosed with the announcement of the financial results for previous fiscal year on April 30 this year, as described below.

1. Revisions to Cumulative Second Quarter Consolidated Financial Results Forecasts for the Current Fiscal Year (March 21, 2021 to September 20, 2021)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent	Consolidated earnings per share
Previously announced forecasts (A)	¥ million 27,290	¥ million 1,400	¥ million 1,490	¥ million 1,010	¥ 52.29
Revised forecasts (B)	26,740	910	1,140	740	38.30
Change (B-A)	△550	△490	△350	△270	
Change (%)	△2.0	△35.0	△23.5	△26.7	
(Reference) Actual consolidated results for the second quarter of previous fiscal year (FY2021/2Q)	25,202	975	1,124	602	30.62

2. Reason for Revision

In the consolidated financial results forecast for cumulative second quarter of FY2022, the net sales, ordinary profit, and quarterly net profit are expected to exceed previous fiscal year of the same period.

However, in terms of profits, consolidated operating profit, consolidated ordinary profit, profit attributable to owners of parent would be lower than the previously announced consolidated financial results forecasts mainly due to beyond expectation increase in multiple costs, such as the rising price of raw materials, including steel and aluminum, the rising procurement cost from abroad, such as shipping cost, due to weaker yen exchange rate, and the cost related to stock acquisition due to the investment in M&A.

Regarding full year consolidated financial results forecasts, there is no plan to revise at this point because we expect the sales of the new ring lock ALBATROSS system ("ALBATROSS") to major construction companies along with increase of sell price in the second half of the year would contribute to improvement of profit rate.

If it is determined that revisions are necessary based on future business performance trends, we would announce it promptly.

Noted that, regarding dividend forecast, there is no change from initial forecast of 20 yen per share for both the end of the second quarter and the end of the fiscal year.

(Note)

Forecasts of future performance in these materials are based on assumption judged to be valid and information available to the ALINCO's management at the time the materials were prepared. Actual results may differ materially from the forecasts for a number of reasons.