



Interim Financial Results for FYE3/08

ALSOK

November 16, 2007

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Section 1

Summary of Interim Financial Results



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Section 1

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%



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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%



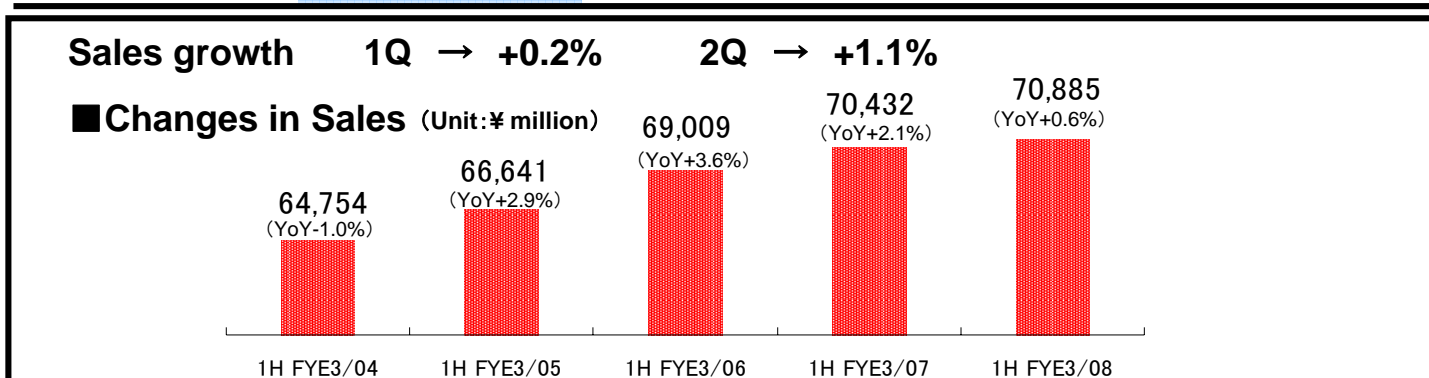
Sales by Client Industry

(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%



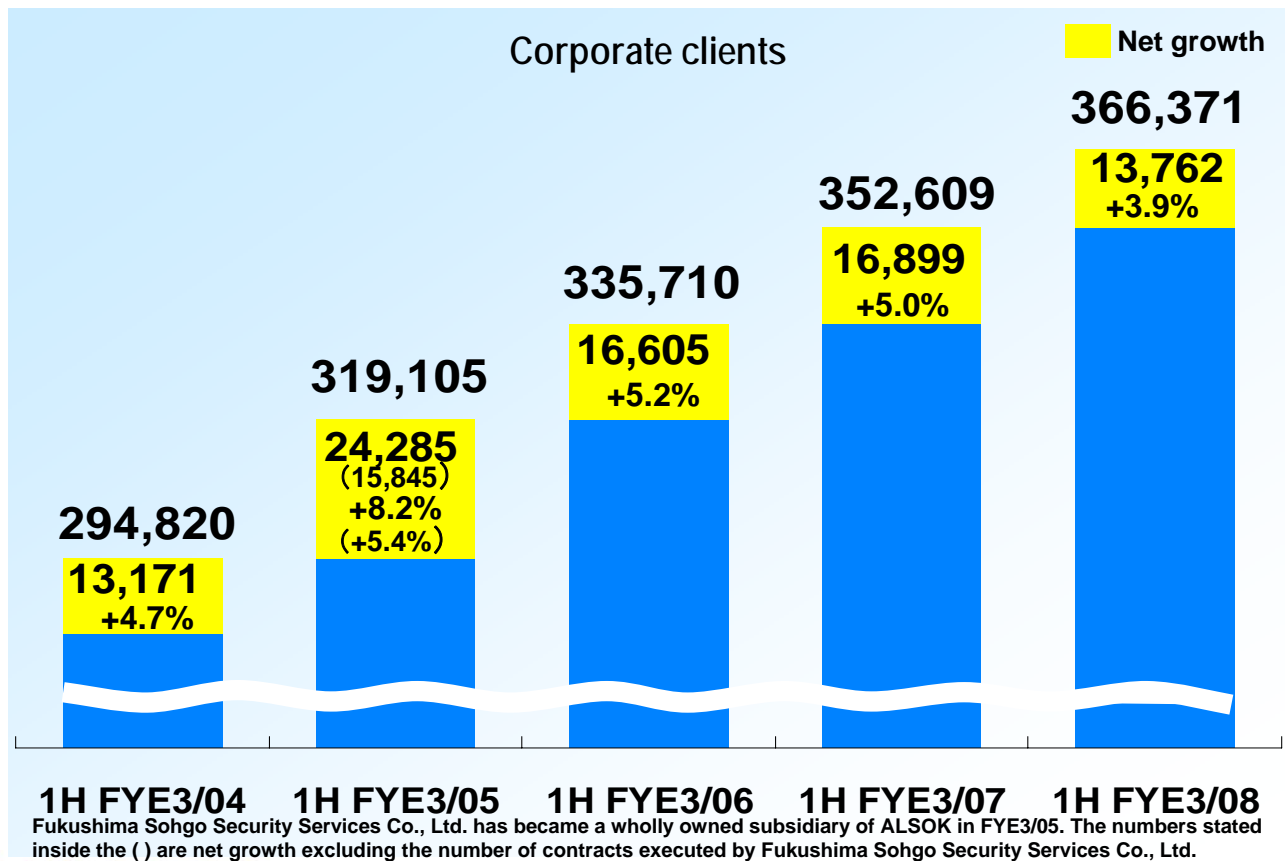
Overview of Electronic Security Services

(Unit:¥ billion)	1H FYE3/08	1H FYE3/07	YoY	Change(%)
S a l e s (% of Total Sales)	70.8 (50.7%)	70.4 (51.8%)	0.5	0.6%
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



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Trends in Electronic Security Services for Corporate Clients

● Unit price

Newly booked contract prices are rising

● Price reduction

Demands for price reduction remains on a declining trend

● Cancellation

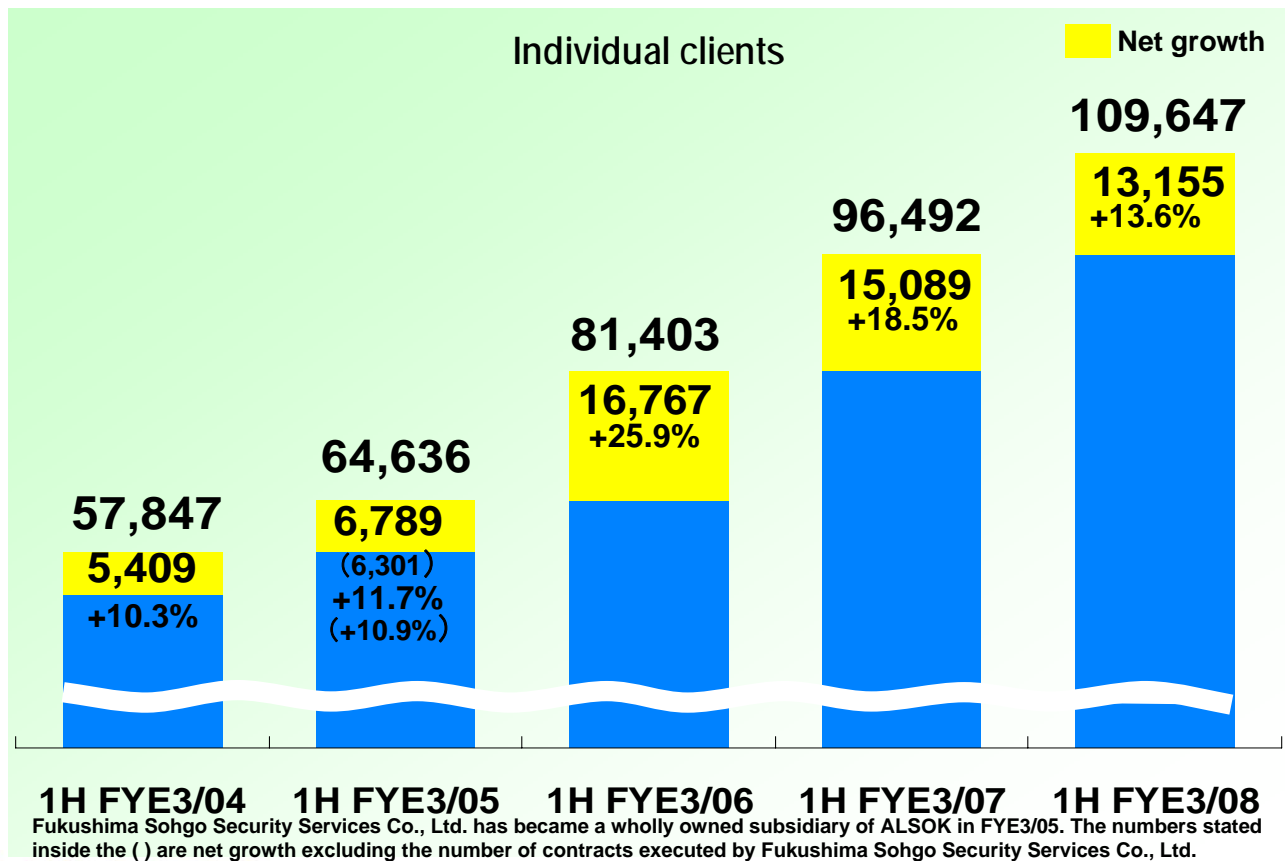
Cancellation rate still flat



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Increase in Contracts of Electronic Security Services

Electronic Security Services for individual clients → high growth



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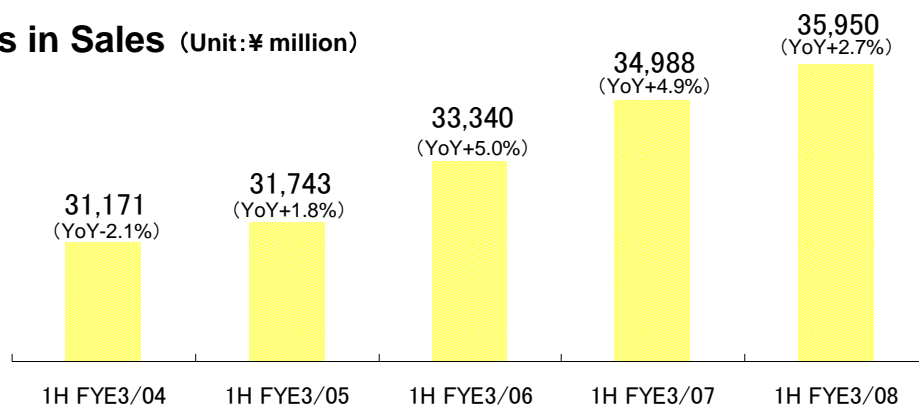
Overview of Stationed Security Services

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

Sales growth 1Q → +2.7%

2Q → +2.8%

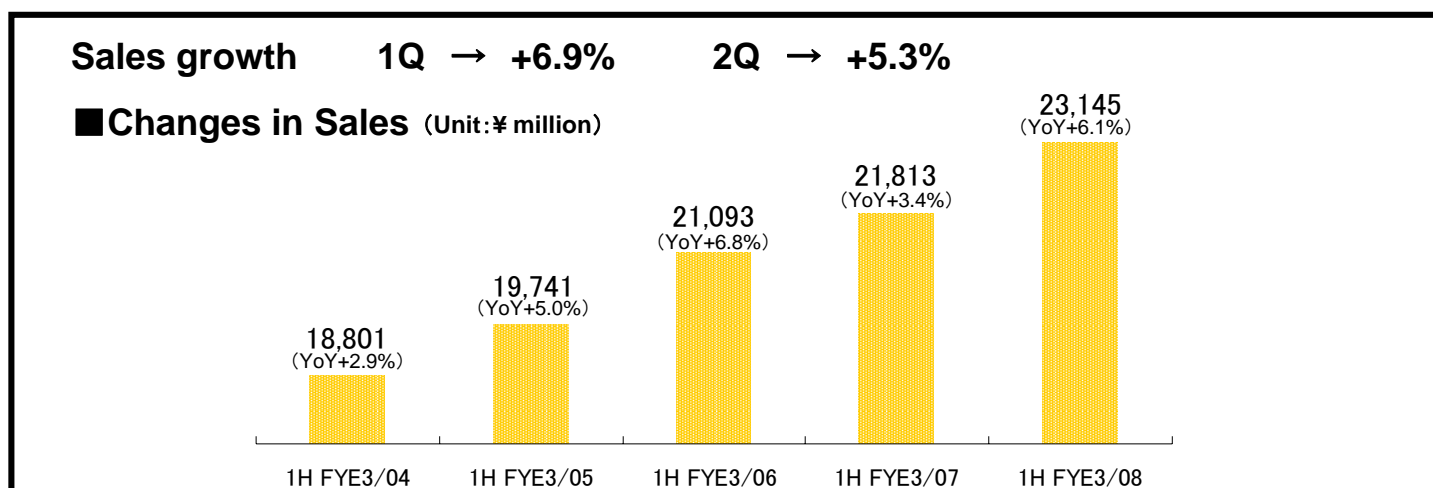
■ Changes in Sales (Unit:¥ million)



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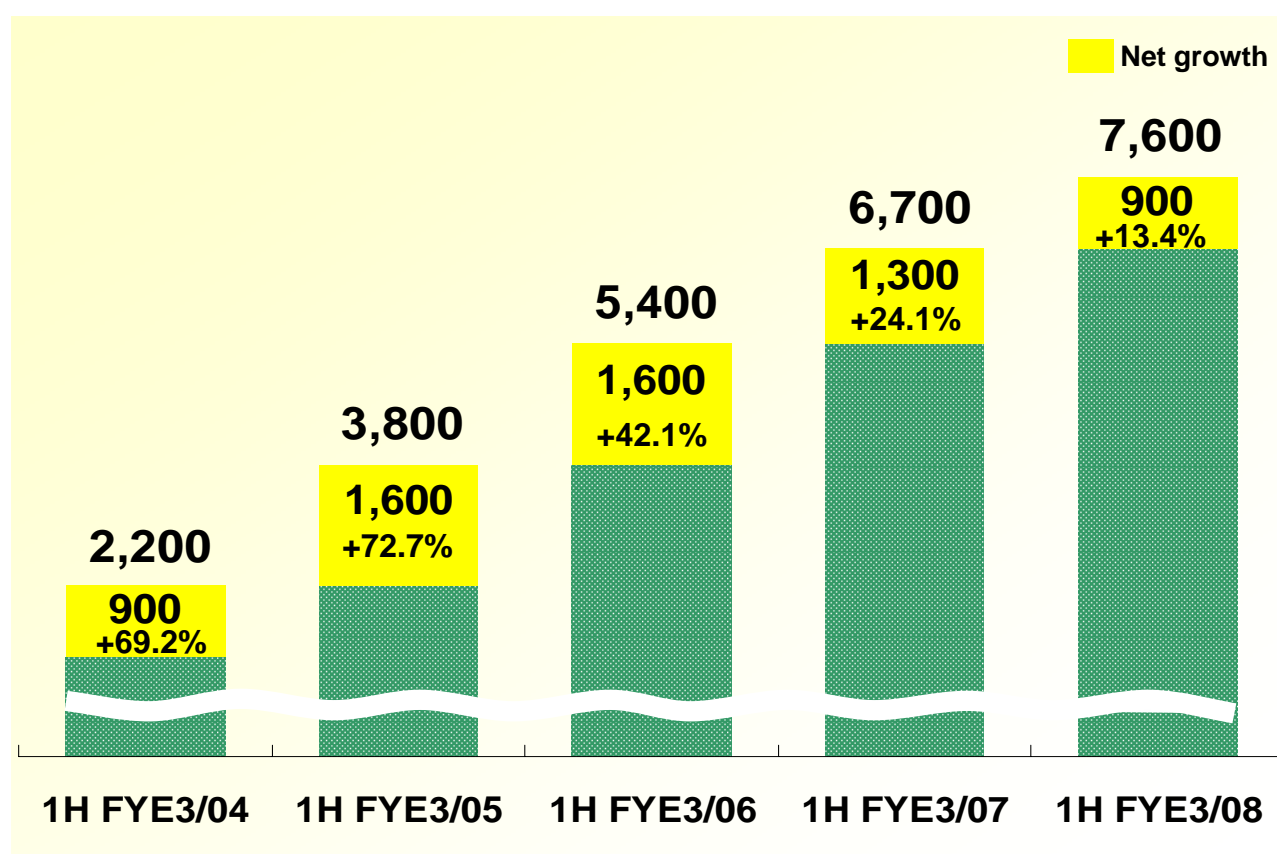
Overview of Transportation Security Services

(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%



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Increase in Contracts of Cash Deposit Machine On-line System



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Overview of Other Services

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

Sales growth 1Q → +5.5% 2Q → +21.8%

■ Topics

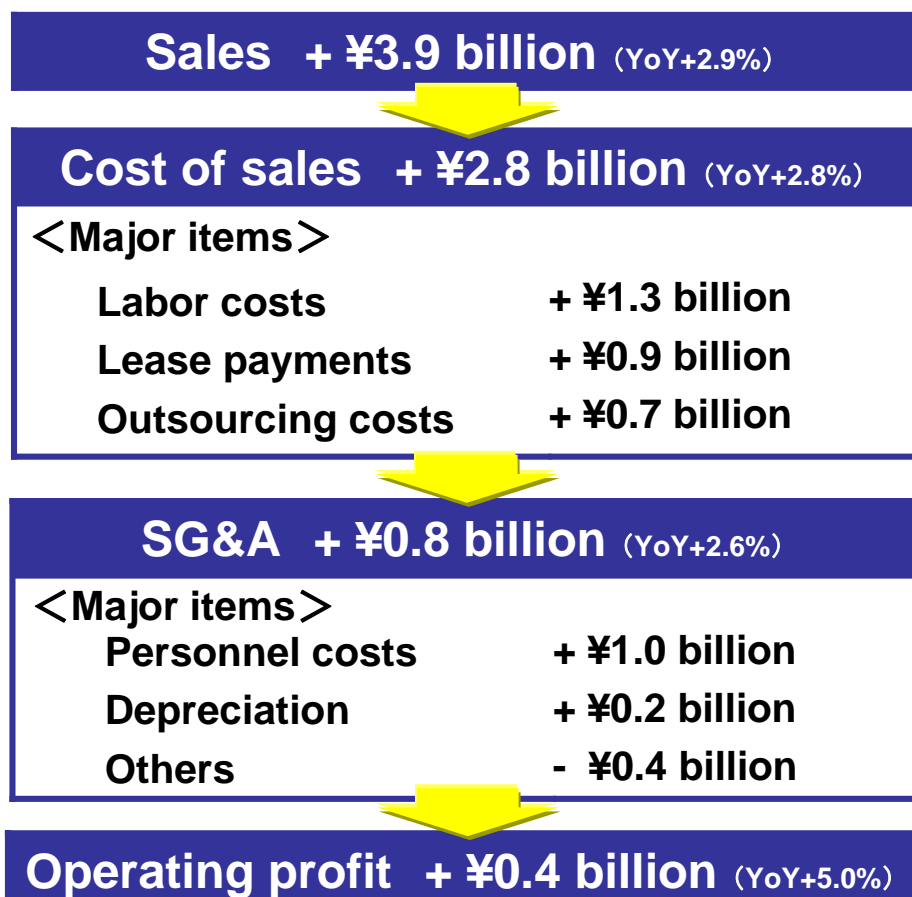
Number of contracts of AED (Automated external defibrillator) increased

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



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Major Changes in P/L



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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



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Measures for Expansion

Section 2

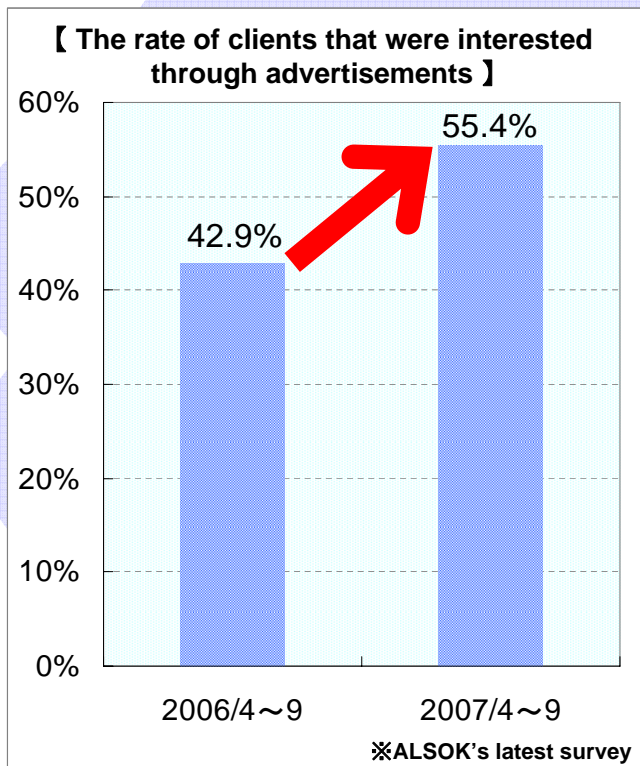
Section 2 Measures for Expansion



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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

ALSOK 総合警備保障

個人のお客様 | 法人のお客様 | サービス・商品一覧 | 会社情報 | 採用情報

お近くALSOK | ALSOKセキュリティ情報 | ALSOKニュース | CSR紹介 | カードマンショップ

駆けつけた先で、笑顔が

【Relaunch point】

- 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



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



あんしんを皆様へお届けする

無料7日間登録
利用料金について(無料)
資料請求

ALSOKセキュリティ情報

災害防止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
セキュリティコラム

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

壁紙ダウンロード

ALSOKのイメージキャラクターでお馴染みの井上康生や、ALSOKのかわいい動物キャラクター達の壁紙をダウンロード!

お楽しみエンタメ

お楽しみエンタメ

お楽しみエンタメ

お楽しみエンタメ

お楽しみエンタメ



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



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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



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Section 3 Promoting Rationalization and Efficiency

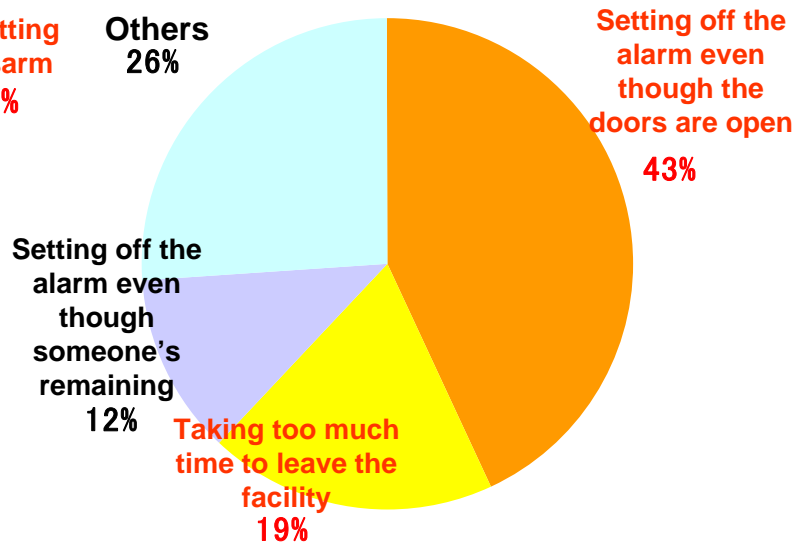
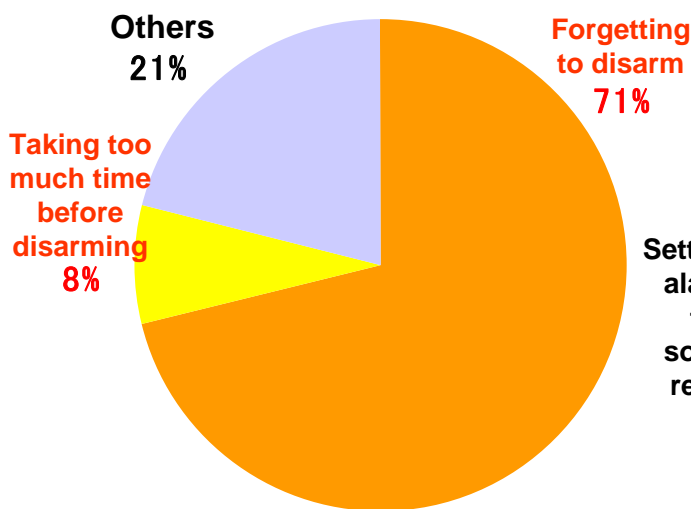


Minimize False Alarm Dispatches

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



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Section 4

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%



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ALSOK

< Reference >



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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)



Akihiro Sugimoto
competitive walking

Ken Akashi
competitive walking



Chiharu Icho
wrestling (48kg class)

Saori Yoshida
wrestling (55kg class)



Kaori Icho
wrestling (63kg class)

杉本 明洋 競歩



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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**



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CSR Activities

《 FTSE4Good Index 》

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



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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.

