



Financial Results for the Fiscal Year Ended 3/10

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

May 13, 2010

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Section 1

Financial Results for FYE 3/10

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

(Unit: ¥ billion)	FYE 3/10	FYE 3/09	Gap	Change (%)
S a l e s	278.5	285.0	-6.4	-2.3%
Gross profit	68.4	69.2	-0.8	-1.2%
Operating p r o f i t	9.2	9.9	-0.7	-6.8%
Recurring p r o f i t	10.8	10.6	0.2	1.8%
Net income	4.5	4.2	0.3	8.0%

P/L for FYE 3/10 (Quarter-on-Quarter)

(Unit: ¥ billion)	1Q	Change (%)	2Q	Change (%)	3Q	Change (%)	4Q	Change (%)
Sales	68.9	-1.8%	69.4	-3.5%	69.0	-2.8%	71.0	-0.9%
Gross profit	17.6	-0.1%	17.7	1.5%	16.5	-2.7%	16.5	-3.4%
Operating profit	2.8	-5.4%	3.3	14.0%	1.6	-0.4%	1.3	-39.5%
Recurring profit	3.2	-12.1%	3.9	23.0%	1.8	2.4%	1.8	-7.5%
Net income	1.4	-14.9%	1.9	51.0%	0.7	41.6%	0.4	-39.7%

P/L for FYE 3/10 (vs Business Plan)

(Unit: ¥ billion)	FYE 3/10	Business Plan	Gap	Achievement ratio(%)
S a l e s	278.5	286.0	-7.4	97.4%
Gross profit	68.4	68.7	-0.3	99.6%
Operating profit	9.2	8.0	1.3	115.9%
Recurring profit	10.8	9.0	1.8	120.2%
Net income	4.5	4.2	0.4	108.7%

Overview of Electronic Security Services

(Unit: ¥ billion)	FYE 3/10	FYE 3/09	Change	Change (%)
S a l e s	138.9	142.5	-3.6	-2.5%
(% to Total Sales)	(49.9%)	(50.0%)		

1 Contract sales

YoY ratio -1.0%

Worsened business confidence

Negative impact of

Bank and Consumer Finance Companies

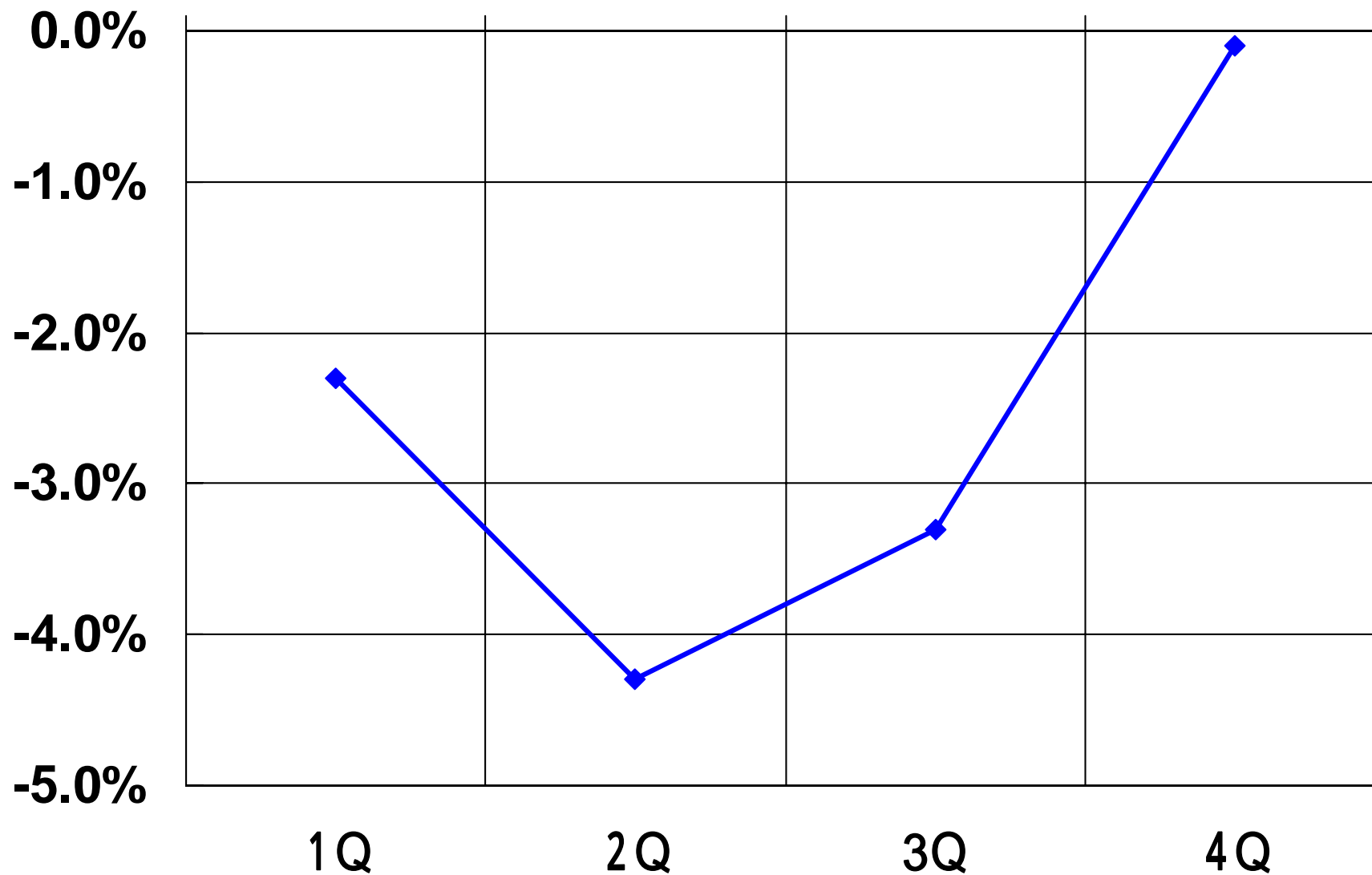
2 Construction sales

YoY ratio -14.1%

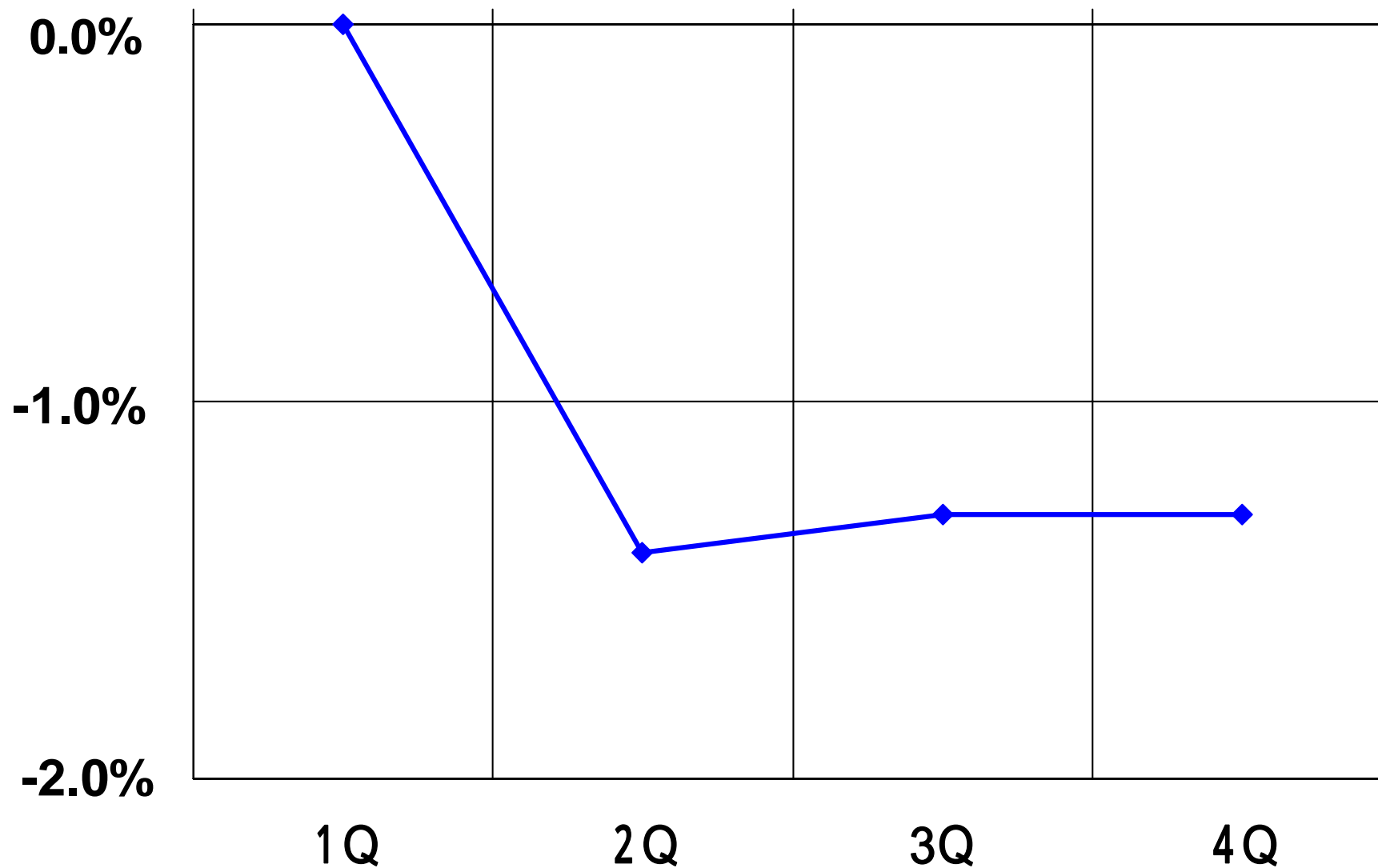
3 Equipment sales

YoY ratio -10.5%

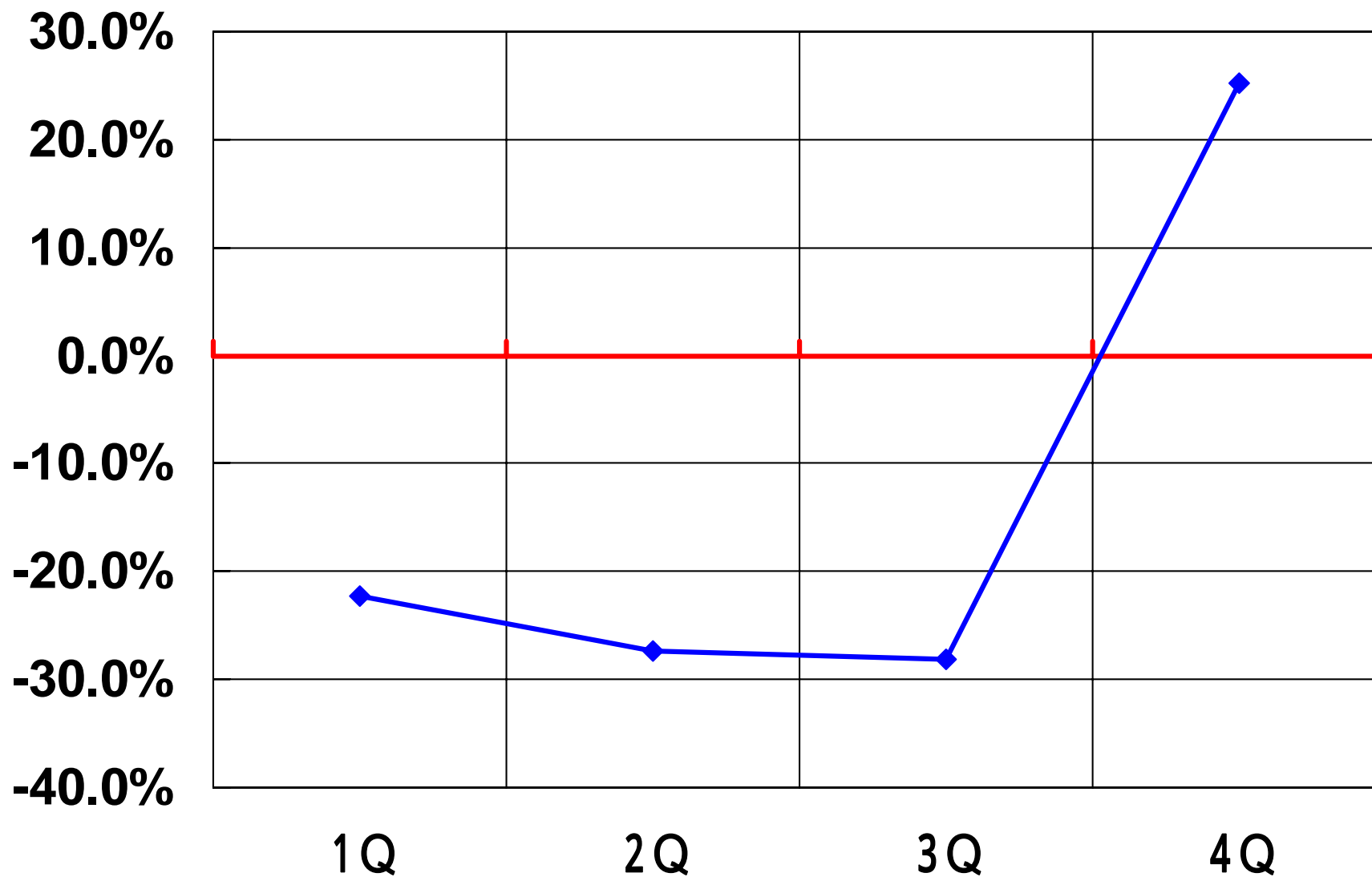
Overview of Electronic Security Services [Sales : quarter-on-quarter]



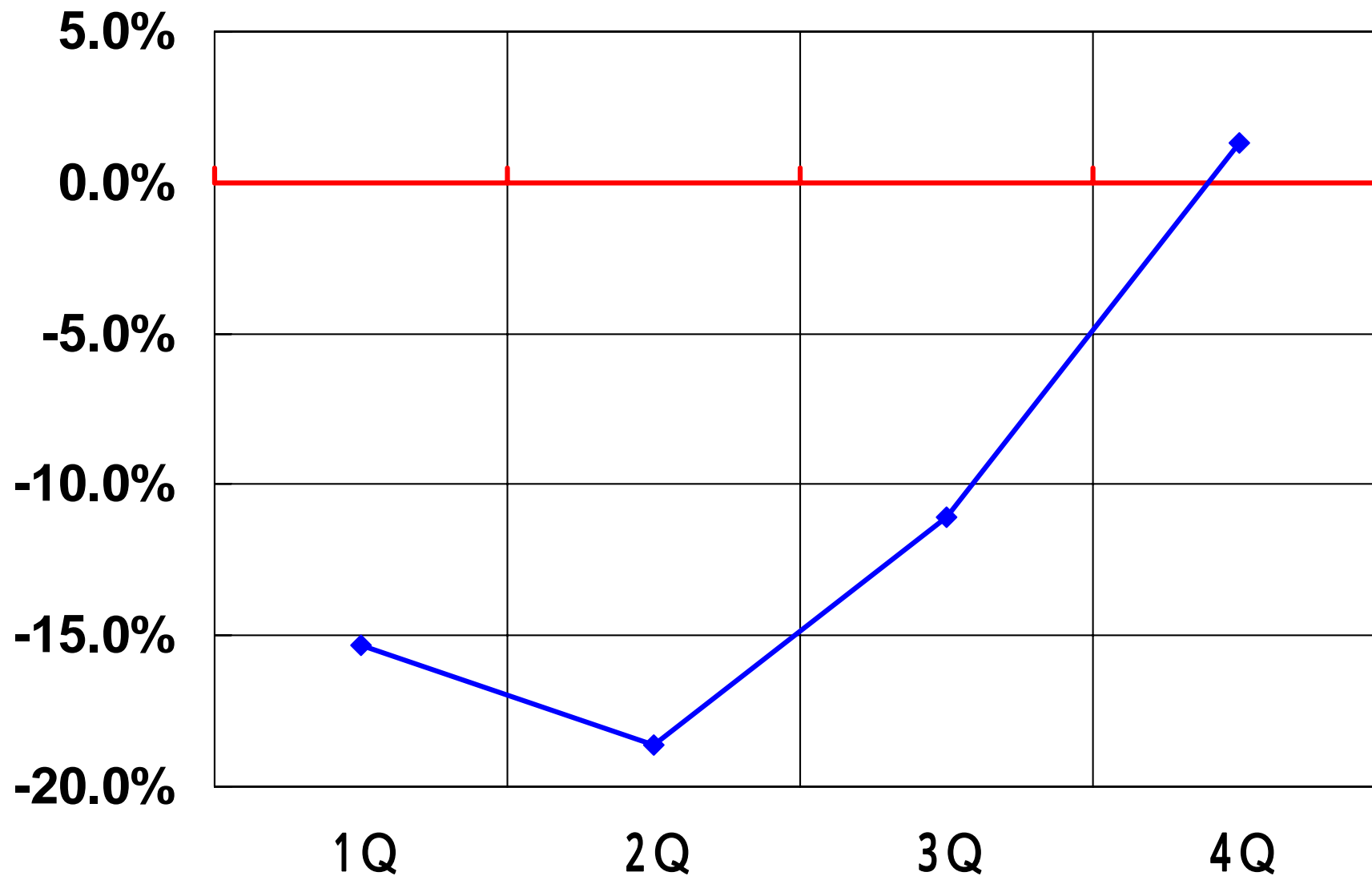
Overview of Electronic Security Services [Contract sales : quarter-on-quarter]



Overview of Electronic Security Services [Construction sales: quarter-on-quarter]



Overview of Electronic Security Services 【 Equipment sales : quarter-on-quarter】

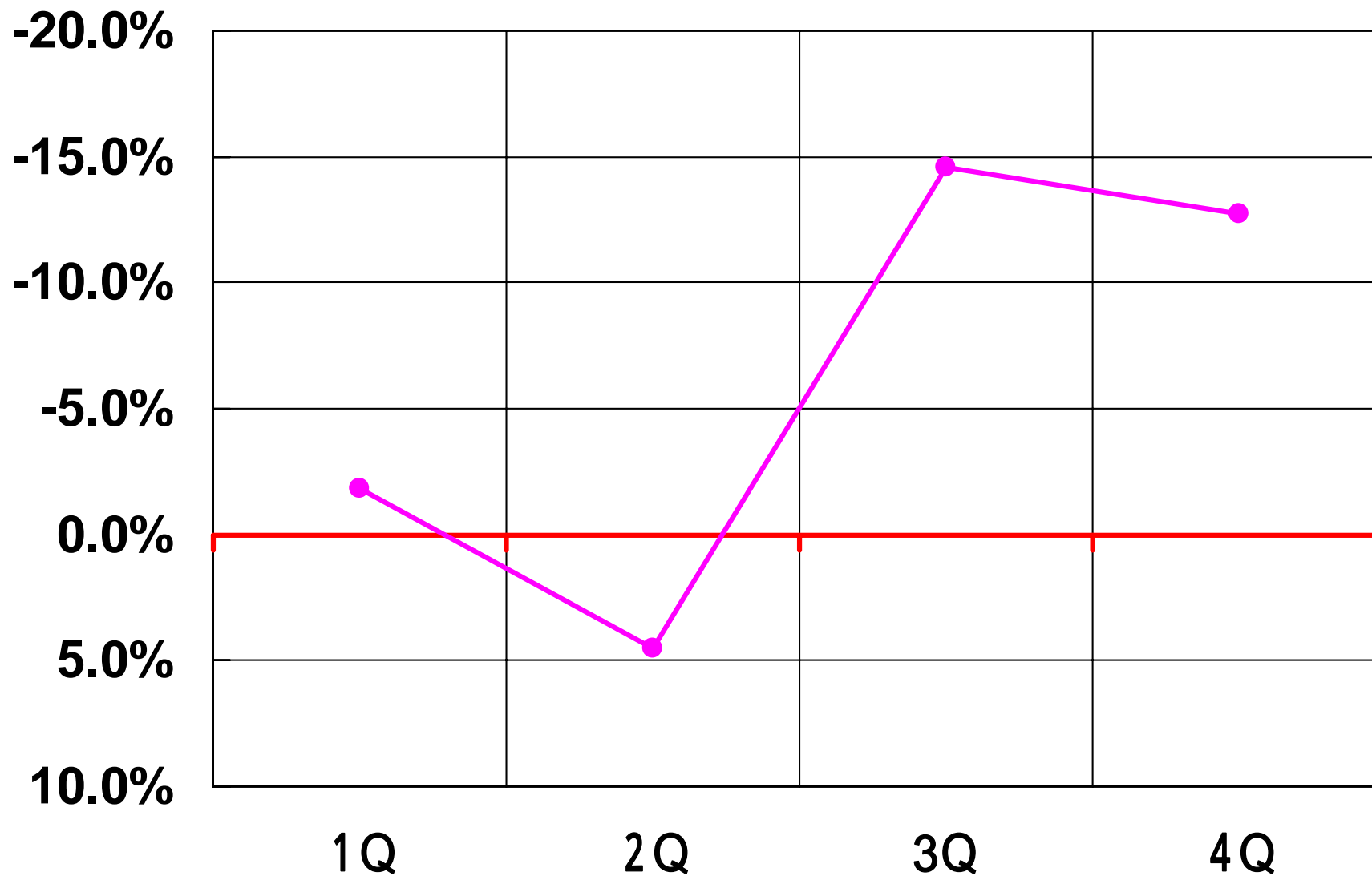


	FYE 3/10	FYE 3/09	Gap	Change (%)
Net increase in number of contracts for corporate clients	7,094	9,563	-2,469	-25.8%

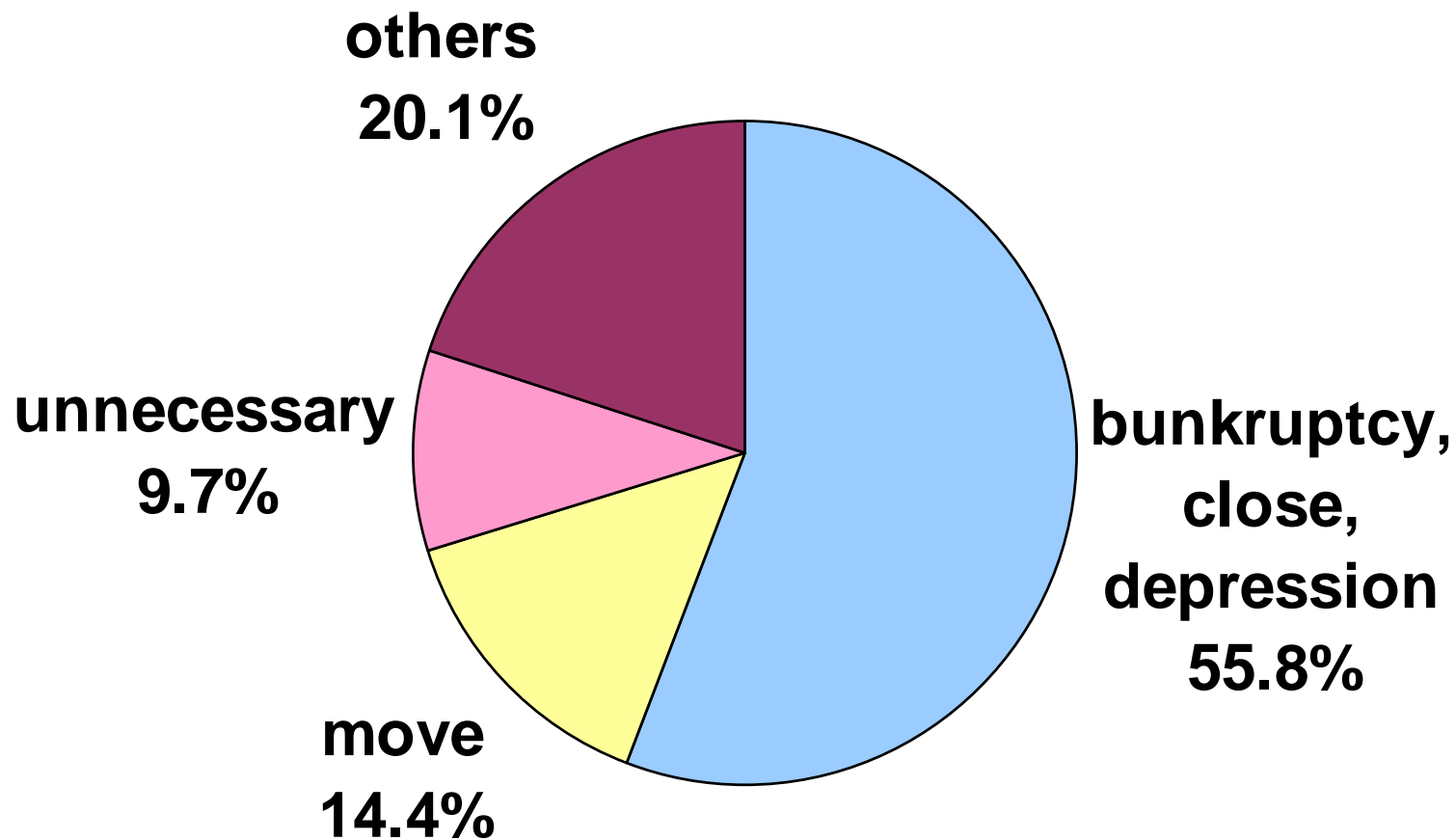
[Corporate Clients]

- 1 Newly booked contracts : Decreased from FYE 3/09**
- 2 Cancellation : Decreased from FYE 3/09**
- 3 Newly booked contract price : Decline from FYE 3/09**
- 4 Price cut : Decreased from FYE 3/09**

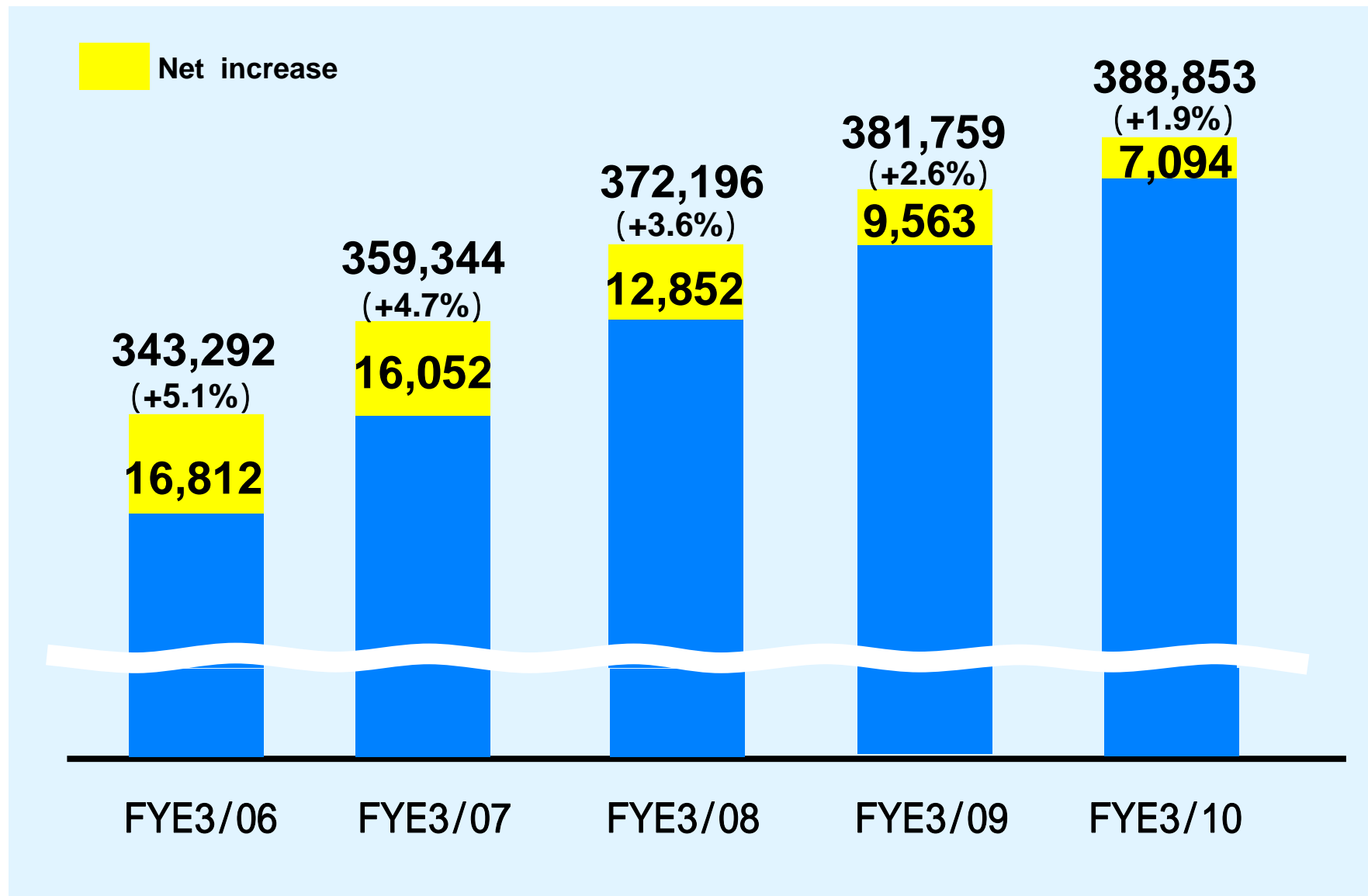
Corporate Clients [Cancellation : quarter-on-quarter]



Corporate Clients [Reason of Cancellation: quarter-on-quarter]



Corporate Clients



Overview of Electronic Security Services Individual Clients

	FYE 3/10	FYE 3/09	Cange	Change (%)
Net increase in number of contracts for corporate clients	9,660	11,163	-1,503	-13.5%

[Individual Clients]

- 1 Newly booked contracts : Decreased from FYE 3/09
- 2 Cancellation : Increased from FYE 3/09
- 3 Newly booked contract price : Decline from FYE 3/09

Overview of ALSOK Home Security

Increase of FYE 03/10 12,950 contracts (1,079 contracts/month)

Portions by price plans

**'Zero Start Plan'
(no initial costs)**

22%

Rental plan

34%

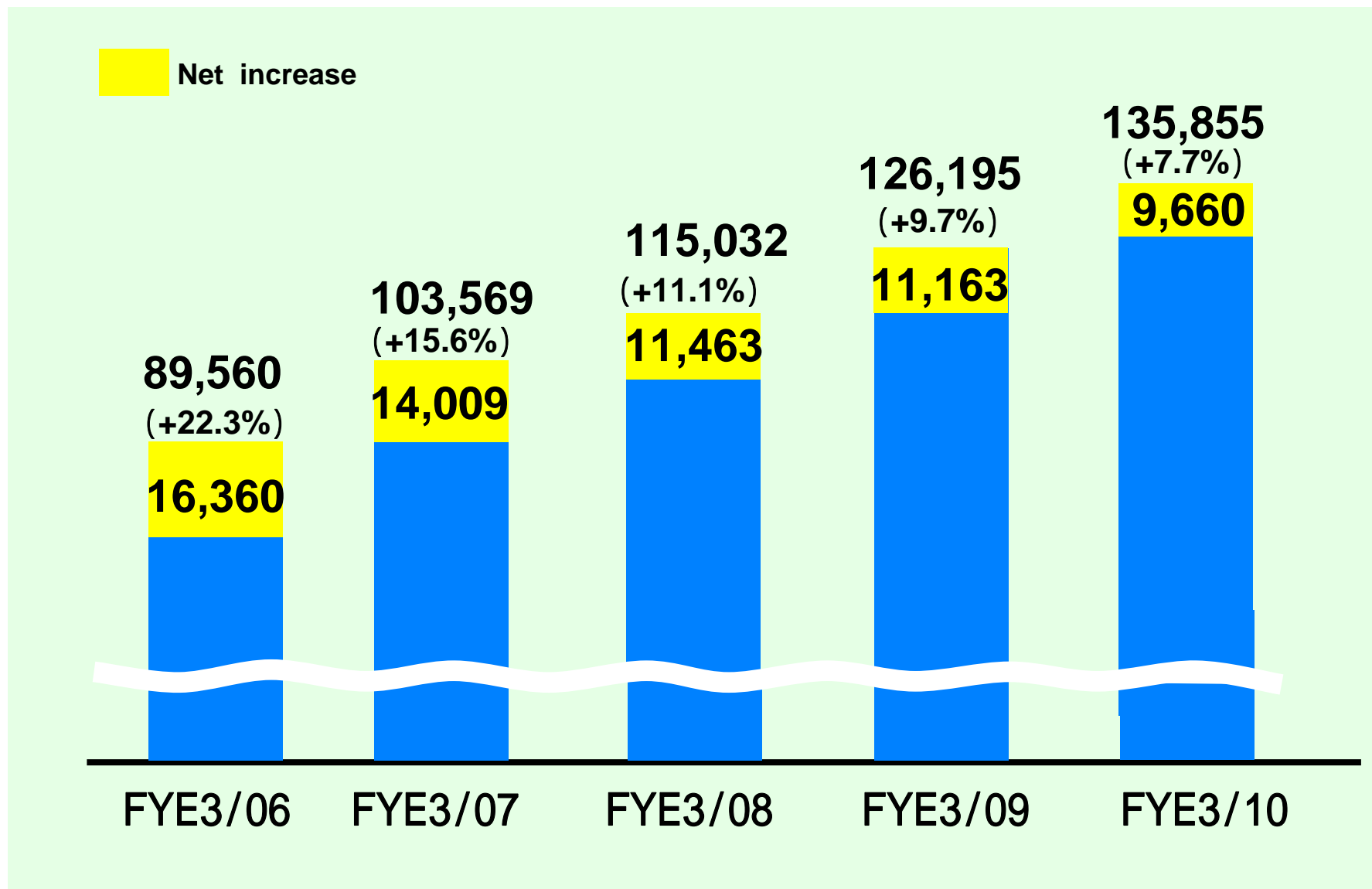
Purchase plan

44%



ALSOK Home Security

Increase in Contracts of Electronic Security Services Individual Clients



Overview of Stationed Security Services

(Unit: ¥ billion)	FYE 3/10	FYE 3/09	Gap	Change (%)
S a l e s	70.6	72.8	-2.2	-3.0%
(% to Total Sales)	(25.4%)	(25.6%)		

- | | | |
|---|---|---|
| 1 Newly booked orders | : | Major developer
Large-scale building |
| 2 Extent of contribution from current period | : | Inclusion of URBAN SECURITY as a subsidiary |
| 3 Sales which contributed in the previous period
(Sales not recorded in the current period) | : | G8 Hokkaido Toyako Summit
Decrease of temporary demands |
| 4 Cancellation & Price cut | : | Contract termination of a large commercial facility
Price cut of financial institution |

Overview of Transportation Security Services

(Unit: ¥ billion)	FYE 3/10	FYE 3/09	Gap	Change (%)
S a l e s	46.8	47.4	-0.6	-1.2%
(% to Total Sales)	(16.8%)	(16.6%)		

1 Cash Deposit Machine On-line System

: Net increase of 850 contracts (YoY +150 contracts)

2 Bank ATMs inside convenience stores

: Net increase of 800 contracts (YoY - 50 contracts)

3 Order for outsourcing of regional bank

4 Cancellation & Price cut

: Negative impact of Consumer Finance Companies

Overview of Other Services

(Unit: ¥ billion)	FYE 3/10	FYE 3/09	Gap	Change (%)
S a l e s	22.1	22.2	-0.1	-0.4%
(% to Total Sales)	(7.9%)	(7.8%)		

- | | |
|---|--|
| 1 Residential fire alarms | : 290,000 units (Gap + 40,000 units) |
| 2 AED (Automated External Defibrillator) | : 10,071 units (YoY -1,077units) |
| 3 Total Building Management Services for Universities etc. | : Extent of contribution from current period |
| 4 Equipment sales from financial institutions | : Sales which contributed in the previous period
(Sales not recorded in the current period) |

Sales vs Business Plan (according to services)

(Unit: ¥ billion)		FYE 3/10	Business Plan	Gap	Achievement ratio(%)
Security Services	Electronic Security Services	138.9	143.5	-4.6	96.8%
	Stationed Security Services	70.6	71.1	-0.5	99.3%
	Transportation Security Services	46.8	48.1	-1.3	97.3%
Other Services		22.1	23.1	-1.0	95.5%
T o t a l		278.5	286.0	-7.4	97.4%

Sales for FYE 3/10 (By Client Industry)

(Unit: ¥ billion)	FYE 3/10	FYE 3/09	Gap	Change (%)
Financial institutions	78.4 (28.2%)	84.3 (29.6%)	-5.9	-7.0%
Business corporations	165.7 (59.5%)	166.8 (58.5%)	-1.1	-0.6%
Government offices & Japan Post	25.0 (9.0%)	24.7 (8.7%)	0.3	1.4%
Individuals	9.4 (3.4%)	9.1 (3.2%)	0.2	2.3%
T o t a l	278.5 (100.0%)	285.0 (100.0%)	-6.4	-2.3%

Circumstances of Consumer Finance Companies

**Negative impact of
Consumer finance
companies** **-¥1.7 billion**

- **Electronic Security Services** **-¥0.7 billion**
- **Stationed Security Services** **-¥0.1 billion**
- **Transportation Security Services** **-¥0.6 billion**
- **Other Services** **-¥0.3 billion**

Measures to Increase Sales of FYE 03/10 #1

- 1 The increase in number of sales staff**
- 2 Increasing indirect sales channel**
- 3 Promoting after-sales care to
prevent terminations**
- 4 Strengthening Divisional Organization**

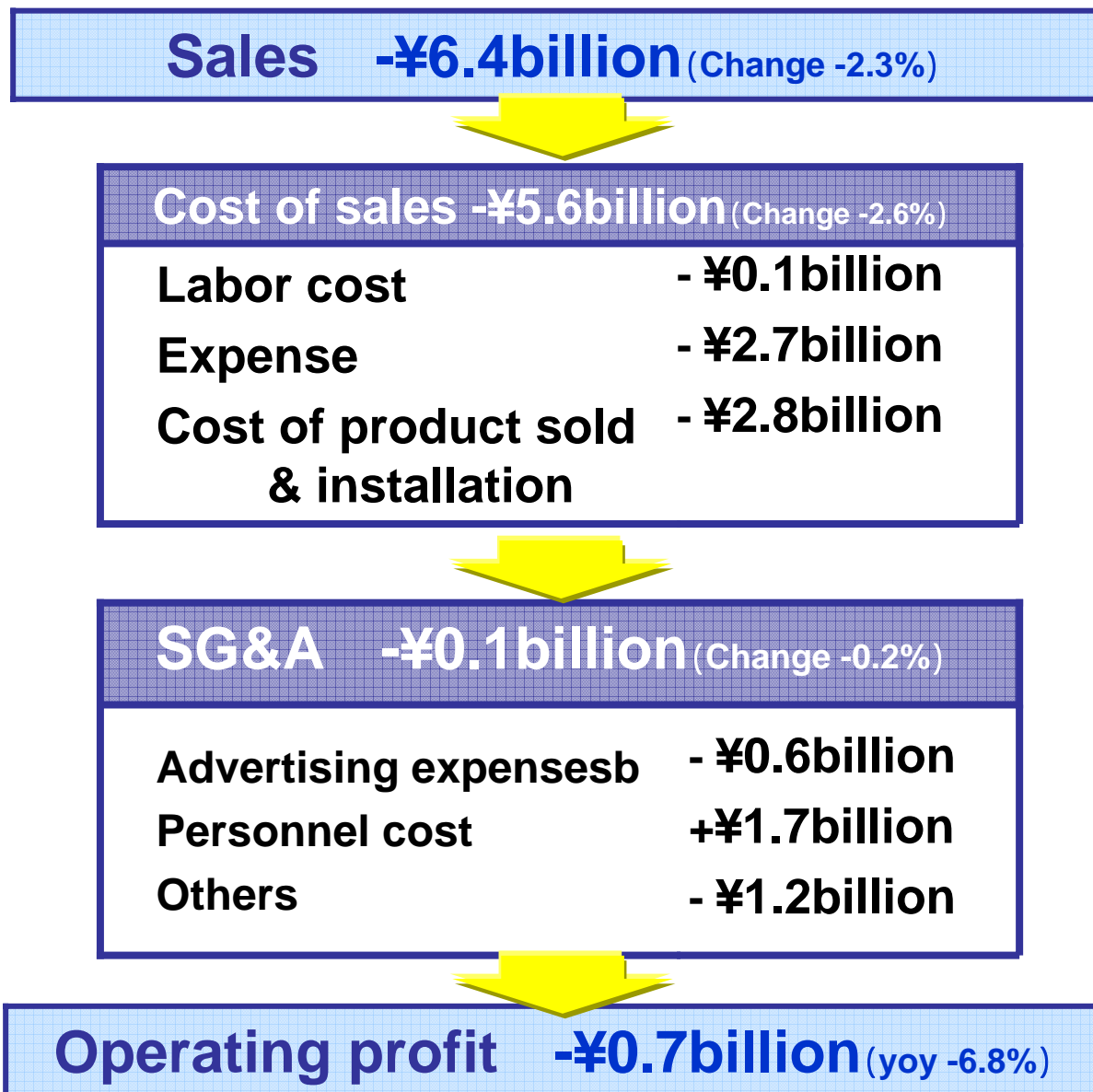
Measures to Increase Sales of FYE 03/10 #2

5 Aggressively pursue M&A opportunities

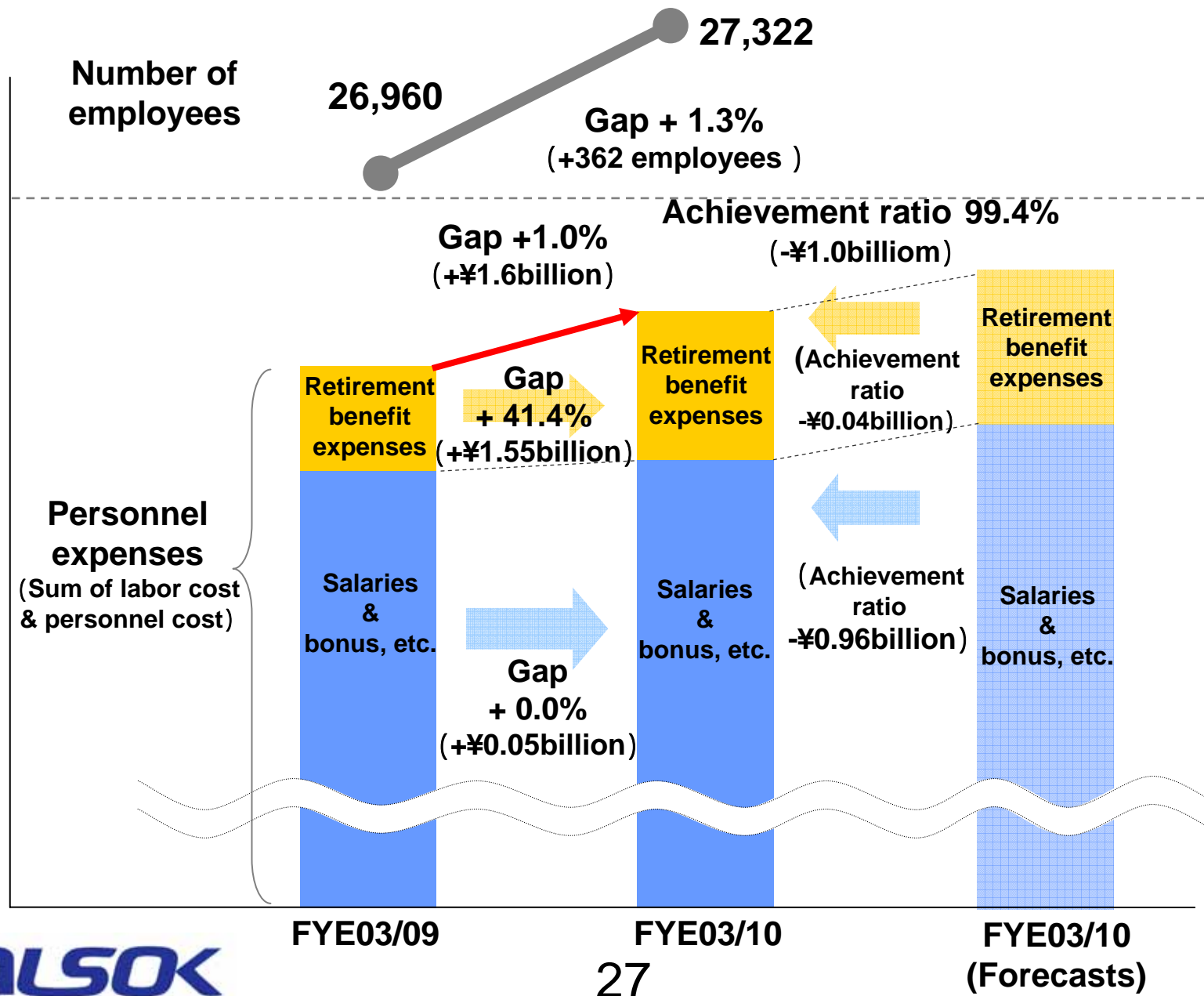
6 Overseas expansion

7 Develop New Service, New Products

Major Changes in P/L



Personnel Expenses



Overview of Employees [non-consolidated]

		FYE 3/08	FYE 3/09	FYE 3/10	FYE 3/11
Join the company	New graduate employment	812	840	758	380
	Mid-career hiring	333	205	30	
Number of employees		12,217	12,600	12,848	

The number of employees is the one as of March 31, 2010.

Cost Control

	[Reduction amount]
1 Reduction of personnel expenses	
Reduction of overtime payment	¥2.4 billion
2 Procurement cost reduction	¥0.9 billion
3 Cutback in system-related cost	¥0.3 billion
4 Cut in general expense	¥3.2 billion

Balance Sheet for FYE 3/10

(Unit: ¥ billion)

	FYE3/10	FYE3/09	Change		FYE3/10	FYE3/09	Change
Current assets	148.2	163.6	- 15.4	Current liabilities	76.6	89.3	- 12.7
Cash and deposits	44.4	53.5	- 9.1	Short-term borrowings	40.1	53.1	- 13.1
Cash for Transportation Security Services & Advance payment	69.7	74.7	- 5.0	Other	36.5	36.2	0.3
Other	34.1	35.4	- 1.3	Long-term liabilities	40.7	43.2	- 2.5
				Total liabilities	117.3	132.6	- 15.3
Fixed assets	127.7	123.8	3.9	Shareholders' equity	144.3	141.8	2.6
Tangible assets	58.3	59.0	- 0.7	Valuation and translation adjustments	- 3.8	- 4.6	0.8
Intangible assets	5.2	5.4	- 0.2	Minority interests in consolidated subsidiaries	18.1	17.7	0.4
Net investments and other assets	64.2	59.3	4.9	Total net assets	158.6	154.8	3.8
Total assets	276.0	287.5	- 11.5	Total	276.0	287.5	- 11.5

Status of Cash Flows for FYE 3/10

(Unit: ¥ billion)

	FYE 3/10	FYE 3/09	YoY
Cash flows from operating activities	15.0	19.2	- 4.3
Cash flows from investing activities	- 15.8	-13.9	-1.9
Cash flows from financing activities	- 7.7	- 9.3	1.7
Balance of cash and cash equivalents at the end of the period	37.3	45.8	- 8.5

Major items of 03/10

●Cash flows from operating activities	Income before income tax	10.6
	Depreciation	12.5
	Cash and advance payment for TSS	5.0
	Short-term borrowings for TSS	-11.6
●Cash flows from investing activities	Increase/decrease in accounts payable	- 0.6
	Payments for purchases of investment in securities	- 1.6
	Payments for purchases of tangible assets	- 9.1
●Cash flows from financing activities	Payments for repayment of long-term debt	- 2.6
	Payments for redemption of bonds	- 2.2
	Dividend paid	- 2.0

Capital Expenditures and Others

Capital expenditures (Unit: ¥ billion)

FYE 3/08	FYE 3/09	FYE 3/10
10.4	11.9	10.7

Depreciation (Unit: ¥ billion)

FYE 3/08	FYE 3/09	FYE 3/10
11.2	11.9	12.5

R&D expense (Unit: ¥ billion)

FYE 3/08	FYE 3/09	FYE 3/10
0.6	0.6	0.6

Section 2

Business Strategy for FYE 3/11

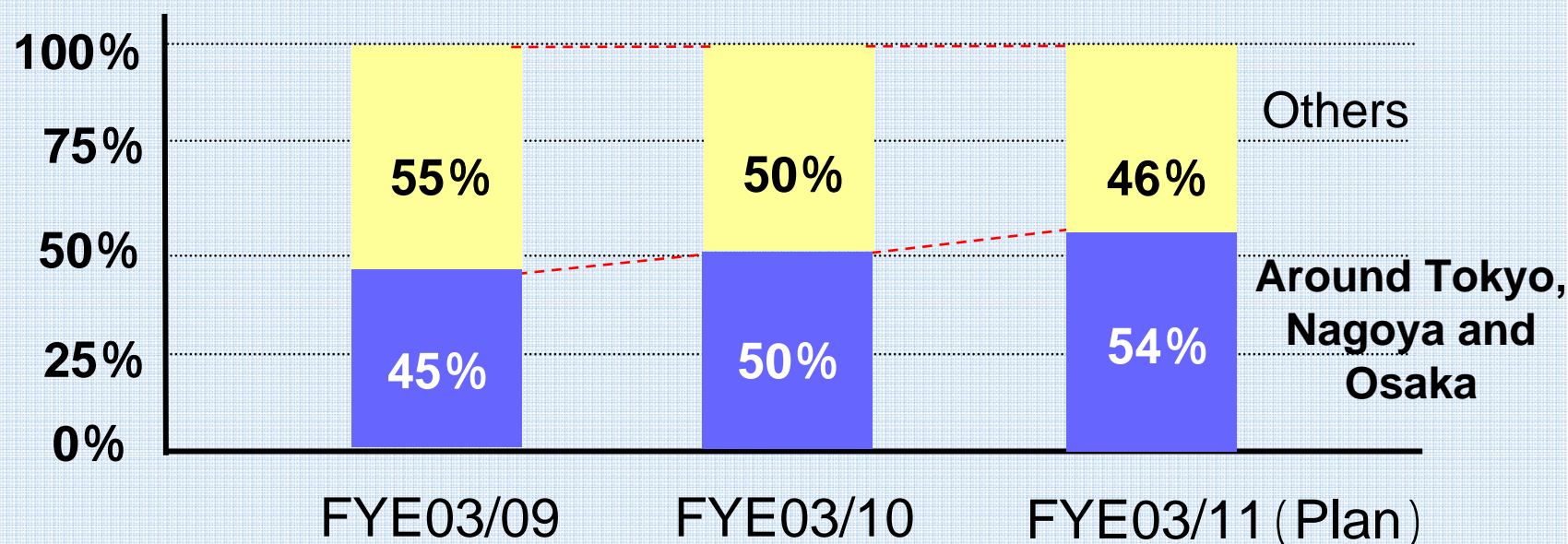
Strengthen sales capabilities (1)

1 Increasing the number of sales staff

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

Salesperson ratio of Electronic Security Services

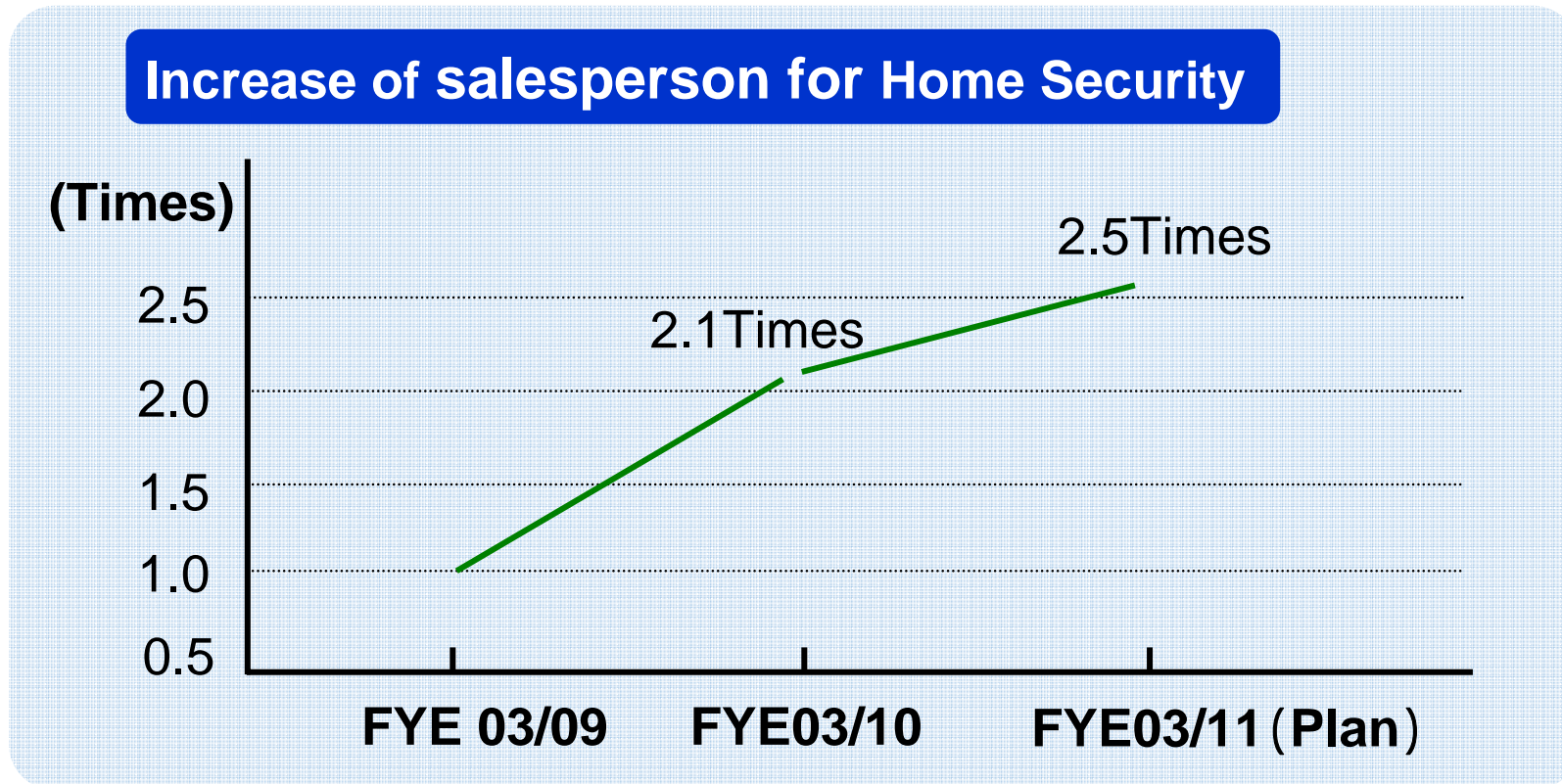
(Ratio)



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

Strengthen marketing capabilities (2)

(2) Expand sales of Home Security



2 Strengthening of sales structure

- Introduction of Consultant's of Sales

Promotion of cancellation prevention

- 1 Reducing Cancellations
by Outbound Calls**
- 2 Aggressively making
of customer visit in operation staff**

Strategy for sales expansion

- 1 Development new products**
- 2 Aggressively pursue M&A opportunities**
- 3 Overseas expansion**
- 4 New business expansion**

Strengthening of group management

- 1 Installation of in-house company
(ALSOK Co.)**
- 2 Strengthening Divisional Organization**

Cost Control

	Amount of reduction
1 Control of overtime payment	¥0.9billion
2 Procurement cost reduction	¥1.0billion
3 Integration of Guard Center and sever	¥0.2 billion

Section 3

Business Plan for FYE 3/11

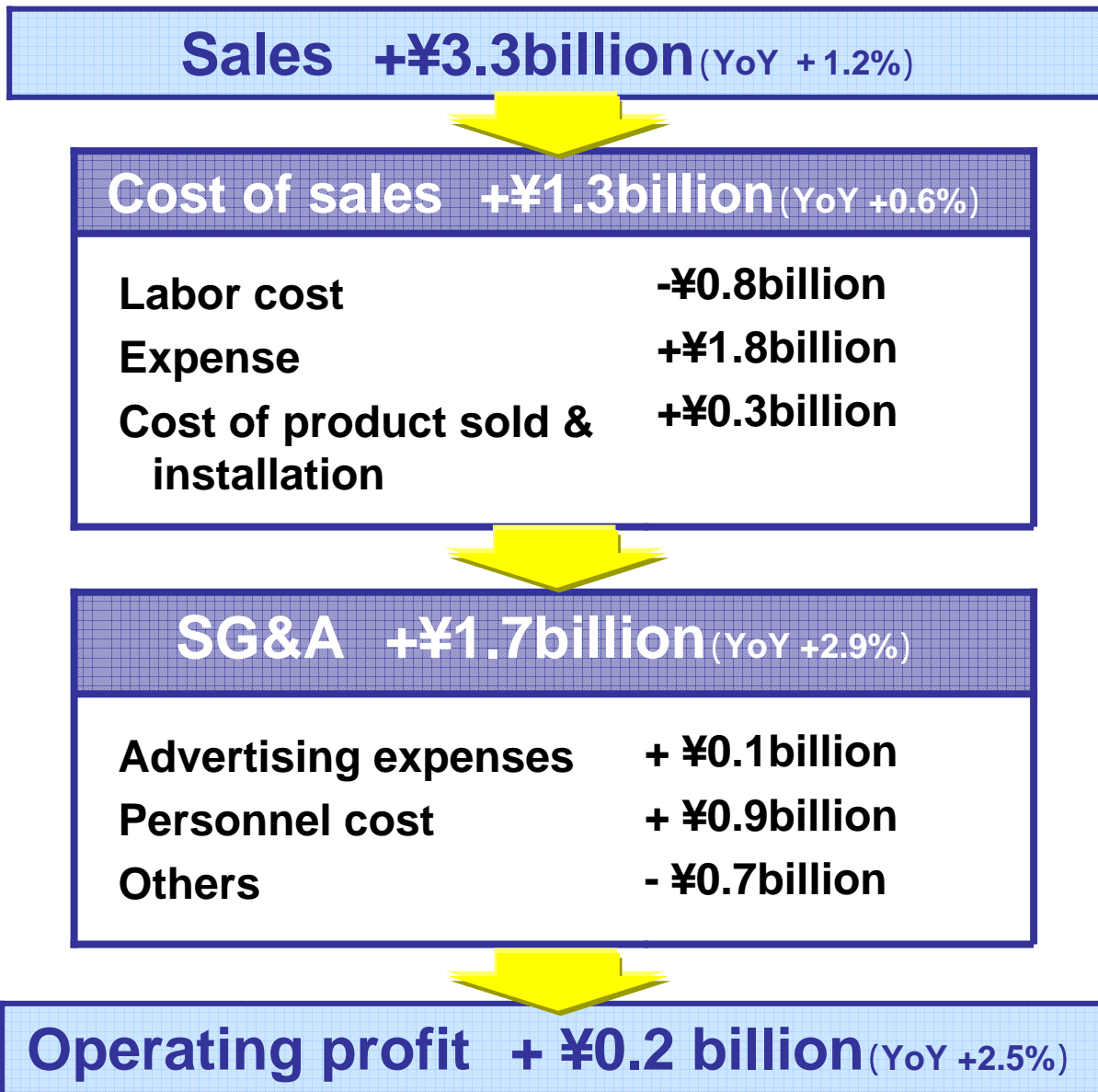
Business Plan for FYE 3/11

(Unit: ¥ billion)	Amount	% to total sales	Gap	Change (%)
S a l e s	281.9	100.0%	3.3	1.2%
Gross profit	70.5	25.0%	2.0	2.9%
Operating profit	9.5	3.4%	0.3	2.5%
Recurring profit	11.1	3.9%	0.3	2.6%
Net income	5.2	1.8%	0.7	13.9%

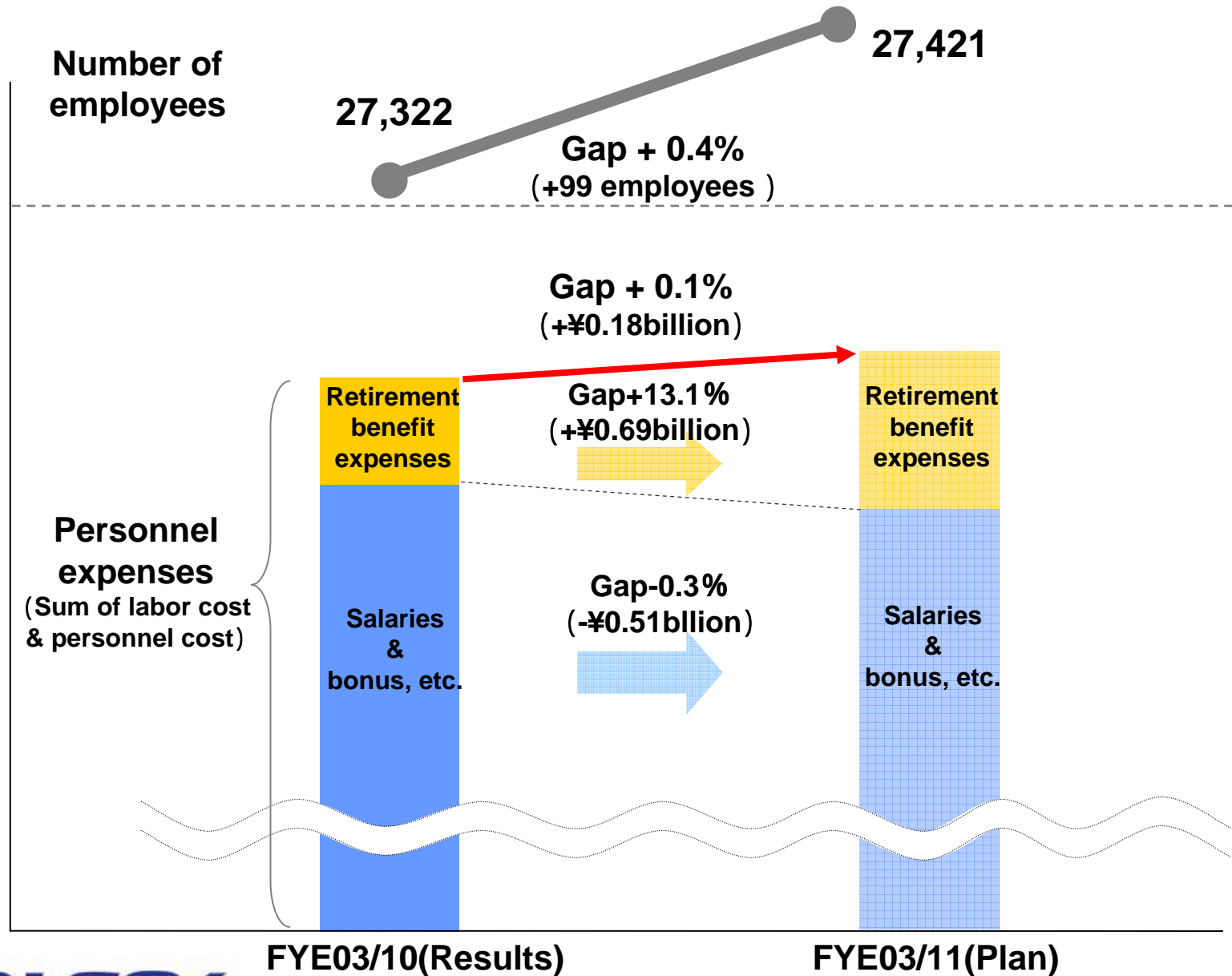
Sales Plan by Business Segment

(Unit: ¥ billion)		Amount	% to total sales	Gap	Change (%)
Security Services	Electronic Security Services	140.6	49.9%	1.7	1.2%
	Stationed Security Services	70.1	24.9%	-0.5	-0.7%
	Transportation Security Services	48.0	17.0%	1.2	2.6%
Other Services		23.0	8.2%	0.9	4.1%
T o t a l		281.9	100.0%	3.3	1.2%

Major Changes in P/L (Plan)



Personnel Expenses (Plan)



Other Plans

1 Net increase in number of contracts for Electronic Security Services

	Net increase	Gap	Change (%)
T o t a l	22,550	5,796	34.6%
Corporate clients	9,350	2,256	31.8%
Individual clients	13,200	3,540	36.6%

2 Other

(Unit: ¥ billion)

	Amount	Gap	Change (%)
C a p i t a l expenditures	12.0	1.3	12.5%
Depreciation	13.2	0.6	5.0%

Dividends

	FYE 3/09	FYE 3/10	FYE 3/11 Plan
Dividend per share	¥20 (¥10)	¥20 (¥10)	¥20 (¥10)
Payout ratio	47.7%	44.1%	38.7%

*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.



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