



**Financial Results for the Fiscal Year Ended
March 31, 2012**

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

May 11, 2012

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Section 1

Financial Results for FY 2012

Summary of P/L

(Unit: ¥ billion)	FY 2012	FY 2011	YoY	Change
Net sales	304.7	279.2	25.4	9.1%
Gross profit	71.9	69.9	2.0	2.9%
Operating income	10.8	10.3	0.4	4.4%
Ordinary income	12.5	11.7	0.7	6.7%
Net income	3.9	4.7	-0.8	-17.1%

P/L for FY 2012 (vs. Business Plan)

(Unit: ¥ billion)	FY 2012	Business Plan	Gap	Achievement ratio
Net sales	304.7	301.8	2.8	100.9%
Gross profit	71.9	72.0	-0.1	99.9%
Operating income	10.8	9.9	0.9	108.9%
Ordinary income	12.5	11.2	1.3	111.9%
Net income	3.9	5.3	-1.4	73.2%

Effect of the Great East Japan Earthquake

1 Effect on Sales

(Unit: ¥ billion)

	Business Plan for FY 2012	FY 2012
Electronic Security Services	-0.8	-0.37
Stationed Security Services	-1.3	- 0.84
Transportation Security Services	- 0.2	- 0.07
Total	- 2.3	- 1.30

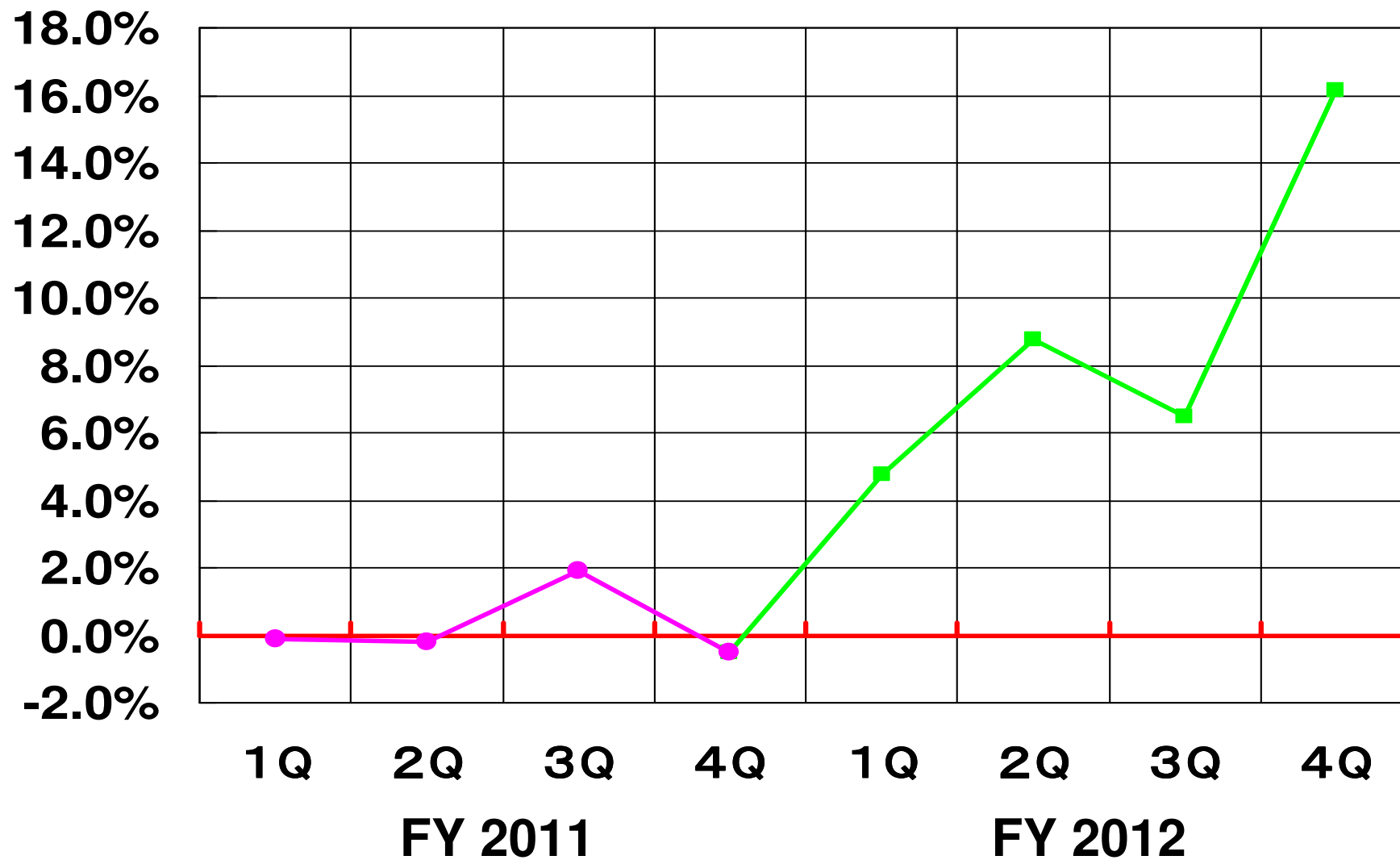
2 Expenses

Extraordinary loss ¥0.17 billion (Repair expenses etc.)

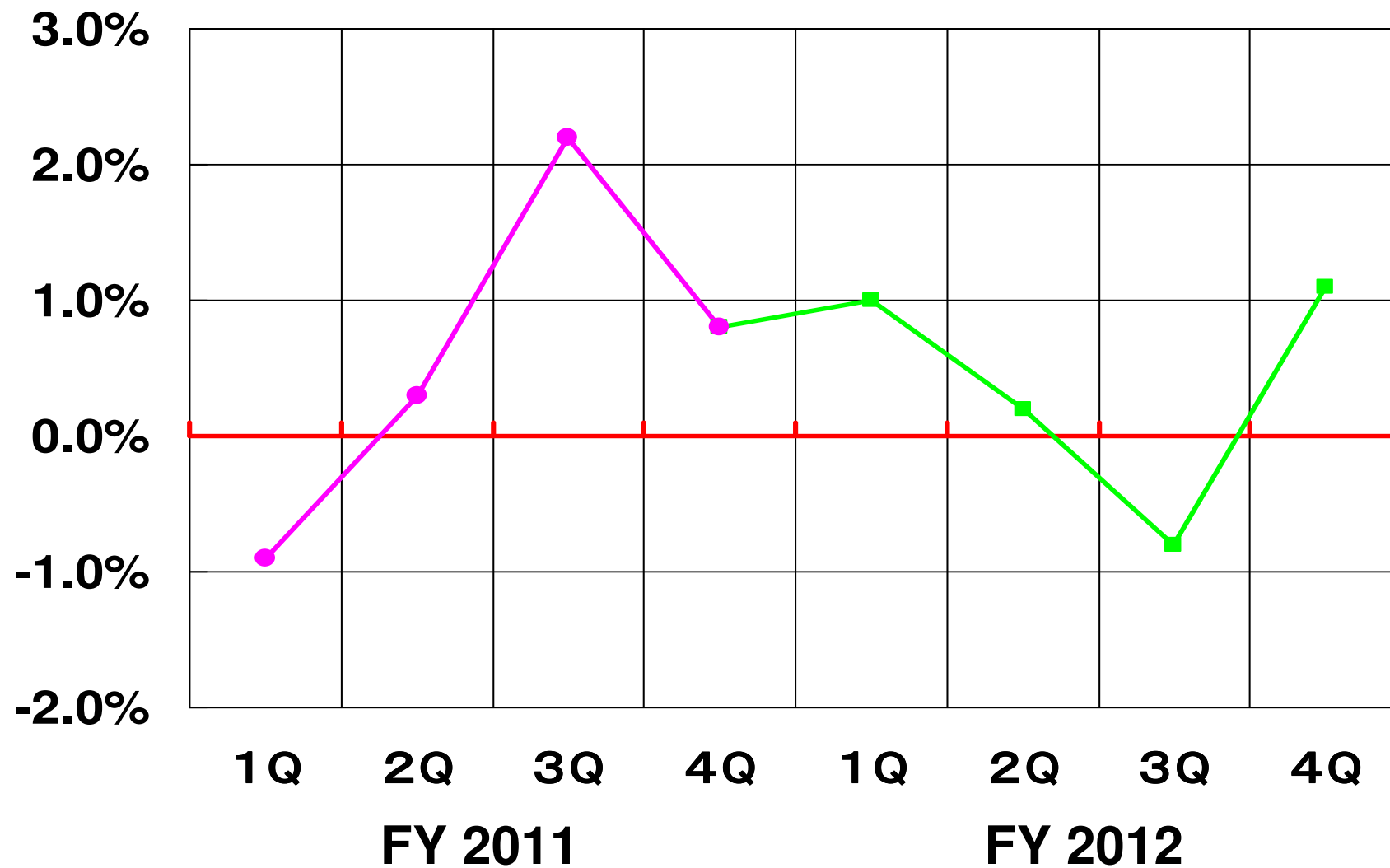
P/L for FY 2012

(Unit:¥billion)	FY 2012 1Q	Change	FY 2012 2Q	Change	FY 2012 3Q	Change	FY 2012 4Q	Change
Net sales	72.1	4.8%	75.3	8.8%	75.0	6.5%	82.1	16.2%
Gross profit	18.1	0.6%	18.3	0.9%	17.0	0.5%	18.3	9.7%
Operating income	2.9	-9.6%	3.4	-5.1%	1.7	-7.8%	2.7	67.9%
Ordinary income	3.4	-1.1%	3.7	-9.7%	2.1	1.5%	3.2	59.3%
Net income	1.5	4.4%	1.3	-34.4%	-0.3	-130.3%	1.3	970.3%

Net sales [Year-on-Year]



Contract sales 【 Year-on-Year 】



Net sales by Services

(Unit: ¥billion)		FY 2012	Business Plan	Gap	Achievement ratio	FY 2011	YoY	Change
Security Services	Electronic Security Services	142.9	141.4	1.4	101.0%	138.4	4.4	3.2%
	Stationed Security Services	71.3	69.6	1.6	102.4%	71.3	0	0.0%
	Transportation Security Services	49.8	49.5	0.2	100.6%	47.6	2.1	4.5%
Total Building Management Services and Disaster Prevention Services		36.6	36.3	0.2	100.8%	17.0	19.5	115.0%
Other Services		4.0	4.8	-0.8	83.5%	4.7	-0.7	-14.4%
T o t a l		304.7	301.8	2.8	100.9%	279.2	25.4	9.1%

Overview of Electronic Security Services

(Unit: ¥ billion)	FY 2012	FY 2011	YoY	Change
S a l e s	142.9	138.4	4.4	3.2%
(% to Total Sales)	(46.9%)	(49.6%)		

● Contract sales

YoY ratio -0.3%

- ① Effect of the Great East Japan Earthquake
- ② Decrease of ATM repair services due to rolling blackouts

● Construction sales

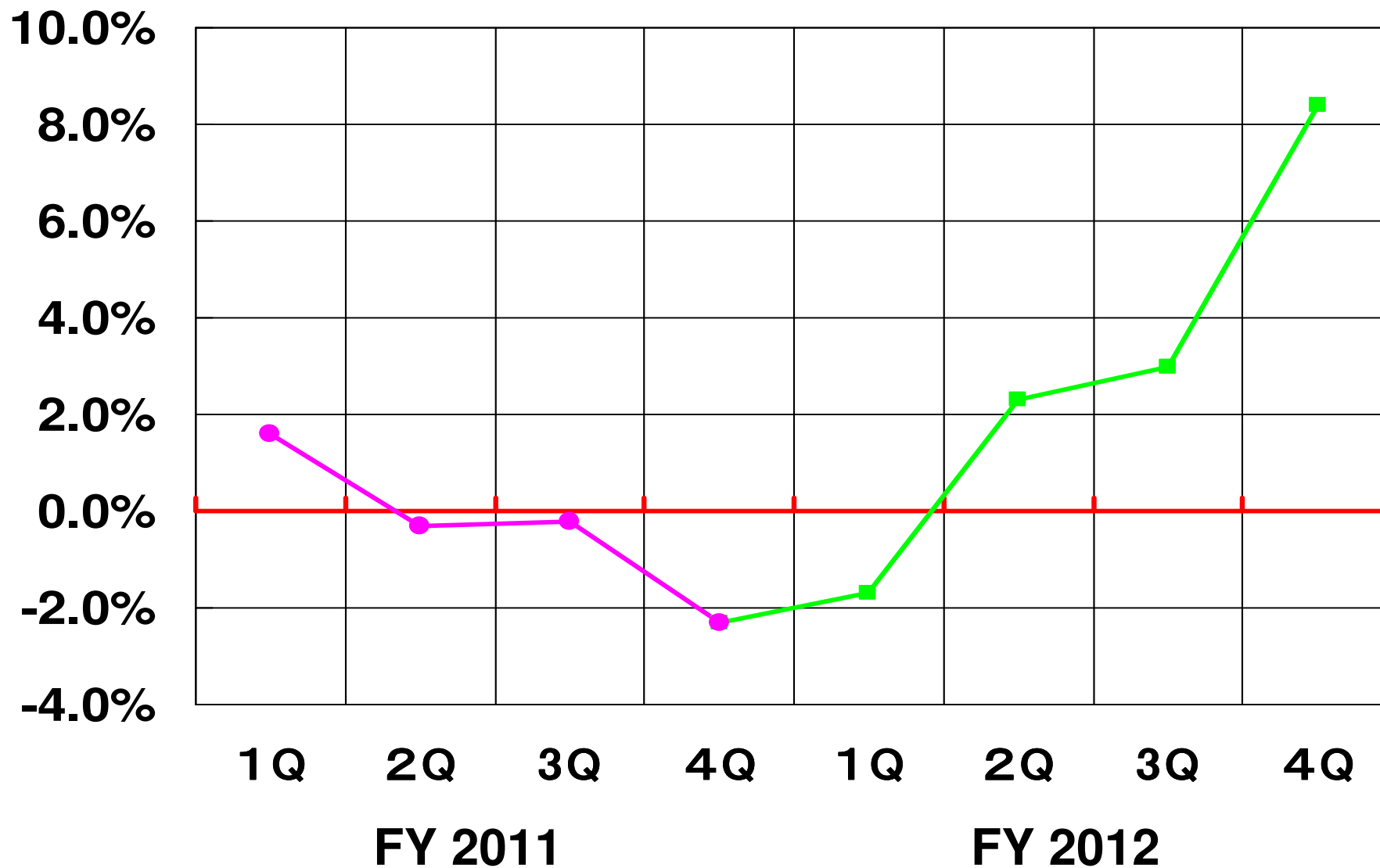
YoY ratio -19.5% (Effect of large contract in FY 2011)

● Equipment sales

YoY ratio 41.3% (Association with house makers)

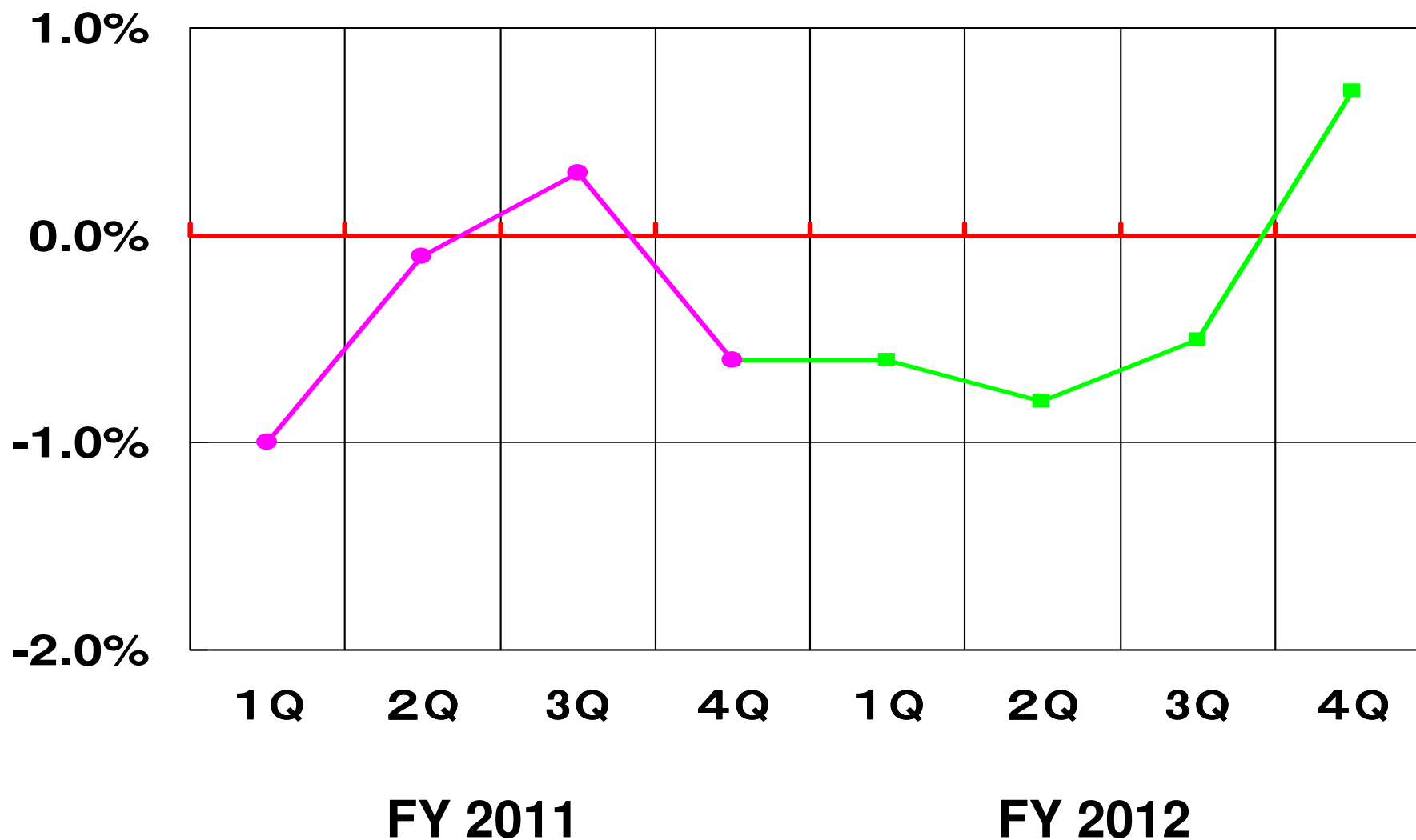
Overview of Electronic Security Services

【 Sales: Year-on-Year 】



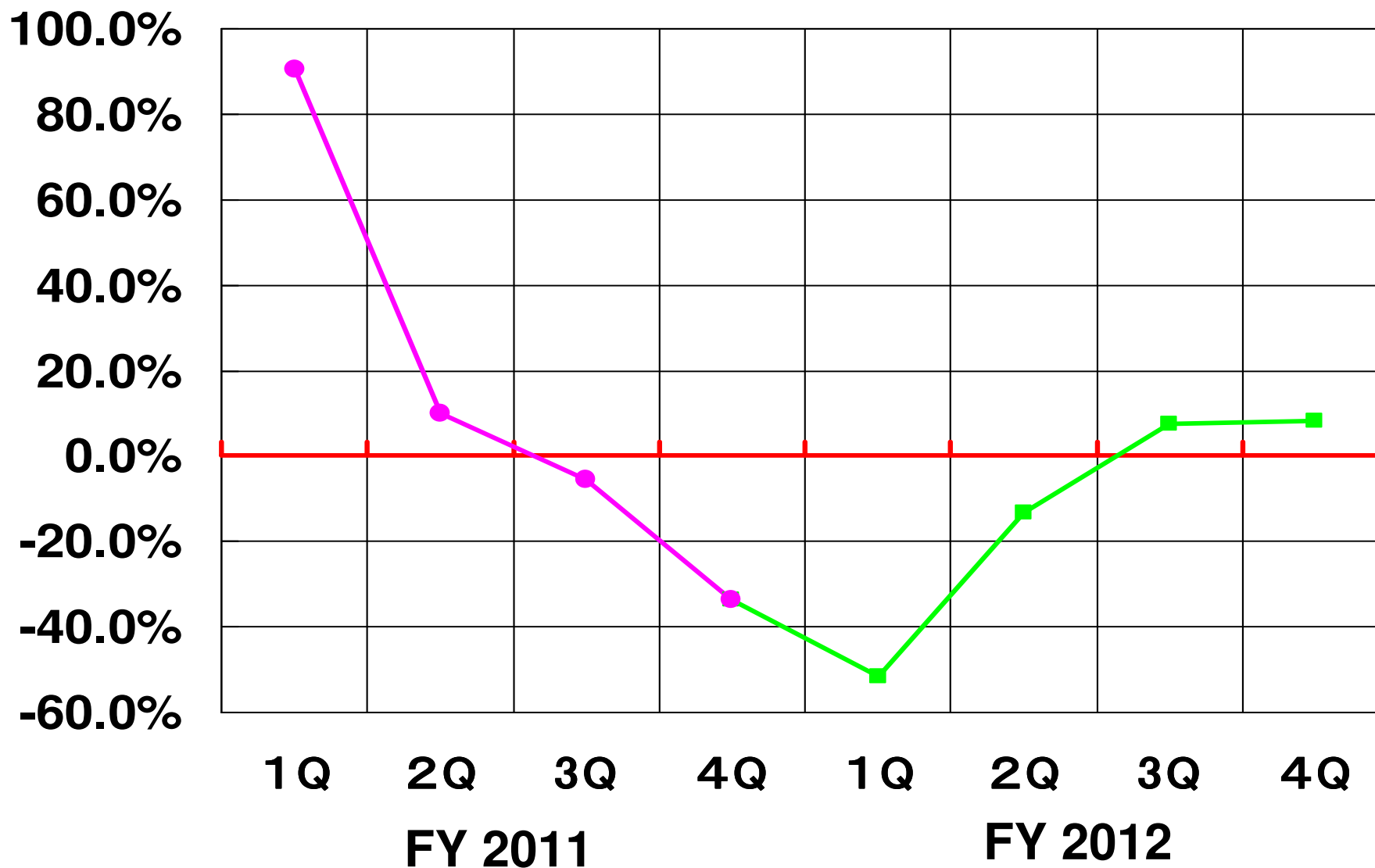
Overview of Electronic Security Services

【 Contract sales : Year-on-Year 】



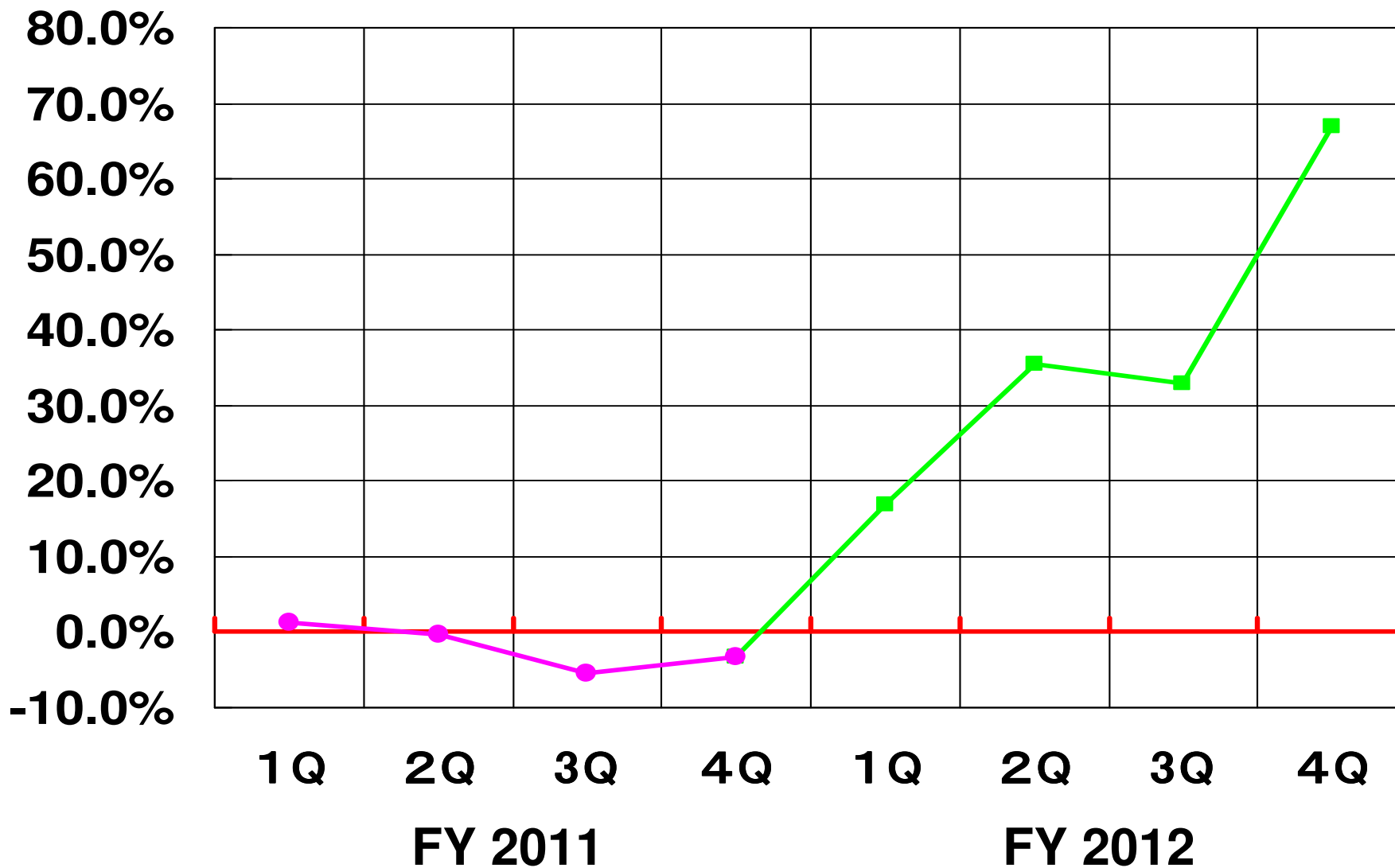
Overview of Electronic Security Services

【 Construction sales: Year-on-Year 】



Overview of Electronic Security Services

【 Equipment sales : Year-on-Year 】



Overview of Electronic Security Services

【 Corporate Clients 】

	FY 2012	FY 2011	YoY	Change
Net increase in number of contracts for corporate clients	9,681	7,727	1,954	25.3%

[Corporate Clients]

Newly booked contracts : Increased from FY 2011

Cancellation : Essentially unchanged from FY 2011

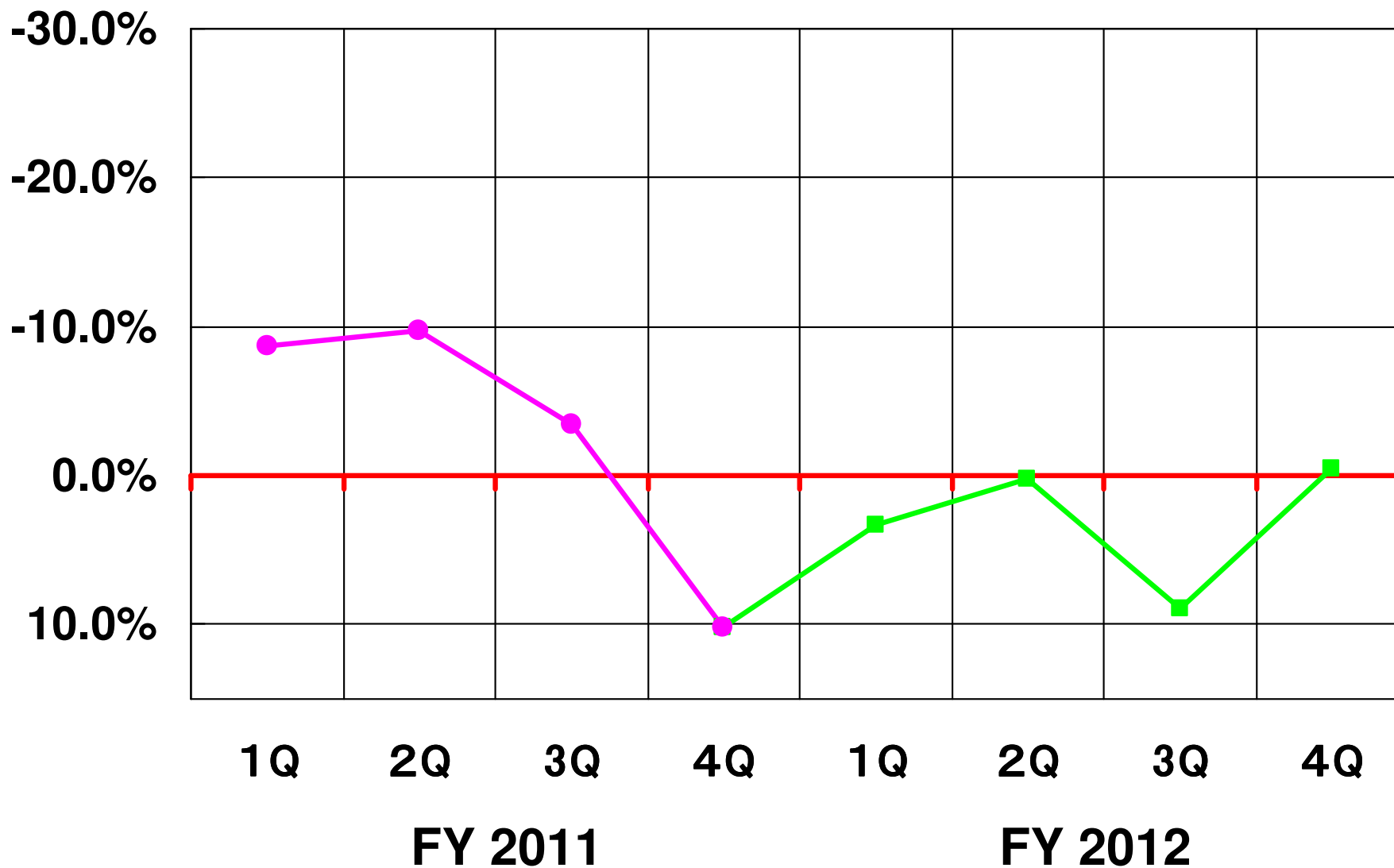
Newly booked contract price : Declined from FY 2011

Price cut : Decreased from FY 2011

Business Plan : 8,100 net increase Achievement ratio 119.5%

Overview of Electronic Security Services Corporate Clients

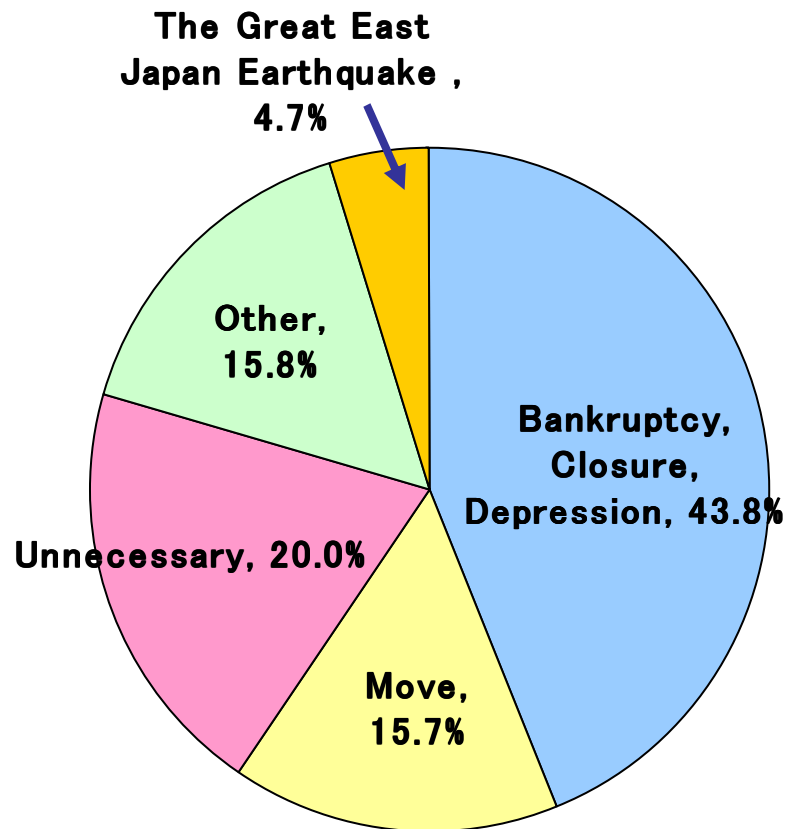
【 Cancellation : Year-on-Year 】



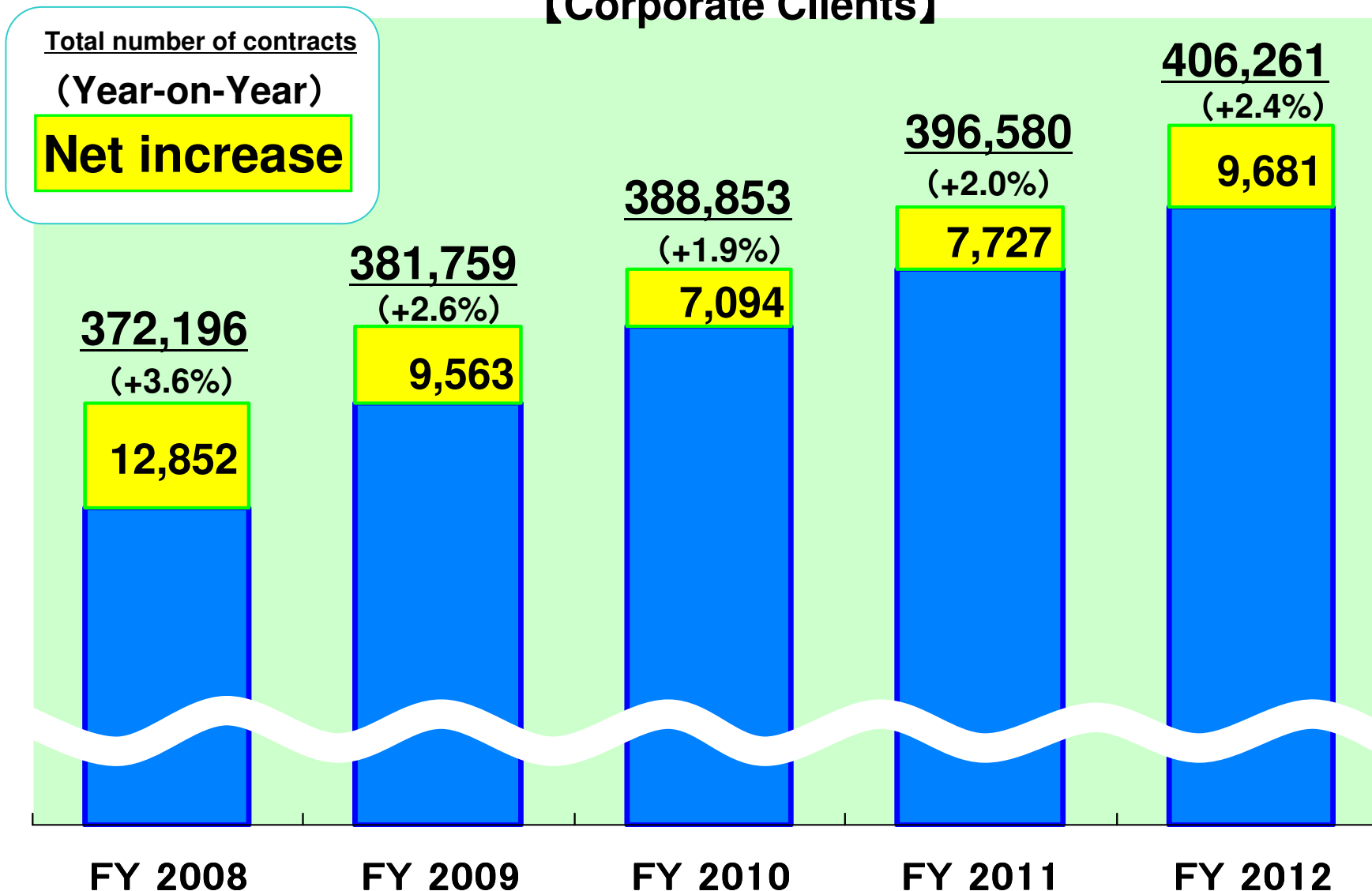
Overview of Electronic Security Services Corporate Clients

【Reason of Cancellation】

FY 2012



Increase in Contracts of Electronic Security Services 【Corporate Clients】



Overview of Electronic Security Services

[Individual Clients]

	FY 2012	FY 2011	YoY	Change
Net increase in number of contracts for individual clients	28,928	9,219	19,709	213.8%

[Individual Clients]

Newly booked contracts : Increased significantly from FY 2011
(Due to the association with house makers)

Cancellation : Increased from FY 2011

Newly booked contract price : Declined (Due to the great increase in purchase plan sales of the price plans)

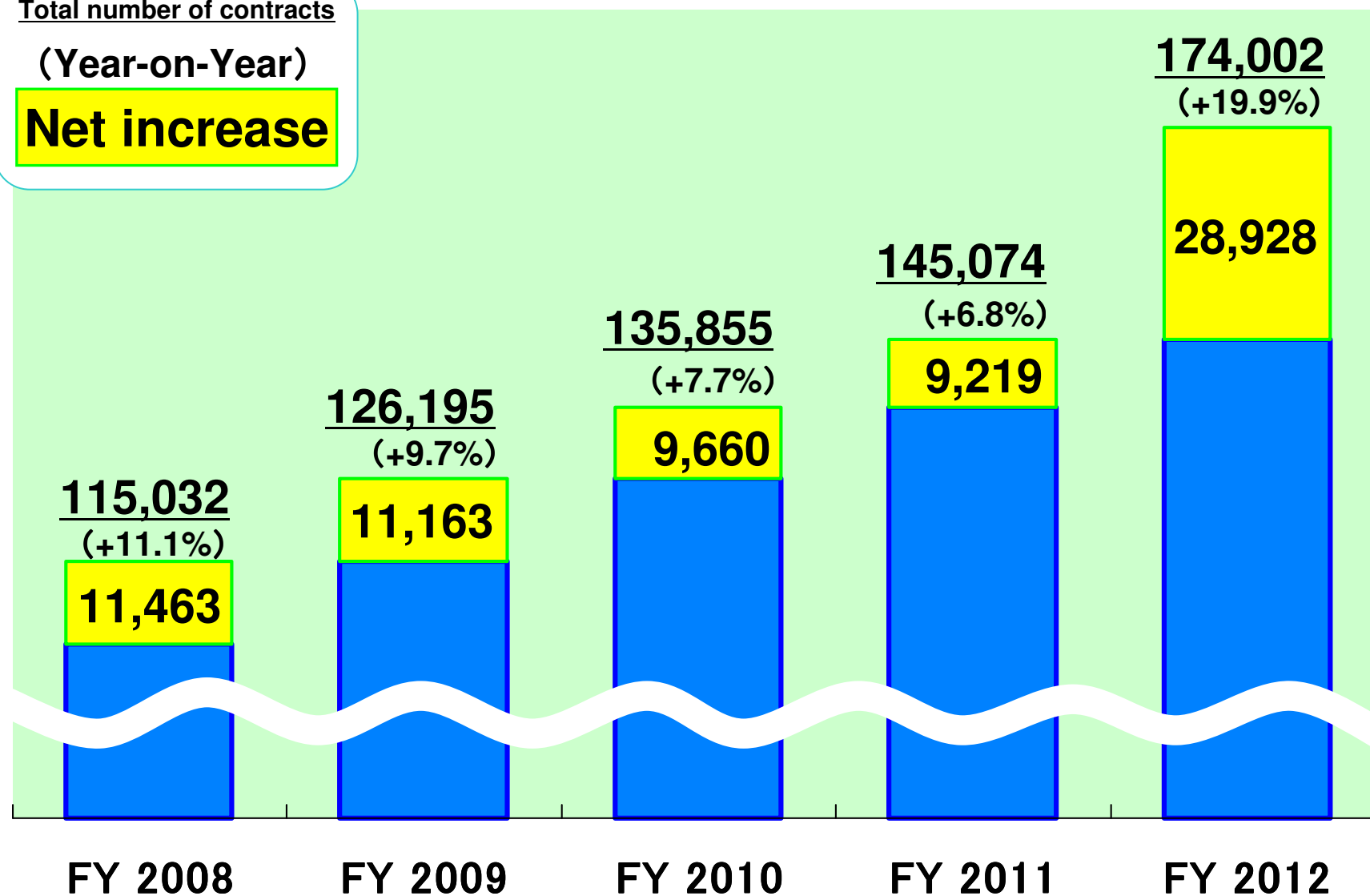
Business Plan: 12,150 net increase **Achievement ratio 238.1%**

Increase in Contracts of Electronic Security Services 【Individual Clients】

Total number of contracts

(Year-on-Year)

Net increase



Overview of Stationed Security Services

(Unit: ¥ billion)	FY 2012	FY 2011	YoY	Change
S a l e s	71.3	71.3	0.0	0.0%
(% to Total Sales)	(23.4%)	(25.5%)		

- **Effect of the Great East Japan Earthquake**

-0.84 billion (Plan -1.3 billion)

- **Temporary Security Services**

Compensate for the cancellations due to the Great East Japan Earthquake

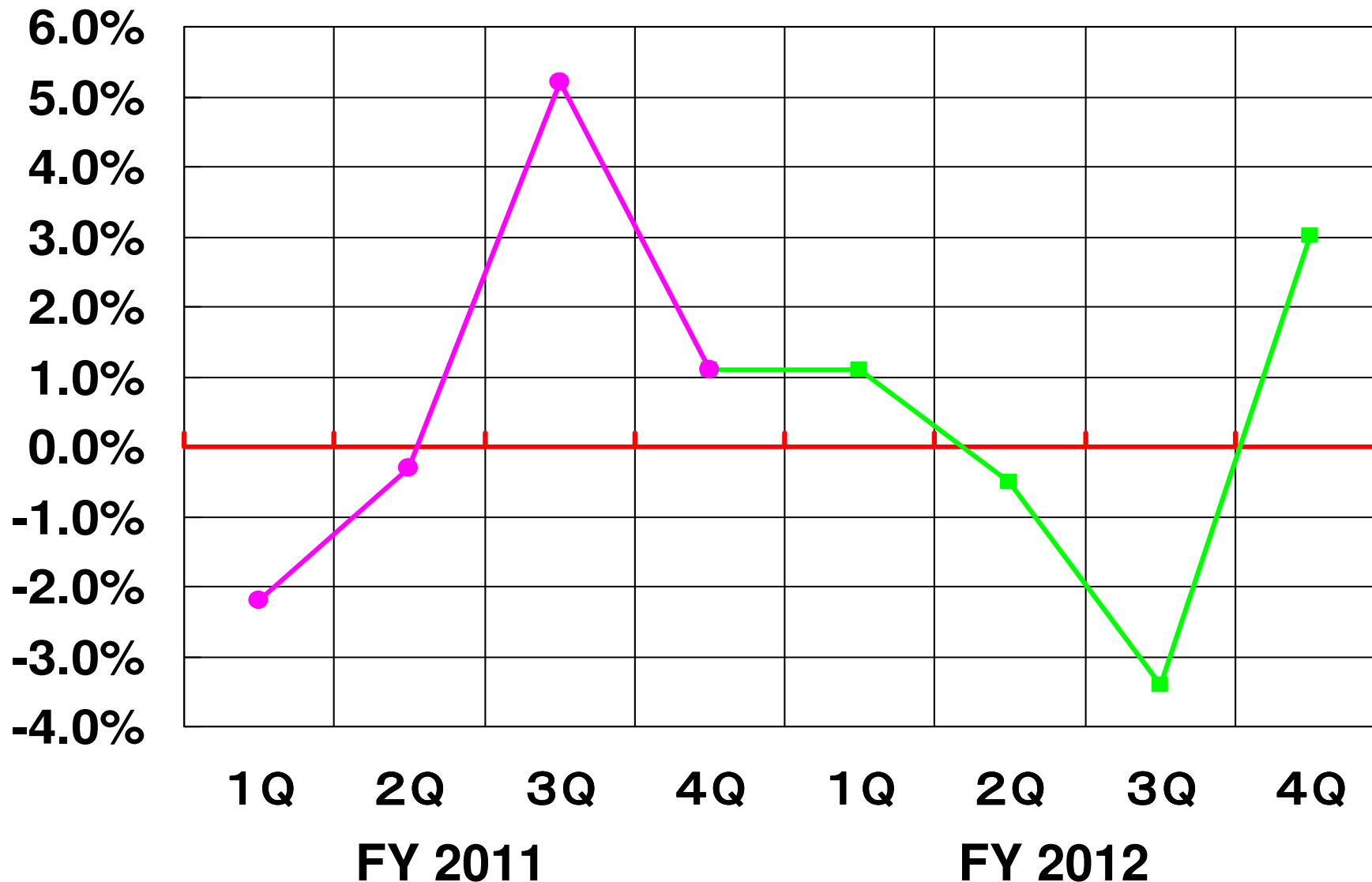
- **Newly booked contracts**

TOKYO SKYTREE TOWN[®] (Security services started in March,2012)

Other

Overview of Stationed Security Services

【 Sales: Year-on-Year 】



Overview of Transportation Security Services

(Unit: ¥ billion)	FY 2012	FY 2011	YoY	Change
S a l e s	49.8	47.6	2.1	4.5%
(% to Total Sales)	(16.3%)	(17.1%)		

● Newly booked contracts

Total ATM Management System

Net increase of
2,250 contracts

Bank ATMs inside convenience stores

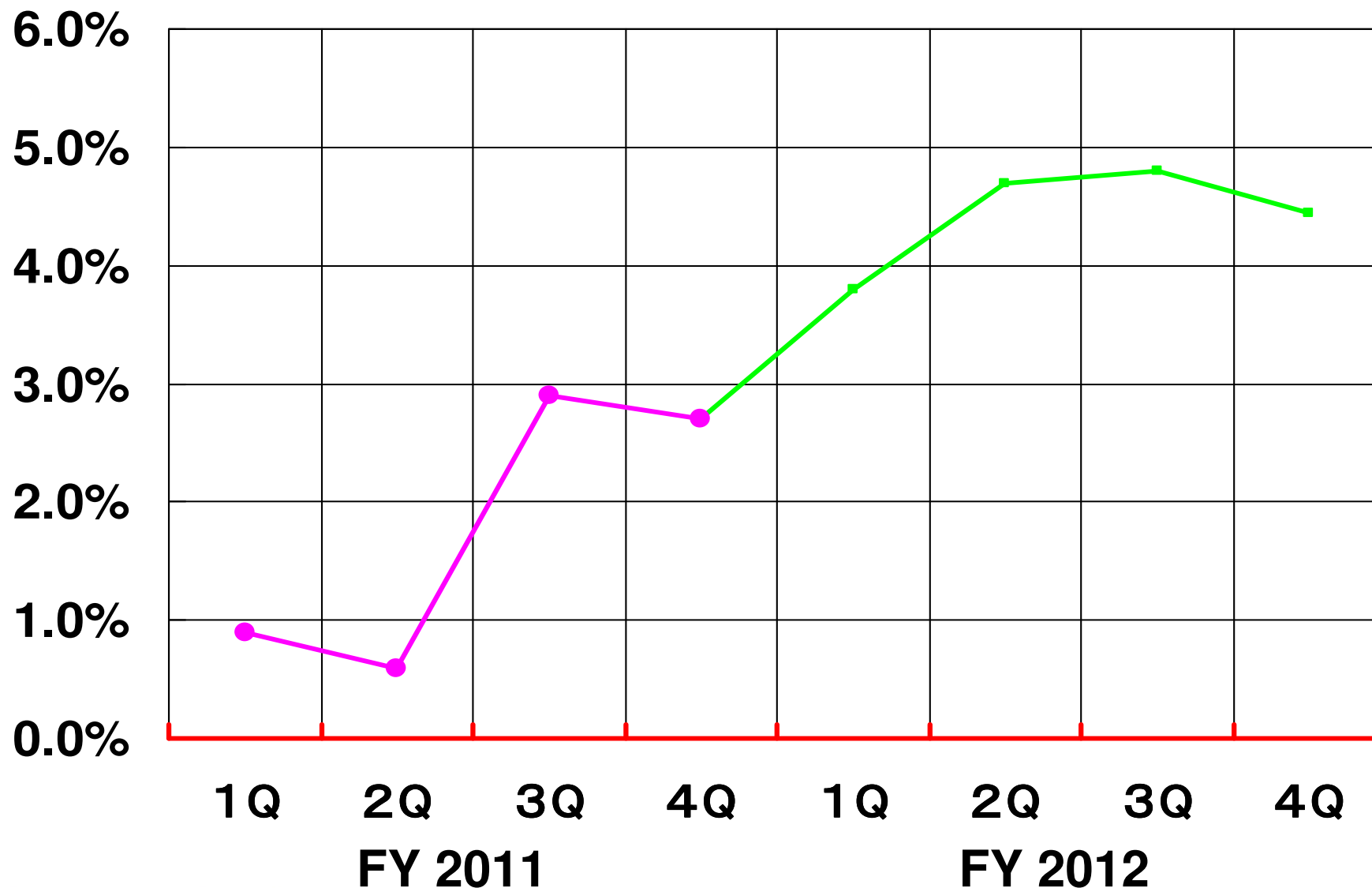
Net increase of
1,350 contracts

Cash Deposit Machine On-line System

Net increase of
1,000 contracts

Overview of Transportation Security Services

【 Sales: Year-on-Year 】



Overview of Total Building Management Services and Disaster Prevention Services

(Unit: ¥ billion)	FY 2012	FY 2011	YoY	Change
S a l e s	36.6	17.0	19.5	115.0%
(% to Total Sales)	(12.0%)	(7.8%)		

● Financial results of Japan Facilio

(Unit: ¥ billion)

	First half of the fiscal year			Second half of the fiscal year			Full business year (FY 2012)		
	results	Business Plan	Gap	results	Business Plan	Gap	results	Business Plan	Gap
Net sales	7.95	9.00	-1.04	11.33	10.00	1.33	19.29	19.00	0.29
Operating income	-0.42	0.05	-0.47	0.20	0.15	0.05	-0.22	0.20	-0.42
Ordinary income	-0.39	0.07	-0.46	0.27	0.17	0.09	-0.11	0.25	-0.36

● Other Sales (Excluding Japan Facilio) : YoY ratio +1.7%

Sales of AED 10,937 units

(The cumulative total of sales : 56,505 units)

Overview of Other Services

(Unit: ¥ billion)	FY 2012	FY 2011	YoY	Change
S a l e s (% to Total Sales)	4.0 (1.3%)	4.7 (1.6%)	-0.7	-14.4%

● Major Services

ALSOK Safety confirmation Service **Net increase 189 contracts**
(YoY ratio +1081.1%)

ALSOK DENPO (Telegram Service) **Newly booked orders**
13,755 contracts
(YoY ratio +552.2%)

Net Sales by Client Industry

(Unit: ¥ billion)	FY 2012 (% to total sales)	FY 2011 (% to total sales)	YoY	Change
Financial institutions	82.3 (27.0%)	78.8 (28.2%)	3.5	4.5%
Business corporations	184.7 (60.6%)	164.3 (58.8%)	20.4	12.4%
Government offices and Japan Post	26.4 (8.7%)	26.4 (9.5%)	0.0	0.0%
Individuals	11.1 (3.7%)	9.6 (3.5%)	1.4	14.8%
T o t a l	304.7 (100.0%)	279.2 (100.0%)	25.4	9.1%

Progress of Measures to Improve Operating Results for FY 2012

Measures to Improve Operating Results

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 Improve Operating Results

2 New Products

(1) ALSOK-G V (G-Five)

Electronic Security Service that utilizes image sensors and high-speed Internet connections to provide real-time information



(2) Disaster prevention products

Disaster prevention equipments
Emergency supplies
Radioactivity detecting device



(3) Face Learn Gate



(4) ALSOK Pocket



(5) ALSOK Jyuku (Original educational service)



Measures to Improve Operating Results

3 Promotion of M&A

4 Overseas operation

- (1) Establishment of the Overseas Division
(On August 1, 2011)
- (2) Establishment of representative office
in Gurgaon, Republic of India (On October 1, 2011)
- (3) Establishment of Subsidiary
ALSOK MALAYSIA SDN.BHD. (On February 29, 2012)

5 Cost control promotion (Reduction target : ¥1 billion)

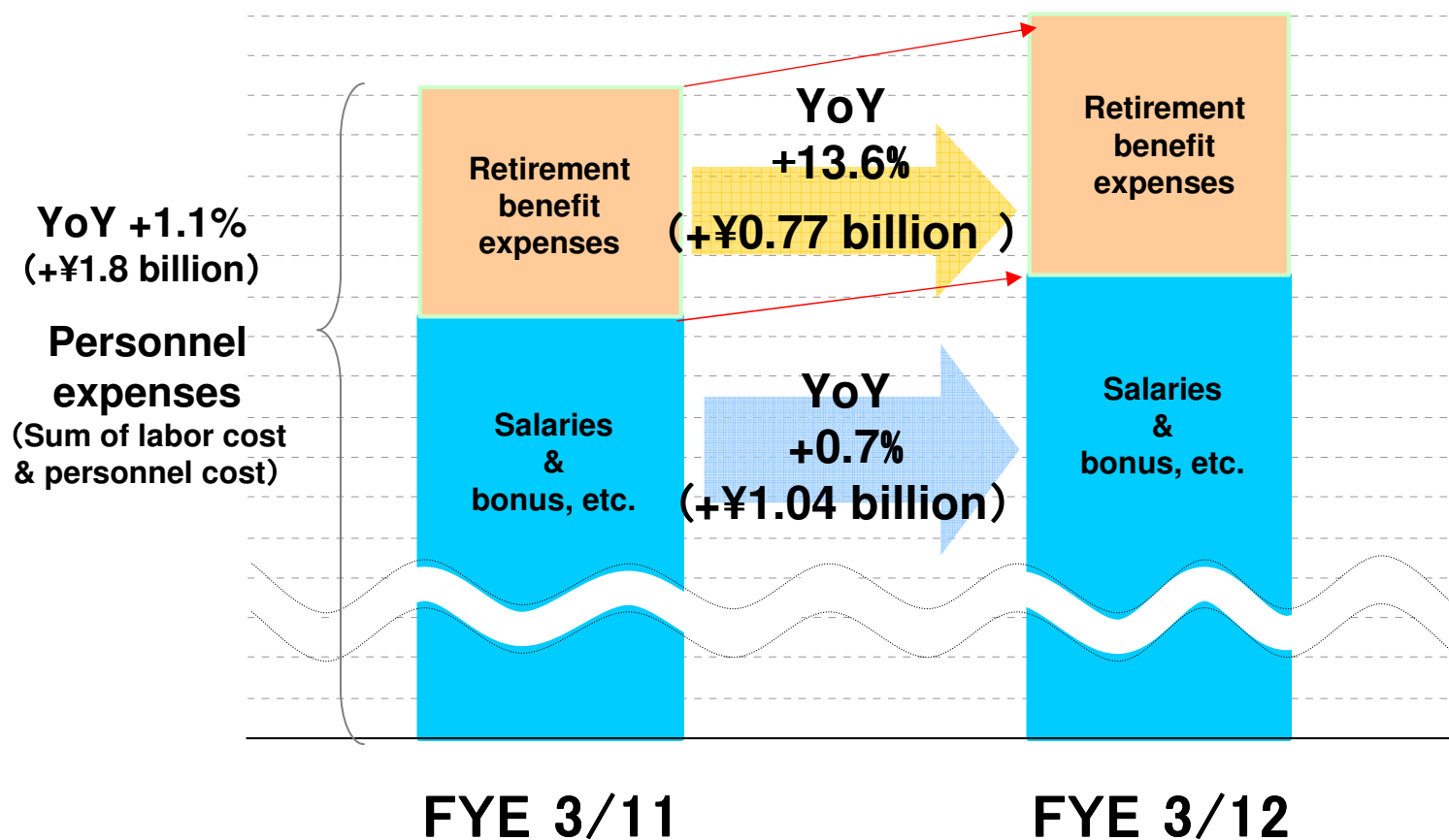
Major Changes in P/L

Consolidated	Excluding Japan Facilio	Japan Facilio
Net sales +¥25.4 billion (YoY+9.1%)	= +¥6.1 billion (YoY+2.2%)	+ ¥19.2 billion
↓		
Cost of sales +¥23.4 billion (YoY+11.2%)	= +¥5.5 billion (YoY+2.6%)	+ ¥17.9 billion
Labor cost +¥1.4 billion Cost of product sold & installation +¥22.8 billion Depreciation +¥0.6 billion Expense -¥1.5 billion	+¥1.4 billion +¥4.8 billion +¥0.6 billion -¥1.5 billion	¥17.9 billion
↓		
SG&A +¥1.5 billion (YoY +2.6%)	= +¥0.0 billion (YoY+0.0%)	+ ¥1.5 billion
Personnel Cost +¥1.3 billion Others +¥0.1 billion	+¥0.3 billion -¥0.3 billion	¥1.0 billion ¥0.5 billion
↓		
Operating income +¥0.4 billion (YoY+4.7%)	= +¥0.7 billion (YoY+6.8%)	+ -¥0.2 billion

Personnel Expenses

Number of employees (Excluding Japan Facilio)
YoY +0.3% (+103 employees)

27,394 ●————● **27,497**



Consolidated Balance Sheet

(Unit: ¥ billion)

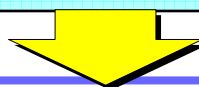
	FY 2012	FY 2011	YoY		FY 2012	FY 2011	YoY
Current assets	160.0	154.7	5.3	Current liabilities	69.2	71.7	-2.5
Cash and deposits	48.5	51.0	-2.5	Accounts payable-trade	13.8	10.7	3.0
Cash for Transportation Security Services and Advances paid	63.0	63.3	-0.3	Short-term loans payable	21.9	28.7	-6.9
accounts receivable-trade	28.6	24.1	4.5	Current portion of bonds	0.1	2.3	-2.1
Raw materials and supplies	5.6	4.2	1.3	Other	33.3	29.9	3.4
Other	14.2	11.9	2.3	Noncurrent liabilities	48.7	50.4	-1.6
Noncurrent assets	123.5	129.6	-6.0	Long-term loans payable	9.4	12.2	-2.8
Property, plant and equipment	59.1	59.5	-0.3	Other	39.2	38.1	1.2
Intangible assets	6.5	7.4	-0.9	Total liabilities	117.9	122.1	-4.2
Investments and other assets	57.8	62.6	-4.7	Shareholders' equity	149.0	147.1	1.8
				Valuation and translation adjustments	-3.6	-4.2	0.6
				Minority interests	20.1	19.2	0.9
				Total net assets	165.6	162.1	3.4
Total assets	283.5	284.3	-0.7	Total liabilities and net assets	283.5	284.3	-0.7

Consolidated Cash Flows

(Unit: ¥ billion)

	FY 2012	FY 2011	YoY
Net cash provided by (used in) operating activities	17.2	12.1	5.1
Net cash provided by (used in) investing activities	-10.8	-12.2	1.4
Net cash provided by (used in) financing activities	-9.9	6.4	-16.4
Cash and cash equivalents at end of period	40.4	43.6	-3.2

Major items of 03/12



● Net cash provided by (used in) operating activities	Income before income tax	11.3
	Depreciation and amortization	13.0
	Decrease in notes and accounts receivable-trade	5.0
	Increase in notes and accounts payable-trade	5.0
	Assets/Liabilities for TSS	-6.5
● Net cash provided by (used in) investing activities	Purchase of property, plant and equipment	-8.6
	Purchase of investment securities	-2.0
● Net cash provided by (used in) financing activities	Repayment of long-term loans payable	-3.7
	Redemption of bonds	-2.3
	Cash dividends paid	-2.0

Capital Expenditures and Others

Capital expenditures (Unit: ¥ billion)

FY 2010	FY 2011	FY 2012
10.7	11.2	10.4

Depreciation (Unit: ¥ billion)

FY 2010	FY 2011	FY 2012
12.5	12.4	13.0

R&D expense (Unit: ¥ billion)

FY 2010	FY 2011	FY 2012
0.6	0.6	0.6

Section 2

Business Plan for FY 2013

Business Plan for FY 2013

(Unit: ¥ billion)	Amount	Margin	YoY	Change
Net sales	315.0	100.0%	10.3	3.4%
Gross profit	75.0	23.8%	3.1	4.3%
Operating income	12.5	3.9%	1.6	15.6%
Recurring income	14.1	4.5%	1.5	12.3%
Net income	7.3	2.3%	3.4	87.0%

Sales Plan by Business Segment for FY 2013

(Unit: ¥ billion)		Amount	% to total sales	YoY	Change
Security Services	Electronic Security Services	146.1	46.4%	3.2	2.3%
	Stationed Security Services	74.3	23.6%	3.0	4.3%
	Transportation Security Services	51.6	16.4%	1.8	3.6%
Total Building Management Services and Disaster Prevention Services		39.5	12.6%	2.9	8.1%
Other Services		3.2	1.0%	-0.7	-19.4%
T o t a l		315.0	100.0%	10.3	3.4%

Major Changes in P/L (Plan) for FY 2013

	Business Plan for FY 2013 (Contents)	YoY Amount
Net sales	¥315.0 billion	+¥10.3 billion (+3.4%)
Cost of sales	¥240.0 billion	+¥7.2 billion (+3.1%)
Labor cost	¥120.6 billion	+¥2.8 billion
Expense	¥75.5 billion	+¥2.7 billion
(Depreciation)	(¥10.8 billion)	(-¥0.0 billion)
Cost of product sold & installation	¥43.8 billion	+¥1.7 billion
SG&A	¥62.5 billion	+¥1.4 billion (+2.4%)
Advertising expenses	¥2.4 billion	+¥0.2 billion
Personnel cost	¥41.9 billion	+¥0.6 billion
Others	¥18.2 billion	+¥0.6 billion
Operating income	¥12.5 billion	+¥1.7 billion (+15.7%)

Other Plans for FY 2013

1 Net increase in number of contracts for Electronic Security Services

	Net increase	YoY	Change
Net increase in number of contracts	48,000	9,391	24.3%
Corporate Clients	11,000	1,319	13.6%
Individual Clients	37,000	8,072	27.9%

2 Other

(Unit: ¥ billion)

	Amount	YoY	Change
Capital expenditures	13.7	3.2	31.1%
Depreciation	12.6	-0.3	-2.6%

Dividends

	FY 2010	FY 2011	FY 2012	FY 2013 Plan
Dividend per share	¥20 (¥10)	¥20 (¥10)	¥20 (¥10)	¥22 (¥11)
Payout ratio	44.1%	42.7%	51.5%	30.3%

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

Section 3

Measures to Improve Operating Results for FY 2013

Measures to Improve Operating Results

1 Sales

- (1) Strengthening the sales structure
- (2) Raising the level of satisfaction of existing customers
- (3) Expansion of education structure for sales staff

Measures to Improve Operating Results

2 New Products and Services

(1) New home security Service

- Enhanced model of ALSOK Home Security X7
- New function (Image monitoring)



New model

Home Security **X7**

(2) Cash Deposit Machine On-line System Small-sized Cash deposit machine

- Available to small retailers in daily sales
- Respond to needs for exchanging and preparing change



Note: conventional machine

Measures to Improve Operating Results

(3) Training service against targetted E-mails attacks

- Countermeasure against cyber attacks
- For small and medium-sized companies
- Association with LAC (Little eArth Corporation Co.,Ltd.) specialized in information security

(4) ALSOK Pocket

- Applications for tablet terminal and smartphone
- Compatible with commercially available tablet terminal and smartphone
- New applications for improvement



Measures to Improve Operating Results

(5) New functions ALSOK-G V (G-Five)

- New security system that utilizes image sensors (corporate clients)
- Provide real-time information through smartphone



(6) New Network Camera



ALSOK Surveillance Camera (analogue type)

Measures to Improve Operating Results

3 Revision of cost structure

- (1) Expanding shared services (consolidating back office operations into a shared operation)**
- (2) Electronic security staffs capable of maintenance work of security equipments installed in client's premises (Multitasking)**
- (3) Improving the rationality and efficiency of cash management operations in Transportation Security Services**

Measures to Improve Operating Results

4 Overseas Operations

(1) Strengthening of sales structure for subsidiary companies

- **Operational tie-up with ZBHA Investment Management Co.Ltd.**
- **Other**

(2) Expansion of Overseas Operations

Establishment of a overseas representative Office in the Republic of Singapore

5 M&A

Disaster countermeasures

1 Respond to major disasters

- Developing disaster control manual toward major earthquake directly underneath the Metropolitan area
- Improvement of the support system for disaster affected regions

2 Disaster control measures

- Securing fuel (Establishment of fuel tanks)
- Preparing for emergency supplies
- Deployment of satellite-based mobile phones
- Other

3 Other (Conserving electricity in light of electricity shortages)

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.



ALSOOK

[Securities Code: 2331 (1st Section of TSE)]

