

Summary of Selected Financial Data  
Third Quarter Ended December 31, 2023

Sohgo Security Services Co., Ltd.

## 1. Consolidated Financial Results

### (1) Consolidated Statements of Income

	April 1 - June 30			July 1 - September 30			October 1-December 31			3Q Accounting Period		
	FY2023	FY2024	Increase/ Decrease (%)	FY2023	FY2024	Increase/ Decrease (%)	FY2023	FY2024	Increase/ Decrease (%)	FY2023	FY2024 (Forecast)	Increase/ Decrease (%)
Net Sales (Billion yen)	114.0	121.5	6.7	122.0	124.7	2.2	121.7	132.6	8.9	357.8	378.9	5.9
Operating Income (Billion yen)	7.1	8.6	21.1	8.0	9.1	13.6	9.4	9.1	(3.3)	24.6	26.9	9.3
Ordinary Income (Billion yen)	7.8	9.1	16.7	8.6	10.2	17.8	9.9	9.8	(1.0)	26.5	29.2	10.4
Profit Attributable to Owners of Parent (Billion yen)	4.4	5.1	16.6	5.3	6.6	25.4	6.0	6.5	9.4	15.7	18.4	16.8
Net Income Per Share (Yen)	8.80	10.26	—	10.48	13.21	—	11.90	13.16	—	31.18	36.62	—

	1Q Accounting Period			2Q Accounting Period			3Q Accounting Period			Annual Financial Results		
	FY2023	FY2024	Increase/ Decrease (%)	FY2023	FY2024	Increase/ Decrease (%)	FY2023	FY2024	Increase/ Decrease (%)	FY2023	FY2024 (Forecast)	Increase/ Decrease (%)
Net Sales (Billion yen)	114.0	121.5	6.7	236.0	246.3	4.4	357.8	378.9	5.9	492.2	512.5	4.1
Operating Income (Billion yen)	7.1	8.6	21.1	15.2	17.8	17.1	24.6	26.9	9.3	36.9	38.6	4.3
Ordinary Income (Billion yen)	7.8	9.1	16.7	16.5	19.4	17.3	26.5	29.2	10.4	39.2	41.0	4.5
Profit Attributable to Owners of Parent (Billion yen)	4.4	5.1	16.6	9.7	11.8	21.4	15.7	18.4	16.8	23.9	25.5	6.5
Net Income Per Share (Yen)	8.80	10.26	—	19.29	23.46	—	31.18	36.62	—	47.32	50.38	—

### (2) Consolidated Balance Sheets

	FY2022 3Q	FY2023 3Q	FY2024 3Q
Total Assets (Billion yen)	496.9	529.3	539.2
Net Assets (Billion yen)	320.0	335.7	354.5
Equity Ratio (%)	59.0	58.2	59.7
Net Assets Per Share (Yen)	579.13	608.13	643.18

### (3) Consolidated Statements of Cash Flows

	FY2022 3Q	FY2023 3Q	FY2024 3Q
Net Cash provided by (used in) Operating Activities (Billion yen)	18.3	17.5	29.5
Net Cash provided by (used in) Investing Activities (Billion yen)	(8.8)	(19.9)	(12.9)
Net Cash provided by (used in) Financing Activities (Billion yen)	(11.8)	(13.5)	(14.0)
Cash and Cash Equivalents at End of Period (Billion yen)	50.8	48.1	54.0

### (4) Dividend

	Dividends Per Share									
	End of 1Q		End of 2Q		End of 3Q		Year-end		Annual	
	Yen	Yen	Yen	Yen	Yen	Yen	Yen	Yen	Yen	Yen
FY2023	—	—	43	00	—	—	43	00	86	00
FY2024	—	—	8	70	—	—	—	—	—	—
FY2024(Forecast)	—	—	—	—	—	—	8	70	17	40

## 2. Major Items

### (1) Sales by Business Segment

(Billion yen)

	FY2023 3Q	Share(%)	Increase/ Decrease (%)	FY2024 3Q	Share(%)	Increase/ Decrease (%)
Security Services						
Electric Security Services	128.1	35.8	(2.2)	136.5	36.0	6.6
Stationed Security Services	92.9	26.0	(4.8)	94.2	24.9	1.5
Transportation Security Services	50.3	14.1	(1.2)	51.1	13.5	1.6
Total	271.3	75.8	(2.9)	281.8	74.4	3.9
General Property Management and Fire Protection Services	47.3	13.2	(2.6)	53.1	14.0	12.4
Long-Term Care Services	35.1	9.8	12.1	38.1	10.1	8.4
Total for Reportable Segments	353.7	98.9	(1.6)	373.1	98.5	5.5
Other Services	4.0	1.1	(8.8)	5.8	1.5	44.2
Total	357.8	100.0	(1.6)	378.9	100.0	5.9

### (2) Contracts by Business Segment

(Contract: Thousands)

	FY2021	FY2022 3Q	FY2022	FY2023 3Q	FY2023	FY2024 3Q
Security Services						
Electric Security Services	990	1,008	1,009	1,026	1,029	1,076
Corporate Clients	540	549	548	556	556	578
Individual Clients	449	458	460	470	473	498
Stationed Security Services	4	4	4	4	4	5
Transportation Security Services	79	79	79	86	86	88
Total	1,073	1,092	1,093	1,117	1,120	1,169
General Property Management and Fire Protection Services	113	119	119	122	121	128
Long-Term Care Services	27	28	27	27	27	27
Total for Reportable Segments	1,215	1,240	1,239	1,267	1,269	1,325
Other Services	29	34	34	23	23	25
Total	1,244	1,274	1,274	1,290	1,293	1,351

<Comparison to the previous period>	FY2022 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2023 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2024 3Q Increase/ Decrease	Increase/ Decrease (%)
Security Services						
Electric Security Services	18	1.8	17	1.7	46	4.5
Corporate Clients	8	1.6	8	1.5	21	3.9
Individual Clients	9	2.1	9	2.0	24	5.3
Stationed Security Services	0	1.7	0	2.3	0	8.9
Transportation Security Services	0	0.6	6	8.5	2	2.5
Total	18	1.7	24	2.2	49	4.4
General Property Management and Fire Protection Services	5	4.6	3	2.6	6	5.0
Long-Term Care Services	1	4.0	0	0.2	0	2.6
Total for Reportable Segments	24	2.1	27	2.2	56	4.4
Other Services	4	16.1	(11)	(32.0)	1	6.8
Total	29	2.4	16	1.3	57	4.5

## (3) Consolidated / Non-consolidated Ratio (Ratio of when individual financial results counted as 1)

	(Times)		
	FY2022 3Q	FY2023 3Q	FY2024 3Q
Net Sales	1.89	1.96	2.01
Operating Income	1.99	2.24	2.02
Ordinary Income	1.28	1.10	1.06
Profit Attributable to Owners of Parent	1.01	0.77	0.83
Total Assets	1.46	1.42	1.45

## (4) Trends in Personnel

	(Personnel)					
	FY2021	FY2022 3Q	FY2022	FY2023 3Q	FY2023	FY2024 3Q
Domestic Employees	33,815	33,982	33,564	34,245	34,485	35,037
Overseas Employees	4,629	4,611	4,628	4,533	4,554	30,808

<Comparison to the previous period>	FY2022 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2023 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2024 3Q Increase/ Decrease	Increase/ Decrease (%)
Domestic Employees	167	0.5	681	2.0	552	1.6
Overseas Employees	(18)	(0.4)	(95)	(2.1)	26,254	576.5

## (5) Capital Expenditure / Depreciation / Research and Development Expenditure

	(Billion yen)						
	FY2022 3Q	Increase/ Decrease (%)	FY2023 3Q	Increase/ Decrease (%)	FY2024 3Q	Increase/ Decrease (%)	FY2024 (Forecast)
Capital Expenditure	9.8	9.4	11.2	14.1	11.1	(0.8)	21.1
Depreciation	12.4	4.9	13.4	7.7	13.8	3.4	19.1
Research and Development	0.4	(2.0)	0.4	10.5	0.4	(4.7)	0.6

### 3. Consolidated Financial Statements

#### (1) Consolidated Statements of Income

(Billion yen)

	FY2023 3Q		FY2024 3Q		YoY	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
Net Sales	357.8	100.0	378.9	100.0	21.1	5.9
Cost of Sales	269.7	75.4	287.3	75.8	17.5	6.5
Gross Profit	88.0	24.6	91.6	24.2	3.5	4.1
Selling, General and Administrative Expenses	63.3	17.7	64.6	17.1	1.2	2.0
Operating Income	24.6	6.9	26.9	7.1	2.2	9.3
Non-operating Income	3.9	1.1	4.3	1.2	0.4	10.9
Non-operating Expenses	2.0	0.6	2.0	0.5	(0.0)	(1.3)
Ordinary Income	26.5	7.4	29.2	7.7	2.7	10.4
Extraordinary Income	0.0	0.0	0.8	0.2	0.8	-
Extraordinary Loss	0.0	0.0	0.2	0.1	0.2	559.9
Profit Attributable to Owners of parent	15.7	4.4	18.4	4.9	2.6	16.8

#### (2) Consolidated Statements of Income (Main variable factors)

(Billion yen)

	YoY		Factors
	Amount	Increase/ Decrease (%)	
Net Sales	21.1	5.9	Security Services 10.5 Electronic Security Services 8.4 Stationed Security Services 1.3 Transportation Security Services 0.8 General Property Management and Fire Protection Services 5.8 Long-Term Care Services 2.9 Other Services 1.7
Cost of Sales	17.5	6.5	
Gross Profit	3.5	4.1	
Selling, General and Administrative Expenses	1.2	2.0	
Operating Income	2.2	9.3	
Non-operating Income	0.4	10.9	
Non-operating Expenses	(0.0)	(1.3)	
Ordinary Income	2.7	10.4	
Extraordinary Income	0.8	-	
Extraordinary Loss	0.2	559.9	
Profit Attributable to Owners of parent	2.6	16.8	

## (3) Consolidated Balance Sheets (YoY)

(Billion yen)

	FY2023		FY2024 3Q		Increase/Decrease	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
<b>Assets</b>	<b>516.6</b>	<b>100.0</b>	<b>539.2</b>	<b>100.0</b>	<b>22.5</b>	<b>4.4</b>
Current Assets	239.0	46.3	255.5	47.4	16.5	6.9
Noncurrent Assets	277.6	53.7	283.6	52.6	6.0	2.2
Property, Plant and Equipment	116.4	22.5	119.7	22.2	3.3	2.9
Intangible Assets	44.1	8.6	41.9	7.8	(2.1)	(5.0)
Investments and Other Assets	116.9	22.6	121.8	22.6	4.8	4.2
<b>Liabilities</b>	<b>172.7</b>	<b>33.4</b>	<b>184.7</b>	<b>34.3</b>	<b>11.9</b>	<b>6.9</b>
Current Liabilities	98.8	19.1	111.7	20.7	12.8	13.0
Noncurrent Liabilities	73.8	14.3	73.0	13.5	(0.8)	(1.2)
<b>Net Assets</b>	<b>343.8</b>	<b>66.6</b>	<b>354.5</b>	<b>65.7</b>	<b>10.6</b>	<b>3.1</b>
Shareholders' Equity	308.3	59.7	313.1	58.1	4.7	1.6
Accumulated Other Comprehensive Income	6.4	1.3	8.8	1.6	2.3	35.5
Non-controlling Interests	29.0	5.6	32.5	6.0	3.5	12.1

## (4) Consolidated Balance Sheets (Main variable factors)

(Billion yen)

	Account Title	YoY	Remarks
Current Assets	Cash for Transportation Security Services	8.3	
Current Assets	Other current assets	6.7	Prepaid expenses
Non-Current Assets	Property, plant and equipment	3.3	Buildings and structures
Current Assets	Cash and deposits	2.4	
Current Liabilities	Short-term loans payable	17.4	
Current Liabilities	Notes and accounts payable-trade	(6.4)	