



Consolidated Financial Results for Fiscal Year Ended March 31, 2025
Prepared in Conformity with Accounting Principles Generally Accepted in Japan
(Japanese GAAP)

May 13, 2025
TSE Stock Market

Listed Company Name SOHGO SECURITY SERVICES CO., LTD.
Code No.: 2331 URL <https://www.alsok.co.jp/>
Representative: (Title) Representative Director, Group COO (Name) Ikuji Kayaki
Financial and accounting: (Title) Director and Senior Executive Officer (Name) Kazuhide Shigemi TEL +81-3-3470-6811
Ordinary general shareholders' meeting date June 25, 2025 Cash dividend payment start date June 26, 2025
Securities report submission date June 20, 2025
Preparation of supplementary briefing materials on financial results: Yes
Holding of results briefing: Yes (For institutional investors and analysts)

(Millions of yen, rounded down to the nearest million)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Consolidated operating results (Percentages indicate increase or decrease from the same quarter of the preceding fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	551,881	5.8	40,201	5.6	43,107	4.7	27,105	1.8
March 31, 2024	521,400	5.9	38,078	5.9	41,169	7.8	26,630	14.6

Note: Comprehensive income Fiscal year ended March 31, 2025 ¥24,550 millions (55.4%)
Fiscal year ended March 31, 2024 ¥55,107 millions 119.1%

	Net income per share	Diluted net income per share	ROE (Net income to equity)	Ordinary income to total assets	Operating income to sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	55.41	-	7.9	7.5	7.3
March 31, 2024	52.95	-	8.2	7.5	7.3

Reference: Equity in earnings of affiliates Fiscal year ended March 31, 2025 ¥2,134 millions
Fiscal year ended March 31, 2024 ¥2,062 millions

(2) Consolidated financial conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2025	572,402	376,000	59.1	697.96
March 31, 2024	571,463	377,754	60.2	687.34

Reference: Equity capital Fiscal year ended March 31, 2025 ¥338,433 millions
Fiscal year ended March 31, 2024 ¥344,100 millions

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	42,647	(15,550)	(36,309)	60,018
March 31, 2024	56,063	(17,448)	(20,967)	69,162

2. Dividend

	Dividends per share					Total dividends (Annual) (Total)	Consolidated payout ratio (Consolidated)	Consolidated dividends to net assets
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	8.70	-	15.00	23.70	11,872	44.8	3.7
March 31, 2025	-	12.40	-	13.40	25.80	12,513	46.6	3.7
Fiscal year ending March 31, 2026 (Forecast)	-	13.60	-	13.60	27.20		44.9	

Detail of year-end dividend as of March 31, 2025: Ordinary dividend ¥12.40 Commemorative dividend ¥1.00

3. Forecast for consolidated financial results for the fiscal year ending March 31, 2026 (April 1, 2025 - March 31, 2026) (Figures rounded down to the nearest million)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending June 30, 2025 (cumulative)	284,300	8.0	18,100	18.6	19,700	18.3	12,000	21.8	24.75
Annual	590,000	6.9	43,900	9.2	47,000	9.0	29,400	8.5	60.63

Notes:

- (1) Changes in consolidated subsidiaries (changes in scope of consolidation): Yes
Added: 3 (company name) Consolidated subsidiary Nihon Guard Co., Ltd., Kanso Co., Ltd., and one other company
Removed: -

- (2) Changes in accounting policies, changes in accounting estimates, and restatement
① Changes in accounting policies arising from revision of accounting standards: Yes
② Changes arising from other factors: No
③ Changes arising from accounting estimate: No
④ Restatement: No

(3) Number of shares outstanding (ordinary shares)

① Number of shares issued (including treasury stock)	Fiscal year ended March 31, 2025	510,200,210 shares	Fiscal year ended March 31, 2024	510,200,210 shares
② Number of shares of treasury stock	Fiscal year ended March 31, 2025	25,313,325 shares	Fiscal year ended March 31, 2024	9,572,420 shares
③ Average number of shares throughout the fiscal year	Fiscal year ended March 31, 2025	489,214,507 shares	Fiscal year ended March 31, 2024	502,894,770 shares

Note: On July 1, 2023, there was a stock split in which each share of common stock was split into 5 shares. The “Number of shares issued,” the “Number of shares of treasury stock,” and the “Average number of shares throughout the fiscal year ” are calculated as if the stock split had been conducted at the beginning of the previous consolidated fiscal year.

(Reference) Non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Non-consolidated operating results (Figures rounded down to the nearest million)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	255,573	(0.4)	15,992	(9.9)	30,359	(6.2)	24,570	(4.8)
March 31, 2024	256,633	3.1	17,747	11.7	32,368	10.8	25,809	8.5

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2025	50.21	-
March 31, 2024	51.26	-

(2) Non-consolidated financial conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2025	371,802	257,571	69.3	531.07
March 31, 2024	369,966	262,660	71.0	527.78

Reference: Equity capital Fiscal year ended March 31, 2025 ¥257,571 millions
 Fiscal year ended March 31, 2024 ¥262,660 millions

* This summary of financial results falls outside the scope of review of certified public accountants and accounting auditors.

* Explanation of Appropriate Use of Forecasts and Other Notes

(Cautionary statement regarding forward-looking statements, etc.)

The forward-looking statements such as operational forecasts contained in this summary of financial results are based on the information currently available to the Company and certain assumptions which are regarded as legitimate, and the Company does not promise the achievement of these results. Actual results may differ significantly from these forecasts due to various factors.

1. Consolidated Financial Statements and Significant Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	76,999	68,669
Cash for Transportation Security Services	74,200	81,557
Notes and accounts receivable-trade and contract assets	69,054	69,716
Lease receivables and investment assets	4,648	4,302
Short-term investment securities	30	449
Raw materials and supplies	12,451	14,111
Costs on uncompleted construction contracts	70	32
Advances paid	5,500	5,640
Other	9,230	12,420
Allowance for doubtful accounts	(125)	(178)
Total current assets	252,061	256,722
Non-current assets		
Property, plant and equipment		
Buildings and structures	68,989	69,628
Accumulated depreciation	(38,441)	(39,740)
Buildings and structures, net	30,548	29,887
Machinery, equipment and vehicles	156,902	161,719
Accumulated depreciation	(132,383)	(135,892)
Machinery, equipment and vehicles, net	24,518	25,826
Land	26,214	27,068
Lease assets	56,392	56,876
Accumulated depreciation	(25,448)	(26,885)
Lease assets, net	30,943	29,991
Construction in progress	1,330	1,823
Other	25,062	27,759
Accumulated depreciation	(18,264)	(19,938)
Other, net	6,798	7,821
Total property, plant and equipment	120,353	122,418
Intangible assets		
Software	6,891	5,211
Goodwill	31,442	29,873
Other	2,344	3,621
Total intangible assets	40,678	38,705
Investments and other assets		
Investment securities	63,102	62,312
Long-term loans receivable	546	509
Leasehold and guarantee deposits	9,568	9,831
Insurance funds	1,839	1,979
Net defined benefit asset	59,874	59,698
Deferred tax assets	8,868	5,312
Other	15,082	15,837
Allowance for doubtful accounts	(512)	(928)
Total investments and other assets	158,370	154,555
Total non-current assets	319,402	315,679
Total assets	571,463	572,402

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,512	30,121
Short-term loans payable	6,965	12,476
Current portion of long-term loans payable	768	741
Current portion of bonds	-	200
Accounts payable - other	23,485	23,565
Lease obligations	5,129	5,164
Income taxes payable	5,917	8,111
Accrued consumption taxes	5,601	4,539
Provision for bonuses	2,309	2,558
Provision for directors' bonuses	122	128
Other	21,676	21,284
Total current liabilities	100,489	108,892
Non-current liabilities		
Long-term loans payable	1,658	1,327
Lease obligations	36,056	34,836
Deferred tax liabilities	10,420	6,560
Deferred tax liabilities for land revaluation	314	271
Net defined benefit liability	39,595	39,534
Provision for directors' retirement benefits	1,875	1,975
Asset retirement obligations	827	844
Provision for loss on business	299	-
Other	2,171	2,158
Total non-current liabilities	93,219	87,509
Total liabilities	193,709	196,401
Net Assets		
Shareholders' equity		
Capital stock	18,675	18,675
Capital surplus	34,011	34,214
Retained earnings	264,650	278,283
Treasury stock	(6,074)	(21,074)
Total shareholders' equity	311,263	310,098
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,115	11,269
Revaluation reserve for land	(3,379)	(3,435)
Foreign currency translation adjustment	1,067	1,343
Remeasurements of defined benefit plans, net of tax	24,033	19,157
Total accumulated other comprehensive income	32,836	28,335
Non-controlling interests	33,654	37,566
Total net assets	377,754	376,000
Total liabilities and net assets	571,463	572,402

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	521,400	551,881
Cost of sales	396,264	420,926
Gross profit	125,135	130,954
Selling, general and administrative expenses	87,056	90,752
Operating income	38,078	40,201
Non-operating income		
Interest income	215	216
Dividends income	768	859
Gain on sales of investment securities	40	20
Rent income	323	296
Gain from insurance claim	65	78
Share of profit of entities accounted for using equity method	2,062	2,134
Dividend income of life insurance	326	330
Penalty income	467	599
Other	1,765	1,535
Total non-operating income	6,035	6,071
Non-operating expenses		
Interest expenses	1,823	1,911
Loss on sales of investment securities	5	3
Loss on sales of non-current assets	0	1
Loss on retirement of non-current assets	261	305
Financing expenses	257	351
Other	596	592
Total non-operating expenses	2,944	3,165
Ordinary income	41,169	43,107
Extraordinary income		
Gain on sales of investment securities	347	340
Gain on sales of noncurrent assets	38	61
Negative goodwill	466	859
Gain on liquidation of subsidiaries and associates	92	-
Reversal of provision for loss on business	-	289
Total extraordinary income	945	1,551
Extraordinary loss		
Loss on valuation of investment securities	18	15
Loss on sales of investment securities	12	305
Impairment loss	55	0
Loss on disaster	21	-
Loss on step acquisitions	156	605
Total extraordinary loss	265	926
Income before income taxes	41,850	43,732
Income taxes-current	13,180	12,992
Income taxes-deferred	248	1,733
Total income taxes	13,428	14,725
Net income	28,421	29,006
Profit attributable to non-controlling interests	1,790	1,901
Profit attributable to owners of parent	26,630	27,105

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net income	28,421	29,006
Other comprehensive income		
Valuation difference on available-for-sale securities	3,467	230
Foreign currency translation adjustment	(105)	275
Remeasurements of defined benefit plans, net of tax	22,406	(5,056)
Share of other comprehensive income (loss) of associates accounted for using equity method	917	94
Total other comprehensive income (loss)	26,686	(4,455)
Comprehensive income	55,107	24,550
(Contents)		
Comprehensive income attributable to owners of the parent	52,672	22,655
Comprehensive income attributable to non-controlling interests	2,435	1,895

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	18,675	33,940	246,736	(1,072)	298,279
Changes of items during the period					
Dividends from surplus			(8,715)		(8,715)
Profit attributable to owners of parent Net income			26,630		26,630
Purchase of treasury stock				(5,001)	(5,001)
Reversal of revaluation reserve for land					-
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Purchase of consolidated subsidiary shares resulting in increase or decrease of interest					-
Capital increase of consolidated subsidiaries		70			70
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	71	17,914	(5,001)	12,984
Balance at the end of the period	18,675	34,011	264,650	(6,074)	311,263

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans, net of tax	Total accumulated other comprehensive income		
Balance at the beginning of the period	7,566	(3,379)	658	1,950	6,795	29,000	334,075
Changes of items during the period							
Dividends from surplus							(8,715)
Profit attributable to owners of parent Net income							26,630
Purchase of treasury stock							(5,001)
Reversal of revaluation reserve for land							-
Change in ownership interest of parent due to transactions with non- controlling interests							0
Purchase of consolidated subsidiary shares resulting in increase or decrease of interest							-
Capital increase of consolidated subsidiaries							70
Net changes of items other than shareholders' equity	3,548	-	408	22,083	26,041	4,653	30,694
Total changes of items during the period	3,548	-	408	22,083	26,041	4,653	43,679
Balance at the end of the period	11,115	(3,379)	1,067	24,033	32,836	33,654	377,754

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	18,675	34,011	264,650	(6,074)	311,263
Changes of items during the period					
Dividends from surplus			(13,525)		(13,525)
Profit attributable to owners of parent Net income			27,105		27,105
Purchase of treasury stock				(15,000)	(15,000)
Reversal of revaluation reserve for land			52		52
Change in ownership interest of parent due to transactions with non-controlling interests					-
Purchase of consolidated subsidiary shares resulting in increase or decrease of interest		202			202
Capital increase of consolidated subsidiaries					-
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	202	13,632	(15,000)	(1,165)
Balance at the end of the period	18,675	34,214	278,283	(21,074)	310,098

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans, net of tax	Total accumulated other comprehensive income		
Balance at the beginning of the period	11,115	(3,379)	1,067	24,033	32,836	33,654	377,754
Changes of items during the period							
Dividends from surplus							(13,525)
Profit attributable to owners of parent							27,105
Purchase of treasury stock							(15,000)
Reversal of revaluation reserve for land							52
Change in ownership interest of parent due to transactions with non- controlling interests							-
Purchase of consolidated subsidiary shares resulting in increase or decrease of interest							202
Capital increase of consolidated subsidiaries							-
Net changes of items other than shareholders' equity	154	(55)	276	(4,876)	(4,501)	3,912	(588)
Total changes of items during the period	154	(55)	276	(4,876)	(4,501)	3,912	(1,754)
Balance at the end of the period	11,269	(3,435)	1,343	19,157	28,335	37,566	376,000

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net cash provided by (used in) operating activities		
Income before income taxes	41,850	43,732
Depreciation and amortization	18,727	20,103
Impairment loss	55	0
Amortization of goodwill	3,135	3,194
Negative goodwill	(466)	(859)
Net loss (gain) on step acquisitions	156	605
Increase (decrease) in allowance for doubtful accounts	19	463
Increase (decrease) in net defined benefit liability	(1,952)	(90)
Increase (decrease) in provision for loss on business	-	(10)
Increase (decrease) in provision for bonuses	(29)	206
Increase (decrease) in provision for directors' bonuses	16	5
Interest and dividends income	(984)	(1,075)
Interest expenses	1,823	1,911
Share of loss (profit) of entities accounted for using equity method	(2,062)	(2,134)
Loss (gain) on sales of noncurrent assets	(43)	(88)
Loss on retirement of non-current assets	261	305
Loss (gain) on sales of investment securities	(370)	(51)
Loss (gain) on valuation of investment securities	18	15
Loss (gain) on valuation of derivatives	(148)	-
Decrease (increase) in notes and accounts receivable - trade	345	374
Decrease (increase) in inventories	(2,013)	(1,491)
Increase (decrease) in notes and accounts payable - trade	63	(92)
Decrease (increase) in net defined benefit asset	(3,207)	(6,897)
Decrease (increase) in assets and liabilities for Transportation Security Services	8,276	(2,486)
Other	5,402	(2,196)
Subtotal	68,873	53,445
Interest and dividends income received	1,839	1,710
Interest expenses paid	(1,823)	(1,906)
Income taxes paid	(12,981)	(10,671)
Income taxes refund	156	70
Net cash provided by (used in) operating activities	56,063	42,647

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	1,383	396
Payments into long-term time deposits	(15)	(119)
Proceeds from withdrawal of long-term time deposits	29	8
Purchase of property, plant and equipment	(14,419)	(14,854)
Proceeds from sales of property, plant and equipment	87	488
Purchase of intangible assets	(1,075)	(2,922)
Purchase of investment securities	(678)	(1,103)
Proceeds from sales of investment securities	1,404	554
Payments for acquisition of businesses	(70)	(3)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,189)	(1,547)
Purchase of shares of subsidiaries and associates	-	4,596
Decrease (increase) in short-term loans receivable	(3)	(2)
Payments of long-term loans receivable	(61)	(57)
Collection of long-term loans receivable	67	61
Proceeds from refund of leasehold and guarantee deposits	30	58
Other	62	(1,103)
Net cash provided by (used in) investing activities	(17,448)	(15,550)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	124	653
Proceeds from long-term loans payable	306	325
Repayment of long-term loans payable	(893)	(805)
Purchase of treasury stock	(5,000)	(15,000)
Repayments of lease obligations	(5,455)	(5,785)
Cash dividends paid	(8,715)	(13,525)
Cash dividends paid to attributable to non-controlling interests	(1,771)	(705)
Proceeds from payments from non-controlling interests	438	-
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(1,465)
Net cash provided by (used in) financing activities	(20,967)	(36,309)
Effect of exchange rate change on cash and cash equivalents	(56)	68
Net increase (decrease) in cash and cash equivalents	17,591	(9,144)
Cash and cash equivalents at beginning of period	51,571	69,162
Cash and cash equivalents at end of period	69,162	60,018

3. Information on Sales and Income (Loss) and Other Items by Reportable Segment, with Disaggregated Income Information

I. Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments					Elimination and corporate (Note 1)	Amount on Consolidated Statements of Income (Note 2)
	Security Services	Facility Management Services etc.	Long-Term Care Services	Overseas Services	Total		
Net sales							
Contract proceeds	333,720	34,402	50,850	15,033	434,006	-	434,006
Construction proceeds	7,374	26,301	22	37	33,734	-	33,734
Proceeds from sales	38,196	14,682	88	691	53,659	-	53,659
Revenue generated from contracts with customers	379,291	75,386	50,961	15,761	521,400	-	521,400
Outside sales	379,291	75,386	50,961	15,761	521,400	-	521,400
Intersegment sales	45	329	11	-	386	(386)	-
Total	379,337	75,715	50,972	15,761	521,786	(386)	521,400
Income by reportable segment	38,583	8,328	1,309	(649)	47,572	(9,493)	38,078
Depreciation and amortization	14,947	1,388	2,252	116	18,705	22	18,727
Amortization of goodwill	887	29	2,043	176	3,135	-	3,135

Note 1. The ¥ 9,493 million deductions to income by reportable segment under eliminations and corporate represents

Company-wide expenses that cannot be attributed to any specific reportable segment. These expenses are primarily administrative costs not associated with specific reportable segments.

Note 2. Income by reportable segment has been adjusted for the operating income figure on the Consolidated Statements of Income.

Note 3. Assets are not allocated to specific reportable segments.

II. Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments					Elimination and corporate (Note 1)	Amount on Consolidated Statements of Income (Note 2)
	Security Services	Facility Management Services etc.	Long-Term Care Services	Overseas Services	Total		
Net sales							
Contract proceeds	344,432	38,865	53,249	25,585	462,132	-	462,132
Construction proceeds	7,790	26,984	23	42	34,841	-	34,841
Proceeds from sales	39,723	13,887	91	1,205	54,907	-	54,907
Revenue generated from contracts with customers	391,946	79,736	53,364	26,833	551,881	-	551,881
Outside sales	391,946	79,736	53,364	26,833	551,881	-	551,881
Intersegment sales	72	434	8	-	515	(515)	-
Total	392,019	80,171	53,373	26,833	552,396	(515)	551,881
Income by reportable segment	40,327	9,164	1,497	(547)	50,441	(10,239)	40,201
Depreciation and amortization	16,173	1,485	2,238	188	20,085	17	20,103
Amortization of goodwill	698	139	2,040	316	3,194	-	3,194

Note 1. The ¥10,239 million deductions to income by reportable segment under eliminations and corporate represents Company-wide expenses that cannot be attributed to any specific reportable segment. These expenses are primarily administrative costs not associated with specific reportable segments.

Note 2. Income by reportable segment has been adjusted for the operating income figure on the Consolidated Statements of Income.

Note 3. Assets are not allocated to specific reportable segments.