

Financial Results
for 2Q FY2025

総合警備保障株式会社

SOHGO SECURITY SERVICES CO., LTD.

証券コード 2331 (東京証券取引所 プライム市場)
Securities Code: 2331(TSE Prime Market)



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1. Revenue increased but profit decreased year on year. Net sales was according to the performance forecast but underperformed in each profit stage.

- Net sales was a record high, achieving the performance forecast.
- Profit was below the estimates due to earlier response to the end of 3G transmission, increased allowance for doubtful accounts, etc.

2. Promote initiatives for achieving the financial goals of the Medium-Term Management Plan (GD2025).

- Demand for security services is on a steady trend due to the normalization of social activities.
- Achieved a high growth rate that exceeds the same period in the previous year for net sales.

3. ALSOK Group Initiatives

- Initiatives related to Rescue Service, M&A, etc. (business expansion responding to diversifying needs).
- Price revision of electronic security service, etc.

1 Financial Results for 2Q FY2025

2 Business Forecast

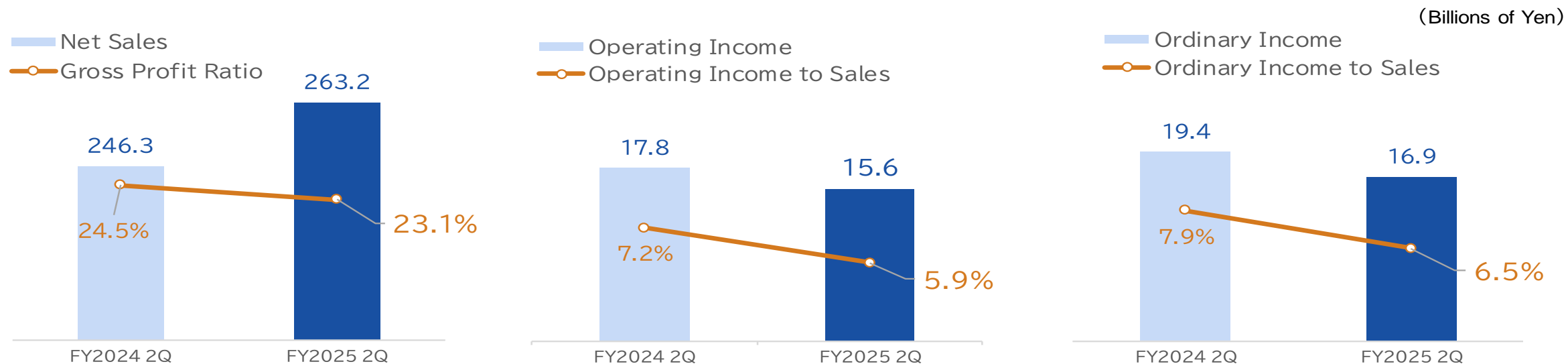
3 ALSOK Group Initiatives

1 Financial Results for 2Q FY2025

2 Business Forecast

3 ALSOK Group Initiatives

Net Sales and Income



YoY/Gap

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	246.3	263.2	16.9	6.9%
Operating Income	17.8	15.6	(2.2)	(12.5%)
Ordinary Income	19.4	16.9	(2.4)	(12.4%)
Profit Attributable to Owners of Parent	11.8	10.0	(1.7)	(14.9%)

FY2025 2Q Business Forecast	Gap	Achievement Ratio
262.1	1.1	100.5%
16.1	(0.4)	96.9%
17.6	(0.6)	96.6%
11.3	(1.2)	89.3%

YoY/Gap

Net Sales

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Security Services	184.6	190.4	5.7	3.1%
Facility Management Services etc.	33.0	33.2	0.2	0.6%
Long-term Care Services	25.2	26.4	1.2	5.0%
Overseas Services	3.3	13.1	9.7	286.6%
Total	246.3	263.2	16.9	6.9%

Operating Income・Operating Income to Sales

FY2024 2Q		FY2025 2Q	
19.2	10.4%	17.2	9.0%
2.8	8.7%	2.7	8.4%
0.6	2.7%	0.8	3.1%
(0.3)	—	(0.3)	—
17.8	7.2%	15.6	5.9%

Net Sales of Security Segment

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Electronic Security Services	80.5	82.8	2.2	2.8%
HOME ALSOK Services	11.3	11.8	0.4	4.2%
Stationed Security Services	59.0	60.1	1.0	1.8%
Transportation Security Services	33.6	35.5	1.8	5.6%

* Company-wide expenses that cannot be attributed to any specific reportable segment have been omitted.

(Reference) Net Sales by Previous Business Segment

YoY

Net Sales

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Security Services	184.9	193.7	8.8	4.8%
Facility Management Services etc.	33.7	36.0	2.3	6.9%
Long-term Care Services	25.2	26.4	1.2	5.0%
Other Services	2.5	6.9	4.4	176.4%
Total	246.3	263.2	16.9	6.9%

Operating Income · Operating Income to Sales

FY2024 2Q		FY2025 2Q	
18.3	9.9%	16.5	8.5%
2.9	8.6%	2.7	7.5%
0.6	2.7%	0.8	3.1%
0.4	18.3%	0.4	6.1%
17.8	7.2%	15.6	5.9%

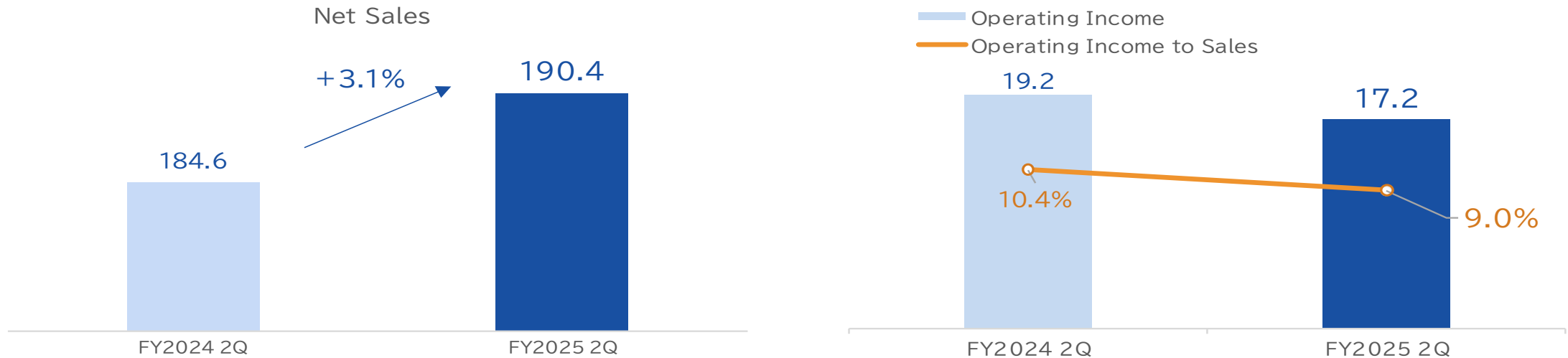
* Company-wide expenses that cannot be attributed to any specific reportable segment have been omitted.

Net Sales of Security Segment

	FY2024 2Q	FY2025 2Q	YoY	Change
Electronic Security Services	89.7	92.4	2.6	3.0%
Stationed Security Services	61.4	65.7	4.2	7.0%
Transportation Security Services	33.6	35.5	1.8	5.6%

Net Sales

(Billions of Yen)



YoY/Gap

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	184.6	190.4	5.7	3.1%
Contract Sales	165.1	169.7	4.6	2.8%
Construction Sales	3.1	3.6	0.4	14.3%
Equipment Sales	16.3	17.0	0.6	4.1%
Operating Income	19.2	17.2	(1.9)	(10.3%)
Operating Income to Sales	10.4%	9.0%	—	—

Security Services Overview of Electronic Security Services & HOME ALSOK Services

Net Sales

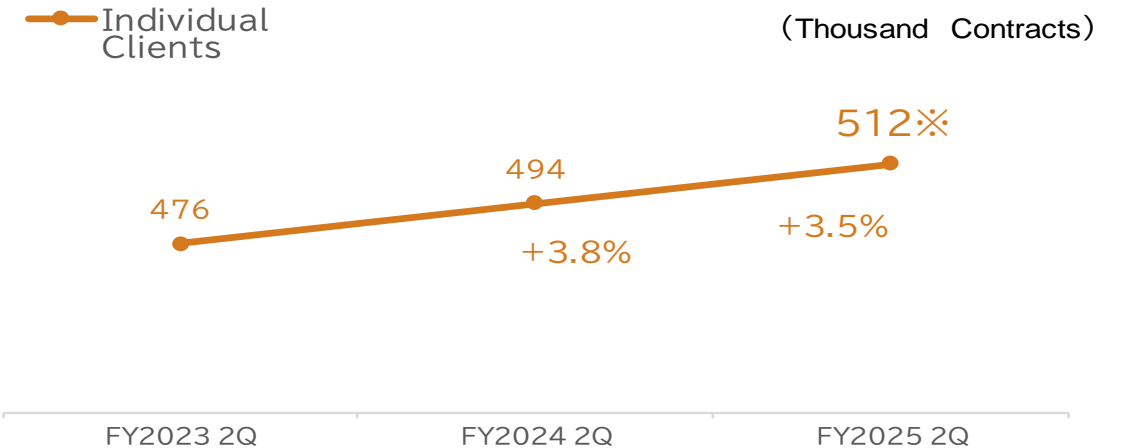
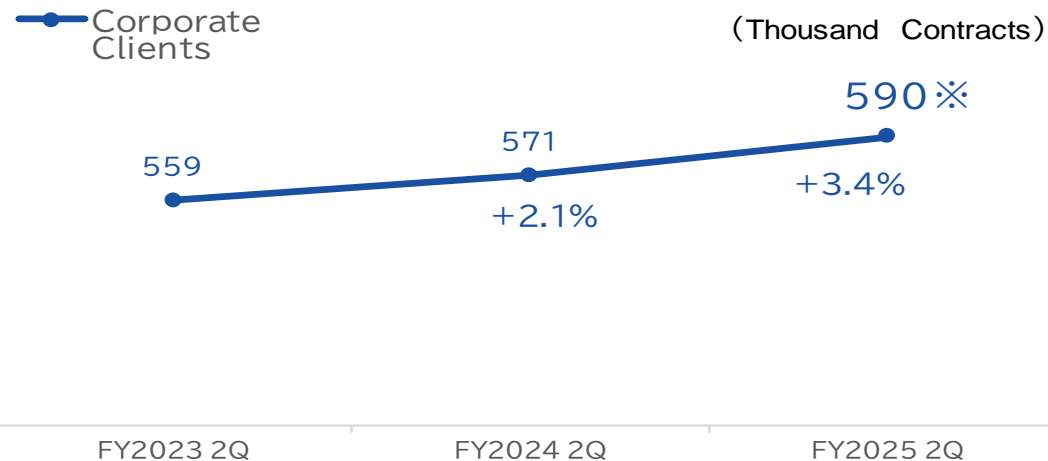
Electronic Security Services

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	80.5	82.8	2.2	2.8%
Contract Sales	63.6	65.0	1.3	2.1%
Construction Sales	2.8	3.3	0.4	14.1%
Equipment Sales	14.0	14.5	0.5	3.7%

HOME ALSOK Services

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	11.3	11.8	0.4	4.2%
Contract Sales	9.0	9.4	0.3	4.4%
Construction Sales	0.2	0.2	(0.0)	(9.2%)
Equipment Sales	2.0	2.2	0.1	5.3%

Trends in The Number of Contracts



*Including the number of Hokuriku Sohgo Security Co., Ltd. and Nihon Guard Co., Ltd

*Including the number of Hokuriku Sohgo Security Co., Ltd. and Nihon Guard Co., Ltd

Security Services Overview of Stationed Security Services & Transportation Security Services

Net Sales

Stationed Security Services

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	59.0	60.1	1.0	1.8%

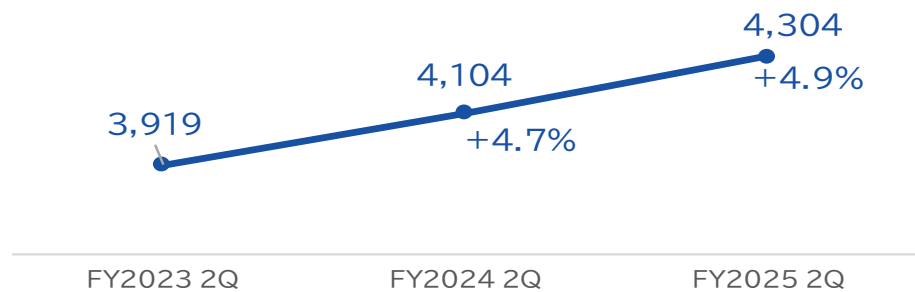
Transportation Security Services

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	33.6	35.5	1.8	5.6%

Trends in The Number of Contracts

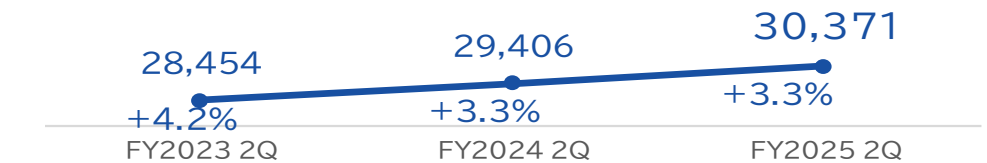
Long-term Contracts

(Contracts)

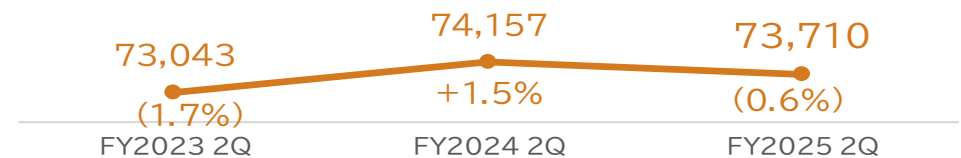


Cash Deposit and Dispenser Machine
On- line System

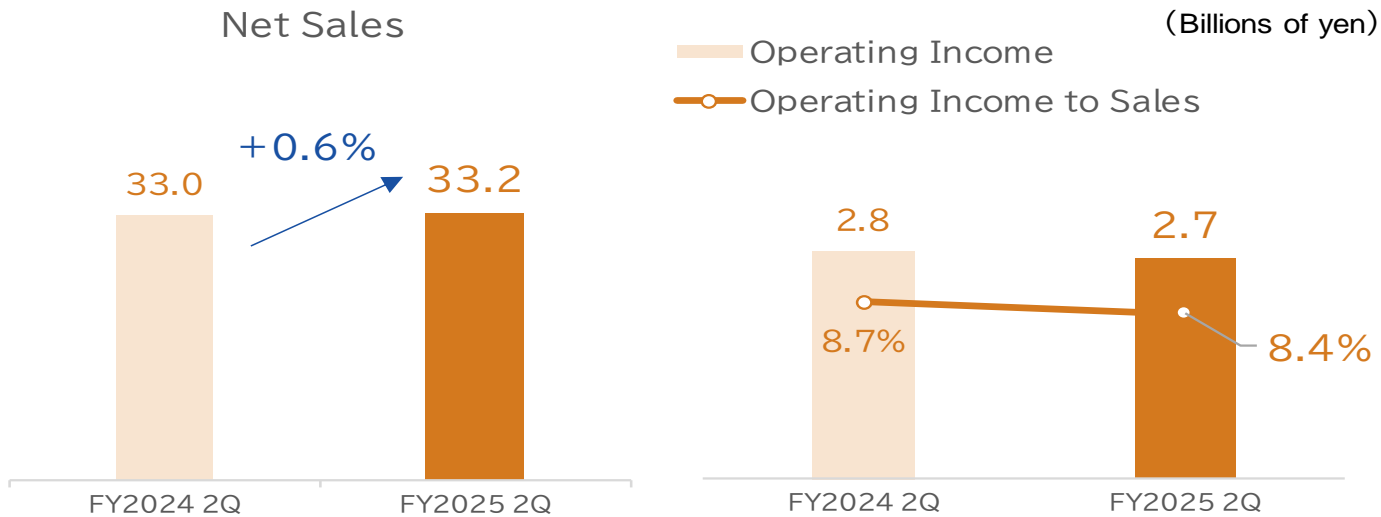
(Units)



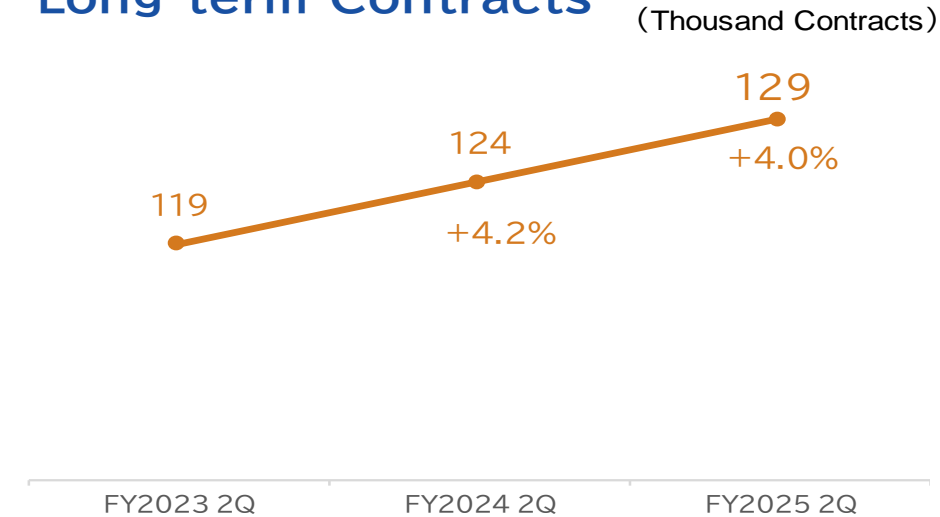
ATM Management System



Net Sales/Operating Income



Trends in The Number of Long-term Contracts

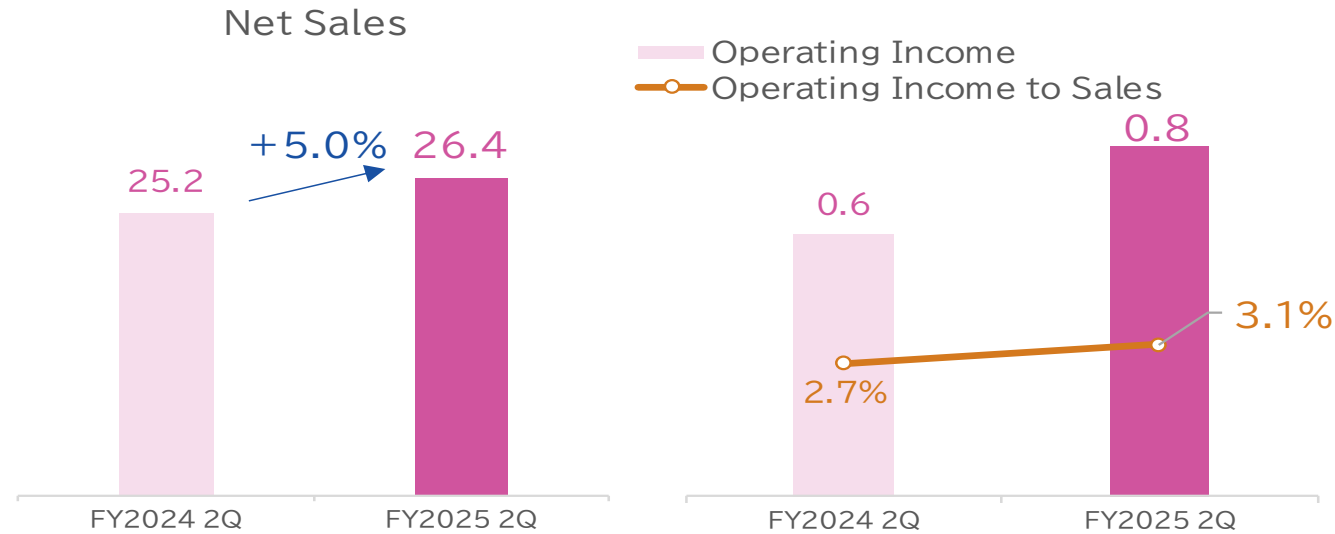


YoY/Gap

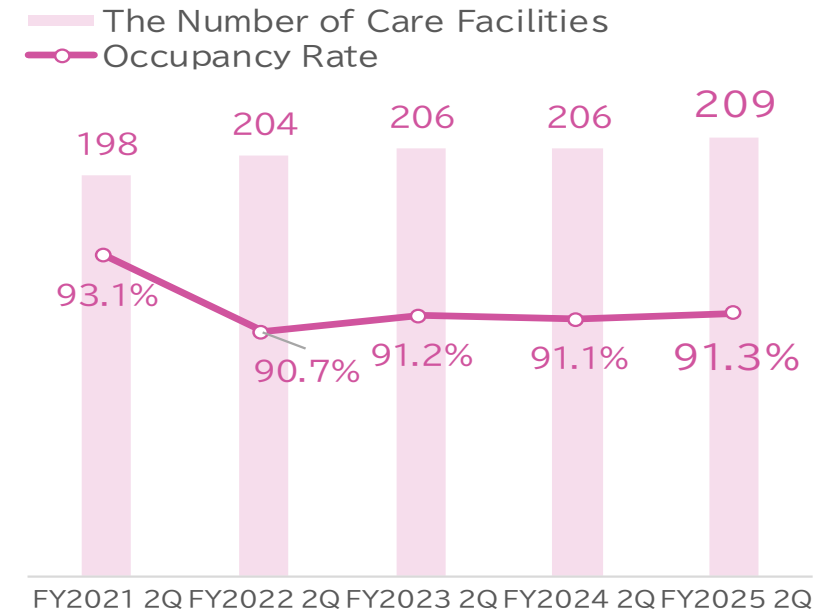
(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	33.0	33.2	0.2	0.6%
Contract Sales	16.8	18.0	1.1	6.9%
Construction Sales	10.3	9.4	(0.8)	(8.6%)
Equipment Sales	5.8	5.8	(0.0)	(1.2%)
Operating Income	2.8	2.7	(0.0)	(2.8%)
Operating Income to Sales	8.7%	8.4%	-	-

Net Sales/Operating Income

(Billions of Yen)



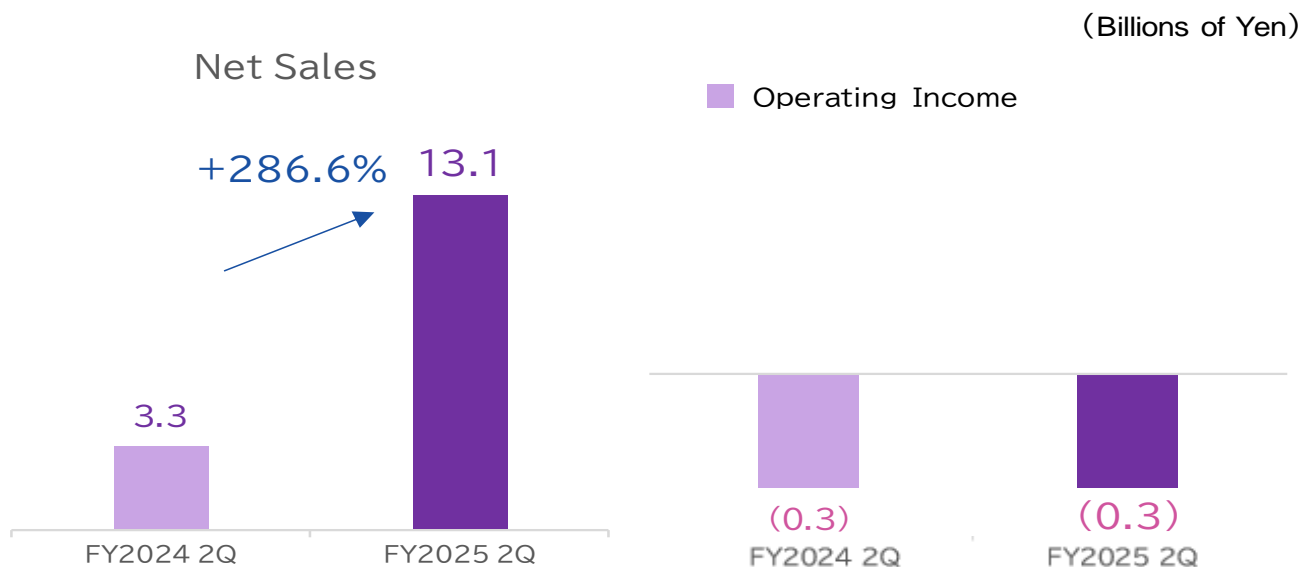
Trends in The Number of Care Facilities/ Occupancy Rate of Care Facilities



YoY/Gap

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	25.2	26.4	1.2	5.0%
Operating Income	0.6	0.8	0.1	19.3%
Operating Income to Sales	2.7%	3.1%	—	—

Net Sales/Operating Income



Services provided in each country

Country	Provided Services					
	Electronic Security	Security equipment Sales & installation	Stationed Security	Security Consulting	Facility Management	AED Sales
Thai	○	○	○	○	○	○
Vietnam	○	○	○	○	—	○
Indonesia	○	○	○	○	○*	○
India	—	○	○	○	○	○
Myanmar	○	○	○	○	○	○
Bangladesh	—	○	○	○	—	—

*Temporary staff providing services are also provided.

YoY/Gap

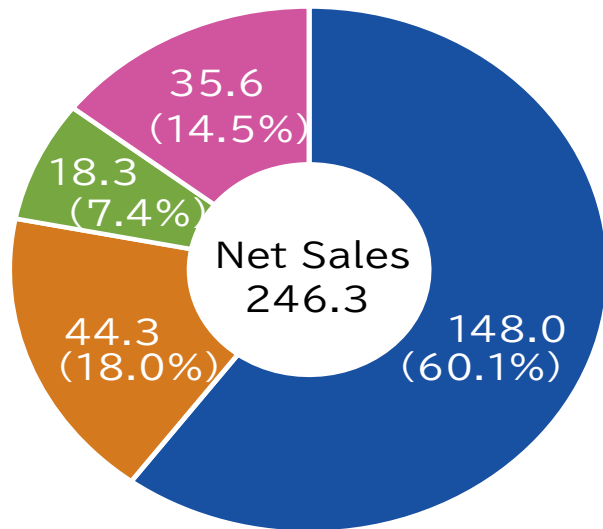
(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	3.3	13.1	9.7	286.6%
Operating Income	(0.3)	(0.3)	(0.05)	—

Net Sales

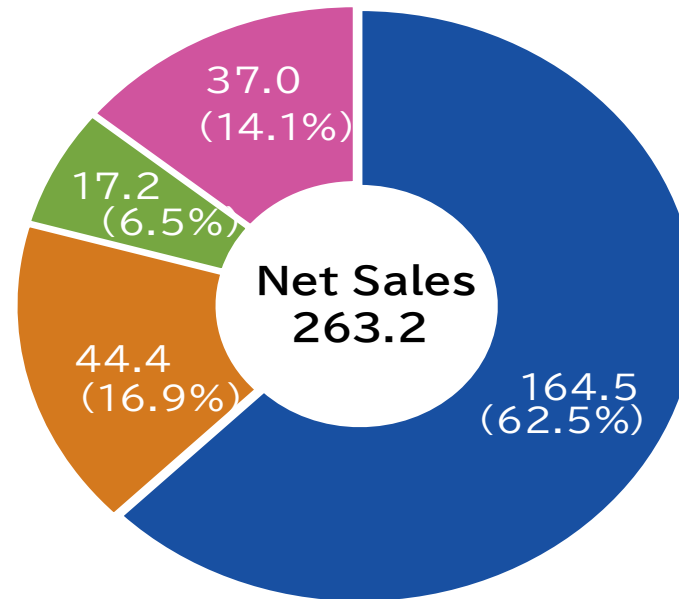
()Sales
Composition

(Billions of Yen)

FY2024 2Q



FY2025 2Q

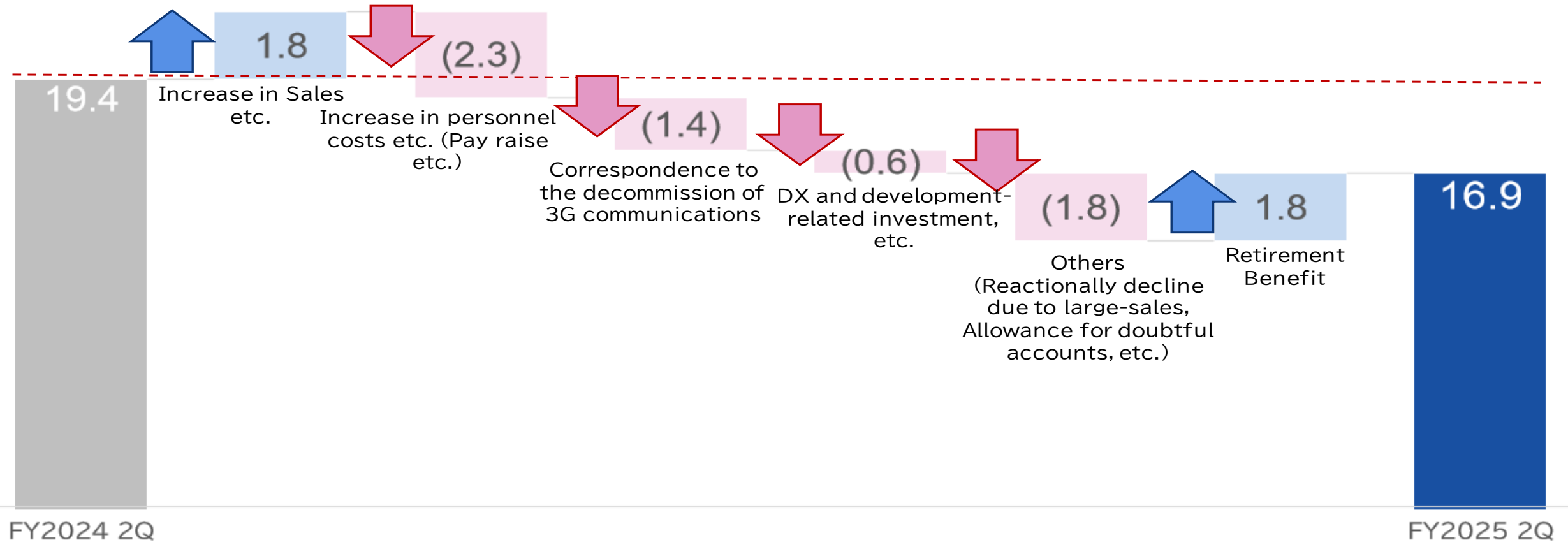


- Business Corporations
- Financial Institutions
- Government Offices
- Individuals

Results

(Billions of Yen)	FY2024 2Q	FY2025 2Q	YoY	Change
Net Sales	246.3	263.2	16.9	6.9%
Cost of Sales	185.9	202.3	16.4	8.8%
Labor Cost	88.5	100.2	11.7	13.3%
Expense	27.8	27.8	(0.0)	(0.0%)
Depreciation	7.2	8.0	0.7	10.7%
Others	32.9	36.8	3.9	11.9%
Cost of Product Sold&Installation	29.2	29.2	(0.0)	(0.2%)
SG&A	42.6	45.3	2.6	6.3%
Advertising Expenses	1.1	1.5	0.3	29.3%
Personnel Cost	26	27.2	1.2	4.7%
Depreciation	1.7	1.8	0.0	4.8%
Others	13.6	14.6	1.0	7.7%
Operating Income	17.8	15.6	(2.2)	(12.5%)

(Billions of Yen)



Consolidated Balance Sheet

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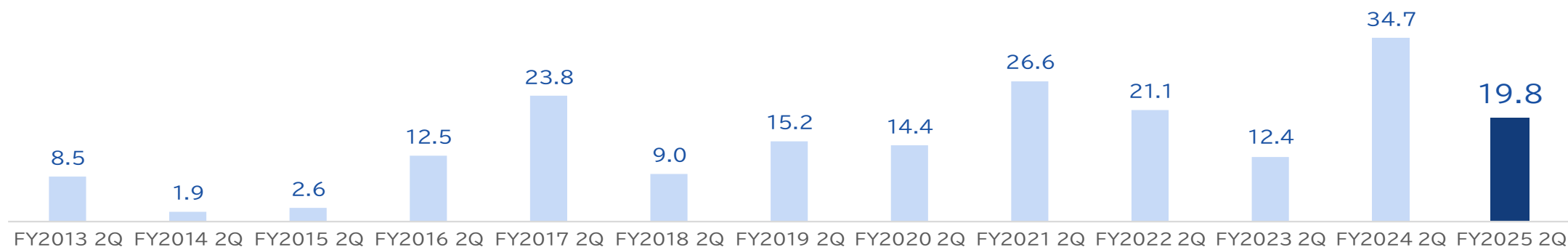
(Billions of Yen)	FY2024	FY2025 2Q	YoY	(Billions of Yen)	FY2024	FY2025 2Q	YoY
Current assets	252.0	251.7	(0.3)	Current liabilities	100.4	110.8	10.3
Cash and deposits	76.9	68.4	(8.5)	Notes and accounts payable	28.5	20.9	(7.5)
Cash for Transportation Security Services and paid	74.2	87.2	13.0	Short-term loans payable	7.7	26.0	18.3
Notes and accounts receivable-trade, and contract assets	69.0	60.6	(8.3)	Other	64.2	63.8	(0.4)
Other	31.8	35.3	3.5				
				Noncurrent liabilities	80.4	79.0	(1.4)
Noncurrent assets	315.5	313.8	(1.6)	Long-term loans payable	1.6	1.4	(0.2)
Property, plant, and equipment	120.3	122.1	1.8	Retirement benefit liability	26.8	26.7	(0.1)
Intangible assets	40.6	38.5	(2.1)	Other	51.9	50.9	(1.0)
Investments and other assets	154.4	153.1	(1.3)				
				Total liabilities	180.9	189.9	8.9
				Shareholder's equity	322.0	309.9	(12.1)
				Accumulated other comprehensive income	30.8	29.2	(1.5)
				Non-controlling interests	33.6	36.4	2.8
				Total net assets	386.5	375.6	(10.9)
Total assets	567.5	565.6	(1.9)	Total liabilities and net assets	567.5	565.6	(1.9)

Results

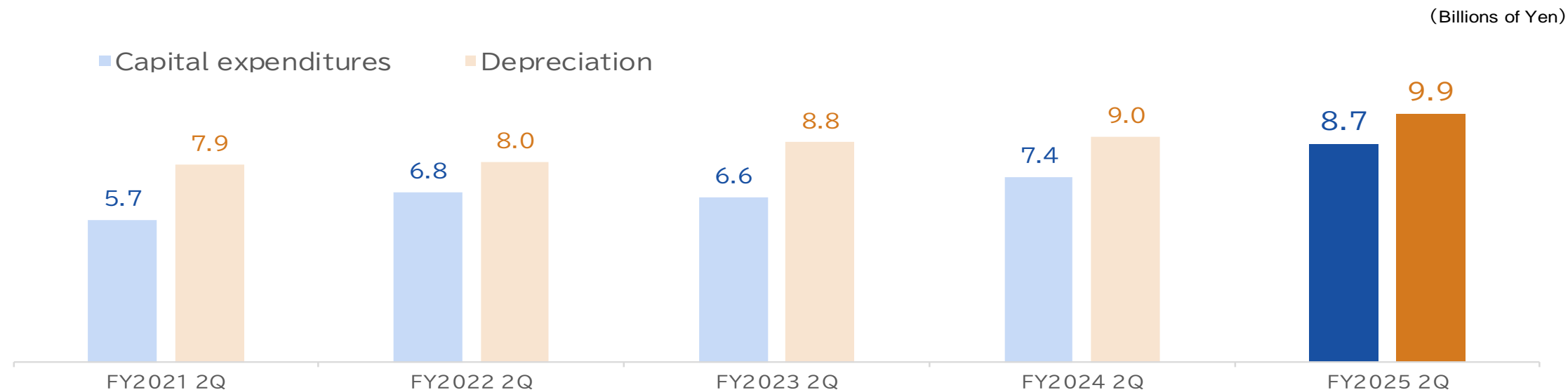
Billions of Yen	FY2024 2Q	FY2025 2Q	YoY	Change
Net cash provided by (used in) operating activities	34.7	19.8	(14.9)	(43.0%)
Net cash provided by (used in) investing activities	(7.3)	(4.4)	2.8	-
Net cash provided by (used in) financing activities	(12.9)	(25.3)	(12.3)	-
Cash and cash equivalents at end of period	66.0	59.2	(6.7)	(10.3%)
Free cash flow	27.3	15.3	(12.0)	(44.0%)

Trends in Net Cash Provided by Operating Activities

(Billions of Yen)



Trends in Capital Expenditures·Depreciation



YoY·Gap

Billions of Yen	FY2024 2Q	FY2025 2Q	YoY	Change
Capital Expenditures	7.4	8.7	1.3	17.4%
Depreciation	9.0	9.9	0.8	9.5%

1

Financial Results for 2Q FY2025

2

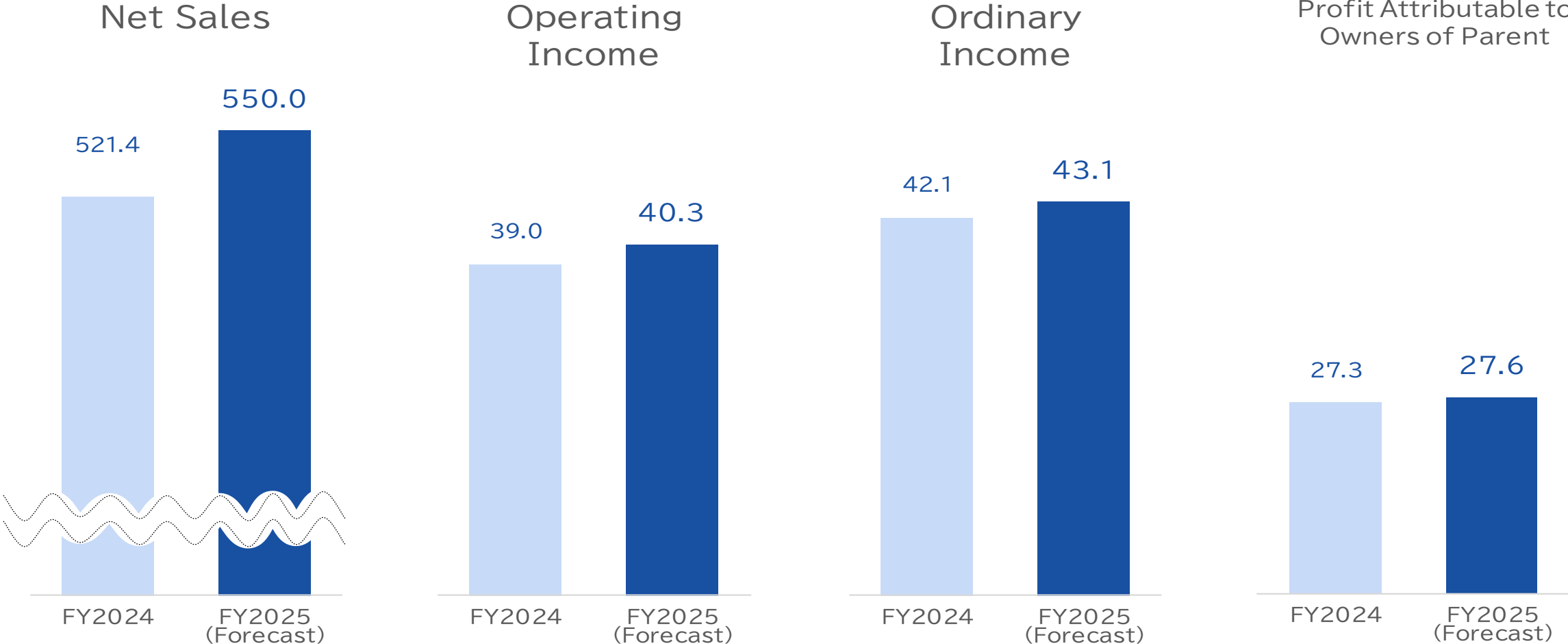
Business Forecast

3

ALSOK Group Initiatives

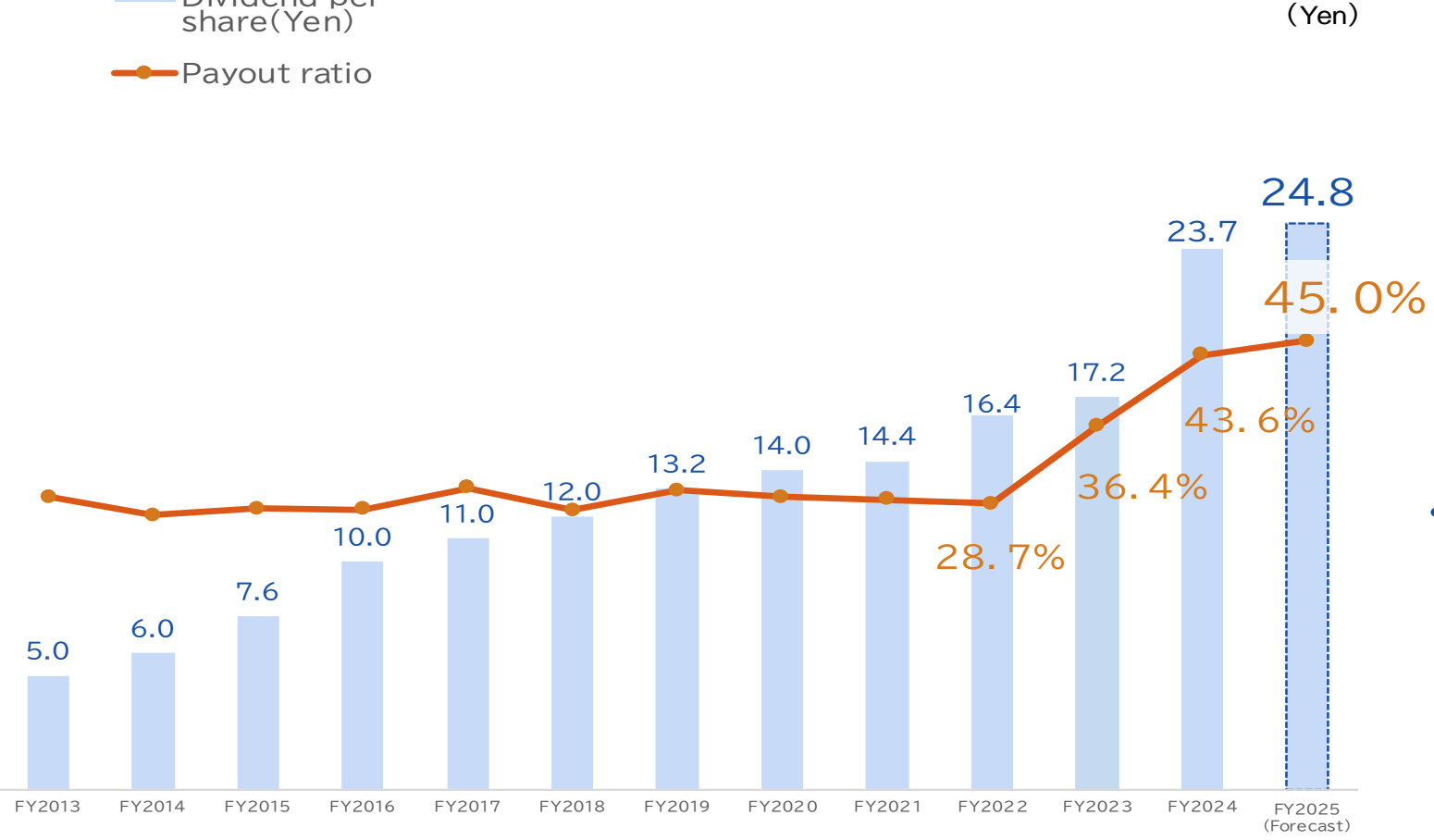
Business Forecast for FY2025

(Billions of Yen)



Dividend per share(Yen)

Dividend per share(Yen)
Payout ratio



FY2025(Forecast)

24.8yen/year
(12.4Yen)Interim
(12.4Yen)Year-end

*Subject to change due to fluctuations in business performance.

Acquisition of Treasury Stock

We acquired treasury stock from May to September 2024.
We will continue to make comprehensive judgements according to the business environment.

1

Financial Results for 2Q FY2025

2

Business Forecast

3

ALSOK Group Initiatives

■ New Services Utilizing Electronic Security Infrastructure

- Launched nationwide Rescue Service in July 2024 -

- Coordination between ALSOK and experts. A service that guards rush to the site to determine the cause and provides emergency response 24 hours a day, 365 days a year.

■ALSOK Facility Rescue

- Responding to facility problems in buildings and apartments, etc.



■ALSOK IT Rescue

- Responding to IT equipment problems

【Rescue service concept】

24-hour, 365-day
On-call Service



Solving problems
through DX
collaboration with
experts

- ▶ Helps resolve social issues
(labor shortages, aging equipment, etc.)

M&A and other initiatives

- Achieve business expansion that responds to diversifying needs -

Topics①

Research Institute of Scientific Nursing Care Inc.

- Joint investment in September 2024 -

ORole

- Build a research platform for the nursing and caregiving fields.
→Advancement of services through a scientific approach.
→Contribute to solving issues in the nursing and caregiving fields in a super-aged society.



Topics②

Kanso Co., Ltd.

- Released in September 2024 -

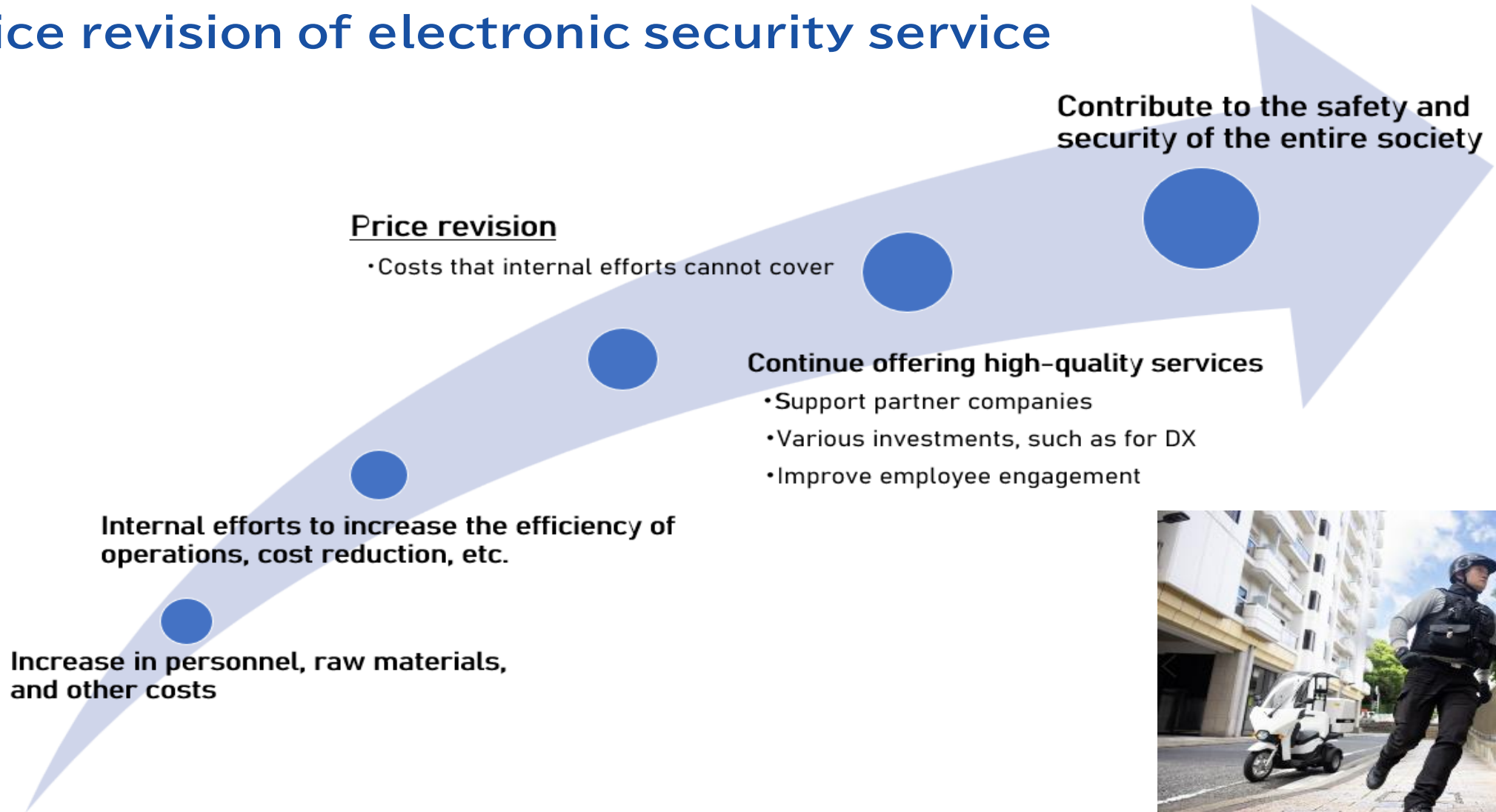
OPurpose

- Strengthen the foundation of FM Business mainly in the Kansai area
(many employees certified as electricians, fire protection engineers, etc.)

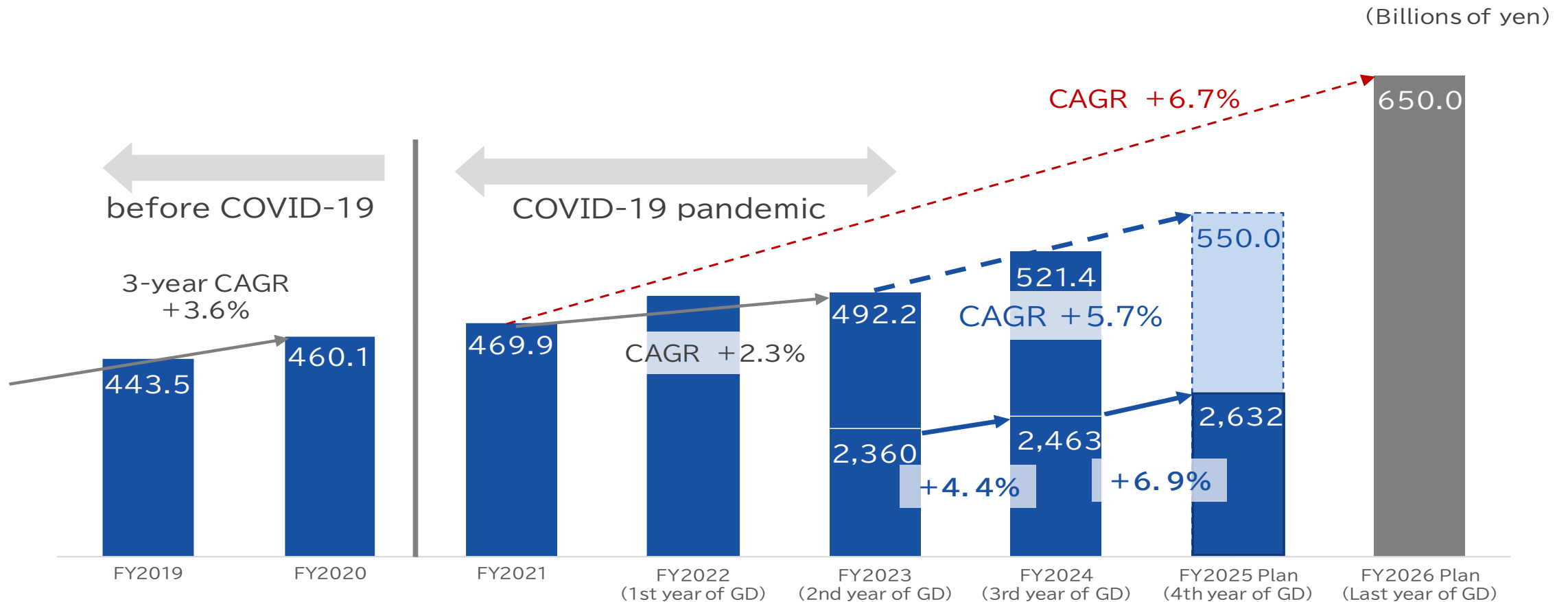
OCompany Profile

Company name	Kanso Co., Ltd.
Head office address	1-4-4 Hanazonominami, Nishinari-ku, Osaka-shi, Osaka
Establishment	April, 1974
Capital	¥0.1 billion
Net Sales	Approx. ¥ 6.9 billion (FY2024)
Number of Employees	1,250
Main business	• Building maintenance services • Security services etc.

Price revision of electronic security service



Progress on GD2025



*The above graph shows trends in net sales

Figures regarding the company's current plans and strategies that are not historical facts are forecasts of future performance, which contain risks and uncertainty.

Actual performance may differ widely from these figures as a result of economic conditions, competitive situation, progress in technology and other factors. Investors are advised to use independent judgement before making any investment.

In accordance with accounting standards, only prior-year results have been reclassified for past business segment results.