



Interim Financial Results for FYE3/08

ALSO

November 16, 2007

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Section 1

Summary of Interim Financial Results

Summary of P/L

(Unit:¥ billion)	1H FYE3/08	1H FYE3/07	YoY	Change(%)
S a l e s	139.7	135.8	3.9	2.9%
Gross profit	37.9	36.8	1.2	3.2%
Operating profit	8.8	8.4	0.4	5.0%
Recurring profit	9.6	9.2	0.4	4.4%
Net income	4.6	5.0	- 0.3	- 6.9%

Comparison with Business Forecasts

(Unit:¥ billion)	1H FYE3/08	Original Plan	GAP	Achievement Ratio(%)
S a l e s	139.7	140.0	- 0.2	99.8%
Gross profit	37.9	38.5	- 0.6	98.5%
Operating profit	8.8	9.1	- 0.3	97.1%
Recurring profit	9.6	10.0	- 0.4	96.3%
Net income	4.6	4.8	- 0.1	97.6%

Quarterly Figures

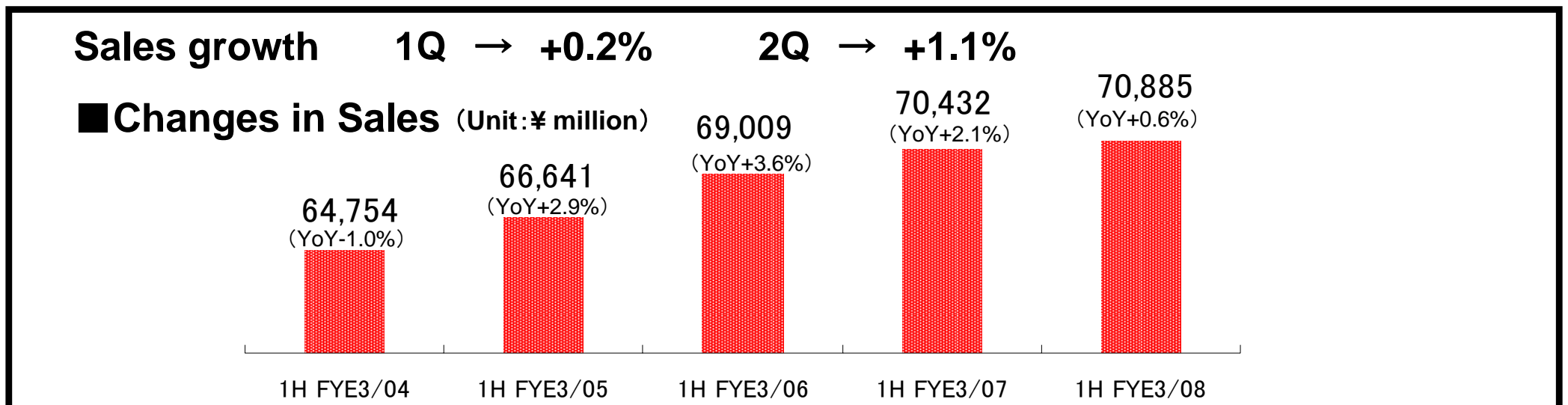
(Unit: ¥ billion)	1Q FYE3/08	Change(%)	2Q FYE3/08	Change(%)
Total Sales	68.3	2.2%	71.3	3.6%
Electronic Security Services	34.8	0.2%	36.0	1.1%
Stationed Security Services	17.5	2.7%	18.4	2.8%
Transportation Security Services	11.6	6.9%	11.5	5.3%
Other Services	4.3	5.5%	5.4	21.8%

Sales by Client Industry

(Unit:¥ billion)	1H FYE3/08 (% of Total Sales)	1H FYE3/07 (% of Total Sales)	YoY	Change(%)
Financial institutions	42.5 (30.5%)	42.1 (31.1%)	0.4	1.0%
Business corporations	80.6 (57.7%)	78.2 (57.6%)	2.4	3.1%
Government offices	12.1 (8.7%)	11.4 (8.4%)	0.7	6.2%
Individuals	4.4 (3.2%)	3.9 (2.9%)	0.4	10.9%
T o t a l	139.7 (100.0%)	135.8 (100.0%)	3.9	2.9%

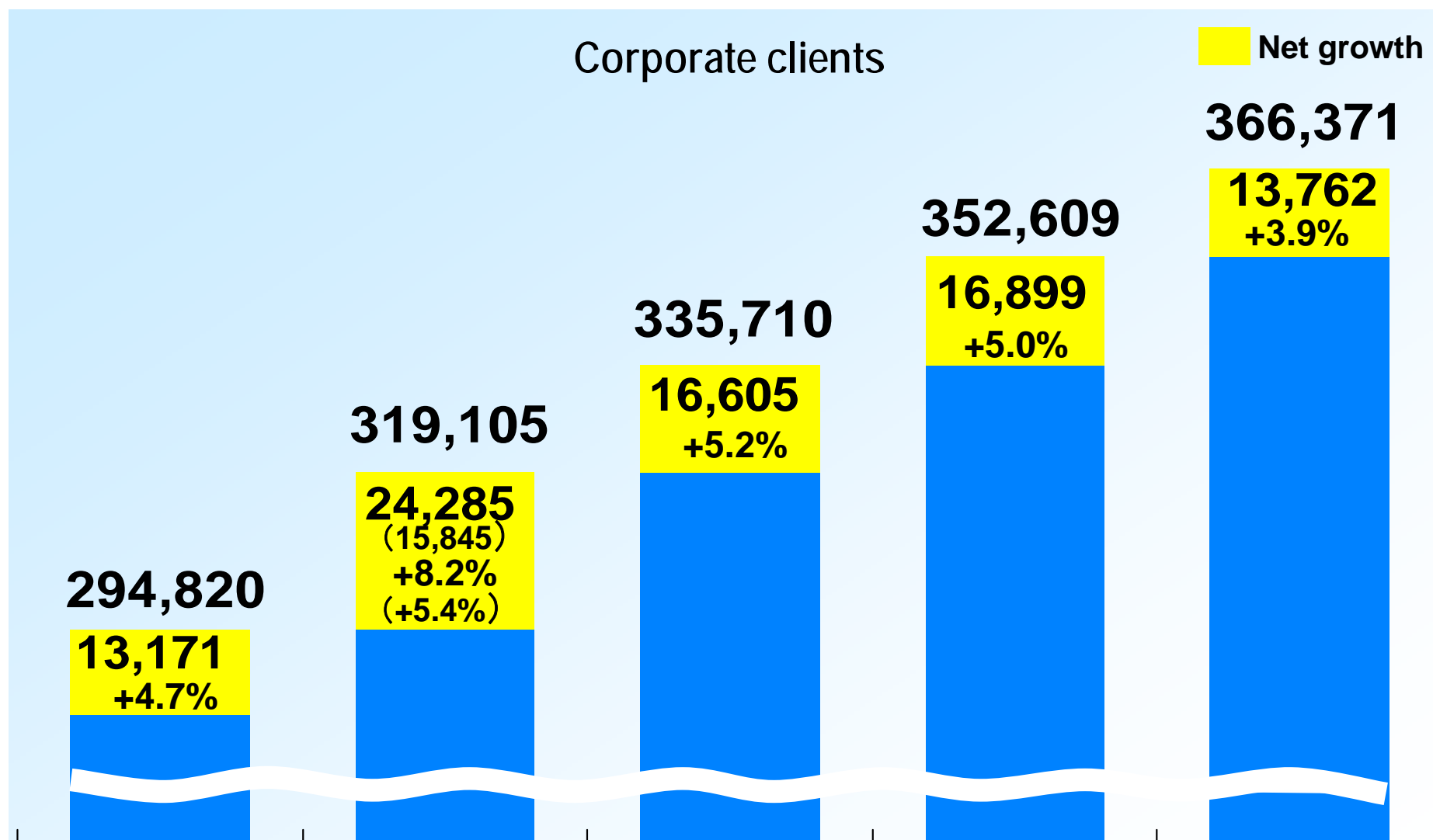
Overview of Electronic Security Services

(Unit:¥ billion)	1H FYE3/08	1H FYE3/07	YoY	Change(%)
S a l e s	70.8	70.4	0.5	0.6%
(% of Total Sales)	(50.7%)	(51.8%)		
Number of contracts	476,018	449,101	26,917	6.0%
Corporate clients	366,371	352,609	13,762	3.9%
Individual clients	109,647	96,492	13,155	13.6%



Increase in Contracts of Electronic Security Services

Electronic Security Services for corporate clients → stable growth



1H FYE3/04 1H FYE3/05 1H FYE3/06 1H FYE3/07 1H FYE3/08

Fukushima Sohgo Security Services Co., Ltd. has become a wholly owned subsidiary of ALSOK in FYE3/05. The numbers stated inside the () are net growth excluding the number of contracts executed by Fukushima Sohgo Security Services Co., Ltd.

Trends in Electronic Security Services for Corporate Clients

- Average price

Newly booked contract prices are rising

- Price reduction

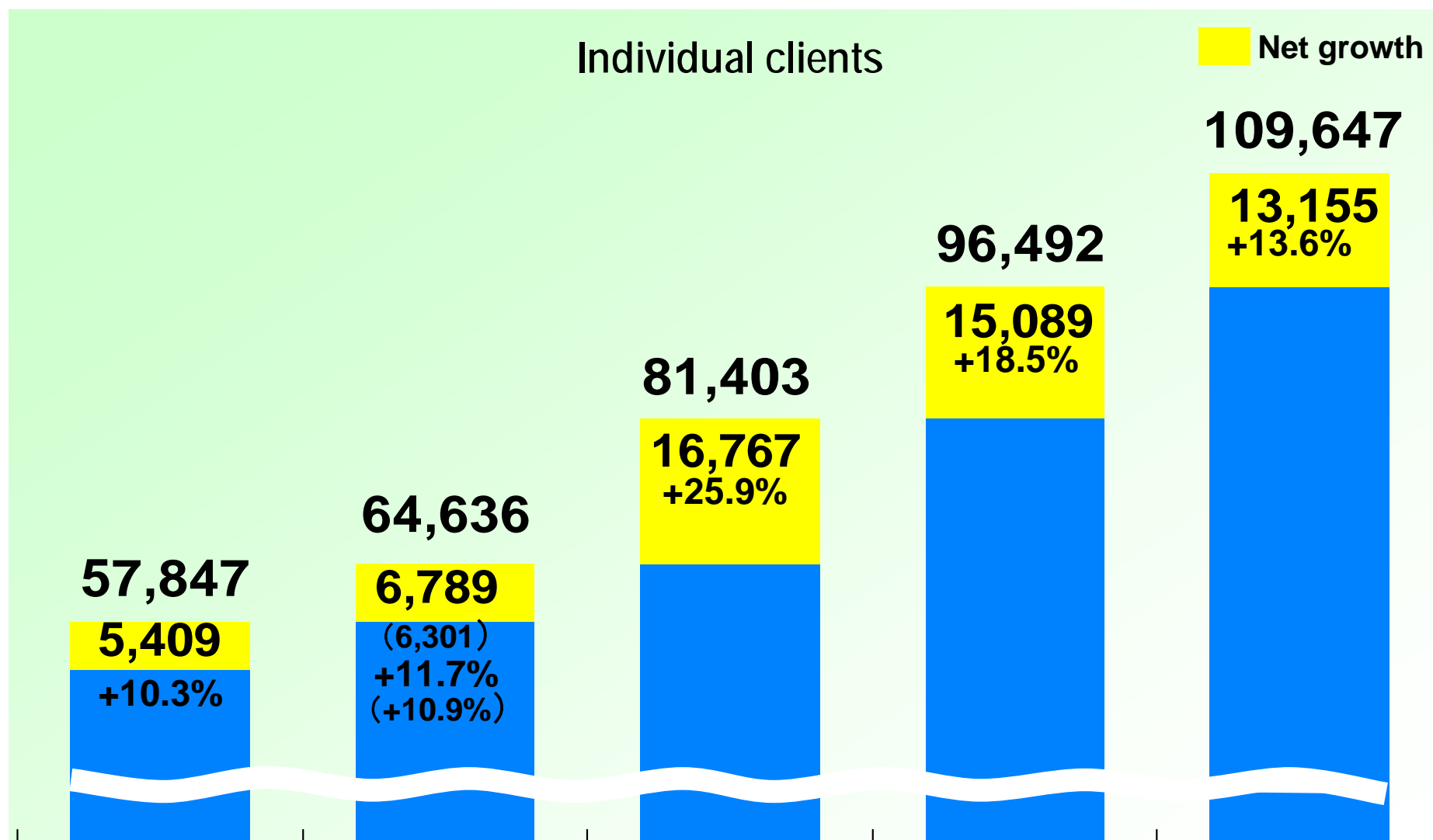
Demands for price reduction remains on a declining trend

- Cancellation

Cancellation rate still flat

Increase in Contracts of Electronic Security Services

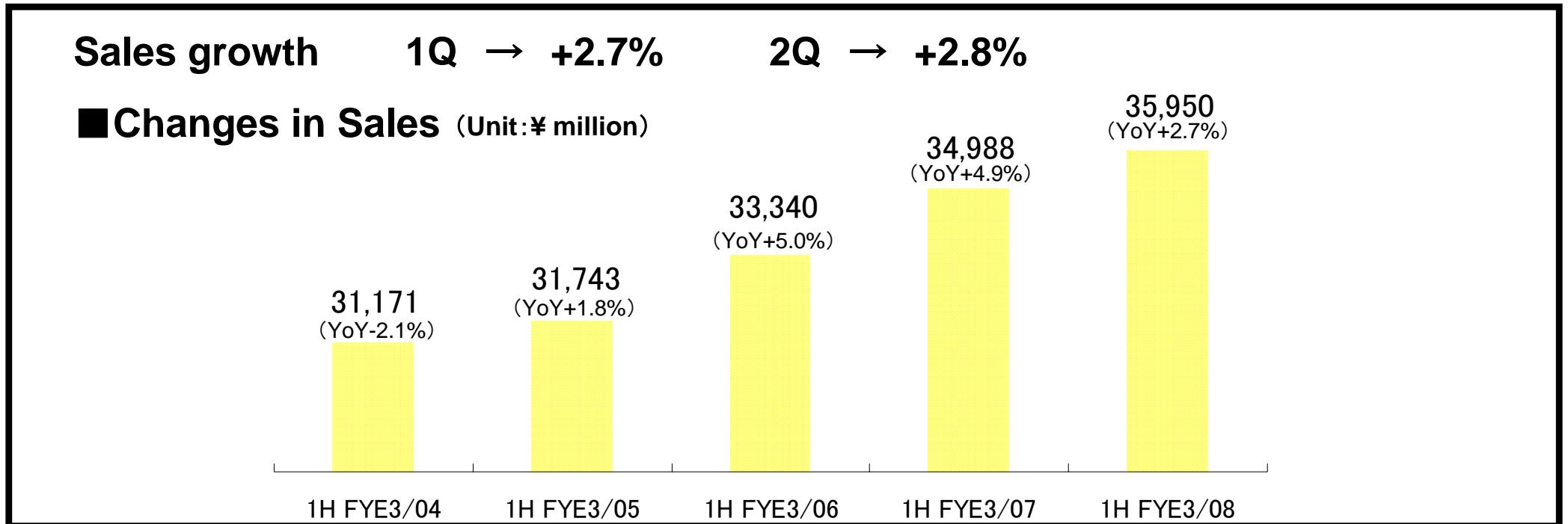
Electronic Security Services for individual clients → high growth



1H FYE3/04 1H FYE3/05 1H FYE3/06 1H FYE3/07 1H FYE3/08
 Fukushima Sohgo Security Services Co., Ltd. has become a wholly owned subsidiary of ALSOK in FYE3/05. The numbers stated inside the () are net growth excluding the number of contracts executed by Fukushima Sohgo Security Services Co., Ltd.

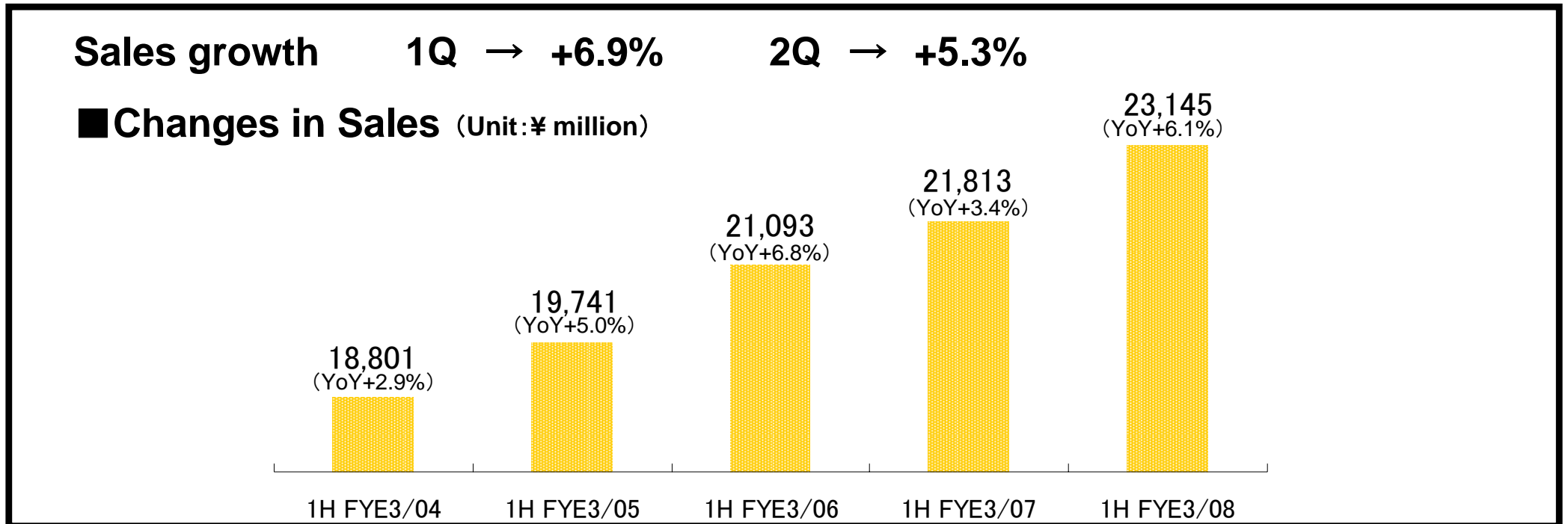
Overview of Stationed Security Services

(Unit:¥ billion)	1H FYE3/08	1H FYE3/07	YoY	Change(%)
S a l e s (% of Total Sales)	35.9 (25.7%)	34.9 (25.8%)	1.0	2.7%
Number of contracts	2,938	2,808	130	4.6%

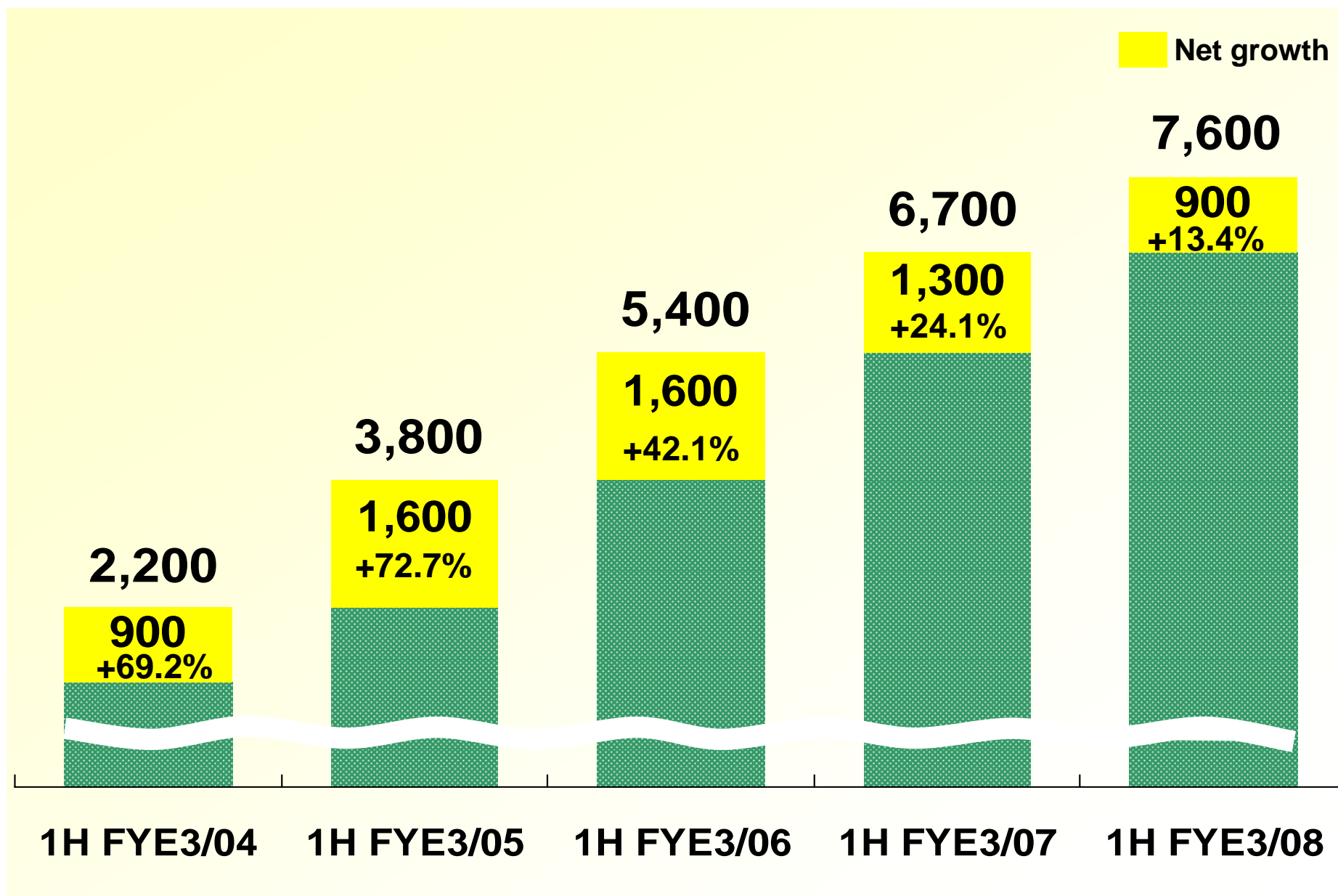


Overview of Transportation Security Services

(Unit:¥ billion)	1H FYE3/08	1H FYE3/07	YoY	Change(%)
S a l e s	23.1	21.8	1.3	6.1%
(% of Total Sales)	(16.6%)	(16.1%)		
Number of contracts	33,030	31,785	1,245	3.9%



Increase in Contracts of Cash Deposit Machine On-line System



Overview of Other Services

(Unit:¥ billion)	1H FYE3/08	1H FYE3/07	YoY	Change(%)
S a l e s (% of Total)	9.8 (7.0%)	8.5 (6.3%)	1.2	14.0%
Number of contracts	58,216	58,755	- 539	- 0.9%

Sales growth 1Q → +5.5% 2Q → +21.8%

■ Topics

Number of contracts of AED (Automated external defibrillator) increased

→ 1H FYE3/08 3,723 contracts
(1H FYE3/07 1,251 contracts)



Major Changes in P/L

Sales + ¥3.9 billion (YoY+2.9%)

Cost of sales + ¥2.8 billion (YoY+2.8%)

<Major items>

Labor costs	+ ¥1.3 billion
Lease payments	+ ¥0.9 billion
Outsourcing costs	+ ¥0.7 billion

SG&A + ¥0.8 billion (YoY+2.6%)

<Major items>

Personnel costs	+ ¥1.0 billion
Depreciation	+ ¥0.2 billion
Others	- ¥0.4 billion

Operating profit + ¥0.4 billion (YoY+5.0%)

Others

Number of employees

(Unit: person)

1H FYE3/06	1H FYE3/07	1H FYE3/08
24,813	25,376	26,113

Capital expenditures

(Unit: ¥ billion)

1H FYE3/06	1H FYE3/07	1H FYE3/08
6.2	5.5	4.6

Depreciation

(Unit: ¥ billion)

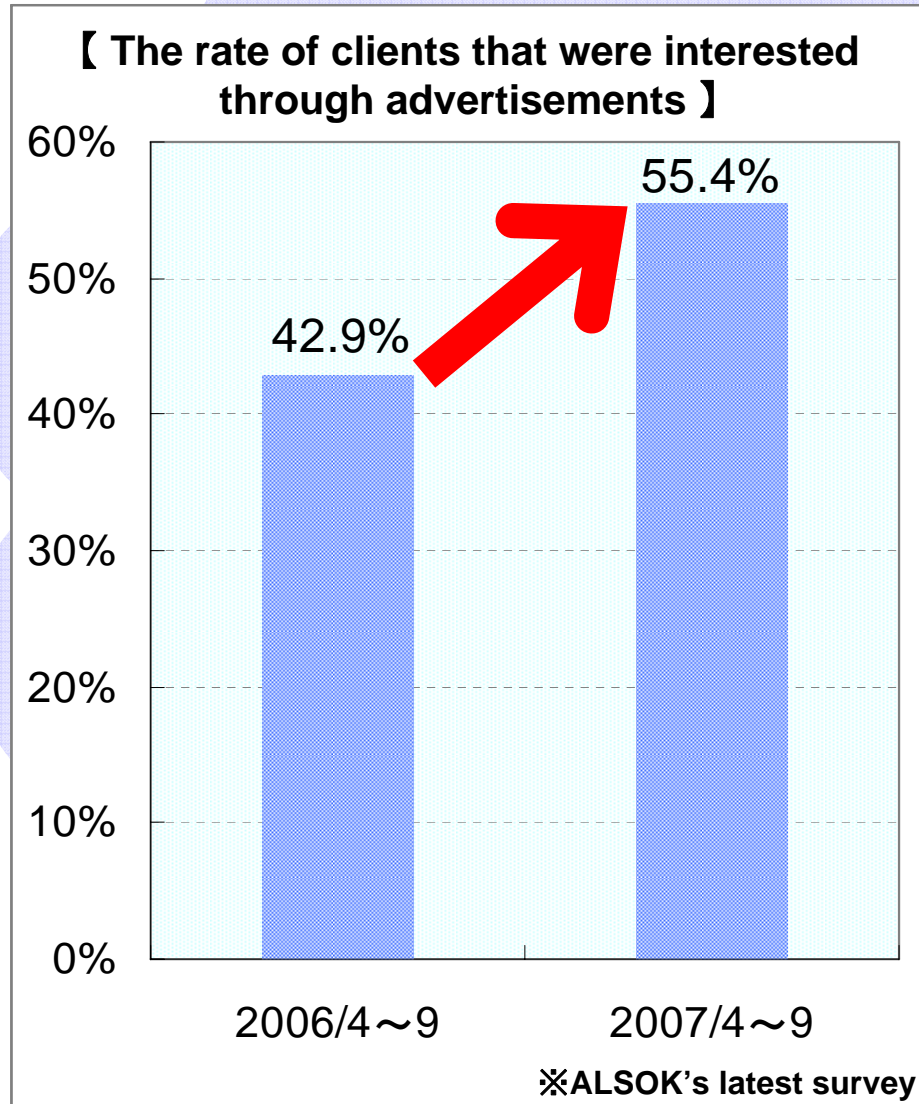
1H FYE3/06	1H FYE3/07	1H FYE3/08
5.1	4.8	5.2

Section 2

Measures for Expansion

Reinforcing Advertisements

★ Promote further improved visibility!!



New TV CF for the fall season

New Website and Mobile-phone Website

★ New Website Relunched on November 1, 2007



【Relaunch point】

Improved the usability

1 Improvement in page exit ratio (from the front page)

2 Quick directions to the Home Security pages

3 Improvement in number of brochure requests

ALSOKニュース	ALSOKから大事なお知らせ
<ul style="list-style-type: none"> 「ALSOKあんしん教室」が内閣官房長官賞を受賞しました ニュース 2007.11.02 ALSOKのホームページが全面リニューアル致しました ニュース 2007.11.01 株式会社インフォセックとの業務提携のお知らせ ニュース 2007.10.26 ALSOK警備ロボットが沖縄へ上陸! ニュースリリース 2007.10.18 2009年3月卒業見込みの方のエントリー受付を開始しました。 ニュース 2007.10.01 採用情報サイトをリニューアルしました。 ニュース 2007.10.01 ALSOKあんしん教室が朝日企業市民賞を受賞しました。 ニュース 2007.09.25 人事異動に関するお知らせ ニュースリリース 2007.09.11 「機密文書集荷再生処理サービス」を提供開始 ニュース 2007.09.30 タイ王国における子会社設立についてのお知らせ ニュース 2007.09.28 	<ul style="list-style-type: none"> 位置検索セキュリティ「あんしんメイトi」販売中止のお知らせ ニュース 2007.11.02 「防犯ブザー2」自主回収に伴うお願い ニュース 2007.11.01 「あんしんメイト」と「あんしんメイトi」提供期間に関するお知らせ ニュース 2007.10.26 携帯電話からの「あんしんメイト」ご利用に関するお知らせ ニュース 2007.10.18

★ Set up a mobile-phone Website providing security and disaster prevention information Launched on October 1, 2007



無料のマイニュー登録
 利用料金について(無料)
 資料請求

ALSOKセキュリティ情報

暮らしの中で役に立つ防犯や防災上のヒントをご紹介します。

安全豆知識
[セキュリティ](#)

災害・防災情報

台風、地震などの災害情報をリアルタイムで無料配信。

今すぐ登録!

- メール受信設定
- 今日明日の天気
- 台風情報
- 地震情報

お楽しみエンタメ

壁紙がウロト

ALSOKのイメージキャラクタでお馴染みの井上康生や、ALSOKのかわいいガクキャラクタ達の壁紙をウロト!



PFI (Private Financial Initiative)

● Harima Correctional Facility

From October 1, 2007

Line of business

- Reception and body search
- Patrolling inside and outside the facilities
- Monitoring by surveillance cameras



Kakogawa Prison also started on October 1, 2007

Period of time: from 2007 to 2022

The combined sales of the prisons would be over ¥5 billion

Developing Foreign Operations

ALSOK (Thailand) Co., Ltd.

《Establishment》

October 1, 2007

《Line of business》

Sell security equipments, offer consulting service and conduct security related sales to Japanese companies setting up operations in Thailand



Section 3

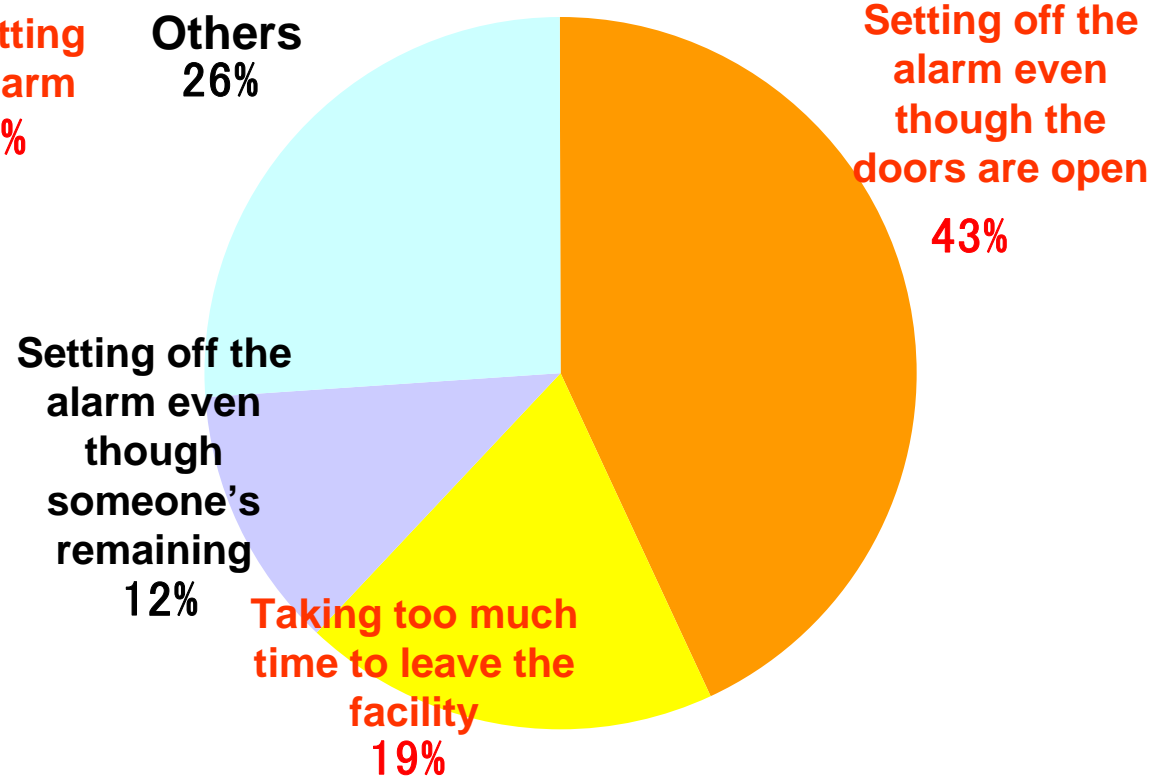
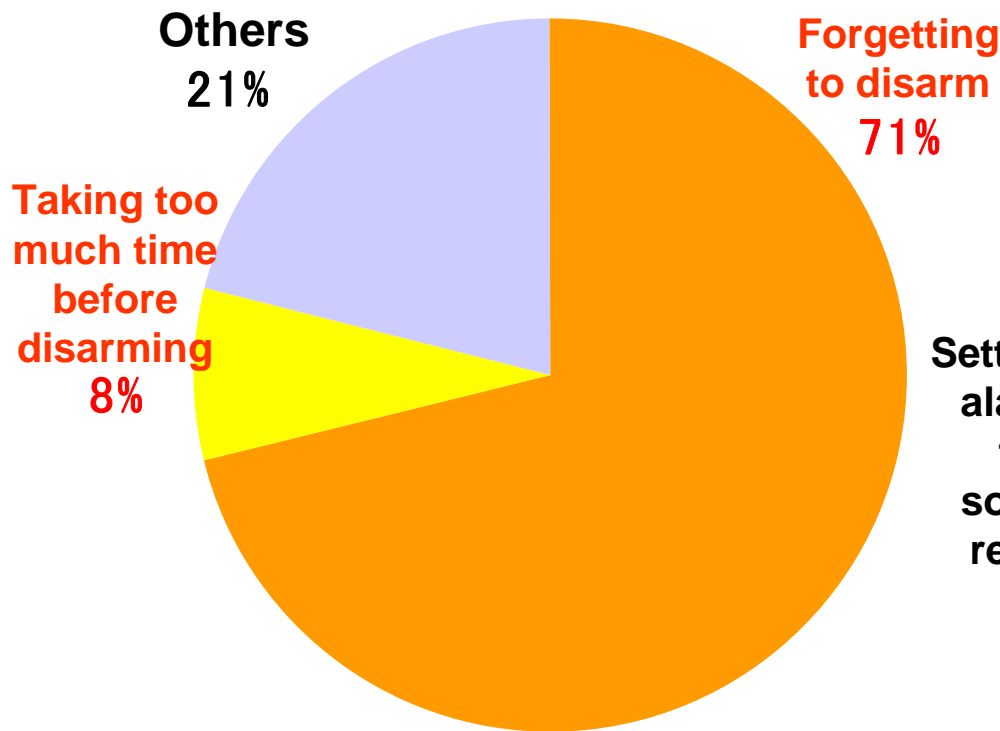
Promoting Rationalization and Efficiency

Minimize False Alarm Dispatches

Most of the false alarms occur by operation errors when entering/leaving

【Operation errors when entering】

【Operation errors when leaving】



“Forgetting” and “disarming time-lag” account for 79%

“Slovenly setting” and “leaving time-lag” account for 62%

Minimize False Alarm Dispatches

《 Measures 》

Minimize False Alarm Dispatches



Reduction of dispatches

《 Point 》

- **Placing the controller on the outer wall instead of the inner wall**

Eliminate false alarms caused by leaving time-lag



Outer wall

- **Development and attachment of a reminder device**

Urging to set off the alarm/disarm when locking/unlocking the door by voice

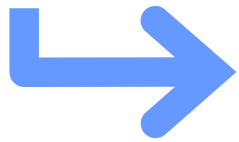
Please set off the alarm before leaving

Have you disarmed?



Cost Reduction for the Operative ERP System

- ★ **Disbanded Operating and Accounting Centers of Osaka, Aichi and Shizuoka, etc.**



Transferred the operations to each Headquarters and branches

- ★ **Disbanded Financial and Accounting Departments of Hokkaido, Tohoku, Kyoto and Kobe branches**



Transferred the operations to the General Affairs Departments of each branches

Besides the above, we are continuously planning to scrap-and-built the organization

Section 4
Business Forecasts
for FYE3/08

Business Forecasts for FYE3/08

(Unit: ¥ billion)	FYE3/08 Forecasts	FYE3/07	YoY	Changes(%)
S a l e s	285.9	276.5	9.3	3.4%
Gross profit	76.6	73.4	3.2	4.3%
Operating p r o f i t	17.8	15.9	1.9	11.4%
Recurring p r o f i t	18.6	16.9	1.7	9.9%
Net income	9.9	7.5	2.4	31.0%

< Reference >

Aiming for Beijing 2008 Olympic Games

Maki Tsukada
judo (over 78kg class)



Sae Nakazawa
judo (78kg class)



Kousei Inoue
judo (over 100kg class)



Makoto Sasamoto
Greco-Roman (60kg class)

Saori Yoshida
wrestling (55kg class)



Chiharu Icho
wrestling (48kg class)



Kaori Icho
wrestling (63kg class)



Akihiro Sugimoto
competitive walking

Ken Akashi
competitive walking

杉本 明洋 競歩

CSR Activities

《 ALSOK ANSHIN Classes 》



FYE3/08 Plan

180,000 children to attend

**Launched this volunteer work in
October 2004**

**From April 2005 we have practiced
this campaign nationwide**

September 2007

**Received the **Asahi Corporate
Citizen Award****

November 2007

**Received the **Chief Cabinet
Secretary's Award****

CSR Activities

« FTSE4Good Index »

ALSOK has been selected for inclusion in the FTSE4Good Index Series, which is an index for Socially Responsible Investment (SRI).



Disclaimer

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.

Security
On

ALSOK

綜合警備保障