

April 4, 2017

To whom it may concern
(This is an English translation of the Japanese original)

Company: SOHGO SECURITY SERVICES CO., LTD.
Representative: Yukiyasu Aoyama,
President and Representative Director
(Securities Code: 2331, TSE 1st Sec.)
Contact: Yasuo Ishiwata, General Manager of IR Office
(Phone: +81-3-3423-2331)

Notice Concerning the Execution of Share Transfer Agreement between
TOBU DELIVERY CO., LTD.

SOHGO SECURITY SERVICES CO., LTD. (“ALSOK” TSE:2331) is pleased to announce the execution of share transfer agreement on April 4, 2017, at the meeting of its Board of Directors between TOBU DELIVERY CO., LTD. (“TOBU DELIVERY”), a wholly owned subsidiary of TOBU RAILWAY CO., LTD. (“TOBU RAILWAY”)

ALSOK will acquire the whole share of the company which will succeed the transportation security operation (“new company”) by absorption-type company split from TOBU DELIVERY. The details are as outlined below.

1. Rationale of share acquisition

ALSOK have been aiming to keep the society safe and secure as the leading company in security service industry and plays an important role as the infrastructure of Japanese economic society.

The transportation security operation of TOBU DELIVERY has abundant experience of providing detailed service to wide range of customers such as pick-up and delivery service of cash, valuables, and gift certificates.

By succeeding the whole share of the new company and integrating the business know-how and management resources of both ALSOK and TOBU DELIVERY, ALSOK envisage to provide even higher added-value services.

Going forward, ALSOK will work to enhance customer base and improve customer satisfaction in order to further develop its business and increase the corporate value of the entire Group.

2. Profile of the new company

(1) Company name	Delivery Service CO., LTD. (Company name is planned to be changed on the date of share acquisition)	
(2) Head office address	1-31-10 Senjuazuma, Adachi-ku, Tokyo	
(3) Representative	Hiroshi Miyata, President and Director (plan)	
(4) Main lines of business	Transportation security operation	
(5) Capital	10 million yen (plan)	
(6) Date established	April 5, 2017 (plan)	
(7) Major shareholders and shareholding ratio	TOBU DELIVERY CO., LTD. 100%	
(8) Relationship with ALSOK	Capital	There is no capital relationship to note.
	Personal	There is no personal relationship to note.
	Business	There is no business relationship to note.
(9) Annual sales	approx. 2.6 billion yen	

3. Share transferee

(1) Company name	TOBU DELIVERY CO., LTD.	
(2) Head office address	1-30-18 Senjuazuma, Adachi-ku, Tokyo	
(3) Representative	Hiroshi Miyata, President and Director	
(4) Main lines of business	Transportation security operation, logistics operations (general motor truck transportation business, transportation business), and warehouse operation	
(5) Capital	70 million yen	
(6) Date established	July 29, 1982	
(7) Net assets	3,989 million yen	
(8) Total assets	5,531 million yen	
(9) Major shareholders and shareholding ratio	TOBU RAILWAY CO., LTD. 100%	
(10) Relationship with ALSOK	Capital	There is no capital relationship to note.
	Personal	There is no personal relationship to note.
	Business	There is no business relationship to note.
	Status of relationship with related party	TOBU RAILWAY is not a related party of the Company.

4. Number of shares to be acquired and shareholding status before and after acquisition

(1) Number of shares held before acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights: 0.0%)
(2) Number of shares to be acquired	200 shares (plan) (Number of voting rights: 200)
(3) Number of shares held after acquisition	200 shares (plan) (Number of voting rights: 200) (Percentage of voting rights: 100.0%)

*Acquisition cost is non-disclosure due to the consultation, although the decision of the consideration is based on reference materials of the results by independent calculation agent using fairness and appropriate method.

5. Schedule

(1) Resolution of the Board of Directors	April 4, 2017
(2) Contract date of agreement	April 4, 2017
(3) Establish date of new company	April 5, 2017 (plan)
(4) Date of absorption-type company split (effective date)	July 1, 2017 (plan)
(5) Date of share acquisition	July 3, 2017 (plan)

6. Future outlook

The impact on financial results for fiscal year ending March 31, 2018 is expected to be minor.

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