



Financial Results for the Fiscal Year Ended 3/11

ALSO Securities Code: 2331 (1st Section of TSE)

May 12, 2011

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Section 1

Financial Results for FYE 3/11

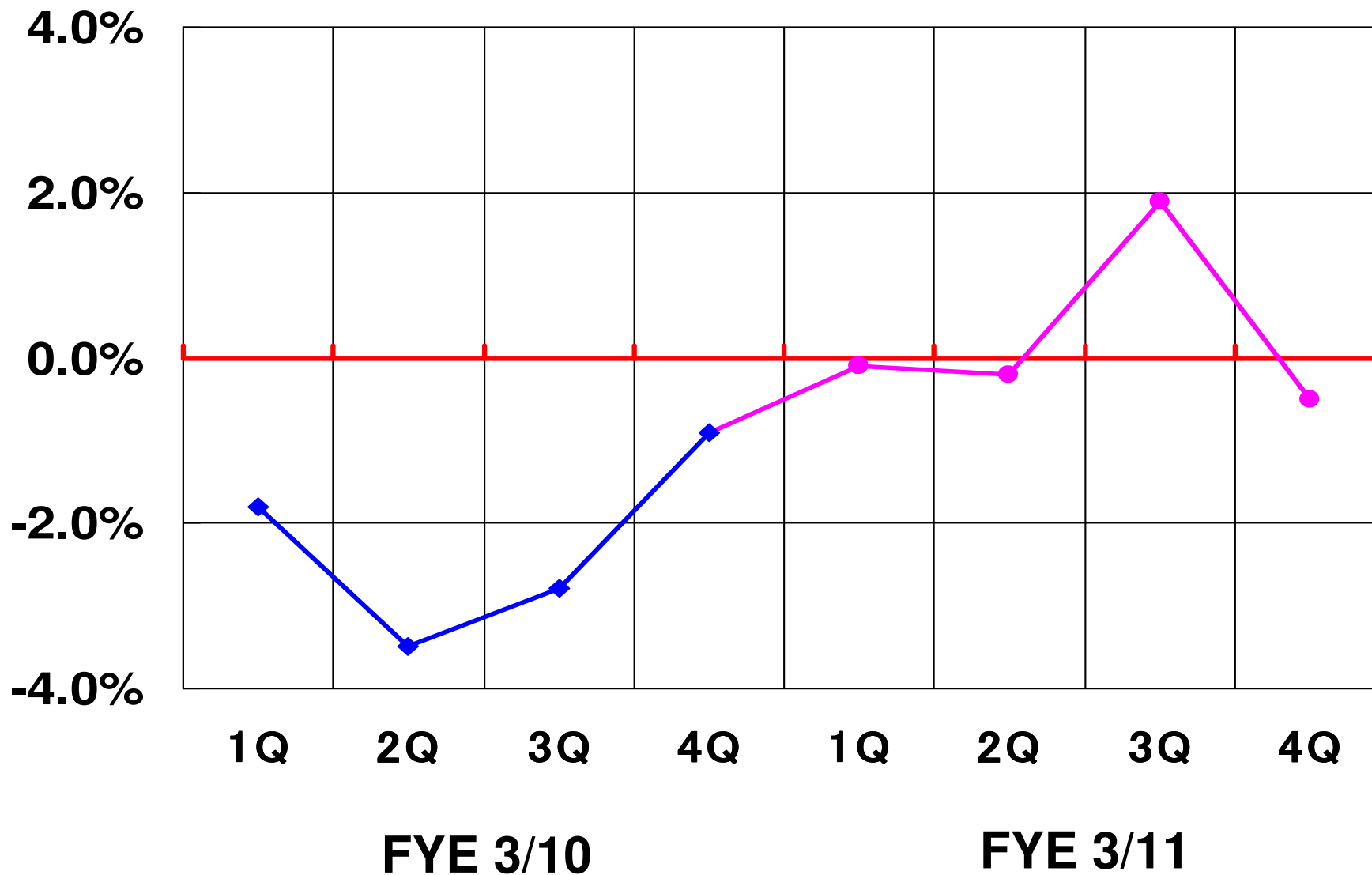
Summary of P/L (Year-on-Year)

(Unit: ¥ billion)	FYE 3/11	FYE 3/10	Gap	Change(%)
S a l e s	279.2	278.5	0.7	0.2%
Gross profit	69.9	68.4	1.4	2.1%
Operating p r o f i t	10.3	9.2	1.1	11.7%
Recurring p r o f i t	11.7	10.8	0.9	8.7%
Net income	4.7	4.5	0.1	3.1%

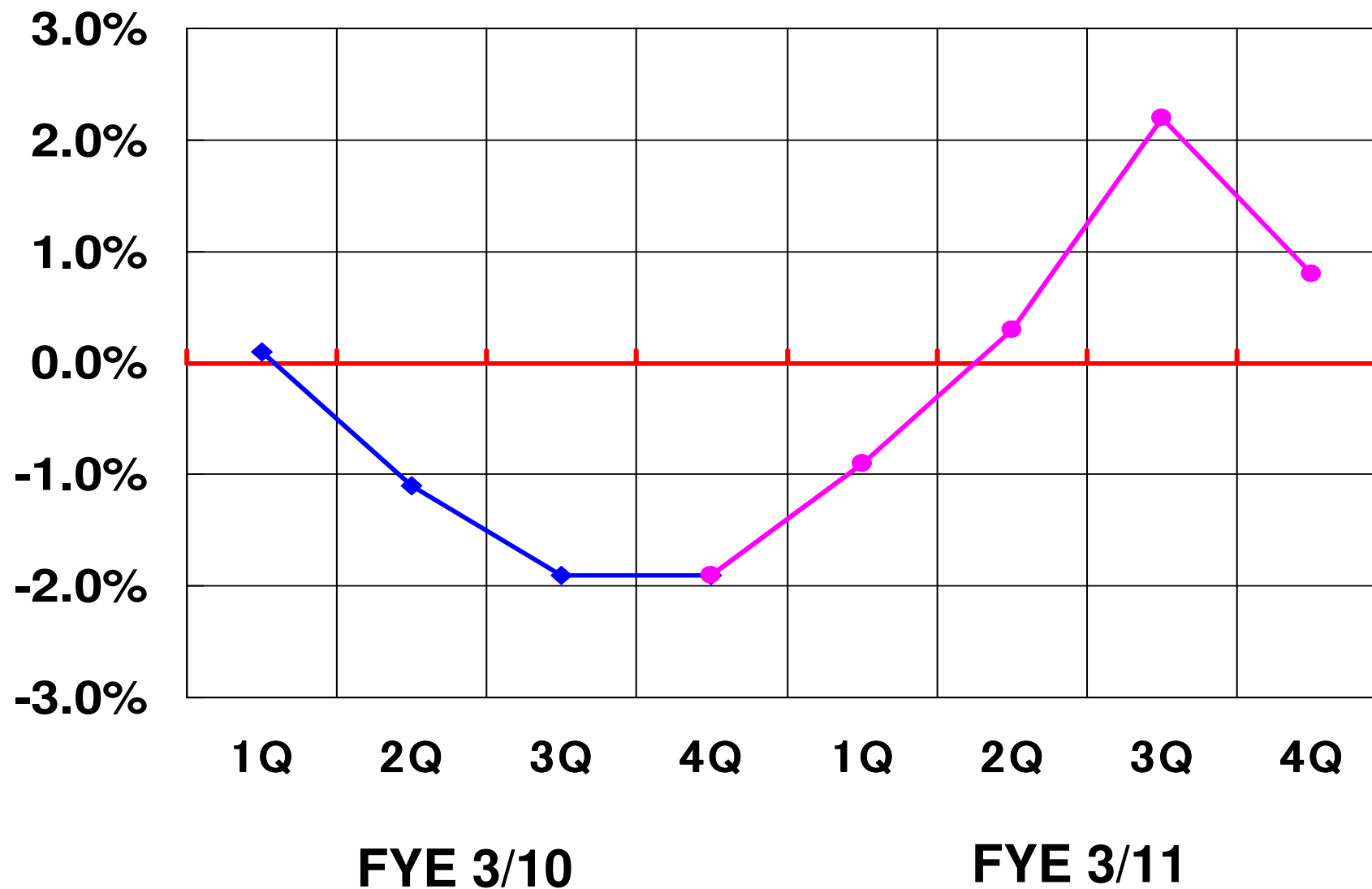
P/L for FYE 3/11 (Quarter-on-Quarter)

(Unit: ¥ billion)	1Q	Change (%)	2Q	Change (%)	3Q	Change (%)	4Q	Change (%)
Sales	68.8	-0.1%	69.2	-0.2%	70.4	1.9%	70.7	-0.5%
Gross profit	18.0	2.1%	18.1	2.4%	16.9	2.8%	16.7	0.9%
Operating profit	3.2	11.8%	3.5	7.3%	1.8	16.6%	1.6	16.2%
Recurring profit	3.5	9.0%	4.1	5.4%	2.0	13.8%	2.0	10.3%
Net income	1.4	0.4%	2.0	7.6%	1.0	39.4%	0.1	-71.0%

Sales [Year-on-Year]



Contract sales [Year-on-Year]



P/L for FYE 3/11 (vs. Business Plan)

(Unit: ¥ billion)	FYE 3/11	Business Plan	Gap	Achievement ratio(%)
S a l e s	279.2	281.9	-2.7	99.1%
Gross profit	69.9	70.5	-0.6	99.1%
Operating profit	10.3	9.5	0.8	108.3%
Recurring profit	11.7	11.1	0.6	105.6%
Net income	4.7	5.2	-0.5	89.8%

Overview of Electronic Security Services

(Unit: ¥ billion)	FYE 3/11	FYE 3/10	Gap	Change (%)
S a l e s	138.4	138.9	-5.0	-0.3%
(% to Total Sales)	(49.6%)	(49.9%)		

1 Contract sales

YoY ratio -0.3%

① Negative impact of Financial Institutions such as price reduction

② Decrease of cancellation

2 Construction sales

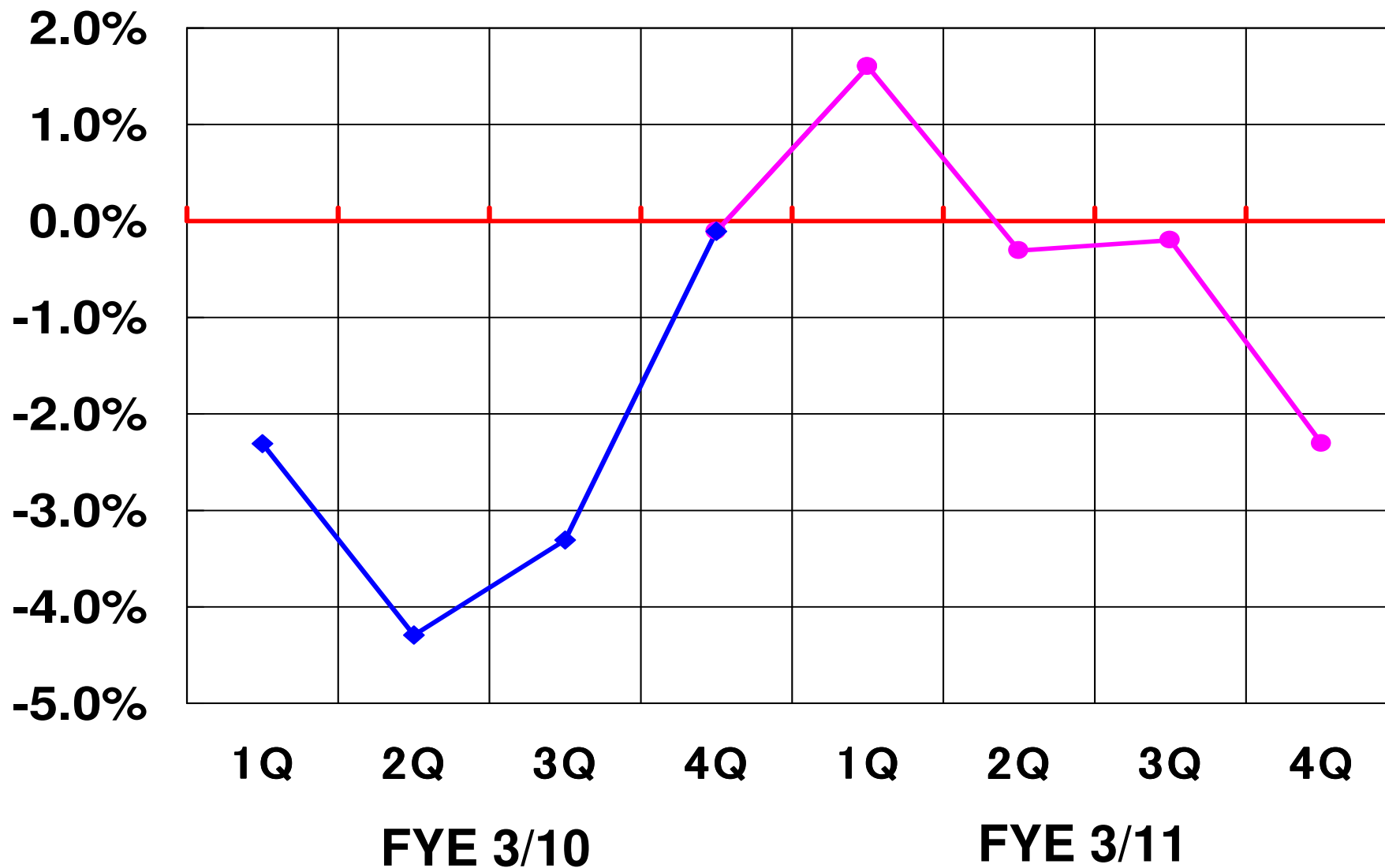
YoY ratio 9.5%

3 Equipment sales

YoY ratio -3.7%

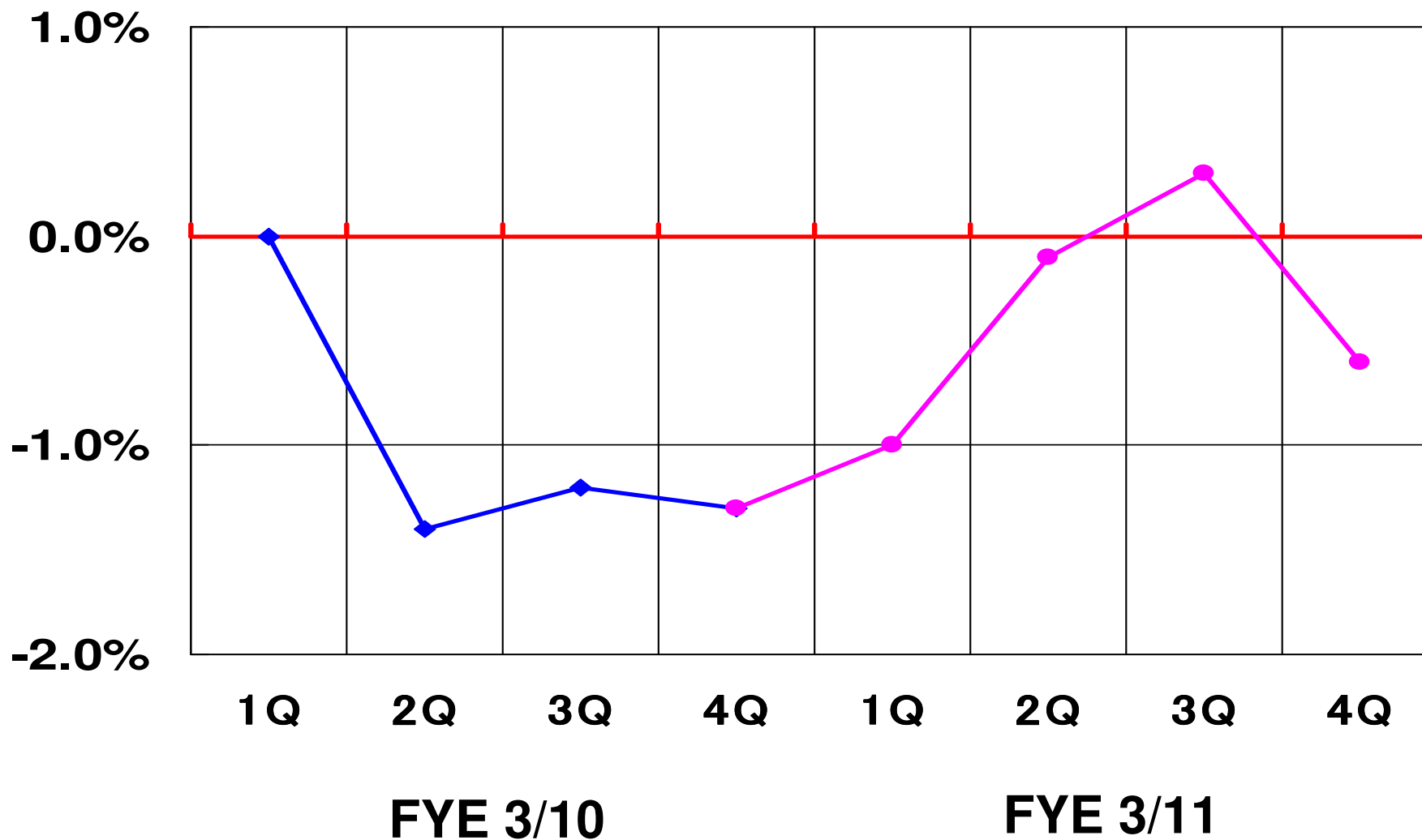
Overview of Electronic Security Services

【 Sales: Year-on-Year 】



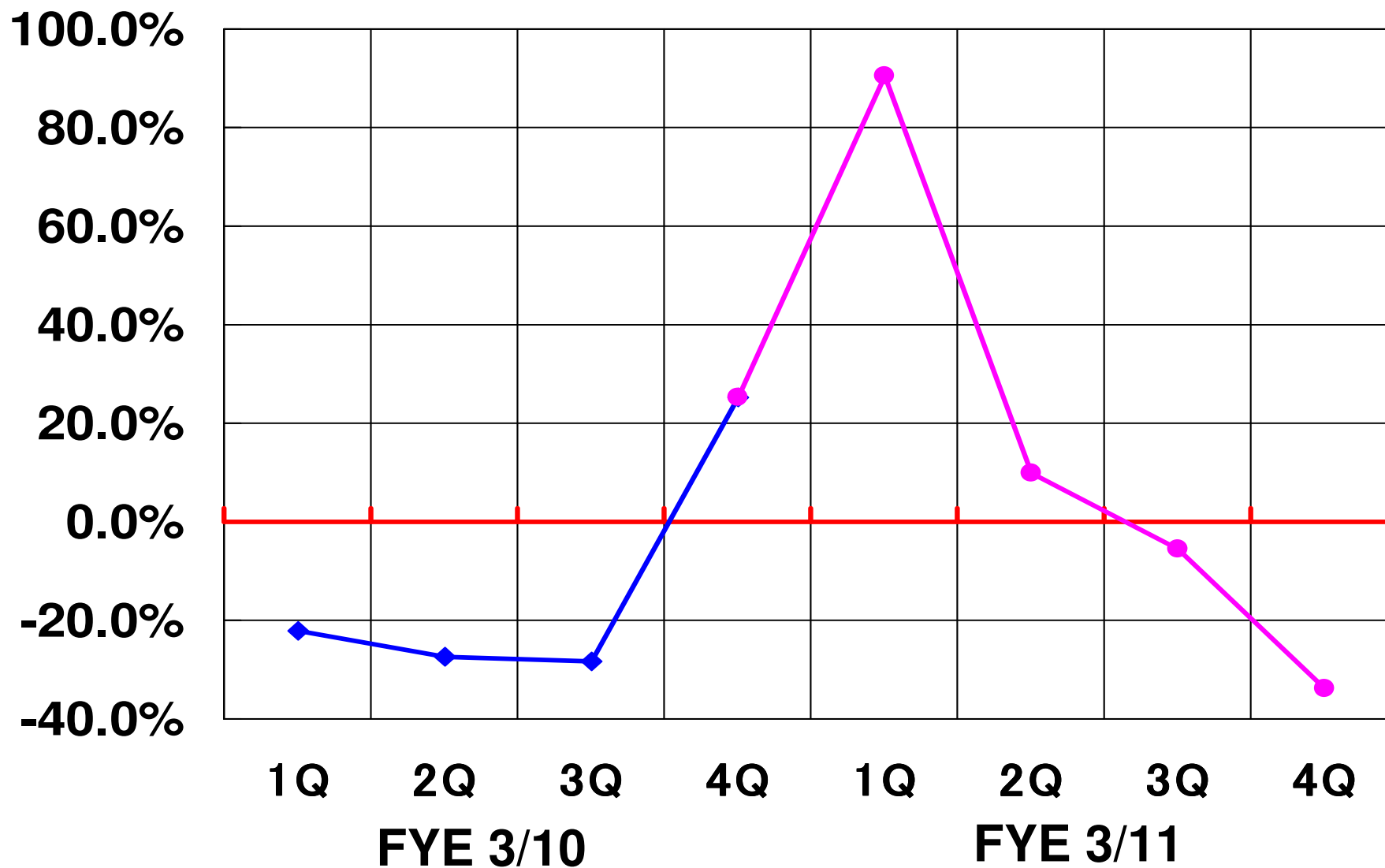
Overview of Electronic Security Services

【 Contract sales : Year-on-Year 】



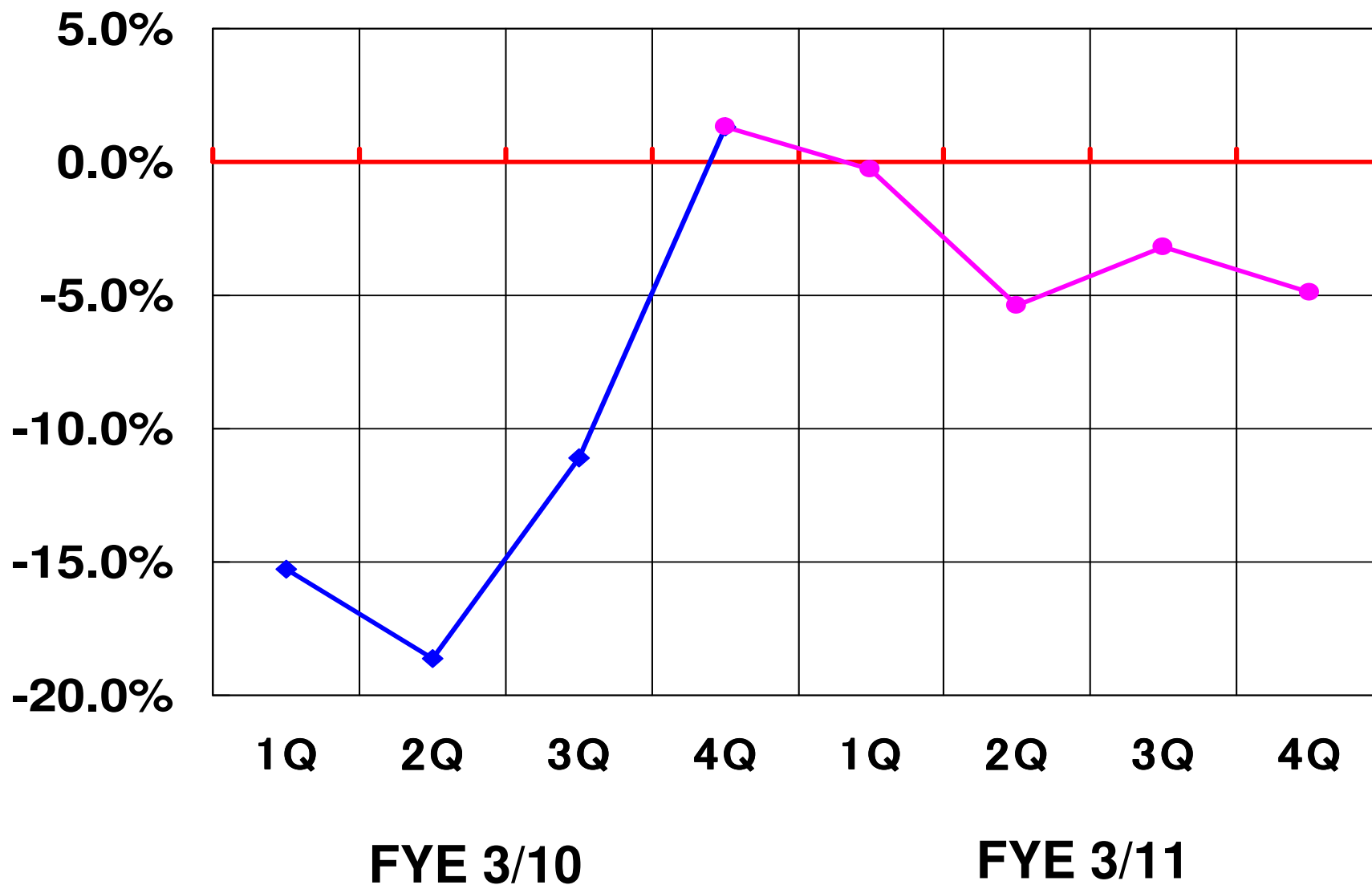
Overview of Electronic Security Services

【 Construction sales: Year-on-Year 】



Overview of Electronic Security Services

【 Equipment sales : Year-on-Year 】



Overview of Electronic Security Services Corporate Clients

	FYE 3/11	FYE 3/10	Gap	Change (%)
Net increase in number of contracts for corporate clients	7,727	7,094	633	8.9%

[Corporate Clients]

Newly booked contracts : Increased from FYE 3/10

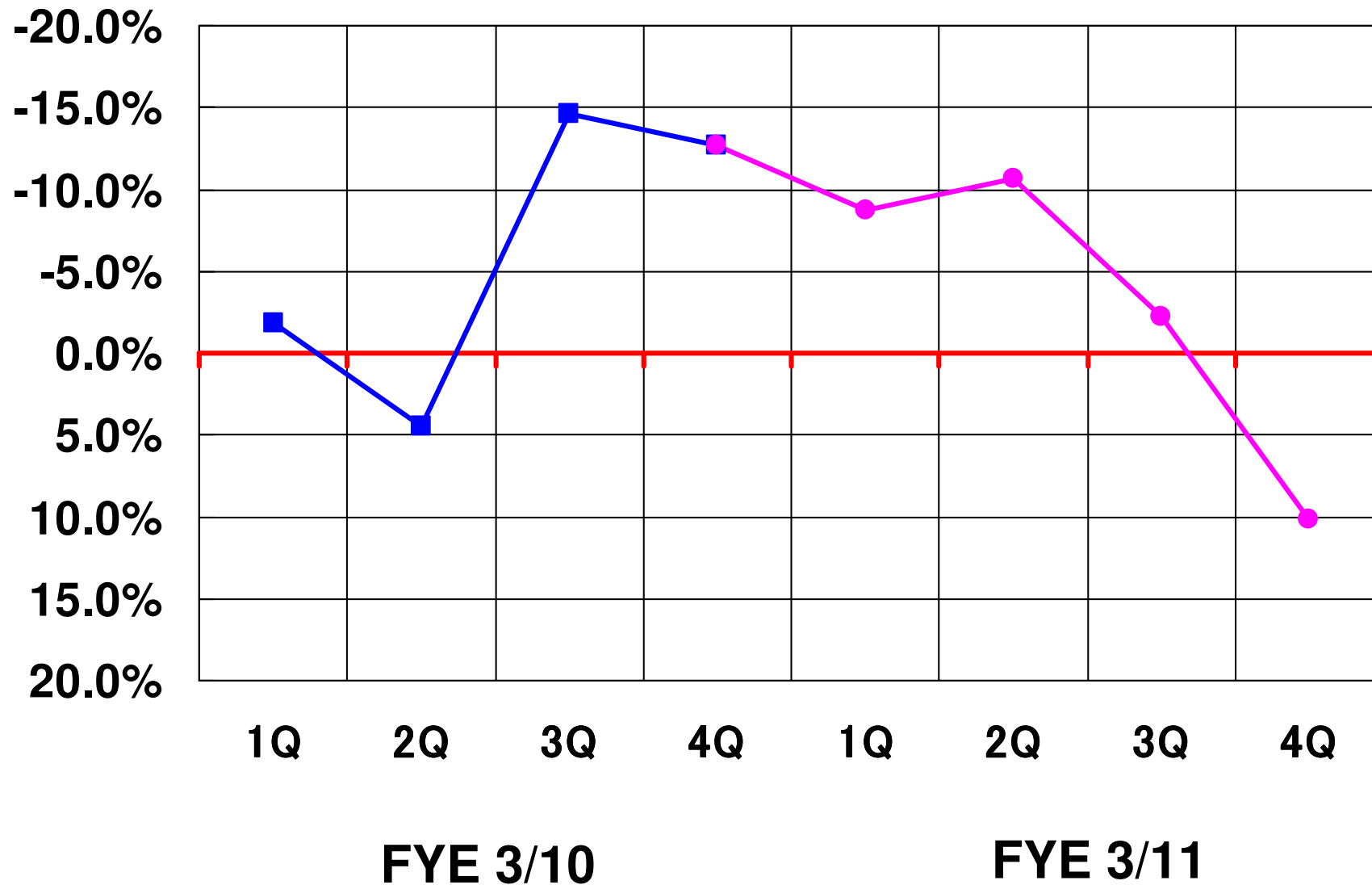
Cancellation : Decreased from FYE 3/10

Newly booked contract price : Decline from FYE 3/10

Price cut : Decreased from FYE 3/10

Business Plan : 9,350 net increase Achievement ratio 82.6%

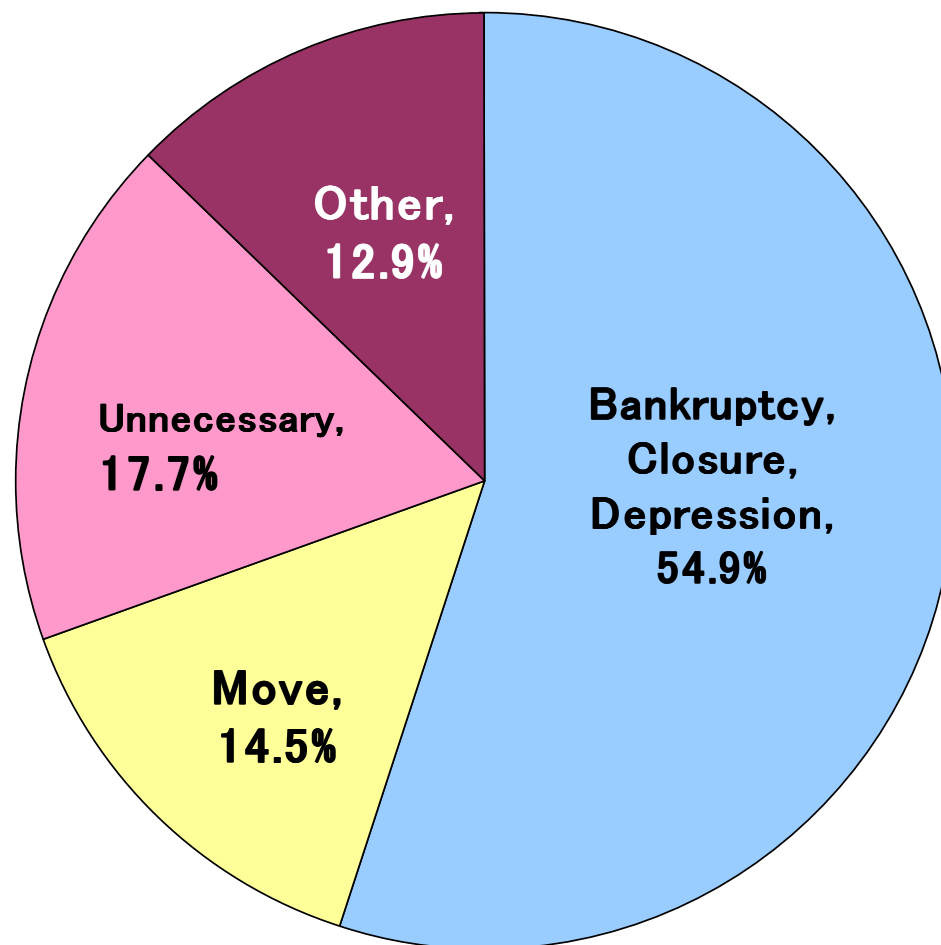
Overview of Electronic Security Services Corporate Clients 【 Cancellation : Year-on-Year 】



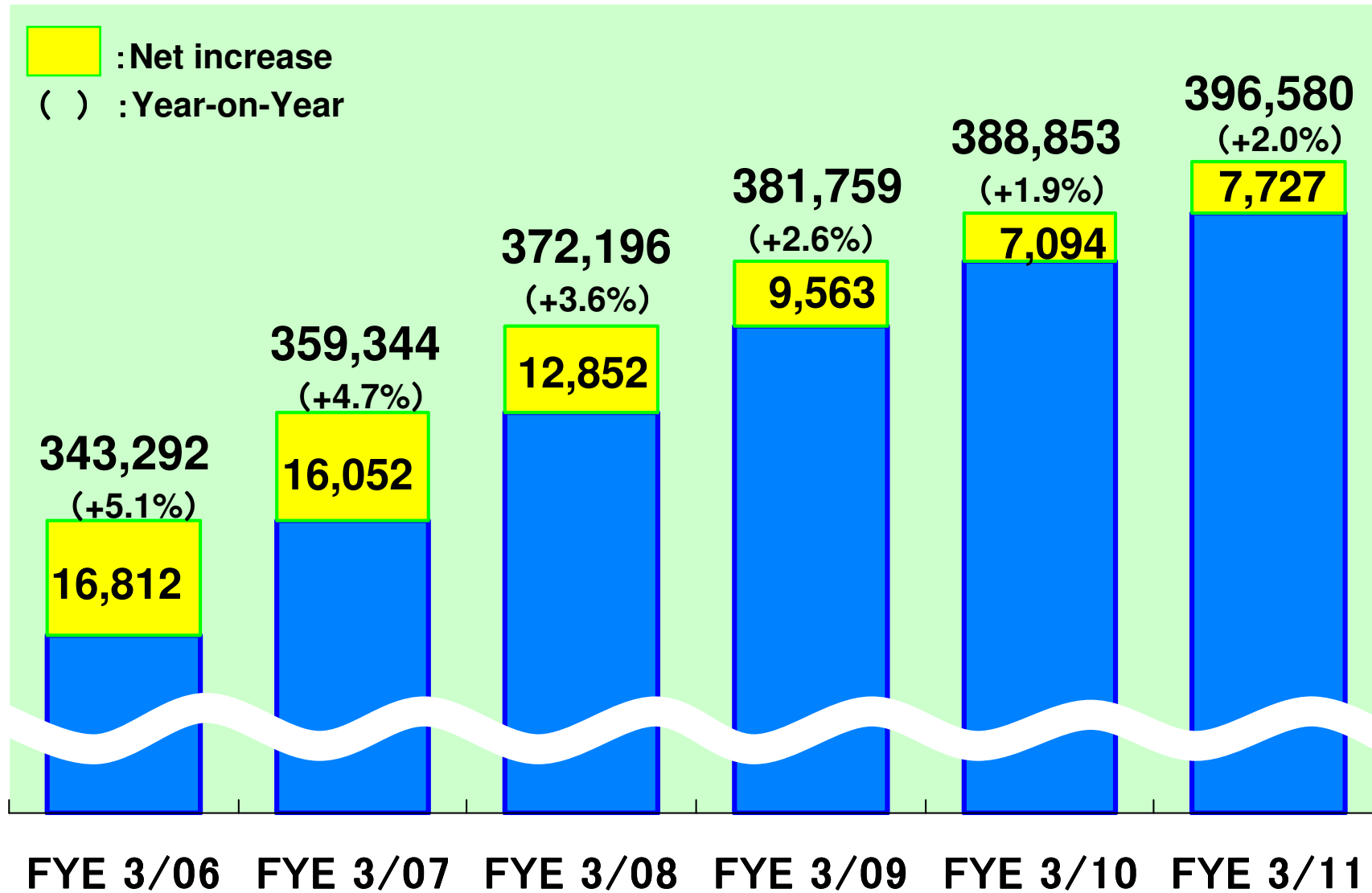
Overview of Electronic Security Services Corporate Clients

【Reason of Cancellation】

FYE 3/11



Increase in Contracts of Electronic Security Services Corporate Clients



Overview of Electronic Security Services Individual Clients

	FYE 3/11	FYE 3/10	Gap	Change (%)
Net increase in number of contracts for individual clients	9,219	9,660	-441	-4.6%

[Individual Clients]

Newly booked contracts : Decreased from FYE 3/10

Cancellation : Increased from FYE 3/10

Newly booked contract price : Decline from FYE 3/10

Business Plan: 13,206 net increase Achievement ratio 69.8%

Overview of ALSOK Home Security α (HS-α)

Increase of FYE 3/11

12,850 contracts

(1,070 contracts/month)



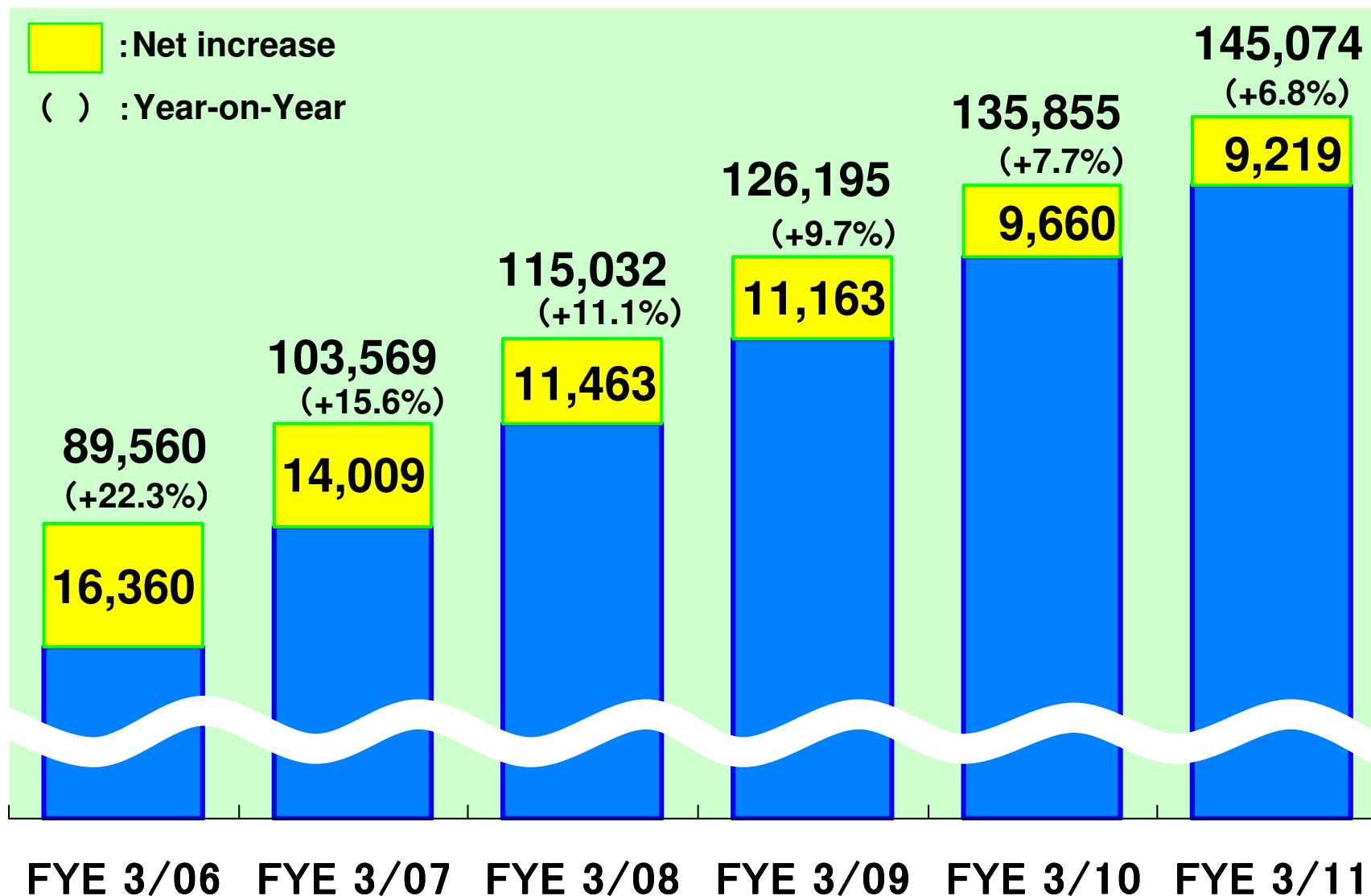
ALSOK Home Security α

[Contracts by price plan]	FYE 3/10	FYE 3/11
● 'Zero Start Plan' (no initial costs)	22%	22%
● Rental plan	34%	22%
● Purchase plan	44%	56%

**HS-α : Number of contracts at work by business association with Daiwa House Industry CO., LTD.
Number of contracts : 383 blocks (2,288 houses)**



Increase in Contracts of Electronic Security Services Individual Clients



Overview of Stationed Security Services

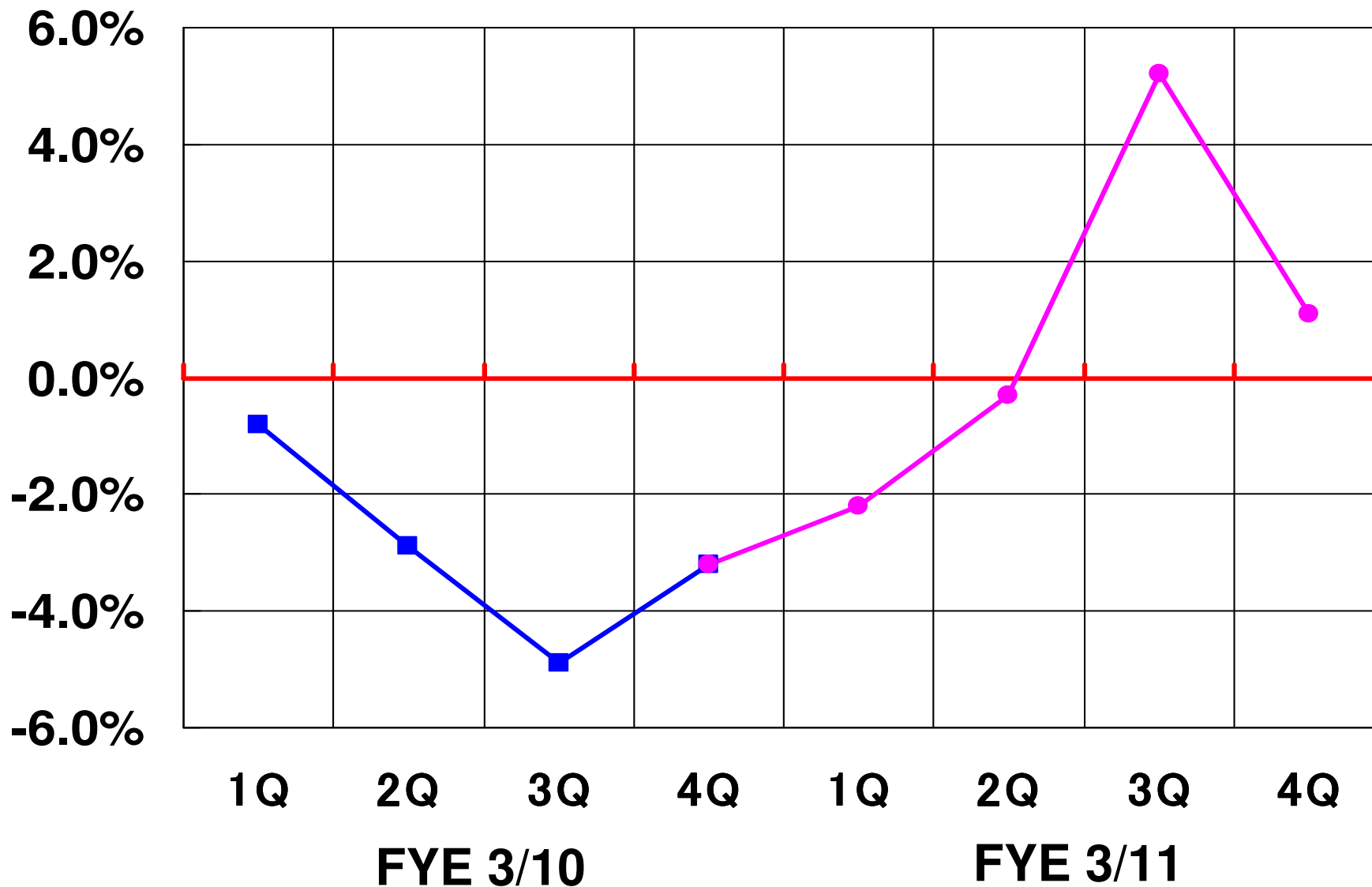
(Unit: ¥ billion)	FYE 3/11	FYE 3/10	Gap	Change (%)
S a l e s	71.3	70.6	0.7	1.0%
(% to Total Sales)	(25.5%)	(25.4%)		

- **Newly booked orders**

- Domestic airports
- Major real estate developers
- University facilities

- **Large scale temporary security at APEC and COP10**

Overview of Stationed Security Services 【 Sales: Year-on-Year 】



Overview of Transportation Security Services

(Unit: ¥ billion)	FYE 3/11	FYE 3/10	Gap	Change (%)
S a l e s	47.6	46.8	0.8	1.8%
(% to Total Sales)	(17.1%)	(16.8%)		

Newly booked orders

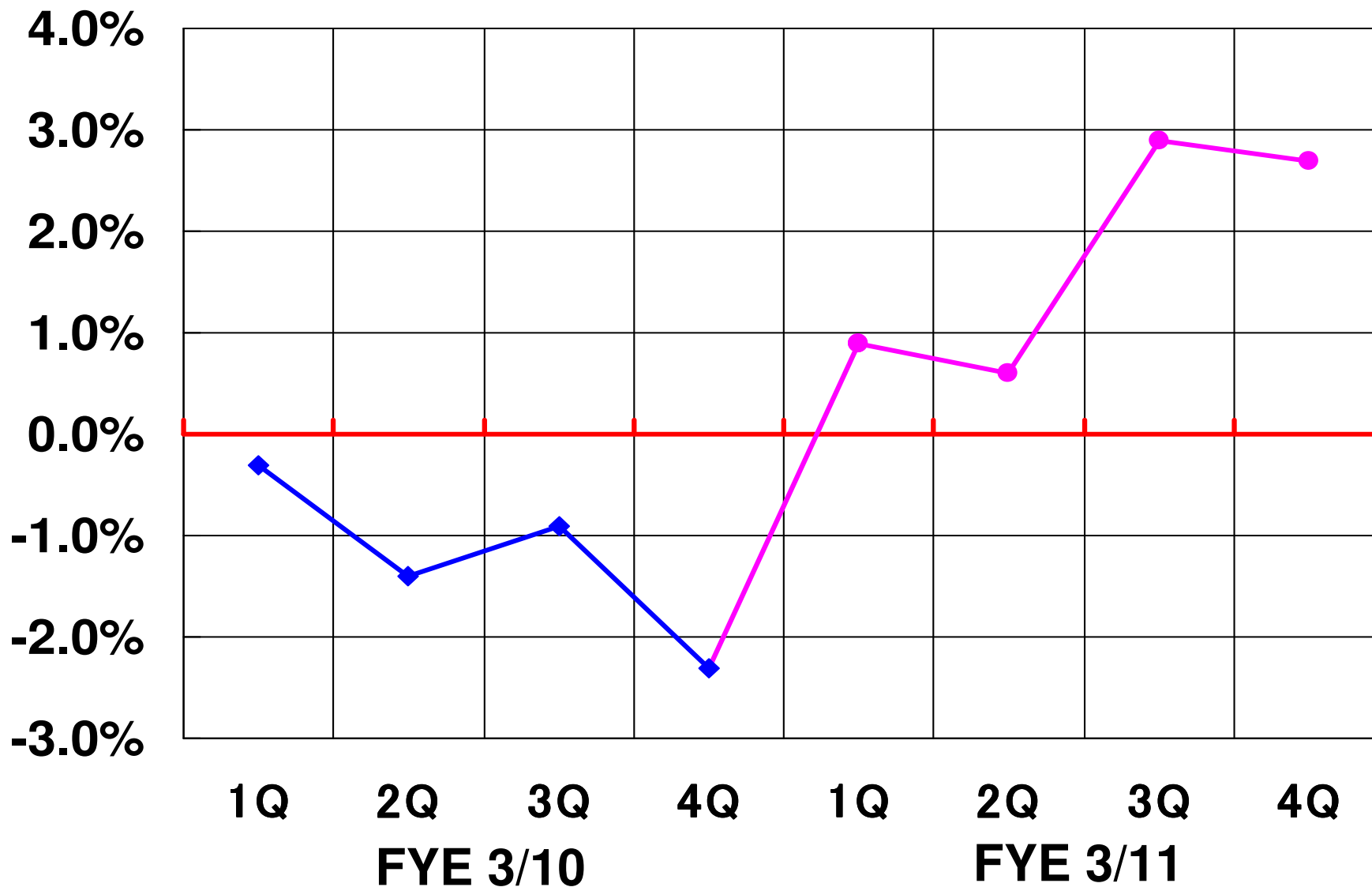
- Cash Deposit Machine On-line System
Net increase of 550 contracts (YoY -300 contracts)
- Bank ATMs inside convenience stores
Net increase of 700 contracts (YoY -100 contracts)
- Japan Post (Total ATM Management System)
- Megabank (Total ATM Management System)

Cancellations & price cuts

- Cancellations & price cuts of financial institutions at FYE 3/10

Overview of Transportation Security Services

【 Sales: Year-on-Year 】

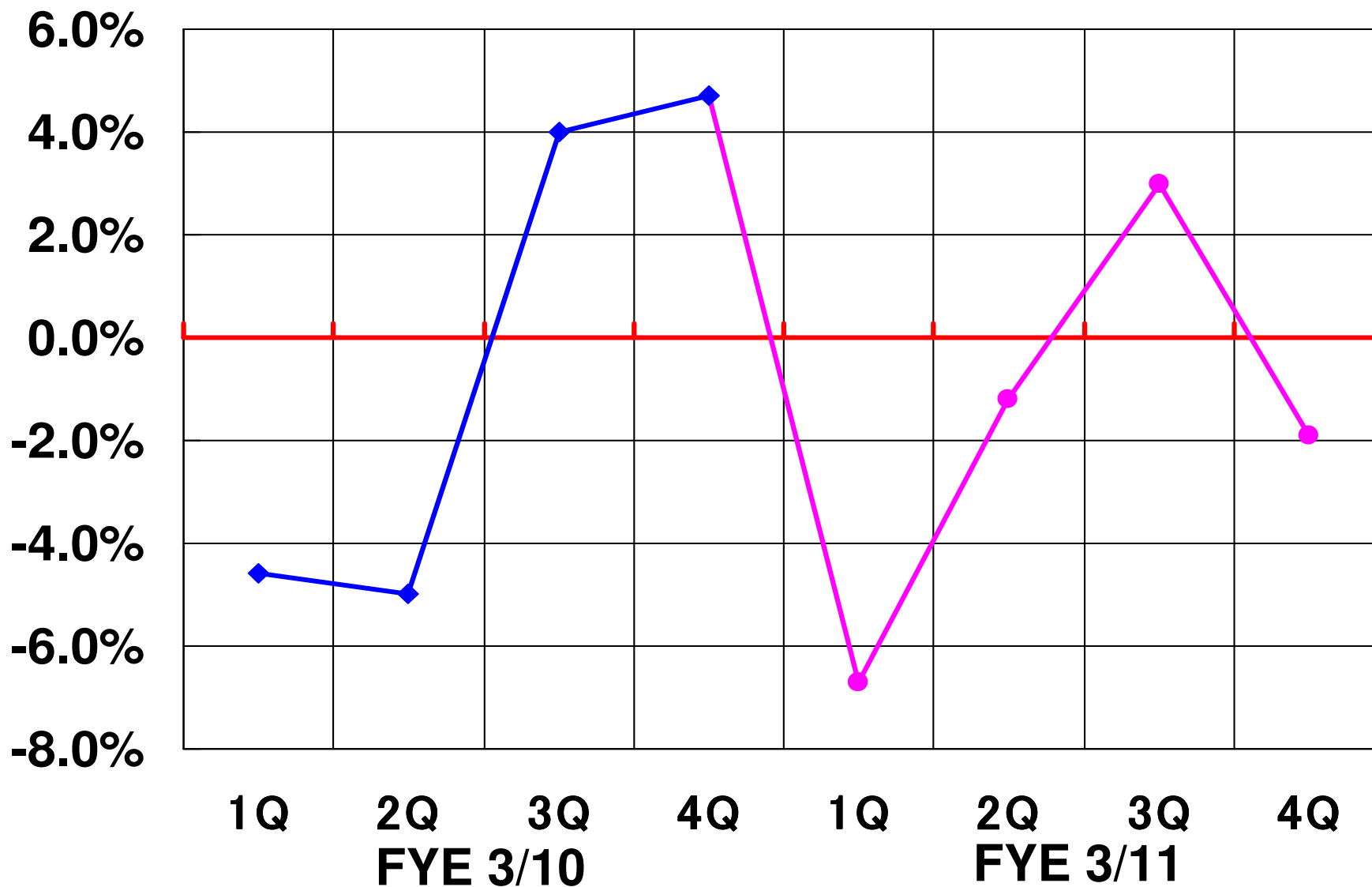


Overview of Other Services

(Unit: ¥ billion)	FYE 3/11	FYE 3/10	Gap	Change (%)
S a l e s	21.7	22.1	-0.3	-1.6%
(% to Total Sales)	(7.8%)	(7.9%)		

- **Contract Sales** **+ 1.4%**
- **Equipment Sales**
 - **AED (Automated External Defibrillator)**
11,943 units (YoY +1,872 units)
 - **MMK (ATM) for Regional Banks**
 - **Residential fire alarms 160,000 (YoY -130,000)**
 - **Great decrease in sales related to influenza**

Overview of Other Services 【 Sales: Year-on-Year 】



Sales vs. Business Plan (According to Services)

(Unit: ¥ billion)		FYE 3/11	Business Plan	Gap	Achievement ratio(%)
Security Services	Electronic Security Services	138.4	140.6	-2.2	98.4%
	Stationed Security Services	71.3	70.1	1.2	101.7%
	Transportation Security Services	47.6	48.0	-0.4	99.2%
Other Services		21.7	23.0	-1.2	94.6%
T o t a l		279.2	281.9	-2.6	99.1%

Sales for FYE 3/11 (By Client Industry)

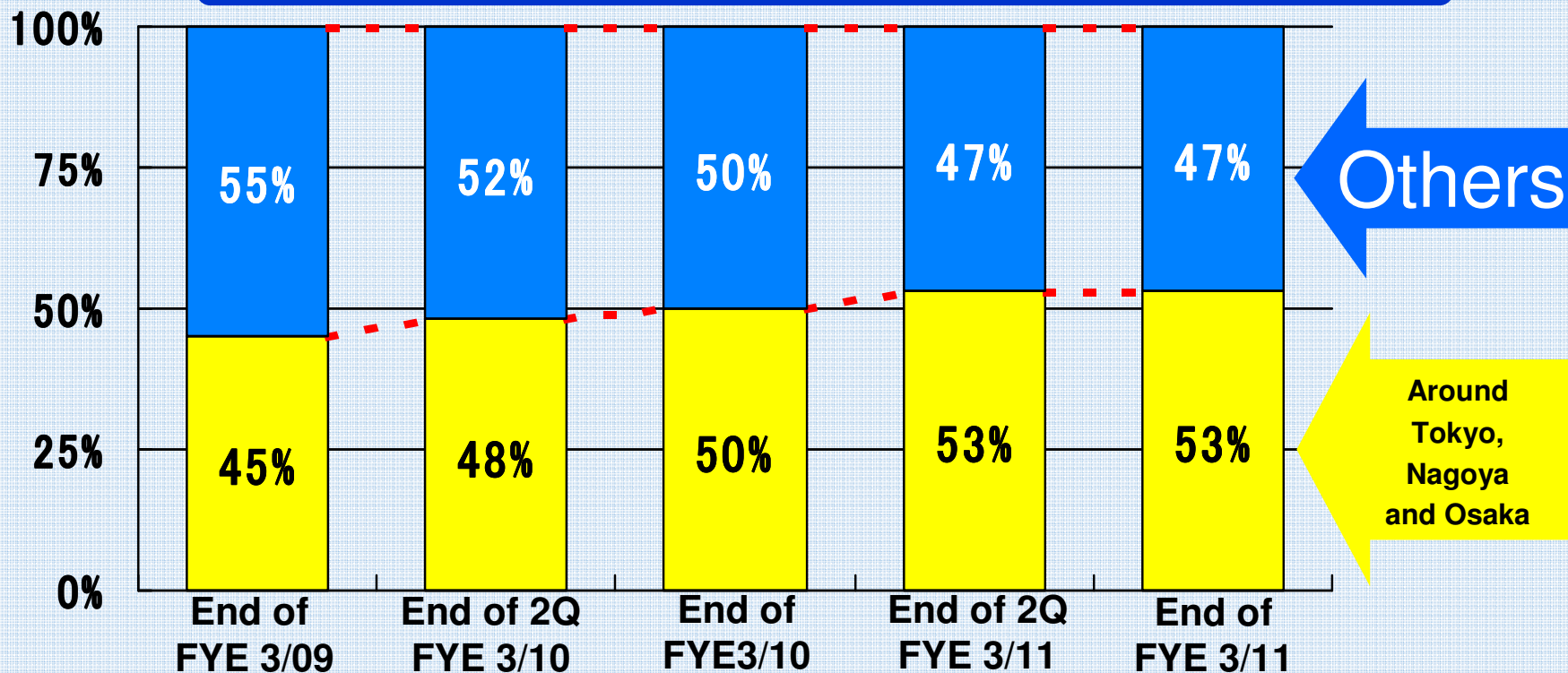
(Unit: ¥ billion)	FYE 3/11	FYE 3/10	Gap	Change(%)
Financial institutions	78.8 (28.2%)	78.4 (28.1%)	0.4	0.5%
Business corporations	164.3 (58.8%)	165.7 (59.5%)	-1.4	-0.8%
Government offices & Japan Post	26.4 (9.5%)	25.0 (9.0%)	1.4	5.5%
Individuals	9.6 (3.5%)	9.4 (3.4%)	0.3	3.1%
T o t a l	279.2 (100.0%)	278.5 (100.0%)	0.7	0.2%

Progress in Strengthening Sales Capabilities

1 Increasing the number of sales staff

(1) Strengthening of regions, around Tokyo, Nagoya and Osaka

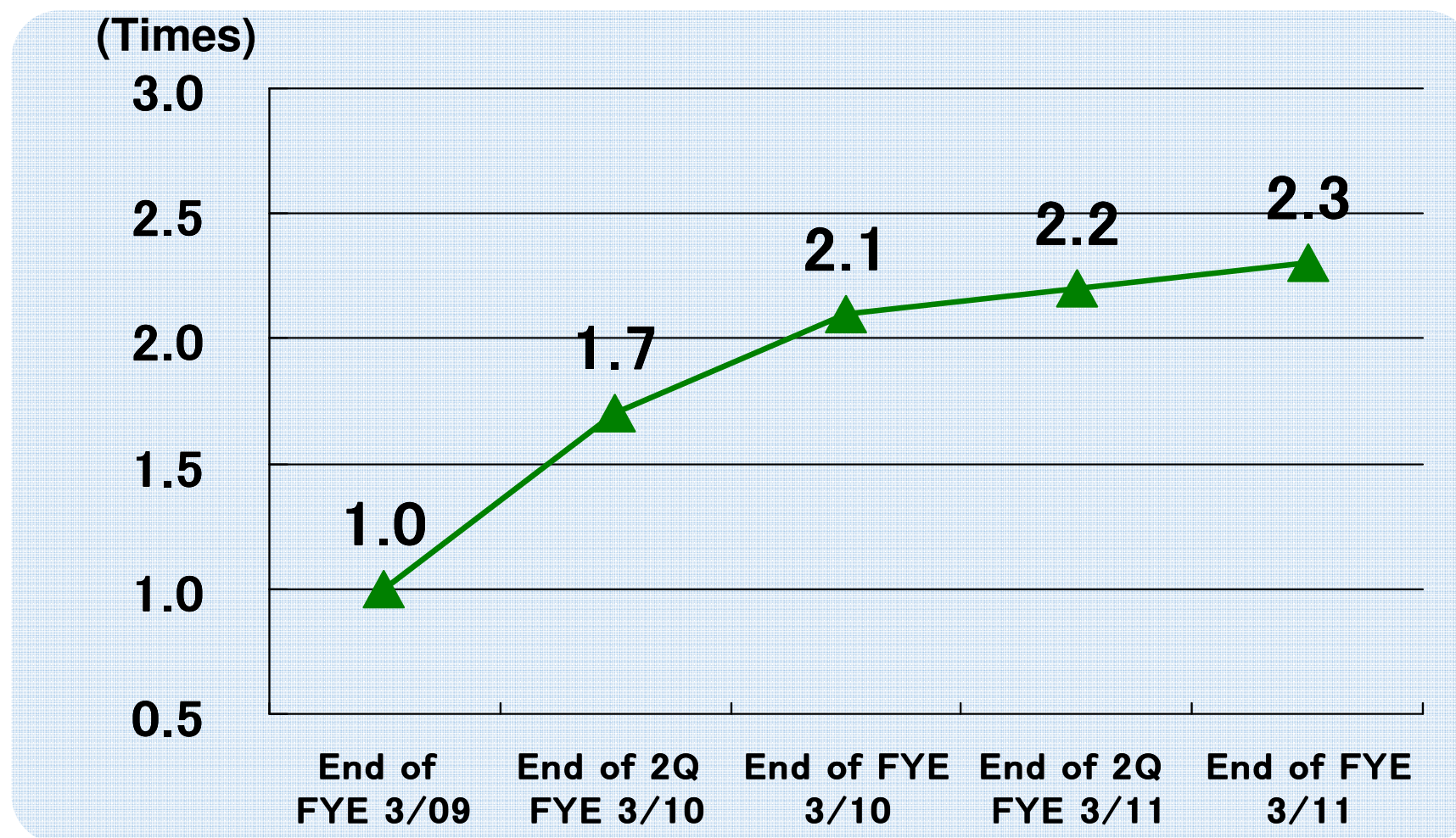
(Ratio) **The ratio of sales staff for Electronic Security Services**



※ Areas: Tokyo, Kanagawa pref., Chiba pref., Saitama pref., Aichi Pref., Osaka, Kyoto and Hyogo pref.

Progress in Strengthening Sales Capabilities

(2) Increase of sales staff for Home Security



Progress in Strengthening Sales Capabilities

- 2 Strengthening the sales structure**
 - Increase opportunities to communicate with clients**

- 3 Prevention of cancellation**
 - (1) Reduce cancellations by ‘Outbound Calls’**
 - (2) Increase visits to clients by operation staff**

Measures to Increase Sales

1 Development of new products

- **‘ECO MIE-RU’ (Energy Monitoring System)**
31 contracts (331 spots)
- **‘MIMAMORI’ Information Delivery Service
(Safety Confirmation System for the elders)**
61 contracts
- **‘ALSOK Silver Pack’
(Home security for the elders)**
326 contracts

Measures to Increase Sales

2 Promotion of M&A

- Japan Facilio to become a subsidiary
Expansion of the areas in which we operate and add synergy

3 Overseas expansion

- Establish an overseas subsidiary
(Shanghai, People's Republic of China)
- Establish two rep. offices
 - ① Kuala Lumpur, Malaysia
 - ② Jakarta, Republic of Indonesia

Major Changes in P/L

Sales + ¥0.7 billion (Change +0.2%)

Cost of sales -¥0.7billion (Change -0.3%)

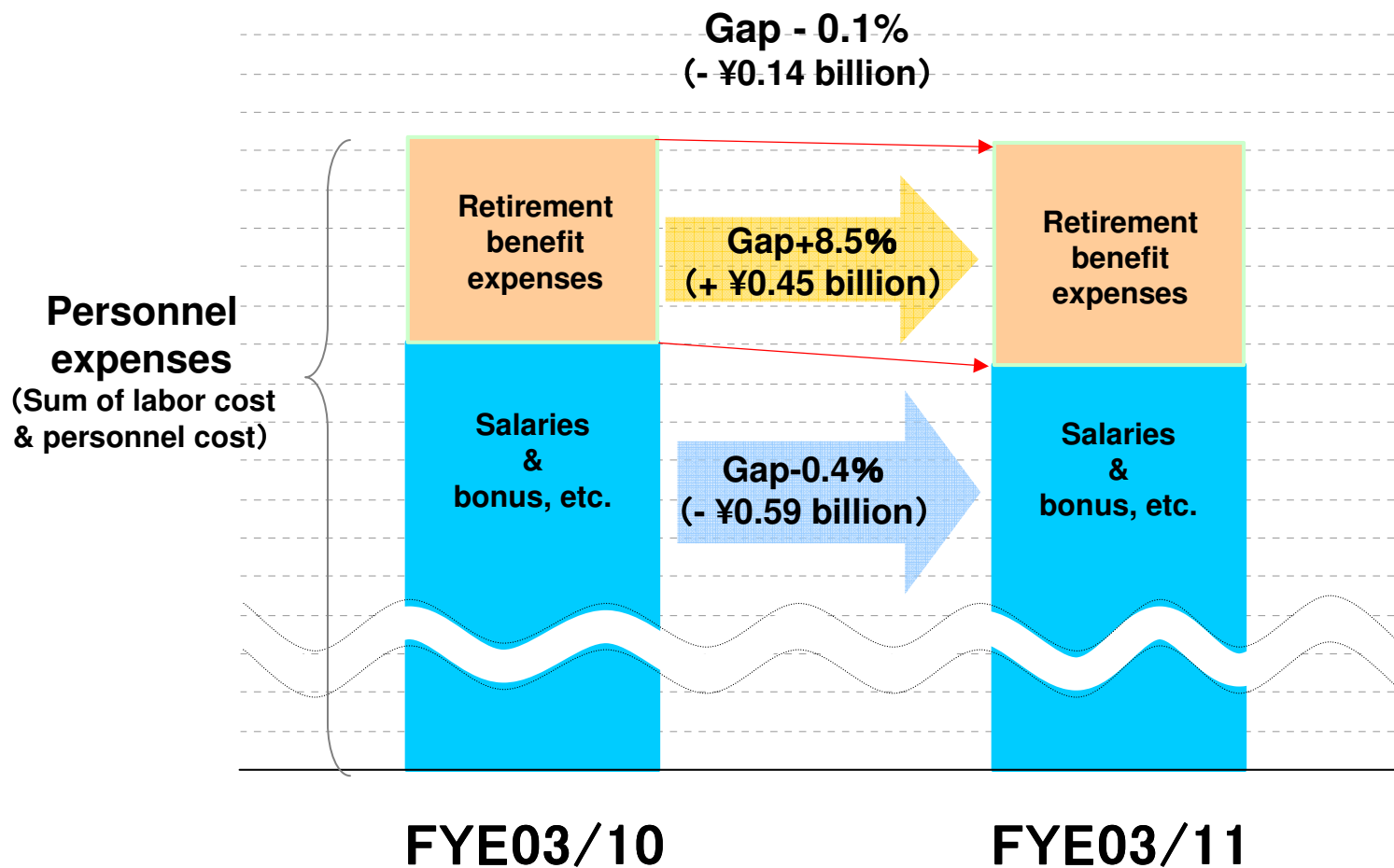
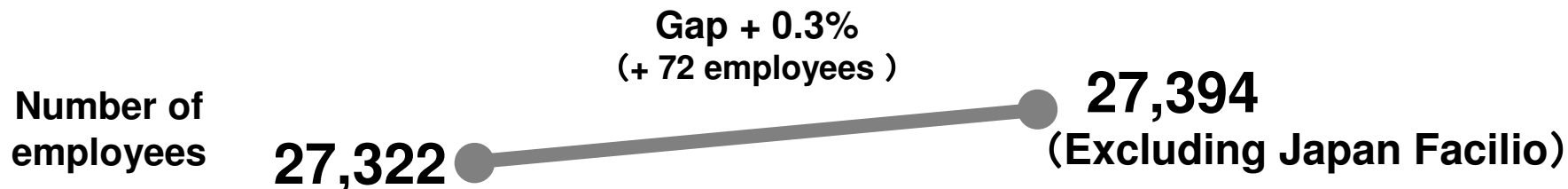
Labor cost	- ¥0.7 billion
Expense	+ ¥0.1 billion
Cost of product sold & installation	- ¥0.1 billion

SG&A + ¥0.3billion (Change +0.6%)

Advertising expenses	+ ¥0.1 billion
Personnel cost	+ ¥0.6 billion
Others	- ¥0.4 billion

Operating profit + ¥1.1 billion (Change +11.7%)

Personnel Expenses



Cost Control

[Reduction amount]

1 Reduction of overtime payment ¥0.14 billion

2 Procurement cost reduction ¥1.2 billion

[Non-consolidation]

**3 Integration of Guard Centers
and its servers ¥0.1 billion**

[Non-consolidation]

Balance Sheet for FYE 3/11

(Unit: ¥ billion)

	FYE3/11	FYE3/10	Change		FYE3/11	FYE3/10	Change
Current assets	154.7	148.2	6.5	Current liabilities	71.7	76.6	- 4.9
Cash and deposits	51.0	44.4	6.6	Short-term borrowings	25.0	38.8	- 13.8
Cash for Transportation Security Services & Advance payment	63.5	69.7	- 6.2	Other	46.6	37.7	8.9
Other	40.1	34.1	6.0	Long-term liabilities	50.4	40.7	9.7
Fixed assets	129.6	127.7	1.8	Total liabilities	122.1	117.3	4.8
Tangible assets	59.5	58.3	1.2	Shareholders' equity	147.1	144.3	2.8
Intangible assets	7.4	5.2	2.3	Valuation and translation adjustments	- 4.2	- 3.8	- 0.4
Net investments and other assets	62.6	64.2	- 1.6	Minority interests in consolidated subsidiaries	19.2	18.1	1.1
Total assets	284.3	276.0	8.3	Total net assets	162.1	158.6	3.5
				Total	284.3	276.0	8.3

Status of Cash Flows for FYE 3/11

(Unit: ¥ billion)

	FYE 3/11	FYE 3/10	YoY
Cash flows from operating activities	12.1	15.0	- 2.9
Cash flows from investing activities	- 12.2	-15.8	3.6
Cash flows from financing activities	6.4	- 7.7	14.2
Balance of cash and cash equivalents at the end of the period	43.6	37.3	6.3

Major items of 03/11

●Cash flows from operating activities	Income before income tax	9.7
	Depreciation	12.4
	Cash and advance payment for TSS	6.1
	Short-term borrowings for TSS	-13.7
●Cash flows from investing activities	Payments for purchases of investment in securities	- 1.9
	Payments for purchases of tangible assets	- 9.8
	Purchase of investments in subsidiaries	- 2.4
●Cash flows from financing activities	Payments for redemption of bonds	- 2.2
	Dividend paid	- 2.0
	Proceeds from long-term loans payable	14.0

Capital Expenditures and Others

Capital expenditures (Unit: ¥ billion)

FYE 3/09	FYE 3/10	FYE 3/11
11.9	10.7	11.2

Depreciation (Unit: ¥ billion)

FYE 3/09	FYE 3/10	FYE 3/11
11.9	12.5	12.4

R&D expense (Unit: ¥ billion)

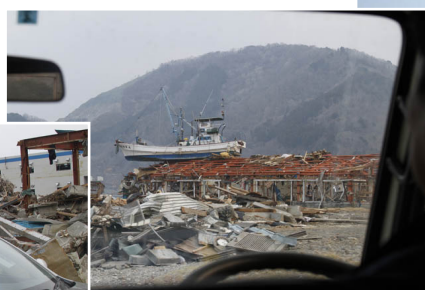
FYE 3/09	FYE 3/10	FYE 3/11
0.6	0.6	0.6

Great East Japan Earthquake

ALSOK as a whole

● Corresponding for clients and region's support

- (1) Immediate support structure made by over 100 employees
- (2) Security confirmation of individual and corporate clients
- (3) Patrol for clients' facilities
- (4) Offering the information on the damages of our clients' facilities



Great East Japan Earthquake

ALSOK as a whole

- **Corresponding for clients and region's support**

- (5) Offering temporary security services
- (6) Retrieve cash from damaged ATM
- (7) Engaging emergency maintenance work on the security systems and communication lines



Great East Japan Earthquake

ALSOK as a whole

- Supporting Activities
 - Offering relief supplies
 - Offering evacuation centers
- Donation
 - Donation from ALSOK as a whole
 - Purse from the employees
 - The company's athletes carried out street donations and auctions
- Volunteer Activities



Great East Japan Earthquake

Direct effect on financial results

- **Sales - ¥0.2 billion**

- **Electronic Security Services**
Pause of the security alarm which can't monitor
- **Stationed Security Services**
Pause of services for 26 clients (11 clients already resumed)

- **Extraordinary losses ¥0.2 billion**

- **Damages to our security equipments**
- **Destroyed facilities**
- **Damaged patrol cars and Cash Deposit Machines**
- **Supporting Activities (offering relief supplies)**

Section 2

Business Strategy for FYE 3/12

Measures to Increase Sales

1 Strengthening Sales Capabilities

- (1) Increase in number of sales staff**

- (2) Strengthening the head office sales structure**

- (3) Expansion of education structure for sales staff**

Measures to Increase Sales

2 New products

(1) ALSOK-G V (next generation electronic security)



(2) Disaster prevention products

(3) Strengthening of new products and services development

Measures to Increase Sales

3 Promotion of M&A

- (1) M&A opportunities for share increase in security business**
- (2) M&A for the purpose of expansion in scope of business**

4 Overseas expansion

Set up overseas subsidiary from an existing rep. office and establish a new rep. office in Asia

5 New business expansion

Pursue recycle and reuse business

6 Cost control promotion by the efficiency of management and operation sections

Section 3

Business Plan for FYE 3/12

Business Plan for FYE 3/12

Great East Japan Earthquake

(1) Negative impact on Sales - ¥2.3 billion

Breakdown of business segments

Electronic Security Services - ¥0.8 billion

Stationed Security Services - ¥1.3 billion

Transportation Security Services - ¥0.2 billion

(2) Negative impact on Recurring Profit - ¥1.6 billion

Business Plan for FYE 3/12

Effect of Japan Facilio

	Business Plan for FYE 3/12
Sales	¥19.0 billion
Cost of sales	¥17.2 billion
SG&A	¥1.6 billion
Operating profit	¥0.2 billion
Recurring profit	¥2.5 billion

Wide range construction, such as air condition, water supply and drainage, electric construction etc. is offered

The above mentioned contributes to the increase in sales of the group, through synergy of total building management systems and disaster prevention services

Business Plan for FYE 3/12

(Unit: ¥ billion)	Amount	% to total sales	Gap	Change (%)
S a l e s	301.8	100.0%	22.6	8.1%
Gross profit	72.0	23.9%	2.1	3.0%
Operating profit	9.9	3.3%	-0.4	-4.1%
Recurring profit	11.2	3.7%	-0.5	-4.6%
Net income	5.3	1.8%	0.6	13.3%

Sales Plan by Business Segment for FYE 3/12

(Unit: ¥ billion)		Amount	% to total sales	Gap	Change (%)
Security Services	Electronic Security Services	141.4	46.9%	3.0	2.2%
	Stationed Security Services	69.6	23.1%	-1.7	-2.3%
	Transportation Security Services	49.5	16.4%	1.8	3.8%
	Total Building Management System & Disaster Prevention Services	36.3	12.0%	19.3	113.4%
Other Services		4.8	1.6%	0.1	2.5%
T o t a l		301.8	100.0%	22.6	8.1%

Major Changes in P/L (Plan) for FYE 3/12

	Gap of Major Changes for FYE 3/12	(Effect of disaster)	(Effect of retirement benefit expenses)
Sales	+ ¥22.6 billion (YoY +8.1%)	(- ¥2.3 billion)	
Cost of sales	+ ¥20.5 billion (YoY +9.8%)	(- ¥0.7 billion)	(+ ¥0.4 billion)
Labor cost	+ ¥1.8 billion		
Expense	- ¥0.4 billion		
Cost of product sold & installation	+ ¥19.1 billion		
SG&A	+ ¥2.5 billion (YoY +4.2%)	(+ ¥60 million)	(+ ¥0.2 billion)
Advertising expenses	- ¥0.1 billion		
Personnel cost	+ ¥1.7 billion		
Others	+ ¥0.9 billion		
Operating profit	- ¥0.4 billion (YoY -4.1%)	(- ¥1.6 billion)	(- ¥0.7 billion)

Other Plans for FYE 3/12

1 Net increase in number of contracts for Electronic Security Services

	Net increase	Gap	Change (%)
T o t a l	20,250	3,304	19.5%
Corporate clients	8,100	373	4.8%
Individual clients	12,150	2,931	31.8%

2 Other

(Unit: ¥ billion)

	Amount	Gap	Change (%)
C a p i t a l expenditures	12.5	1.2	10.8%
Depreciation	13.1	0.7	5.4%

Dividends

	FYE 3/10	FYE 3/11	FYE 3/12 Plan
Dividend per share	¥20 (¥10)	¥20 (¥10)	¥20 (¥10)
Payout ratio	44.1%	42.7%	37.9%

*Note: Amounts stated inside the () are the 1H dividend per share.

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.



Securities Code: 2331(1st Section of TSE)

