

SOHGO SECURITY SERVICES CO., LTD

(Securities Code: 2331, TSE 1st Sec.)

Atsushi Murai, President, CEO and COO

Notice Concerning the Corporate Split of a Subsidiary

SOHGO SECURITY SERVICES CO., LTD. and Sokei Building Service Co., Ltd. (hereinafter “SBS”), a wholly-owned subsidiary of the Company, is pleased to announce that at each of their meeting held on November 5, 2009, the Board of Directors resolved to implement a corporate split (Establishment-Type Split) effective on April 1, 2010, of the Stationed Security Services business conducted by Shizuoka Branch of SBS, and to transfer the business to ALSOK Suruga Co., Ltd. (hereinafter “ALSOK Suruga”), a spin-off company. Along the corporate split ALSOK Suruga will be a wholly-owned subsidiary of the Company.

1 Purpose of the corporate split

In accordance with the restructuring of our business operations, ALSOK Group is promoting SBS to be specialized in Total Building Management Services, however, there is an increasing demand for Stationed Security Services in Shizuoka Prefecture and ALSOK Group now requires a structure to grab those demands through aggressive sales activities, along with securing profitability and properly carrying out services. To solve this problem, the Company decided to spin-off Stationed Security Services business conducted by Shizuoka Branch of SBS, and make this new company as a wholly-owned subsidiary. This corporate split is aimed to achieve efficient management through its expertise and conduct proper operation.

2 Outline of the corporate split

(1) Schedule

November 5, 2009	Board of Directors' Meeting to approve the corporate split
April 1, 2010 (scheduled)	Corporate split (effective date of split)
April 1, 2010 (scheduled)	Registration date of incorporation of new company

Note: The Company will implement the Establishment-Type Corporate Split without obtaining approval at a General Meeting of Shareholders of pursuant to Article 805 of the Corporate Law.

(2) Method of the corporate split

The corporate split is an Establishment-Type Corporate Split, with SBS as the transferring entity, and ALSOK Suruga as the transferee.

(3) Share Allotment

The incorporated company, ALSOK Suruga will issue 600 shares of common stock at the time of the corporate split, with all the issued shares allocated to SBS.

At the same time, the Company will receive all of such shares from SBS, a wholly-owned subsidiary of the Company, as cash dividends.

(4) Cash payment

There will be no cash payment upon the corporate split.

(5) Reduction of capital due to corporate split

There will be no reduction in capital as a result of the corporate split.

(6) Considerations regarding the stock acquisition rights and corporate bonds issued by the splitting company

SBS does not issue either stock acquisition rights or corporate bonds.

(7) Rights and obligations to be succeeded to by the incorporated company

ALSOK Suruga will succeed assets, liability, status under agreements and all rights and obligations relating to SBS as of the effective date of the corporate split.

(8) Prospect of fulfillment of liabilities

As for obligations and liabilities, the Company believes that no issue is expected regarding the fulfillment of liabilities which SBS and ALSOK Suruga should be charged with after the corporate split.

3 Outline of the companies subject to the corporate split (as of March 31, 2009)

Item	Splitting Company	Incorporated Company
① Company name	Sokei Building Service Co., Ltd.	ALSOK Suruga Co., Ltd.
② Mainline of business	Total Building Management Services, Security Services	Security Services
③ Date of establishment	August 4, 1966	April 1, 2010
④ Head office	Chiyoda-ku, Tokyo	Shizuoka City, Shizuoka
⑤ Representative	Haruo Higashiyama, Representative Director	Atsushi Sato, Representative Director
⑥ Capital	¥60 million	¥30 million
⑦ Number of shares issued	60,000 shares	600 shares
⑧ Net assets	¥2,484 million	¥85 million
⑨ Total assets	¥3,526 million	¥187 million
⑩ Fiscal year end	March 31	March 31
⑪ Number of employees	825	300
⑫ Principal shareholder and percentage of total shares owned	SOHGO SECURITY SERVICES CO., LTD. 100%	SOHGO SECURITY SERVICES CO., LTD. 100%
⑬ Principal correspondent banks	Mizuho Bank, Ltd.	Not yet determined
⑭ Relationship with the companies	Capital relationship : ALSOK Suruga shall be a wholly-owned subsidiary of the Company which is the parent company of SBS.	
	Personal relationship : The Company will dispatch two employees as for Directors and one for a Corporate Auditor of ALSOK Suruga.	
	Business relationship : SBS and the Company will delegate a portion of its Stationed Security Services to ALSOK Suruga.	

⑮ SBS financial results over the latest three fiscal years

	Fiscal year ended March 31, 2007	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009
Sales	¥7,582 million	¥8,330 million	¥8,458 million
Operating profit	¥267 million	¥238 million	-¥94 million
Recurring profit	¥389 million	¥332 million	¥7 million
Net income	¥229 million	¥236 million	¥32 million
Earnings per share	¥3,829	¥3,941	¥545
Dividends per share	¥3,470	¥3,600	¥1,800
Net assets per share	¥45,687	¥46,059	¥42,812

4 Outline of business subject to the corporate split

(1) Composition of the business division subject to the corporate split

Stationed Security Services Business mainly in Shizuoka Prefecture

(2) Operating results of the business division to be split (as of Fiscal Year Ended March 2009)

	Performance of the Business Division subject to the corporate split (a)	Performance of SBS (b)	Ratio on Sales (a/b)
Sales	¥1,533 million	¥8,458 million	18.1%

(3) Items and values of Assets and Liabilities to be split

Assets		Liabilities	
Item	Book Value	Item	Book Value
Current assets	¥127 million	Current liabilities	¥48 million
Fixed assets	¥60 million	Long-term liabilities	¥55 million
Total assets	¥187 million	Total liabilities	¥103 million

5 Status after the Corporate Split

The corporate name, principal business, location of head office, representative and fiscal year-end of SBS will not change regarding the corporate split.

6 Impact on the financial results

Since SBS and ALSOK Suruga are wholly-owned subsidiaries of the Company, the impact on consolidated and non-consolidated financial results is expected to be minor.

However, we will announce any concrete details as soon as the impact on consolidated and non-consolidated financial results becomes apparent.

For inquiries: Teruhiko Wakaki,
General Manager of IR Office

Phone: +81-3-3423-2331

E-mail: alsok-ir@alsok.co.jp

URL: <http://www.alsok.co.jp/ir/en/index.html>