



Interim Financial Results for FYE 2005

ALSO

19th of November, 2004

Table of Contents

Section 1

Overview of Interim Financial Result for FYE2005 ... 2

Section 2

Financial Forecast for FYE2005 11

Section 3

Strategy to Expand the Residential Market ... 13

Section 1

Overview of Interim Financial Result for FYE2005

Highlight

- **9,300 contracts of convenience-stores ATMs**
- **3,800 contracts of CDMs***
- **Reorganized our group**



(Consolidated Fukushima Sohgo Security Services Co., Ltd. and spinned off and consolidated Tottori/Shimane Branch)

- **Introduced brand new home security services**



* Cash Deposit Machine for Cash Deposit Online System

Summary of Profit and Loss

| (Billions of Yen) | 1H 05/3 | 1H 04/3 | VS previous term | Change (%) |
|--------------------------|---------|---------|------------------|------------|
| S a l e s | 126.2 | 123.4 | 2.7 | 2.2 |
| G r o s s p r o f i t | 31.3 | 32.1 | -0.7 | -2.4 |
| Operating I n c o m e | 4.0 | 5.6 | -1.6 | -28.1 |
| Recurring P r o f i t | 4.5 | 5.9 | -1.3 | -23.4 |
| Net Income | 1.1 | 2.4 | -1.2 | -51.3 |

Compare to Original Plan

| (Billions of Yen) | 1H 05/3 | 1H 04/3 | VS original plan | Achievement ratio (%) |
|--------------------------|---------|---------|------------------|-----------------------|
| S a l e s | 126.2 | 127.0 | -0.8 | 99.3 |
| G r o s s p r o f i t | 31.3 | 32.0 | -0.6 | 98.0 |
| Operating I n c o m e | 4.0 | 3.5 | 0.5 | 114.9 |
| Recurring P r o f i t | 4.5 | 3.8 | 0.7 | 119.1 |
| Net Income | 1.1 | 1.4 | -0.2 | 83.9 |

Sales by Service

| (Billions of Yen) | | 1H 05/3 (Composition Ratio %) | 1H 04/3 (Composition Ratio %) | VS previous term | Change (%) |
|-------------------|----------------------------------|----------------------------------|----------------------------------|------------------|------------|
| Security services | Electronic security services | 66.6 (52.8%) | 64.7 (52.4%) | 1.8 | 2.9 |
| | Stationed security services | 31.7 (25.2%) | 31.1 (25.3%) | 0.5 | 1.8 |
| | Transportation security services | 19.7 (15.6%) | 18.8 (15.2%) | 0.9 | 5.0 |
| Other service | | 8.0 (6.4%) | 8.7 (7.1%) | -0.6 | -7.8 |
| T o t a l | | 126.2 (100.0%) | 123.4 (100.0%) | 2.7 | 2.2 |

Sales by Client Industry

| (Billions of Yen) | 1H 05/3 (Composition Ratio %) | 1H 04/3 (Composition Ratio %) | VS previous term | Change (%) |
|------------------------|----------------------------------|----------------------------------|---------------------|------------|
| Financial institutions | 39.1 (31.0%) | 38.3 (31.0%) | 0.8 | 2.1 |
| Business corporations | 69.0 (54.7%) | 68.2 (55.3%) | 0.8 | 1.1 |
| Government offices | 15.1 (12.0%) | 14.3 (11.6%) | 0.8 | 6.0 |
| Individuals | 2.9 (2.3%) | 2.5 (2.1%) | 0.3 | 12.2 |
| T o t a l | 126.2 (100.0%) | 123.4 (100.0%) | 2.7 | 2.2 |

Contract by Services

| | | 1H 05/3 | | |
|-------------------|----------------------------------|--------------------|--------|------------|
| | | Number of Contract | Change | Change (%) |
| Security services | Electronic security services | 383,741 | 31,074 | 8.8 |
| | Corporate customer | 319,105 | 24,285 | 8.2 |
| | Individual customer | 64,636 | 6,789 | 11.7 |
| | Stationed security services | 2,637 | 249 | 10.4 |
| | Transportation security services | 24,896 | 3,765 | 17.8 |
| Other services | | 50,503 | 5,590 | 12.4 |

Profit Analysis

Sales +JPY2.7 (VS Previous Term)

Cost of Sales +JPY3.4

| | |
|------------------------|---------|
| Labor Cost | +JPY1.8 |
| Expenses: Depreciation | +JPY0.3 |
| Rent & Leasing | +JPY0.5 |
| Installation cost | +JPY0.2 |
| Selling cost | +JPY0.5 |

SG&A +JPY0.8

| | |
|-------------------------|---------|
| Salaries and allowances | +JPY1.2 |
| Tax and imposition | +JPY0.2 |

Operating Income -JPY1.6

(Billions)

Other

Change in the number of employee

(Unit: persons/ employee)

| 1H 03/3 | 1H 04/3 | 1H 05/3 |
|---------|---------|---------|
| 22,920 | 23,061 | 24,255 |

Change in CAPEX

(Billions of Yen)

| 1H 03/3 | 1H 04/3 | 1H 05/3 |
|---------|---------|---------|
| 6.1 | 5.2 | 8.1 |

Change in depreciation cost

(Billions of Yen)

| 1H 03/3 | 1H 04/3 | 1H 05/3 |
|---------|---------|---------|
| 4.8 | 4.8 | 5.0 |

Section 2

Financial Forecast

Financial Forecast for FYE2005

| (Billions of Yen) | 05/3 Plan | 04/3 | Y-O-Y Change (%) |
|--------------------------|-----------|-------|-------------------|
| S a l e s | 258.8 | 249.2 | 9.5 (3.8%) |
| Gross profit | 67.0 | 66.3 | 0.7 (1.1%) |
| Operating I n c o m e | 11.3 | 14.4 | -3.1 (-21.8%) |
| Recurring P r o f i t | 11.6 | 15.4 | -3.8 (-25.0%) |
| Net Income | 4.5 | 17.7 | -13.1 (-74.2%) |

Section 3

Strategy to Expand the Residential Market

Overview of Our Brand New Service

| | |
|----------------------|---|
| Name | ALSOK Home Security 7 |
| Date | 1st of November, 2004 |
| Target number | 5,000 contracts by FYE2005 |



Feature of Service

ALSOKホームセキュリティ7

(ALSOK Home Security 7)

- Unsurpassed cost performance

From ¥4,200*/month

- Quality Security Service

ALSOK security staff immediately rush to the scene

* Sample for the Rental Plan for flat residences

Monthly Fee



| | Monthly Fee* | | Installation Fee* |
|------------------|---------------|-------------|-------------------|
| | Purchase Plan | Rental Plan | |
| Existing service | ¥4,725 | ¥7,875 | ¥51,450 |
| New service | ¥2,520 | ¥4,200 | ¥33,600 |

*the prices shown above are sample for the new services compare to the existing for flat residences.

Peace of Mind for Every Family

Existing target

Annual income
over JPY10 mil

Approx. 5.9mil households

**New target
seeking service
for peace of mind**

Annual income
over JPY6 mil and less than JPY10 mil

Approx. 11.1 mil households

Monthly fee of JPY 4,200 for the target of 11.1 mil. households

TV Ads for ALSOK Home Security 7



ホームセキュリティ7



Security On
ALSOK
安心を守る

月々**4000円台**から
☎0120-39-2413



Paper Ads for ALSOK Home Security 7

176×385

タラバガニ0.5杯分で、
あなたのお家を
1ヶ月間お守りします。



とっっても高い本タラバガニのように、今まで手が届きにくかったホームセキュリティ。
新登場のホームセキュリティ7(セブン)なら、月々たったの4,200円*から、
あなたの大切なご家族を365日・24時間お守りします。
北の味覚を堪能する前に、まずはALSOK総合警備保障までお電話ください。
*マンション2LDK(1シタムプラン)の料金を例

1杯8,400円の本タラバガニ0.5杯分(4,200円相当)



総合警備保障からついに登場! 月々**4,000**円台からのお手頃ホームセキュリティ。

ALSOKホームセキュリティ7 新登場

このお値段でここまでカバー。セブンの3大サービス!

外出中も安心の

防犯(侵入感知)

緊急事態もコントローラーのボタンを押すだけ

非常(非常通報)

万が一の発生時に

火災(火災感知)

お問い合わせは サンキュー ツ ヨ イ ミカタ

0120-39-2413

www.alsok.co.jp

24時間受付 / 「セキュリティアドバイス」を無料で実施中!

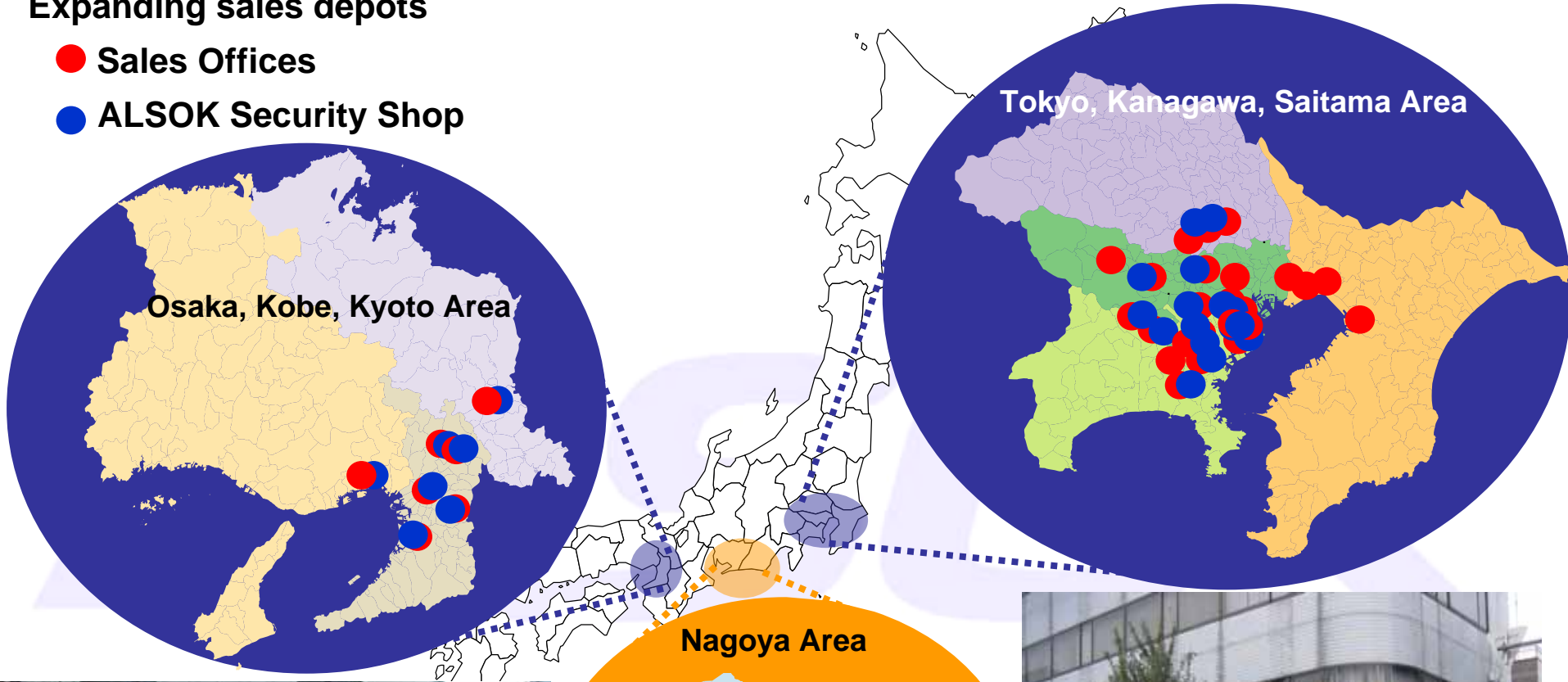
業界最大級のマンパワー・ネットワークと訓練を積んだガードマンが、あなたに安心をお届けします。ALSOKは、総合警備保障のコーポレートブランドです。



Reinforce Sales Depots

Expanding sales depots

- Sales Offices
- ALSOK Security Shop



ALSOK Security Shop
-Ashiya-



ALSOK Security Shop
-Machida-



Disclaimer

Matters that are not historical facts, which are included in the business plan or strategy of the Company described in the preceding material, are outlooks for the future financial results and include risks and uncertain factors.

Hence, the future financial results may be significantly different from the outlooks, subject to various factors including changes of economic conditions/competitive situation/technological innovation.

Security
On

ALSOK

綜合警備保障