

Summary of Selected Financial Data
Second Quarter Ended September 30, 2021

Sohgo Security Services Co., Ltd.

1. Consolidated Financial Results

(1) Consolidated Statements of Income

	April 1 - June 30			July 1 - September 30			2Q 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	115.7	128.2	10.9	225.8	245.2	8.6	469.9	500.5	6.5
Operating Income (Billion yen)	7.3	9.7	32.3	8.4	15.0	78.2	15.8	24.8	56.8	37.1	42.1	13.2
Ordinary Income (Billion yen)	7.6	10.0	31.0	8.8	15.7	78.6	16.4	25.7	56.4	39.2	43.5	10.9
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	25.0	27.5	9.9
Net Income Per Share (Yen)	44.48	60.24	-	53.91	98.77	-	98.39	159.01	-	247.09	271.65	-

(2) Consolidated Balance Sheets

	FY2020 2Q	FY2021 2Q	FY2022 2Q
Total Assets (Billion yen)	447.4	452.3	475.1
Net Assets (Billion yen)	264.7	278.9	317.1
Equity Ratio (%)	53.7	56.0	61.1
Net Assets Per Share (Yen)	2,374.34	2,501.99	2,865.60

(3) Consolidated Statements of Cash Flows

	FY2020 2Q	FY2021 2Q	FY2022 2Q
Net Cash provided by (used in) Operating Activities (Billion yen)	14.4	26.6	21.1
Net Cash provided by (used in) Investing Activities (Billion yen)	(7.7)	(21.6)	(4.8)
Net Cash provided by (used in) Financing Activities (Billion yen)	(7.5)	(4.4)	(8.9)
Cash and Cash Equivalents at End of Period (Billion yen)	42.5	49.3	60.4

(4) Dividend

	Dividends Per Share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2021	-	35	00	37	72
FY2022	-	38	00	-	-
FY2022(Forecast)	-	-	-	38	76

2. Major Items

(1) Sales by Business Segment

(Billion yen)

	FY2021 2Q	Share(%)	Increase/ Decrease (%)	FY2022 2Q	Share(%)	Increase/ Decrease (%)
Security Services						
Electric Security Services	84.9	37.6	(1.0)	88.0	35.9	3.7
Stationed Security Services	55.6	24.6	(4.6)	67.2	27.4	21.0
Transportation Security Services	32.5	14.4	0.5	33.6	13.7	3.5
Total	173.0	76.6	(1.9)	188.9	77.0	9.2
General Property Management and Fire Protection Services	30.2	13.4	(8.0)	32.4	13.2	7.3
Long-Term Care Services	19.9	8.8	46.6	20.8	8.5	4.2
Total for Reportable Segments	223.2	98.8	0.1	242.2	98.8	8.5
Other Services	2.6	1.2	16.0	3.0	1.2	16.9
Total	225.8	100.0	0.3	245.2	100.0	8.6

(2) Contracts by Business Segment

(Contracts : Thousands)

	FY2019	FY2020 2Q	FY2020	FY2021 2Q	FY2021	FY2022 2Q
Security Services						
Electric Security Services	949	964	973	982	990	1,002
Corporate Clients	520	529	533	538	540	546
Individual Clients	428	434	439	444	449	456
Stationed Security Services	4	4	4	4	4	4
Transportation Security Services	75	77	77	78	79	79
Total	1,029	1,046	1,055	1,065	1,073	1,086
General Property Management and Fire Protection Services	104	108	109	112	113	117
Long-Term Care Services	25	26	24	26	27	27
Total for Reportable Segments	1,159	1,180	1,189	1,205	1,215	1,231
Other Services	25	26	29	35	29	34
Total	1,185	1,207	1,219	1,240	1,244	1,266

<Comparison to the previous period>	FY2020 2Q Increase/ Decrease	Increase/ Decrease (%)	FY2021 2Q Increase/ Decrease	Increase/ Decrease (%)	FY2022 2Q Increase/ Decrease	Increase/ Decrease (%)
Security Services						
Electric Security Services	14	1.6	9	1.0	12	1.3
Corporate Clients	8	1.7	4	0.8	6	1.1
Individual Clients	5	1.4	5	1.2	6	1.4
Stationed Security Services	0	1.1	(0)	(1.2)	0	1.5
Transportation Security Services	1	1.9	0	1.0	0	0.4
Total	16	1.6	10	1.0	13	1.2
General Property Management and Fire Protection Services	4	4.0	2	2.5	3	3.4
Long-Term Care Services	0	2.8	1	6.9	(0)	(1.0)
Total for Reportable Segments	21	1.8	15	1.3	16	1.4
Other Services	0	2.8	5	19.6	5	17.4
Total	21	1.8	20	1.7	21	1.8

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

(Times)

	FY2020 2Q	FY2021 2Q	FY2022 2Q
Net Sales	1.90	1.93	1.89
Operating Income	1.88	1.93	1.95
Ordinary Income	1.01	0.92	1.11
Profit Attributable to Owners of Parent	0.76	0.66	0.86
Total Assets	1.38	1.44	1.48

(4) Trends in Personnel

(Personnel)

	FY2019	FY2020 2Q	FY2020	FY2021 2Q	FY2021	FY2022 2Q
Employees	37,417	38,018	37,902	38,816	38,444	38,840

<Comparison to the previous period>	FY2020 2Q Increase/ Decrease	Increase/ Decrease (%)	FY2021 2Q Increase/ Decrease	Increase/ Decrease (%)	FY2022 2Q Increase/ Decrease	Increase/ Decrease (%)
Employees	601	1.6	914	2.4	396	1.0

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

(Billion yen)

	FY2020 2Q	Increase/ Decrease (%)	FY2021 2Q	Increase/ Decrease (%)	FY2022 2Q	Increase/ Decrease (%)	FY2022 (Forecast)
Capital Expenditure	6.2	3.5	5.7	(7.9)	6.8	18.8	18.3
Depreciation	7.4	(2.2)	7.9	7.2	8.0	1.9	18.6
Research and Development Expenditure	0.2	(6.4)	0.2	1.0	0.2	(5.0)	0.6

3. Consolidated Financial Statements

(1) Consolidated Statements of Income (YoY・Gap)

(Billion yen)

	FY2021 2Q		FY2022 2Q		YoY		FY2022 2Q (Plan)		Gap	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)	Amount	Increase/ Decrease (%)	Amount	Achievement Ratio (%)
Net Sales	225.8	100.0	245.2	100.0	19.4	8.6	249.0	100.0	(3.7)	98.5
Cost of Sales	169.8	75.2	181.1	73.9	11.3	6.7	-	-	-	-
Gross Profit	56.0	24.8	64.1	26.1	8.0	14.4	-	-	-	-
Selling, General and Administrative Expenses	40.2	17.8	39.2	16.0	(0.9)	(2.3)	-	-	-	-
Operating Income	15.8	7.0	24.8	10.1	8.9	56.8	19.1	7.7	5.7	130.0
Non-operating Income	2.2	1.0	2.3	1.0	0.1	5.1	-	-	-	-
Non-operating Expenses	1.6	0.7	1.4	0.6	(0.1)	(11.1)	-	-	-	-
Ordinary Income	16.4	7.3	25.7	10.5	9.2	56.4	19.8	8.0	5.9	130.1
Extraordinary Income	0.1	0.1	0.2	0.1	0.0	34.7	-	-	-	-
Extraordinary Loss	0.0	0.0	0.2	0.1	(0.1)	333.1	-	-	-	-
Profit Attributable to Owners of parent	9.9	4.4	16.0	6.6	6.1	61.6	12.5	5.0	3.5	128.8

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

(Billion yen)

	YoY		Factors
	Amount	Increase/ Decrease (%)	
Net Sales	19.4	8.6	Security Services 15.9 Electronic Security Services 3.1 Stationed Security Services 11.6 Transportation Security Services 1.1 General Property Management and Fire Protection Services 2.2 Long-Term Care Services 0.8 Other Services 0.4
Cost of Sales	11.3	6.7	Labor cost 1.0 Expenses 10.6
Gross Profit	8.0	14.4	
Selling, General and Administrative Expenses	(0.9)	(2.3)	
Operating Income	8.9	56.8	
Non-operating Income	0.1	5.1	
Non-operating Expenses	(0.1)	(11.1)	
Ordinary Income	9.2	56.4	
Extraordinary Income	0.0	34.7	
Extraordinary Loss	0.1	333.1	
Profit Attributable to Owners of parent	6.1	61.6	

(3) Consolidated Balance Sheets (YoY)

(Billion yen)

	FY2021		FY2022 2Q		Increase/Decrease	
	Amount	Share(%)	Amount	Share(%)	Amount	Increase/ Decrease (%)
Assets	481.4	100.0	475.1	100.0	(6.3)	(1.3)
Current Assets	227.6	47.3	221.9	46.7	(5.6)	(2.5)
Noncurrent Assets	253.8	52.7	253.1	53.3	(0.6)	(0.3)
Property, Plant and Equipment	103.3	21.5	101.7	21.4	(1.6)	(1.6)
Intangible Assets	43.2	9.0	42.6	9.0	(0.6)	(1.4)
Investments and Other Assets	107.2	22.3	108.7	22.9	1.5	1.5
Liabilities	177.0	36.8	157.9	33.2	(19.0)	(10.8)
Current Liabilities	103.7	21.6	86.7	18.3	(17.0)	(16.5)
Noncurrent Liabilities	73.2	15.2	71.2	15.0	(2.0)	(2.8)
Net Assets	304.4	63.2	317.1	66.8	12.7	4.2
Shareholders' Equity	272.0	56.5	284.3	59.8	12.2	4.5
Accumulated Other Comprehensive Income	5.4	1.1	5.7	1.2	0.3	6.1
Non-controlling Interests	26.9	5.6	27.0	5.7	0.1	0.6

(4) Consolidated Balance Sheets (Main variable factors)

(Billion yen)

	Account Title	YoY	Remarks
Current Assets	Cash and Deposits	6.4	
Current Assets	Cash for Transportation Security Services	(10.9)	
Current Assets	Notes and Accounts Receivable - Trade, and Contract Assets	(2.9)	Comparison with the Notes and Accounts Receivable - Trade, and Contract Assets at end of the previous fiscal year
Current Liabilities	Short-term borrowings	(11.5)	
Current Liabilities	Notes and Accounts Payable -	(4.3)	