

Summary of Selected Financial Data
Third Quarter Ended December 31, 2021

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		
	FY2021	FY2022	Increase/ Decrease (%)	FY2021	FY2022	Increase/ Decrease (%)	FY2021	FY2022	Increase/ Decrease (%)	FY2021	FY2022 (Forecast)	Increase/ Decrease (%)
Net Sales (Billion yen)	110.1	117.0	6.2	115.7	128.2	10.9	116.5	118.4	1.7	342.4	363.7	6.2
Operating Income (Billion yen)	7.3	9.7	32.3	8.4	15.0	78.2	9.2	9.8	6.0	25.1	34.6	38.0
Ordinary Income (Billion yen)	7.6	10.0	31.0	8.8	15.7	78.6	9.7	10.4	6.5	26.2	36.1	37.8
Profit Attributable to Owners of Parent (Billion yen)	4.5	6.0	35.4	5.4	9.9	83.2	5.9	7.0	18.2	15.9	23.1	45.3
Net Income Per Share (Yen)	44.48	60.24	-	53.91	98.77	-	58.84	69.53	-	157.23	228.54	-

	1Q Accounting Period			2Q Accounting Period			3Q Accounting Period			Annual Financial Results		
	FY2021	FY2022	Increase/ Decrease (%)	FY2021	FY2022	Increase/ Decrease (%)	FY2021	FY2022	Increase/ Decrease (%)	FY2021	FY2022 (Forecast)	Increase/ Decrease (%)
Net Sales (Billion yen)	110.1	117.0	6.2	225.8	245.2	8.6	342.4	363.7	6.2	469.9	500.5	6.5
Operating Income (Billion yen)	7.3	9.7	32.3	15.8	24.8	56.8	25.1	34.6	38.0	37.1	42.1	13.2
Ordinary Income (Billion yen)	7.6	10.0	31.0	16.4	25.7	56.4	26.2	36.1	37.8	39.2	43.5	10.9
Profit Attributable to Owners of Parent (Billion yen)	4.5	6.0	35.4	9.9	16.0	61.6	15.9	23.1	45.3	25.0	27.5	9.9
Net Income Per Share (Yen)	44.48	60.24	-	98.39	159.01	-	157.23	228.54	-	247.09	271.65	-

(2) Consolidated Balance Sheets

	FY2020 3Q	FY2021 3Q	FY2022 3Q
Total Assets (Billion yen)	462.0	483.7	496.9
Net Assets (Billion yen)	268.8	282.6	320.0
Equity Ratio (%)	52.8	53.0	59.0
Net Assets Per Share (Yen)	2,410.13	2,533.45	2,895.63

(3) Consolidated Statements of Cash Flows

	FY2020 3Q	FY2021 3Q	FY2022 3Q
Net Cash provided by (used in) Operating Activities (Billion yen)	22.8	38.3	18.3
Net Cash provided by (used in) Investing Activities (Billion yen)	(11.4)	(32.9)	(8.8)
Net Cash provided by (used in) Financing Activities (Billion yen)	(9.6)	(4.8)	(11.8)
Cash and Cash Equivalents at End of Period (Billion yen)	45.1	49.3	50.8

(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	
FY2021	-	-	35	00	-	-	37	00	72	00
FY2022	-	-	38	00	-	-	-	-	-	-
FY2022(Forecast)	-	-	-	-	-	-	38	00	76	00

2. Major Items

(1) Sales by Business Segment

(Billion yen)

	FY2021 3Q	Share(%)	Increase/ Decrease (%)	FY2022 3Q	Share(%)	Increase/ Decrease (%)
Security Services						
Electric Security Services	128.2	37.5	(0.3)	131.4	36.1	2.5
Stationed Security Services	83.6	24.4	(5.2)	97.5	26.8	16.7
Transportation Security Services	49.1	14.4	0.4	50.9	14.0	3.6
Total	261.0	76.2	(1.8)	279.9	77.0	7.2
General Property Management and Fire Protection Services	47.0	13.7	(3.9)	48.0	13.2	2.0
Long-Term Care Services	30.2	8.8	44.9	31.3	8.6	3.7
Total for Reportable Segments	338.3	98.8	0.8	359.3	98.8	6.2
Other Services	4.0	1.2	18.9	4.4	1.2	9.9
Total	342.4	100.0	1.0	363.7	100.0	6.2

(2) Contracts by Business Segment

(Contracts : Thousands)

	FY2019	FY2020 3Q	FY2020	FY2021 3Q	FY2021	FY2022 3Q
Security Services						
Electric Security Services	949	969	973	988	990	1,008
Corporate Clients	520	532	533	540	540	549
Individual Clients	428	437	439	447	449	458
Stationed Security Services	4	4	4	4	4	4
Transportation Security Services	75	77	77	78	79	79
Total	1,029	1,051	1,055	1,072	1,073	1,092
General Property Management and Fire Protection Services	104	109	109	113	113	119
Long-Term Care Services	25	26	24	28	27	28
Total for Reportable Segments	1,159	1,186	1,189	1,214	1,215	1,240
Other Services	25	28	29	35	29	34
Total	1,185	1,214	1,219	1,249	1,244	1,274

<Comparison to the previous period>	FY2020 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2021 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2022 3Q Increase/ Decrease	Increase/ Decrease (%)
Security Services						
Electric Security Services	19	2.1	15	1.6	18	1.8
Corporate Clients	11	2.2	7	1.4	8	1.6
Individual Clients	8	1.9	8	2.0	9	2.1
Stationed Security Services	0	1.1	(0)	(1.0)	0	1.7
Transportation Security Services	1	1.9	1	1.5	0	0.6
Total	21	2.1	16	1.6	18	1.7
General Property Management and Fire Protection Services	4	4.6	4	3.8	5	4.6
Long-Term Care Services	0	2.8	3	12.7	1	4.0
Total for Reportable Segments	26	2.3	24	2.0	24	2.1
Other Services	2	9.0	6	20.9	4	16.1
Total	29	2.5	30	2.5	29	2.4

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

(Times)

	FY2020 3Q	FY2021 3Q	FY2022 3Q
Net Sales	1.89	1.93	1.89
Operating Income	1.91	2.01	1.99
Ordinary Income	1.22	1.16	1.28
Profit Attributable to Owners of Parent	0.95	0.86	1.01
Total Assets	1.41	1.44	1.46

(4) Trends in Personnel

(Personnel)

	FY2019	FY2020 3Q	FY2020	FY2021 3Q	FY2021	FY2022 3Q
Employees	37,417	38,037	37,902	38,652	38,444	38,593

<Comparison to the previous period>	FY2020 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2021 3Q Increase/ Decrease	Increase/ Decrease (%)	FY2022 3Q Increase/ Decrease	Increase/ Decrease (%)
Employees	620	1.7	750	2.0	149	0.4

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

(Billion yen)

	FY2020 3Q	Increase/ Decrease (%)	FY2021 3Q	Increase/ Decrease (%)	FY2022 3Q	Increase/ Decrease (%)	FY2022 (Forecast)
Capital Expenditure	9.3	1.4	8.9	(4.0)	9.8	9.4	18.3
Depreciation	11.1	(1.8)	11.8	6.6	12.4	4.9	18.6
Research and Development Expenditure	0.3	(5.1)	0.4	7.8	0.4	(2.0)	0.6

3. Consolidated Financial Statements

(1) Consolidated Statements of Income (YoY)

(Billion yen)

	FY2021 3Q		FY2022 3Q		YoY	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
Net Sales	342.4	100.0	363.7	100.0	21.3	6.2
Cost of Sales	257.1	75.1	269.4	74.1	12.3	4.8
Gross Profit	85.2	24.9	94.3	25.9	9.0	10.6
Selling, General and Administrative Expenses	60.1	17.6	59.6	16.4	(0.4)	(0.8)
Operating Income	25.1	7.3	34.6	9.5	9.5	38.0
Non-operating Income	3.4	1.0	3.6	1.0	0.2	7.1
Non-operating Expenses	2.2	0.7	2.1	0.6	(0.1)	(5.6)
Ordinary Income	26.2	7.7	36.1	9.9	9.9	37.8
Extraordinary Income	0.1	0.1	1.3	0.4	1.1	647.0
Extraordinary Loss	0.1	0.0	0.3	0.1	0.2	207.7
Profit Attributable to Owners of parent	15.9	4.6	23.1	6.4	7.2	45.3

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

(Billion yen)

	YoY		Factors
	Amount	Increase/ Decrease (%)	
Net Sales	21.3	6.2	Security Services 18.9 Electronic Security Services 3.1 Stationed Security Services 13.9 Transportation Security Services 1.7 General Property Management and Fire Protection Services 0.9 Long-Term Care Services 1.1 Other Services 0.3
Cost of Sales	12.3	4.8	Labor cost 1.2 Expenses 13.2
Gross Profit	9.0	10.6	
Selling, General and Administrative Expenses	(0.4)	(0.8)	
Operating Income	9.5	38.0	
Non-operating Income	0.2	7.1	
Non-operating Expenses	(0.1)	(5.6)	
Ordinary Income	9.9	37.8	
Extraordinary Income	1.1	647.0	Compensative income 1.0 Gain on sale of non-current assets 0.1
Extraordinary Loss	0.2	207.7	Impairment losses 0.2
Profit Attributable to Owners of parent	7.2	45.3	

(3) Consolidated Balance Sheets (YoY)

(Billion yen)

	FY2021		FY2022 3Q		Increase/Decrease	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
Assets	481.4	100.0	496.9	100.0	15.4	3.2
Current Assets	227.6	47.3	245.3	49.4	17.7	7.8
Noncurrent Assets	253.8	52.7	251.5	50.6	(2.3)	(0.9)
Property, Plant and Equipment	103.3	21.5	100.8	20.3	(2.4)	(2.4)
Intangible Assets	43.2	9.0	41.3	8.3	(1.9)	(4.4)
Investments and Other Assets	107.2	22.3	109.2	22.0	2.0	1.9
Liabilities	177.0	36.8	176.8	35.6	(0.2)	(0.1)
Current Liabilities	103.7	21.6	106.2	21.4	2.4	2.4
Noncurrent Liabilities	73.2	15.2	70.5	14.2	(2.6)	(3.7)
Net Assets	304.4	63.2	320.0	64.4	15.6	5.1
Shareholders' Equity	272.0	56.5	287.6	57.9	15.5	5.7
Accumulated Other Comprehensive Income	5.4	1.1	5.5	1.1	0.0	1.8
Non-controlling Interests	26.9	5.6	26.9	5.4	0.0	0.1

(4) Consolidated Balance Sheets (Main variable factors)

(Billion yen)

	Account Title	YoY	Remarks
Current Assets	Cash for Transportation Security Services	9.8	
Current Assets	Other Current Assets	5.6	Prepaid Expenses
Current Liabilities	Other Current Liabilities	7.6	Deposits Received
Current Liabilities	Notes and Accounts Payable-	(5.7)	
Current Liabilities	Long-term Borrowings	(1.6)	