

Summary of Selected Financial Data
Fiscal Year Ended March 31, 2021

Sohgo Security Services Co., Ltd.

1. Consolidated Financial Results

(1) Consolidated Statements of Income

	1Q Accounting Period			2Q Accounting Period			Interim Financial Results		
	FY2020	FY2021	Increase/Decrease (%)	FY2020	FY2021	Increase/Decrease (%)	FY2020	FY2021	Increase/Decrease (%)
Net Sales (Billion yen)	109.4	110.1	0.7	115.7	115.7	(0.1)	225.2	225.8	0.3
Operating Income (Billion yen)	7.1	7.3	2.7	9.0	8.4	(6.4)	16.2	15.8	(2.4)
Ordinary Income (Billion yen)	7.7	7.6	(0.7)	9.5	8.8	(7.7)	17.2	16.4	(4.6)
Profit Attributable to Owners of Parent (Billion yen)	4.5	4.5	(1.0)	6.0	5.4	(9.4)	10.5	9.9	(5.8)
Net Income Per Share (Yen)	44.92	44.48	-	59.53	53.91	-	104.46	98.39	-

	3Q Accounting Period			4Q Accounting Period			Annual Financial Results		
	FY2020	FY2021	Increase/Decrease (%)	FY2020	FY2021	Increase/Decrease (%)	FY2020	FY2021	Increase/Decrease (%)
Net Sales (Billion yen)	113.8	116.5	2.4	121.0	127.5	5.3	460.1	469.9	2.1
Operating Income (Billion yen)	9.2	9.2	(0.0)	11.2	12.0	6.9	36.7	37.1	1.1
Ordinary Income (Billion yen)	9.7	9.7	0.4	11.8	12.9	9.2	38.8	39.2	0.9
Profit Attributable to Owners of Parent (Billion yen)	5.9	5.9	(0.7)	7.5	9.0	19.8	24.1	25.0	3.5
Net Income Per Share (Yen)	59.25	58.84	-	74.99	89.86	-	238.69	247.09	-

(2) Consolidated Balance Sheets

	FY2019	FY2020	FY2021
Total Assets (Billion yen)	410.1	428.7	481.4
Net Assets (Billion yen)	257.0	270.4	304.4
Equity Ratio (%)	56.8	57.3	57.6
Net Assets Per Share (Yen)	2,302.38	2,425.02	2,741.27

(3) Consolidated Statements of Cash Flows

	FY2019	FY2020	FY2021
Net Cash provided by (used in) Operating Activities (Billion yen)	28.7	33.8	55.5
Net Cash provided by (used in) Investing Activities (Billion yen)	(14.9)	(13.3)	(38.4)
Net Cash provided by (used in) Financing Activities (Billion yen)	(10.9)	(15.1)	(12.7)
Cash and Cash Equivalents at End of Period (Billion yen)	43.4	48.7	53.1

(4) Dividend

	Dividends Per Share										Payout Ratio (%)
	End of 1Q		End of 2Q		End of 3Q		Year-end		Annual		
	Yen	Yen	Yen	Yen	Yen	Yen	Yen	Yen	Yen	Yen	
FY2020	-	-	34	50	-	-	35	50	70	00	29.3
FY2021	-	-	35	00	-	-	37	00	72	00	29.1
FY2022(Forecast)	-	-	38	00	-	-	38	00	76	00	28.0

(5) Forecasts for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 - March 31, 2022)

	Interim			Annual		
	FY2021	FY2022 (Forecast)	Increase/Decrease (%)	FY2021	FY2022 (Forecast)	Increase/Decrease (%)
Net Sales (Billion yen)	225.8	249.0	10.2	469.9	500.5	6.5
Operating Income (Billion yen)	15.8	19.1	20.6	37.1	42.1	13.2
Ordinary Income (Billion yen)	16.4	19.8	20.2	39.2	43.5	10.9
Profit Attributable to Owners of Parent (Billion yen)	9.9	12.5	25.5	25.0	27.5	9.9
Net Income Per Share (Yen)	98.39	123.48	-	247.09	271.65	-

2. Major Items

(1) Sales by Business Segment

(Billion yen)

	FY2020	Share(%)	Increase/Decrease (%)	FY2021	Share(%)	Increase/Decrease (%)
Security Services						
Electric Security Services	175.6	38.2	0.0	176.5	37.6	0.5
Stationed Security Services	116.9	25.4	4.5	113.1	24.1	(3.2)
Transportation Security Services	65.6	14.3	5.4	65.8	14.0	0.4
Total	358.1	77.8	2.4	355.5	75.7	(0.7)
General Property Management and Fire Protection Services	69.2	15.0	10.0	68.1	14.5	(1.5)
Long-Term Care Services	28.1	6.1	5.7	40.3	8.6	43.7
Total for Reportable Segments	455.5	99.0	3.7	464.1	98.8	1.9
Other Services	4.6	1.0	7.9	5.8	1.2	26.0
Total	460.1	100.0	3.7	469.9	100.0	2.1

(2) Contracts by Business Segment

(Contract)

	FY2019	FY2020	FY2021
Security Services			
Electric Security Services	949,858	973,066	990,155
Corporate Clients	520,942	533,733	540,410
Individual Clients	428,916	439,333	449,745
Stationed Security Services	4,485	4,468	4,371
Transportation Security Services	75,652	77,791	79,289
Total	1,029,995	1,055,325	1,073,815
General Property Management and Fire Protection Services	104,254	109,697	113,880
Long-Term Care Services	25,364	24,976	27,503
Total for Reportable Segments	1,159,613	1,189,998	1,215,198
Other Services	25,896	29,382	29,693
Total	1,185,509	1,219,380	1,244,891

<Comparison to the previous period>	FY2019 Increase/Decrease	FY2020 Increase/Decrease (%)	FY2020 Increase/Decrease	FY2020 Increase/Decrease (%)	FY2021 Increase/Decrease	FY2021 Increase/Decrease (%)
Security Services						
Electric Security Services	26,930	2.9	23,208	2.4	17,089	1.8
Corporate Clients	12,568	2.5	12,791	2.5	6,677	1.3
Individual Clients	14,362	3.5	10,417	2.4	10,412	2.4
Stationed Security Services	128	2.9	(17)	(0.4)	(97)	(2.2)
Transportation Security Services	3,198	4.4	2,139	2.8	1,498	1.9
Total	30,256	3.0	25,330	2.5	18,490	1.8
General Property Management and Fire Protection Services	6,210	6.3	5,443	5.2	4,183	3.8
Long-Term Care Services	4,130	19.4	(388)	(1.5)	2,527	10.1
Total for Reportable Segments	40,596	3.6	30,385	2.6	25,200	2.1
Other Services	633	2.5	3,486	13.5	311	1.1
Total	41,229	3.6	33,871	2.9	25,511	2.1

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

	FY2019	FY2020	FY2021
Net Sales	1.88	1.89	1.92
Operating Income	1.97	1.87	1.99
Ordinary Income	1.39	1.36	1.34
Profit Attributable to Owners of Parent	1.15	1.10	1.08
Total Assets	1.46	1.43	1.51

(4) Trends in Personnel

(Personnel)

	FY2019	FY2020	FY2021
Employees	37,417	37,902	38,444

<Comparison to the previous period>	FY2019 Increase/ Decrease	Increase/ Decrease (%)	FY2020 Increase/ Decrease	Increase/ Decrease (%)	FY2021 Increase/ Decrease	Increase/ Decrease (%)
Employees	(102)	(0.3)	485	1.3	542	1.4

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

(Billion yen)

	FY2019	Increase/ Decrease (%)	FY2020	Increase/ Decrease (%)	FY2021	Increase/ Decrease (%)	FY2022 (Forecast)
Capital Expenditure	15.8	(6.0)	14.0	(11.2)	13.6	(3.0)	18.3
Depreciation	15.0	6.7	14.9	(1.1)	15.8	6.2	18.6
Research and Development Expenditure	0.5	20.7	0.5	6.4	0.5	(3.2)	0.6

3. Consolidated Financial Statements

(1) Consolidated Statements of Income (YoY/ Comparison to the Plan)

(Billion yen)

	FY2020		FY2021		YoY		FY2021(Plan)		Comparison to the Plan	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)	Amount	Share(%)	Amount	Achievement Ratio
Net Sales	460.1	100.0	469.9	100.0	9.8	2.1	485.0	100.0	(15.0)	96.9
Cost of Sales	345.0	75.0	352.8	75.1	7.7	2.2	-	-	-	-
Gross Profit	115.0	25.0	117.1	24.9	2.0	1.8	-	-	-	-
Selling, General and Administrative Expenses	78.2	17.0	79.9	17.0	1.7	2.2	-	-	-	-
Operating Income	36.7	8.0	37.1	7.9	0.3	1.1	37.6	7.8	(0.4)	98.9
Non-operating Income	4.3	0.9	5.1	1.1	0.8	19.4	-	-	-	-
Non-operating Expenses	2.2	0.5	3.1	0.7	0.8	39.7	-	-	-	-
Ordinary Income	38.8	8.5	39.2	8.3	0.3	0.9	39.2	8.1	0.0	100.0
Extraordinary Income	0.0	0.0	0.1	0.0	0.1	553.1	-	-	-	-
Extraordinary Loss	0.5	0.1	0.5	0.1	(0.0)	(3.4)	-	-	-	-
Profit Attributable to Owners of parent	24.1	5.3	25.0	5.3	0.8	3.5	24.7	5.1	0.3	101.3

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

(Billion yen)

	YoY		Factors
	Amount	Increase/ Decrease (%)	
Net Sales	9.8	2.1	Security Services (2.5) Electronic Security Services 0.9 Stationed Security Services (3.7) Transportation Security Services 0.2 General Property Management and Fire Protection Services (0.1) Long-Term Care Services 12.2 Other Services 1.2
Cost of Sales	7.7	2.2	Labor cost 4.2 Expenses 5.4
Gross Profit	2.0	1.8	
Selling, General and Administrative Expenses	1.7	2.2	Salaries allowance 1.2 Amortization of goodwill 0.6 Retirement benefit expenses 0.3
Operating Income	0.3	1.1	
Non-operating Income	0.8	19.4	
Non-operating Expenses	0.8	39.7	
Ordinary Income	0.3	0.9	
Extraordinary Income	0.1	553.1	Gain on sale of non-current assets 0.0 Compensation income 0.0
Extraordinary Loss	(0.0)	(3.4)	Loss on valuation of investment securities (0.1) Loss on sale of non-current assets (0.0) Loss on retirement of non-current assets 0.0 Impairment losses 0.0
Profit Attributable to Owners of parent	0.8	3.5	

(3) Consolidated Balance Sheets (YoY)

(Billion yen)

	FY2020		FY2021		Increase/Decrease	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
Assets	428.7	100.0	481.4	100.0	52.6	12.3
Current Assets	229.4	53.5	227.6	47.3	(1.8)	(0.8)
Noncurrent Assets	199.3	46.5	253.8	52.7	54.5	27.4
Property, Plant and Equipment	90.4	21.1	103.3	21.5	12.9	14.3
Intangible Assets	32.5	7.6	43.2	9.0	10.6	32.7
Investments and Other Assets	76.2	17.8	107.2	22.3	30.9	40.6
Liabilities	158.3	36.9	177.0	36.8	18.6	11.8
Current Liabilities	98.4	23.0	103.7	21.6	5.3	5.4
Noncurrent Liabilities	59.9	14.0	73.2	15.2	13.3	22.2
Net Assets	270.4	63.1	304.4	63.2	33.9	12.6
Shareholders' Equity	255.2	59.5	272.0	56.5	16.8	6.6
Accumulated Other Comprehensive Income	(9.7)	(2.3)	5.4	1.1	15.1	(155.7)
Non-controlling Interests	24.9	5.8	26.9	5.6	1.9	7.9

(4) Consolidated Balance Sheets (Main variable factors)

(Billion yen)

	Account Title	YoY	Remarks
Current Assets	Cash and Deposits	4.4	
Current Assets	Cash for	(4.6)	
Current Assets	Notes and Accounts	(1.7)	
Noncurrent Assets	Retirement benefit asset	17.5	
Noncurrent Assets	Investment Securities	15.7	
Noncurrent Assets	Lease Assets	11.8	
Noncurrent Assets	Goodwill	10.3	
Current Liabilities	Short-term	4.6	
Noncurrent Liabilities	Lease Obligations	13.4	