

Summary of Selected Financial Data
Fiscal Year Ended March 31, 2022

Sohgo Security Services Co., Ltd.

1 Consolidated Financial Results

(1) Consolidated Statements of Income

	1Q Accounting Period			2Q Accounting Period			Interim Financial Results		
	FY2021	FY2022	Increase/Decrease (%)	FY2021	FY2022	Increase/Decrease (%)	FY2021	FY2022	Increase/Decrease (%)
Net Sales (Billion yen)	110.1	117.0	6.2	115.7	128.2	10.9	225.8	245.2	8.6
Operating Income (Billion yen)	7.3	9.7	32.3	8.4	15.0	78.2	15.8	24.8	56.8
Ordinary Income (Billion yen)	7.6	10.0	31.0	8.8	15.7	78.6	16.4	25.7	56.4
Profit Attributable to Owners of Parent (Billion yen)	4.5	6.0	35.4	5.4	9.9	83.2	9.9	16.0	61.6
Net Income Per Share (Yen)	44.48	60.24	-	53.91	98.77	-	98.39	159.01	-

	3Q Accounting Period			4Q Accounting Period			Annual Financial Results		
	FY2021	FY2022	Increase/Decrease (%)	FY2021	FY2022	Increase/Decrease (%)	FY2021	FY2022	Increase/Decrease (%)
Net Sales (Billion yen)	116.5	118.4	1.7	127.5	125.3	(1.7)	469.9	489.0	4.1
Operating Income (Billion yen)	9.2	9.8	6.0	12.0	8.1	(32.1)	37.1	42.8	15.3
Ordinary Income (Billion yen)	9.7	10.4	6.5	12.9	8.6	(33.5)	39.2	44.7	14.2
Profit Attributable to Owners of Parent (Billion yen)	5.9	7.0	18.2	9.0	5.8	(35.9)	25.0	28.9	15.8
Net Income Per Share (Yen)	58.84	69.53	-	89.86	57.57	-	247.09	286.11	-

(2) Consolidated Balance Sheets

	FY2020	FY2021	FY2022
Total Assets (Billion yen)	428.7	481.4	488.2
Net Assets (Billion yen)	270.4	304.4	327.5
Equity Ratio (%)	57.3	57.6	61.5
Net Assets Per Share (Yen)	2,425.02	2,741.27	2,964.85

(3) Consolidated Statements of Cash Flows

	FY2020	FY2021	FY2022
Net Cash provided by (used in) Operating Activities (Billion yen)	33.8	55.5	42.7
Net Cash provided by (used in) Investing Activities (Billion yen)	(13.3)	(38.4)	(14.0)
Net Cash provided by (used in) Financing Activities (Billion yen)	(15.1)	(12.7)	(18.1)
Cash and Cash Equivalents at End of Period (Billion yen)	48.7	53.1	63.6

(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	
FY2021	-	-	35	00	-	-	37	00	72	00	29.1
FY2022	-	-	38	00	-	-	44	00	82	00	28.7
FY2023(Forecast)	-	-	43	00	-	-	43	00	86	00	29.1

(5) Forecasts for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2023(April 1, 2022 - March 31, 2023)

	Interim			Annual		
	FY2022	FY2023 (Forecast)	Increase/Decrease (%)	FY2022	FY2023 (Forecast)	Increase/Decrease (%)
Net Sales (Billion yen)	245.2	245.3	0.0	489.0	510.0	4.3
Operating Income (Billion yen)	24.8	19.5	(21.5)	42.8	45.3	5.7
Ordinary Income (Billion yen)	25.7	20.0	(22.3)	44.7	47.0	4.9
Profit Attributable to Owners of Parent (Billion yen)	16.0	12.0	(25.5)	28.9	29.9	3.2
Net Income Per Share (Yen)	159.01	118.53	-	286.11	295.35	-

2 Major Items

(1) Sales by Business Segment

(Billion yen)

	FY2021	Share(%)	Increase/Decrease (%)	FY2022	Share(%)	Increase/Decrease (%)
Security Services						
Electric Security Services	176.7	37.6	0.6	177.2	36.2	0.3
Stationed Security Services	113.1	24.1	(3.2)	128.8	26.4	13.9
Transportation Security Services	65.6	14.0	0.1	67.8	13.9	3.3
Total	355.5	75.7	(0.7)	373.9	76.5	5.2
General Property Management and Fire Protection Services	68.1	14.5	(1.5)	67.4	13.8	(1.1)
Long-Term Care Services	40.3	8.6	43.7	41.6	8.5	3.2
Total for Reportable Segments	464.1	98.8	1.9	483.0	98.8	4.1
Other Services	5.8	1.2	26.0	6.0	1.2	3.8
Total	469.9	100.0	2.1	489.0	100.0	4.1

(2) Contracts by Business Segment

(Contract: Thousands)

	FY2020	FY2021	FY2022
Security Services			
Electric Security Services	973	990	1,009
Corporate Clients	533	540	548
Individual Clients	439	449	460
Stationed Security Services	4	4	4
Transportation Security Services	77	79	79
Total	1,055	1,073	1,093
General Property Management and Fire Protection Services	109	113	123
Long-Term Care Services	24	27	27
Total for Reportable Segments	1,189	1,215	1,244
Other Services	29	29	34
Total	1,219	1,244	1,278

<Comparison to the previous period>	FY2020 Increase/Decrease (%)	Increase/Decrease (%)	FY2021 Increase/Decrease (%)	Increase/Decrease (%)	FY2022 Increase/Decrease (%)	Increase/Decrease (%)
Security Services						
Electric Security Services	23	2.4	17	1.8	19	1.9
Corporate Clients	12	2.5	6	1.3	8	1.5
Individual Clients	10	2.4	10	2.4	10	2.4
Stationed Security Services	(0)	(0.4)	(0)	(2.2)	0	4.9
Transportation Security Services	2	2.8	1	1.9	0	0.4
Total	25	2.5	18	1.8	19	1.8
General Property Management and Fire Protection Services	5	5.2	4	3.8	9	8.5
Long-Term Care Services	(0)	(1.5)	2	10.1	(0)	(1.4)
Total for Reportable Segments	30	2.6	25	2.1	28	2.4
Other Services	3	13.5	0	1.1	5	17.1
Total	33	2.9	25	2.1	33	2.7

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

	FY2020	FY2021	FY2022
Net Sales	1.89	1.92	1.91
Operating Income	1.87	1.99	2.17
Ordinary Income	1.36	1.34	1.45
Profit Attributable to Owners of Parent	1.10	1.08	1.18
Total Assets	1.43	1.51	1.49

(4) Trends in Personnel

(Personnel)

	FY2020	FY2021	FY2022
Employees	37,902	38,444	38,192

<Comparison to the previous period>	FY2020 Increase/ Decrease	Increase/ Decrease (%)	FY2021 Increase/ Decrease	Increase/ Decrease (%)	FY2022 Increase/ Decrease	Increase/ Decrease (%)
Employees	485	1.3	542	1.4	(252)	(0.7)

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

(Billion yen)

	FY2020	Increase/ Decrease (%)	FY2021	Increase/ Decrease (%)	FY2022	Increase/ Decrease (%)	FY2023 (Forecast)
Capital Expenditure	14.0	(11.2)	13.6	(3.0)	16.2	19.3	20.4
Depreciation	14.9	(1.1)	15.8	6.2	16.8	6.5	18.8
Research and Development Expenditure	0.5	6.4	0.5	(3.2)	0.5	(1.8)	0.7

3 Consolidated Financial Statements

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

(Billion yen)

	FY2021		FY2022		YoY		FY2022(Plan)		Comparison to the Plan	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)	Amount	Share(%)	Amount	Achievement Ratio
Net Sales	469.9	100.0	489.0	100.0	19.1	4.1	500.5	100.0	(11.4)	97.7
Cost of Sales	352.8	75.1	363.5	74.3	10.6	3.0	-	-	-	-
Gross Profit	117.1	24.9	125.5	25.7	8.4	7.2	-	-	-	-
Selling, General and Administrative Expenses	79.9	17.0	82.7	16.9	2.7	3.5	-	-	-	-
Operating Income	37.1	7.9	42.8	8.8	5.6	15.3	42.1	8.4	0.7	101.8
Non-operating Income	5.1	1.1	5.1	1.1	(0.0)	(0.5)	-	-	-	-
Non-operating Expenses	3.1	0.7	3.2	0.7	0.0	2.3	-	-	-	-
Ordinary Income	39.2	8.3	44.7	9.2	5.5	14.2	43.5	8.7	1.2	103.0
Extraordinary Income	0.1	0.0	1.3	0.3	1.1	632.2	-	-	-	-
Extraordinary Loss	0.5	0.1	0.3	0.1	(0.1)	(28.8)	-	-	-	-
Profit Attributable to Owners of parent	25.0	5.3	28.9	5.9	3.9	15.8	27.5	5.5	1.4	105.3

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

(Billion yen)

	YoY		Factors
	Amount	Increase/ Decrease (%)	
Net Sales	19.1	4.1	Security Services 18.4 Electronic Security Services 0.4 Stationed Security Services 15.7 Transportation Security Services 2.1 General Property Management and Fire Protection Services (0.7) Long-Term Care Services 1.2 Other Services 0.2
Cost of Sales	10.6	3.0	Expenses 15.0
Gross Profit	8.4	7.2	
Selling, General and Administrative Expenses	2.7	3.5	Depreciation 0.7 Advertising expenses 0.3 Salaries allowance 0.1
Operating Income	5.6	15.3	
Non-operating Income	(0.0)	(0.5)	
Non-operating Expenses	0.0	2.3	
Ordinary Income	5.5	14.2	
Extraordinary Income	1.1	632.2	Compensation income 1.0 Gain on sale of non-current assets 0.1
Extraordinary Loss	(0.1)	(28.8)	Loss on retirement of non-current assets (0.0) Impairment losses (0.0)
Profit Attributable to Owners of parent	3.9	15.8	

(3) Consolidated Balance Sheets (YoY)

(Billion yen)

	FY2021		FY2022		Increase/Decrease	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
Assets	481.4	100.0	488.2	100.0	6.8	1.4
Current Assets	227.6	47.3	233.8	47.9	6.2	2.7
Noncurrent Assets	253.8	52.7	254.4	52.1	0.5	0.2
Property, Plant and Equipment	103.3	21.5	103.3	21.2	(0.0)	(0.0)
Intangible Assets	43.2	9.0	39.7	8.1	(3.4)	(8.1)
Investments and Other Assets	107.2	22.3	111.2	22.8	4.0	3.8
Liabilities	177.0	36.8	160.7	32.9	(16.2)	(9.2)
Current Liabilities	103.7	21.6	90.3	18.5	(13.4)	(12.9)
Noncurrent Liabilities	73.2	15.2	70.3	14.4	(2.8)	(3.9)
Net Assets	304.4	63.2	327.5	67.1	23.0	7.6
Shareholders' Equity	272.0	56.5	293.4	60.1	21.3	7.8
Accumulated Other Comprehensive Income	5.4	1.1	6.6	1.4	1.2	23.6
Non-controlling Interests	26.9	5.6	27.3	5.6	0.4	1.7

(4) Consolidated Balance Sheets (Main variable factors)

(Billion yen)

	Account Title	YoY	Remarks
Current Assets	Cash and Deposits	10.5	Compared with Notes and accounts receivable - trade of FY2021
Current Assets	Notes and Accounts Receivables - Trade, and contract assets	2.1	
Current Assets	Cash for Transportation Security Services	(6.0)	
Noncurrent Assets	Retirement benefit asset	5.0	
Noncurrent Assets	Goodwill	(2.5)	
Noncurrent Assets	Deferred tax assets	(1.3)	
Noncurrent Assets	Lease Assets	(0.7)	
Current Liabilities	Short-term	(12.4)	
Noncurrent Liabilities	Long-term	(2.3)	