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## NONCONSOLIDATED BALANCE SHEETS

SECOM CO., LTD.  
As of March 31

In millions of yen

ASSETS	2002	2001	2000	1999	1998	1997
<b>Current assets:</b>						
Cash on hand and in banks.....	¥101,947	¥ 77,581	¥ 92,077	¥ 93,901	¥ 83,462	¥ 95,566
Notes receivable .....	741	538	324	459	392	481
Due from subscribers .....	7,727	7,073	6,243	5,564	5,218	5,034
Accounts receivable, trade.....	6,720	5,089	4,173	3,238	3,409	3,010
Receivables—other .....	3,537	3,123	3,457	1,243	1,003	1,512
Marketable securities.....	1,479	6,313	15,483	25,888	31,151	26,115
Common stock in treasury.....	—	3	42	119	25	19
Merchandise.....	9,563	6,625	5,525	4,805	3,642	3,972
Supplies.....	1,649	1,326	1,122	948	967	821
Prepaid expenses.....	1,858	1,606	1,370	1,241	1,084	1,221
Deferred income taxes .....	4,096	3,064	1,961	—	—	—
Short-term loans.....	40,660	28,898	33,189	29,031	23,683	17,263
Other current assets .....	2,458	2,683	4,275	1,513	1,390	1,413
Allowance for doubtful accounts.....	(2,960)	(2,246)	(137)	(146)	(136)	(102)
Total current assets .....	179,475	141,676	169,104	167,804	155,290	156,325
<b>Fixed assets:</b>						
Tangible assets:						
Buildings and improvements .....	20,576	23,007	23,697	24,295	23,617	21,247
Automobiles .....	635	680	579	737	815	925
Signal equipment on subscribers' premises .....	56,633	51,876	47,158	44,244	36,579	32,637
Control station signal equipment .....	18,583	18,635	18,667	18,442	19,160	21,259
Machinery and equipment .....	3,571	4,105	2,907	1,509	1,535	1,584
Tools, furniture and fixtures.....	3,384	3,317	2,335	2,167	2,167	2,269
Land.....	37,907	37,838	35,153	34,997	34,525	27,297
Construction in progress .....	2,012	2,327	1,616	1,693	1,630	1,459
Other.....	25	16	18	19	11	12
Intangible assets:						
Telephone rights and other.....	3,602	4,702	6,518	4,533	4,458	4,141
Telephone and telegraph utility rights .....	635	804	1,157	1,976	2,957	4,047
Software.....	10,536	11,423	3,314	—	—	—
Investments and other:						
Investment securities.....	23,579	27,285	10,706	12,519	5,535	5,674
Investments in subsidiaries and affiliated companies.....	160,870	145,227	129,771	112,714	105,145	99,603
Long-term loans receivable.....	9,749	11,242	2,636	3,112	2,951	3,238
Lease deposits.....	8,505	8,698	6,803	6,890	6,494	6,572
Long-term prepaid expenses .....	1,026	1,263	1,540	9,437	7,292	6,820
Deferred income taxes.....	19,223	—	1,632	—	—	—
Other investments.....	11,555	11,423	9,429	6,671	4,177	4,232
Allowance for doubtful accounts.....	(1,312)	(1,205)	(13)	(14)	(30)	(33)
Total fixed assets .....	391,294	362,663	305,623	285,941	259,018	242,983
Total assets .....	¥570,769	¥504,339	¥474,727	¥453,745	¥414,308	¥399,308

In millions of yen

LIABILITIES AND SHAREHOLDERS' EQUITY	2002	2001	2000	1999	1998	1997
<b>Current liabilities:</b>						
Accounts payable.....	¥ 1,814	¥ 1,908	¥ 1,683	¥ 1,671	¥ 1,256	¥ 1,032
Bank loans .....	15,234	20,157	23,455	21,058	10,193	20,884
Current portion of straight and convertible bonds...	33	—	—	5	394	—
Payables—other .....	10,168	10,722	7,590	6,707	5,640	5,018
Accrued expenses.....	619	5,714	5,484	5,356	6,248	5,621
Deposits received.....	20,868	15,682	18,785	25,440	17,548	16,081
Deferred revenue—service charges .....	20,109	19,583	19,255	18,735	18,087	16,640
Income taxes payable.....	18,163	13,904	9,858	13,771	14,808	13,918
Payables—construction.....	3,514	4,328	4,123	3,173	3,326	3,474
Accrued bonus .....	4,940	—	—	—	—	—
Other current liabilities.....	2,772	2,438	3,331	2,211	4,157	1,787
Total current liabilities.....	98,234	94,436	93,564	98,127	81,657	84,455
<b>Fixed liabilities:</b>						
Straight and convertible bonds .....	30,018	518	578	1,347	1,724	2,266
Guarantee deposits received .....	16,446	15,785	15,047	14,607	14,194	12,821
Deferred tax liabilities.....	—	581	—	—	—	—
Accrued severance indemnities.....	—	—	369	378	397	409
Accrued pension and severance costs.....	31,342	1,999	—	—	—	—
Other fixed liabilities.....	—	120	—	557	—	—
Total fixed liabilities .....	77,806	19,003	15,994	16,889	16,315	15,496
Total liabilities.....	176,040	113,439	109,558	115,016	97,972	99,951
<b>Shareholders' equity:</b>						
Common stock .....	66,360	66,127	66,097	65,710	65,327	65,253
Statutory reserve:						
Additional paid-in capital.....	82,536	82,303	82,273	81,782	78,110	78,036
Legal reserve .....	9,028	8,077	7,127	6,294	5,521	4,805
Total statutory reserve .....	91,564	90,380	89,400	88,076	83,631	82,841
Voluntary reserve:						
Reserve for systems development .....	800	800	800	800	800	800
Reserve for tax deferral on assets replacement ..	29	30	31	56	58	60
General reserve .....	2,212	2,212	2,212	2,212	2,212	2,212
Total voluntary reserve .....	3,041	3,042	3,043	3,068	3,070	3,072
Unappropriated earned surplus .....	233,264	226,776	206,629	181,875	164,308	148,191
Unrealized gains on securities.....	642	4,575	—	—	—	—
Treasury stock.....	(142)	—	—	—	—	—
Total shareholders' equity .....	394,729	390,900	365,169	338,729	316,336	299,357
Total liabilities and shareholders' equity .....	¥570,769	¥504,339	¥474,727	¥453,745	¥414,308	¥399,308

# NONCONSOLIDATED STATEMENTS OF INCOME

SECOM CO., LTD.

Years ended March 31

In millions of yen

	2002	2001	2000	1999	1998	1997
Revenue: .....	<b>¥274,669</b>	¥257,009	¥242,462	¥231,505	¥222,541	¥212,887
<i>Percent change from prior year</i> .....	<b>6.9%</b>	6.0%	4.7%	4.0%	4.5%	6.4%
Service charges .....	<b>244,015</b>	230,723	218,978	210,239	201,929	191,465
<i>Percent change from prior year</i> .....	<b>5.8</b>	5.4	4.2	4.1	5.5	6.4
Sales of merchandise .....	<b>30,654</b>	26,286	23,484	21,266	20,612	21,422
<i>Percent change from prior year</i> .....	<b>16.6</b>	11.9	10.4	3.2	(3.8)	5.7
Costs: .....	<b>162,428</b>	141,310	130,586	123,180	117,801	113,495
<i>As a percent of revenue</i> .....	<b>59.1</b>	55.0	53.9	53.2	52.9	53.3
Cost of service .....	<b>140,001</b>	122,457	113,816	108,349	103,887	98,381
<i>As a percent of service charges</i> .....	<b>57.4</b>	53.1	52.0	51.5	51.4	51.4
Cost of sales .....	<b>22,427</b>	18,853	16,770	14,831	13,914	15,114
<i>As a percent of merchandise sales</i> .....	<b>73.2</b>	71.7	71.4	69.7	67.5	70.6
Gross profit: .....	<b>112,241</b>	115,699	111,876	108,325	104,740	99,392
<i>As a percent of revenue</i> .....	<b>40.9</b>	45.0	46.1	46.8	47.1	46.7
Gross profit on service .....	<b>104,014</b>	108,266	105,162	101,890	98,042	93,084
<i>As a percent of service charges</i> .....	<b>42.6</b>	46.9	48.0	48.5	48.6	48.6
Gross profit on sales .....	<b>8,227</b>	7,433	6,714	6,435	6,698	6,308
<i>As a percent of merchandise sales</i> .....	<b>26.8</b>	28.3	28.6	30.3	32.5	29.4
Selling, general and administrative expenses .....	<b>73,339</b>	62,485	60,212	58,186	61,572	58,627
<i>As a percent of revenue</i> .....	<b>26.7</b>	24.3	24.8	25.1	27.7	27.6
Operating profit .....	<b>38,902</b>	53,214	51,664	50,139	43,168	40,765
<i>As a percent of revenue</i> .....	<b>14.2</b>	20.7	21.3	21.7	19.4	19.1
Other income (expenses)						
Interest, dividends, and other income .....	<b>4,660</b>	7,212	5,210	5,198	4,230	3,731
Interest expense .....	<b>(354)</b>	(269)	(15)	(18)	(36)	(101)
Other expense .....	<b>(4,316)</b>	(6,918)	(4,822)	(4,804)	(3,887)	(3,091)
Ordinary profit .....	<b>38,892</b>	53,239	52,037	50,515	43,475	41,304
<i>As a percent of revenue</i> .....	<b>14.2</b>	20.7	21.5	21.8	19.5	19.4
Extraordinary profit .....	<b>28,211</b>	23,247	5,427	12,073	—	—
Extraordinary loss .....	<b>(38,712)</b>	(24,570)	(5,810)	(12,168)	—	—
Income before income taxes .....	<b>28,391</b>	51,916	51,654	50,420	43,475	41,304
<i>As a percent of revenue</i> .....	<b>10.3</b>	20.2	21.3	21.8	19.5	19.4
Provision for income taxes .....	<b>11,442</b>	21,320	21,382	24,343	19,491	18,773
<i>Effective tax rate</i> .....	<b>40.3</b>	41.1	41.4	48.3	44.8	45.5
Net income .....	<b>16,949</b>	30,596	30,272	26,077	23,984	22,531
<i>As a percent of revenue</i> .....	<b>6.2</b>	11.9	12.5	11.3	10.8	10.6
<i>Percent change from prior year</i> .....	<b>(44.6)</b>	1.1	16.1	8.7	6.4	7.2