### **Security Services**

Our high-grade on-line security systems are supported by our distinctive approach.

Services in 1966. Rather than simply selling security equipment outright, SECOM sought to provide a comprehensive service, which it did by creating an innovative system encompassing the placement of sensors and other equipment at its subscribers' premises, around-the-clock monitoring from a SECOM control center via telecommunications circuits, the dispatch of emergency response personnel from the closest emergency depot should an irregularity be detected and, when necessary, alerting the police and/or fire department.

Security services that are supposed to protect the safety of customers must be deserving of those customers' full trust. Such services must also accommodate diverse customer needs, which reflect such factors as regional variations and business differences, and be priced in a manner that aptly matches the nature of the services provided.

We have developed a distinctive, integrated approach that allows us to offer reliable, high-grade security services to customers at appropriate prices. First of all, we rent, rather than sell, our security equipment to subscribers. This enables us to take responsibility for replacing equipment promptly in the event of a malfunction, thus ensuring stable and outstanding service quality with only minimal downtime. Rental contracts also mean initial costs for subscribers are significantly lower than if they were required to purchase the systems outright.

The second key difference in our approach is that we maintain full control over every aspect of our security systems, from research and development (R&D) to manufacturing, sales, security planning, installation, monitoring, emergency response services and equipment maintenance. Because R&D is conducted in-house, we are able to incorporate customer feedback swiftly into the development process, as well as update and integrate existing systems promptly and flexibly. Additionally, we have leveraged our management resources to develop a reliable communications network, meaning that subscribers' premises can be linked with SECOM

control centers not only through the subscribers' telephone circuits, but also by using the COCO-SECOM mobile security systems' communications infrastructure. Our ability to leverage management resources has therefore allowed us to build a portfolio of highly reliable products and services. Our integrated approach also reinforces the reliability of our systems and aids stringent cost control, thereby facilitating the optimization of business processes.

We are particularly well positioned to respond to a broad range of customer requirements. Our expert emergency response team of highly trained security professionals and nationwide network of approximately 2,200 emergency depots are available around-the-clock to respond quickly if and when they are needed. Accordingly, we are able to provide comprehensive solutions to the security needs of subscribers with branches or shops across the country. With the aim of accelerating our emergency response capabilities, we continuously reassess the locations and distribution of our emergency depots and branches and are taking steps to further enhance the quality of services to subscribers. Additionally, we are capitalizing on the comprehensive strengths of the SECOM Group. This includes making use of the vast map database of subsidiary Pasco Corporation to enable control center staff to respond swiftly and dispatch emergency response personnel from the emergency depot nearest the customer in the event of a problem, thereby substantially reducing response times.

On another front, we also offer Web-based centralized monitoring of employee access, which allows subscribers to keep abreast of their employees' movements at every one of their branches or shops, thus facilitating effective management of overtime and other personnel-related matters.

Efforts to reinforce our distinctive approach and promote even greater market acceptance of our high-grade services have made SECOM a trusted brand. Looking ahead, we will continue to earn this trust by providing improved services that respond to the needs of our customers.



Emergency response personnel

### **Commercial Security Services**

We continue to draw on a wealth of expertise and an extensive product and service lineup that responds to customers' expectations.



SECOM AX on-line security system

## Image Technologies: A Unique Solution to Increasingly Diverse Types of Crime

Criminal acts are growing more and more cunning and malicious, and are often committed in just minutes. SECOM AX—an on-line security system employing image recognition technology that promptly records and transmits images should an irregularity be detected when the subscriber's premises are vacant, thus facilitating a swift and accurate response—continues to earn favorable customer reviews.

The most important feature of SECOM AX is our very own image recognition technology, which makes use of advanced, on-site sensors. Even if the premises are in darkness, should the sensors detect an intruder the system immediately transmits a signal and images of the premises to a SECOM control center. This enables control center staff to swiftly and accurately evaluate the situation and respond appropriately. Using speakers installed at the subscriber's premises, control center staff are also able to broadcast a warning to the intruder. If the subscriber has also installed the SECOM Foggy

Protection System, control center staff can activate this system remotely, filling the premises with a thick—but harmless to people and equipment—chemical mist that significantly reduces visibility and hinders the intruder's ability to proceed as planned.

SECOM IX, an on-line remote imaging system developed for use in convenience stores and other commercial premises that are staffed and open around-the-clock, also continues to prove to be a formidable tool. This system enables store employees to request monitoring from a SECOM control center, should they feel uneasy about someone in the store acting suspiciously or disruptively, simply by pushing a call button. In addition to image monitoring, control center staff can also broadcast a warning through speakers mounted in the store, thereby helping to prevent crimes from occurring. If there is a threat of robbery or physical violence, store employees can push an emergency button to alert control center staff, allowing control center staff to accurately assess the situation based on images and voices transmitted from the



**SECOM Control Center** 

premises and respond accordingly. SECOM IX can also be linked to sensors that detect intruders and fires to protect facilities that are vacant outside business hours and on holidays and weekends.

SECOM's superior image technology is also advancing the capabilities of surveillance camera systems. High-resolution imaging enables the HVR System to detect faces and even the denominations of banknotes, and delivers crisp, clear images even when premises are in darkness or the subject is lit from behind. The HVR System also signals an abnormality if someone attempts to disable or destroy its cameras, capitalizing on our proprietary expertise in this area.

The HVR System also allows for the combined use of digital and analog cameras. This eliminates the need for customers to remove existing analog cameras and peripheral equipment, and requires the installation of digital cameras only in certain positions. Therefore, customers can make effective use of existing equipment while reinforcing security. In response to rising demand for surveillance cameras to prevent information leaks and thwart crime, we are actively marketing the HVR System not only to potential customers, but also to existing customers who are renovating their premises or seeking to upgrade system performance and quality.

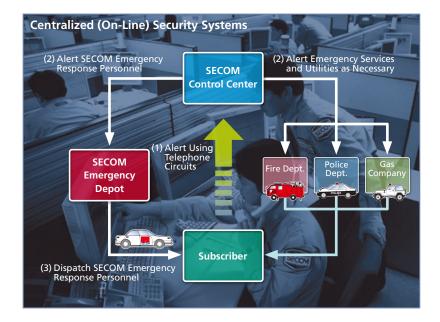
## Leveraging Unique Capabilities and Expertise to Develop New Systems

SECOM FX is an on-line security system developed specifically for unmanned retail facilities and small offices. It encompasses monitoring for the prevention of crime and fire, as well as various facility and office control mechanisms, such as the opening and closing of retail facilities, contributing to improved services for subscribers, as well as helping to reduce energy and power use. In addition to assisting with the management of a facility's schedule and employee access control, SECOM FX uses sensor signals to automatically turn off lights, air-conditioning and office automation (OA) equipment when people are not present, thus reducing power consumption. We are also stepping up efforts to market SECOM FX as an "environment-friendly" on-line security system that helps subscribers not only to cut energy and power consumption, but also to minimize CO2 emissions, thereby assisting efforts to address environmental concerns.

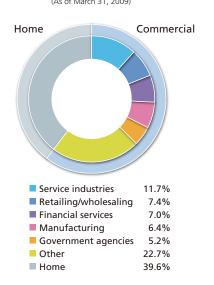
In recent years, integrated circuit (IC) tag technology has become as prevalent as IC card technology in a wide range of fields, and demand for a variety of applications is expected to expand significantly. To date, IC tags have been used primarily to keep track of goods, but our newly developed SECOM Active IC Tag



Laundromat equipped with the SECOM FX on-line security system



### Contracts for Centralized Security Systems (As of March 31, 2009)





SECOM Active IC Tag System

System uses them for people. Because it doesn't require an active IC tag to be scanned by a reader to detect when an individual has passed, the system facilitates the smooth movement of people in and out of premises, thereby resolving many of the difficulties associated with traditional IC card-based systems. For example, IC tags make it possible to thwart unauthorized access through gates that do not have doors. Hospitals can use IC tags to prevent patients with cognitive impairments from wandering away undetected. Consequently, IC tags allow for flexible system modification to suit specific needs. The SECOM Active IC Tag System can also be used in tandem with our access control systems so that, for example, employee access to offices is controlled by IC card-based IDs, while IC tags may also be used to control access to warehouses, where individuals entering and exiting often do so with their hands full.

## Contributing to Safety, Peace of Mind and Greater Convenience

In Japan, most convenience stores have automated teller machines (ATMs). We supply a variety of services for ATMs, including security services, emergency equipment repairs and cash supply replenishment.

We attach sensors to ATMs to deter vandalism. If the sensors detect an irregularity, the system immediately transmits a signal to a SECOM control center. If a store employee has pressed the emergency button to indicate a potential threat, the system will also transmit a signal,

alerting the control center to dispatch emergency response personnel.

Japan has had a serious problem in recent years with "furikome sagi," or remittance fraud, a popular scam whereby con artists dupe their victims, usually using a cellular phone, into going to a nearby ATM and transferring funds into other accounts. Many of the victims are elderly. Perpetrators usually deceive targets into believing they are relatives and then say they need money in a hurry to get out of some sort of predicament. Thus convinced, the target goes to an ATM and remits the requested amount, following the perpetrator's instructions over the phone. In response, we have developed a remittance fraud protection system, which can intercept certain remittances made from ATMs.

This system detects when a customer is making a remittance while using a cellular phone and, determining this to indicate a high likelihood of remittance fraud, broadcasts an automatic warning to the customer. Linking the system to SECOM IX allows images and sounds from the ATM booth to be transmitted to a SECOM control center, where staff confirm the situation and try to get the customer's attention using the speaker in the booth. Banks that have installed this system have reported a decline in the incidence of remittance fraud.

Looking ahead, we will continue to develop and provide security services that help resolve causes of unease and prevent the occurrence of crimes and unexpected misfortunes.



Convenience store ATM operated by E-net Co., Ltd.



Remittance fraud protection system

### **Home Security Services**

By capitalizing on our broad range of high-grade home security products and services, we are responding to the needs of homeowners for security, peace of mind, convenience and comfort.





**SECOM Home Security** 

# Capitalizing on Our Unique Strengths to Promote Increased Acceptance of SECOM Home Security

Building on our capabilities in the provision of security services for commercial subscribers, in 1981 we launched Japan's first-ever on-line home security system. Today, SECOM Home Security is suitable for a wide range of homes, from condominiums to detached houses and houses designed for two generations living under the same roof, and enjoys support from a broad range of subscribers, from young singles to couples in their 30s and 40s with young families and families with middle-aged and elderly members, and continues to find increasing application.

SECOM Home Security encompasses aroundthe-clock monitoring for intruders, fires, gas leaks and medical emergencies, among others. Should an abnormality be detected, a SECOM control center is alerted to dispatch emergency response personnel and, if necessary, contacts the police and/or fire department. By capitalizing on expertise honed over 28 years, we have continued to modify and enhance the system and its related services, improving both convenience for subscribers and our response capabilities.

For example, the system currently not only monitors the subscriber's home to deter intruders when the occupants are out, but also protects them when they are at home by ensuring doors and windows are closed properly and by monitoring rooms that are not in use.

Subscribers can also take advantage of optional cellular phone- and Internet-based services that further enhance convenience. These services enable the subscriber to check on the security of his or her home from wherever they



SECOM Anshin Glass

may be by using a cellular phone or the Internet, and switch the system on if they have neglected to do so. Using a cellular phone, subscribers can even check whether air-conditioning and home electronics appliances have been left on and if necessary turn them off. Additionally, we offer a service that picks up emergency earthquake warnings from the Japan Meteorological Agency and alerts the subscriber aurally and visually using the system's home controller, thus further contributing to peace of mind.

The increasingly malicious and cunning nature of crimes is responsible for heightened demand from subscribers anxious to step up their home security. In response to such needs, we have introduced a number of security products and systems that can be integrated into SECOM Home Security to reinforce detection and prevention.

These include SECOM Anshin Glass, a highimpact, breakage-resistant window glass with a built-in sensor that deters break-ins through windows—an increasingly popular modus operandi. Made from two panes of glass separated by a sheet of special, super-strong film, SECOM Anshin Glass prevents penetration by objects impacting the window. The sensor also detects any cracks in the glass the moment they happen and immediately alerts a SECOM control center before further breakage occurs. Connected to SECOM Home Security, SECOM Anshin Glass offers even greater security. Other offerings include External Image Monitoring System, which reinforces exterior security by deterring trespassers; Sensor Light Camera, which detects when a person approaches the house at night and issues a warning by turning on a bright light; entrance security products such as SECURIFACE, which features a built-in face detection system; SESAMO IDs, an access-control system that uses fingerprint recognition technology; and SESAMO Electric Lock II, an access-control system that uses a secret code. We also offer HOME PYTHAGORAS, a high-strength home-use security vault that boasts superior protection against vandalism and fire and can also be linked to SECOM Home Security.

SECOM Home Security is backed by our outstanding and highly rated emergency response services, which ensure that emergency response personnel are dispatched promptly should they be needed. This is yet another reason why SECOM Home Security continues to be the preferred choice for home security in Japan.

## Highly Rated SECOM Home Security Peripheral Services

To add further value to SECOM Home Security, we offer a wide selection of additional services to subscribers. Of particular note is SECOM Home Service, which comprises a host of lifestyle support services. These include *Anshin* Support Service, whereby SECOM staff assist in resolving concerns that arise in everyday life through such services as patrolling around subscribers' homes when the occupants are away; Troubleshooting Support Service, which includes assistance in resolving unforeseen problems like lost keys; Housework Support Service, which includes help with housekeeping and around-the-house jobs.

Since its launch in 2005, SECOM Home
Service has earned acclaim from customers, and demand has risen annually. In autumn 2008, we introduced SECOM Home Service Pack, a yearlong SECOM Home Service plan that allows subscribers to sign up for popular services—particularly housework support—for a year, thereby eliminating the bother of having to make a reservation each time and ensuring that these services are available at busy times, such as the end of the year. Moving forward, we will continue to expand the availability and content of SECOM Home Service to further improve convenience for customers.



**SECOM Home Service** 



Sensor Light Camera

#### **Other Security Services**

COCO-SECOM provides real time information on the whereabouts of people and property and the dispatch of emergency response personnel—capabilities that continue to find new applications.

### Capitalizing on the Advantages of COCO-SECOM

Building on our expertise as the company that launched SECOM Home Security—thus essentially creating Japan's home security services market—in 2001 we released COCO-SECOM mobile security system. This system has since been credited as the starting point of Japan's personal security services market.

COCO-SECOM uses signals from Global Positioning System (GPS) satellites and cellular telephone base stations to pinpoint the location of transmitter devices. Initially developed with the aim of preventing child abductions, locating wandering elderly people and averting the theft of automobiles and motorcycles, COCO-SECOM continues to attract attention from customers for a wider range of applications. Today, COCO-SECOM transmitter devices are popular for preventing the loss of handbags and the destruction and/or theft of ATMs, managing corporate car fleets, monitoring the movements of sales staff, thwarting crimes against women and enabling businesspeople who are frequently out of the office or away on business to send emergency messages.

COCO-SECOM's most important advantage is its exclusive transmitter device. By pushing the alert button on the device, an individual can notify a COCO-SECOM operations center operator around-the-clock, which will dispatch emergency response personnel from the nearest SECOM emergency depot if requested. We will continue to further enhance COCO-SECOM in an ever-broader range of fields, thereby helping subscribers feel a greater sense of security.

#### Boosting Sales by Capitalizing on Increasing Demand for COCO-SECOM Services for Children

Recent years have seen an increase in incidences of bullying and other crimes committed by children that many attribute to cellular phone e-mail and Internet use. Many elementary and junior high schools have begun regulating the posession of cellular phones at school. However, parents recognize the usefulness of cellular phones in determining their children's whereabouts in an emergency. COCO-SECOM offers an equitable solution to this dilemma. We have begun introducing COCO-SECOM to children and their parents at elementary and junior high schools across the country in a bid to promote greater awareness of COCO-SECOM's outstanding performance features and further expand sales.

# Patrolling Plants and Other Premises with the SECOM Robot X Outdoor Surveillance Robot

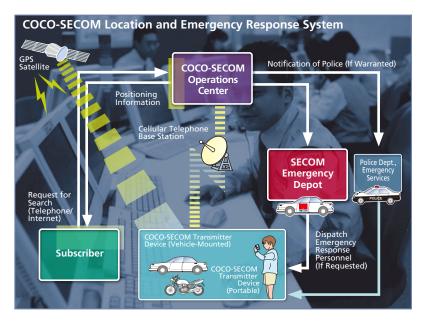
We continue to promote the development of service robots with the aim of creating robots that play useful roles in society. To date, these efforts have yielded SECOM Robot X, an outdoor surveillance robot that patrols a set route at plants, harbor areas and other large sites to detect intruders. SECOM Robot X has positioned us well to respond to an anticipated increase in the need for products like this to guard and patrol huge sites.



COCO-SECOM emergency response personnel



COCO-SECOM Operations Center



### **SECOM AED Package Service: Helping to Save Lives**

Prompted by a regulatory change in Japan that allowed the use of automated external defibrillators (AEDs)—emergency-use devices that administer an electrical pulse to the heart of a person suffering from cardiac arrhythmia to reestablish a normal rhythm—by ordinary individuals, as well as by medical care professionals and paramedics, in 2004 we began marketing the SECOM AED Package Service.

The SECOM AED Package Service is distinctive because it is a full-service package. Each time an AED is used, its battery must be recharged and expendables—notably the electrode pads—either replenished or replaced. Even if the AED is not used, the pads must be replaced when they reach their expiry date. To ensure our AEDs are always in peak operating order, we offer a rental-based service package that encompasses periodic replacement



SECOM AED Package Service



SECOM AED Package Service installed on a shinkansen train

of electrode pads and other expendables. Replacement of depleted or expired expendables is available from a dedicated, around-the-clock help desk at the SECOM Customer Service Center, along with servicing in the event of malfunction, damage or theft. This ensures that lives are not put at risk because the AED is never missing key parts and is thus always usable when needed.

In the five years since we first began offering the SECOM AED Package Service, demand has expanded to include such facilities as airports, fitness clubs, shopping centers, nursing homes, golf courses, offices, schools and financial institutions. Recently, a significant number of SECOM AED Package Service units were installed on the *shinkansen*, Japan's network of high-speed "bullet trains." This development underscores the outstanding reputation this service enjoys.

Our central objective as a corporate entity is to contribute to society through our business activities. Promoting further market acceptance for the SECOM AED Package Service is yet another way we will continue to provide security and peace of mind.

### **Security Services in Overseas Markets**

Offering "SECOM-style" security services in overseas markets enables us to provide security and peace of mind to people around the world.

### Operations in 11 Countries and Territories

Since commencing operations overseas in 1978, we have accumulated experience in the provision of on-line security services in 11 countries and territories: Taiwan, the Republic of Korea (ROK), the PRC, Thailand, Malaysia, Singapore, Indonesia, Vietnam, the United Kingdom, Australia and the United States. The most notable characteristic of our overseas operations is that we offer the same highgrade "SECOM-style" on-line security services as in Japan, customized to reflect local needs and sensibilities.

The standard business model for security services companies in Europe and the United States is to sell security equipment outright. While the equipment is linked to a monitoring center, the standard response in the event of an emergency is simply to notify the police. In contrast, with SECOM services, security equipment installed at the customer's premises is linked to a control center that immediately dispatches emergency response personnel should an irregularity be detected and, if deemed necessary, also calls the police.

As our global operations grow, this distinctive approach is attracting growing appreciation and new contracts continue to increase. In particular, our equity-method joint ventures in



Control center (Secom Plc, United Kingdom)

Taiwan (Taiwan Secom Co., Ltd.) and the ROK (S1 Corporation) have established themselves as the leading names in their respective markets and have both listed on their respective principal stock exchanges.

## Expanding Our Presence in the Growing Markets of the PRC and Southeast Asia

Recognizing significant latent demand in the PRC, we commenced operations in the country in 1992. At present, we have security service subsidiaries in key cities in high-growth coastal areas, namely, Dalian, Shanghai, Beijing, Qingdao, Shenzhen and Fujian. These companies continue to see steady growth in contract volume and have broadened their focus beyond their immediate markets to offer their services to subscribers in neighboring areas.

In Southeast Asia, sharp economic growth has spurred an increase in security needs in recent years. As a result, markets have shifted from a phase of initial development to one of widespread acceptance. In Thailand and Malaysia, SECOM Group are extending their efforts beyond the capital cities to include other urban centers. In Singapore, "SECOMstyle" services have attracted considerable praise and contract volume is increasing steadily. Our subsidiary in Indonesia is expanding operations as a leading name in the local security services market. In Vietnam, our focus is currently on security service-related consulting and proposing solutions, due to restrictions on foreign investment. We do, however, expect to see our on-line security services business grow in the years ahead.

Looking ahead, we will continue to expand our operations overseas by offering the "SECOM-style" services of the same high grade as we offer in the Japanese market.



Emergency response service (S1 Corporation, ROK)

### **SECOM** in the PRC: Firmly Positioned on a Growth Trajectory



Control Center (Beijing Jingdun Secom Electronic Security Co., Ltd.)



Emergency response personnel (Beijing Jingdun Secom Electronic Security Co., Ltd.)

ur commercial security services operations in the PRC began in 1992 with the establishment of holding company Secom (China) Co., Ltd. in Beijing. The following year, we set up the PRC's first on-line security services provider in Dalian. Since then, we have established a number of security services companies, focusing particularly on key cities in the country's high-growth coastal areas, and 78 emergency depots.

While economic growth has brought prosperity to the PRC, it has also led to an increase in awareness of the need for effective security in urban areas, which has spurred market demand for high-grade security services. Our on-line security services have earned much acclaim for responding to these needs,

supporting an increase in contract volume. Our focus has not been limited to security services, however. In Shanghai, subsidiary Shanghai Nohmi Secom Fire Protection Equipment Co., Ltd., manufactures and sells fire protection equipment in the Chinese market, as well as for export to Japan and Southeast Asia.

Customers for SECOM on-line security services in the PRC include companies in a wide range of industries. Local companies account for the largest proportion of contracts, followed by Japanese and then other foreign companies—underscoring the wide acceptance of the SECOM business model in the Chinese market.

In the coming years, we will work to broaden our presence to include the central and western areas of the PRC, with the aim of offering "SECOM-style" on-line security services to customers throughout the country.



Emergency response personnel (Shenzhen Secom Security System Co., Ltd.)

#### **Fire Protection Services**

Sales in the fire protection services business remain robust, reflecting SECOM's strong presence in the market for fire protection systems for residential customers and the renovations market. A partial revision of Japan's Fire Services Act has bolstered efforts to expand marketing of our Group Home Sprinkler system.

## Promoting Wider Acceptance of Residential Fire Protection Systems

Subsidiary Nohmi Bosai Ltd., is one of Japan's leading providers of fire extinguishing and other fire protection systems, with an extensive product lineup that encompasses systems for office buildings, production facilities, tunnels, cultural properties, ships and residences.

Nohmi Bosai products marketed under the SECOM name include Home Fire Sensor, a fire alarm system for residential applications. Owing to a partial revision of Japan's Fire Services Act in 2006, fire alarm systems are now mandatory in new homes. By 2011, local governments throughout Japan will enact related ordinances, gradually obliging existing homes to install such systems. We intend to continue promoting market acceptance of Home Fire Sensor to protect the lives of subscribers

## Reinforcing the Marketing of Fire Protection Systems in the Renovations Market

As a leading name in Japan's fire protection industry, Nohmi Bosai boasts an illustrious record and the solid trust of its customers. The company is drawing on these advantages to expand services in the renovations market by actively marketing itself to companies undertaking building renovations. To further promote its business in the renovations market, Nohmi Bosai established a Fire Protection Solutions
Department, which is charged with proposing effective solutions to the fire protection worries of customers, thereby bolstering orders from the renovations market.

#### Responding to Needs for Sprinkler Systems for Group Homes

A tragic 2006 blaze in a group home for elderly people with cognitive impairments spurred a partial amendment of the Fire Services Act, which came into effect in April 2009, making it obligatory for social welfare facilities with a total floor space in excess of 275 m<sup>2</sup> that house individuals who may have difficulty escaping in the event of a fire to install sprinkler systems. In response, Nohmi Bosai released the Group Home Sprinkler System, a new specialized drypipe system for such facilities that is connected directly to municipal water pipes. Unlike conventional sprinkler systems, the Group Home Sprinkler System does not have water in its pipes and so there is no danger of freezing in areas that experience cold weather or of leakage. The system is activated automatically in the event of a fire, flowing water through the system's pipes and discharging it onto the flames. Since the Group Home Sprinkler System can be connected directly to municipal water pipes, installation costs are minimal.

Nohmi Bosai's new Group Home Sprinkler System is a specialized, highly competitive product that leverages the company's accumulated expertise in the provision of home sprinkler systems. Going forward, the company will endeavor to enhance security and peace of mind for residents of group homes by promoting wider market acceptance of the Group Home Sprinkler System.



Test of sprinkler system



Test of foam fire extinguishing system

#### **Medical Services**

We are gradually expanding our home medical services and leveraging Group capabilities to develop and manage new residences for seniors.



Home nurse training



Home nursing service

### Steadily Expanding Our Home Medical Services

Our medical services business reflects our conviction that effective medical care is crucial to security and peace of mind. Today, our medical services business is spearheaded by subsidiary Secom Medical Services Co., Ltd., and encompasses a wide range of services in the fields of medical, health and personal care.

Home nursing—one of the mainstays of our medical services business—involves regular visits by nurses to patients in their homes to provide highly skilled nursing services and treatment in line with the instructions of those patients' physicians, as well as pharmaceutical dispensing and home delivery services. As the first privatesector firm in the home nursing field in Japan, we began providing services in 1991. Since then, our rigorous training program and the advanced skills of our visiting nurses have earned us a solid reputation for service quality. During this time, we have also established a network of 35 visiting nurse stations nationwide, including in the Tokyo Metropolitan Area, the Kansai area, Nagoya and Sendai, which dispatch nurses to patients' homes and are on call around-the-clock to assist them or their families.

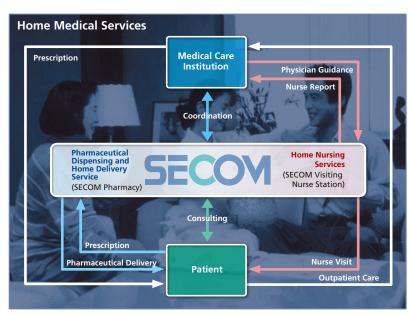
## Leveraging Distinctive Capabilities to Manage Residences for Senior Citizens

In an effort to cope with the rapid aging of Japan's population, we have developed and operate a range of innovative residences for seniors through Group companies. These include residences designed for healthy individuals who do not require assisted living: Sacravia Seijo, which offers services comparable with the finest hotels; Royal Life Tama, which is situated in a lush green area; and the SECOMFORT series, including Comfort Garden Azamino and Comfort Hills Rokko, the latter of which opened in June 2009. Based on the concept of "comfortable aging," the SECOMFORT series brings together our expertise in security services and medical services to provide peace of mind by promoting aging without apprehension.

We also operate the Alive Care Home series, designed for seniors requiring personal care from the outset. Situated primarily in the Tokyo Metropolitan Area, Alive Care Home series' facilities are small in scale, with only about 40 rooms, thereby ensuring high-quality attentive services. Alive Care Home facilities are also highly rated because they respond to the desire of many seniors to remain close to home and family.

#### Associated Hospitals: Providing Security and Peace of Mind through Better Regional Medical Care

We have established affiliations with 17 local hospitals to ensure effective support for customers of our home medical services and promote medical care that is firmly rooted in the local community, thus contributing to a more effective regional medical care system. We endeavor to assist these institutions to improve management efficiency and enhance service quality.



# Comfort Hills Rokko: Giving New Form to Our Ideals of Peace of Mind and Comfortable Aging

omfort Hills Rokko, in Kobe, is the newest in our SECOMFORT series of residences for seniors. The SECOMFORT series is based on the concept of "comfortable aging," or aging with grace and serenity, rather than with apprehension. Designed by world-renowned architect Tadao Ando, Comfort Hills Rokko is a 111-room facility that blends harmoniously with the surrounding natural environment.

Comfort Hills Rokko boasts two uniquely SECOM features. First, it is directly attached to Kobe Kaisei Hospital, a SECOM-affiliated facility. Kobe Kaisei Hospital staff doctors serve as residents' home doctors, ensuring attentive, high-quality medical services. This also makes it easy to schedule routine and general checkups, physicals and rehabilitation sessions for residents, thereby enhancing their peace of mind. Second, Comfort Hills Rokko emphasizes flexibility, enabling residents to choose certain personal care services if they feel the need. Residences for seniors generally require individuals to choose either standard rooms or rooms with full personal care services. To accommodate residents in the transitional phase between independent and assisted living, where choosing between the two can be difficult, Comfort Hills Rokko has established what it calls CAREA (an acronym for "comfortable aging area"), which allows residents to



Comfort Hills Rokko

take advantage of certain personal care services—for example, bathing and meal services—while continuing to live in standard rooms. Should the resident eventually require full-time personal care, he or she can move to a special room with full-time, expert personal care.

Comfort Hills Rokko also features the very latest SECOM security system, further putting residents at ease. Care has been taken to ensure residents enjoy active and fulfilling lives. For example, staff members include a professional chef, who ensures healthy and tasty meals. Residents also have access to a wide range of hobbies and activities. The facility, which embodies SECOM's distinctive approach to security, peace

of mind and comfort, continues to attract critical acclaim.



Dining area of standard room

#### **Insurance Services**

Our non-life insurance policies look after customers in the event of misfortune.



Head office of Secom General Insurance Co., Ltd.

#### Increasing Contract Volume with Distinctive Non-Life Insurance Policies

The rationale behind our decision to expand into the non-life insurance business was our conviction that augmenting our security services, which provide prior protection, with insurance, which looks after customers in the event of misfortune, would reinforce security and peace of mind. Today, we continue to expand our lineup of distinctive policies and bolster contract volume.

SECOM Anshin My Home, for example, is a policy designed for households which takes into account the risk-mitigating factor of installing home security systems to offer a discount of up to 60% off the regular premium rate, depending on building structure and choice of policy content. The same concept underlies the Security Discount Fire Policy, which offers a discount of up to 30% to offices and retail facilities that have installed on-line commercial security systems, recognizing this as an effort to reduce risk. We also benefit from other synergies. In many instances, the conclusion of a security system contract leads subscribers to purchase insurance, while on occasion the decision to purchase insurance prompts a customer to sign up for our security systems.

Another uniquely SECOM offering is New SECOM Anshin My Car, a comprehensive automobile insurance policy that includes aroundthe-clock on-site support services by emergency response personnel, if requested, in the event of an accident, a significant factor in ensuring security and peace of mind for vehicle owners.

#### MEDCOM: Enhancing the Content of our **Unrestricted Cancer Treatment Policy to Cover Outpatient Treatment**

We also offer MEDCOM, an unrestricted cancer treatment policy that provides coverage for all hospitalization and medical treatment costs, both those that are covered under Japan's National Health Insurance (NHI) scheme and

those that are not and for which the patient normally bears the full cost. This highly rated policy therefore enables subscribers to take advantage of advanced treatment options. In response to feedback from subscribers, in April 2009 we enhanced the content of MEDCOM to reflect the changing face of cancer treatment and reinforce the policy's competitiveness. For example, we recognized that in the past cancer treatment required patients to be hospitalized. However, since current treatment is increasingly on an outpatient basis, we became the first insurance company in Japan to abolish restrictions on the number of days of outpatient treatment covered and added coverage for outpatient treatment up to ¥10 million for each five-year period. Furthermore, while postoperative care and advanced treatments were previously the only types of outpatient treatment covered, MEDCOM now covers all outpatient visits, even if they are only to collect anticancer drugs or other medications. As a consequence of these modifications, MEDCOM subscribers are now even better positioned to take advantage of the most appropriate treatment options available without having to worry about costs.

We will continue to maximize the capabilities of the SECOM Group to develop distinctive nonlife insurance policies that stand out against the competition.



MEDCOM provides coverage for advanced treatment options



New SECOM Anshin My Car on-site emergency service

### **Geographic Information Services**

Subsidiary Pasco Corporation makes use of geospatial information to cultivate customers in a broad range of fields. Having obtained the rights to sell image data offered by the operator of a commercial satellite worldwide, Pasco is steadily expanding this business globally.

### **Expanding Services Using Geospatial Information**

Pasco is leveraging its measuring and geographic information system (GIS) technologies to develop a wide range of geospatial information services. For national and local governments, Pasco capitalizes on its wealth of experience and expertise to provide consulting services and solutions designed to support urban planning and road engineering, as well as geospatial information services, which help local governments improve the effectiveness of administrative services. For corporate customers, Pasco provides marketing support services, designed to help companies analyze target business areas and formulate branch and shop scrap-and-build plans; logistics support services, which aid efforts to develop effective plans for the use of trucks and other forms of transport; and risk management services, which include the support for the formulation of business continuity plans (BCPs).

## Satellite Information-Based Geographic Information Services for Global Markets

Pasco has obtained exclusive rights in Japan and nonexclusive rights worldwide to sell image data generated by Terra SAR-X, a German commercial satellite that delivers a resolution higher than any other commercial satellite. This satellite is unique in that it can capture high-frequency, high-resolution images regardless of the weather or the time of day. Pasco is capitalizing on this capability to gather and analyze data that will support efforts to minimize the impact of natural disasters and monitor environmental issues, including woodland degradation, thereby contributing to efforts to track the decline of forests.

Pasco plans to establish a new satellite receiving station at Chitose, Hokkaido. Together with its existing station at Itoman, Okinawa, the new station will be part of a receiving station network with nationwide coverage. This will position

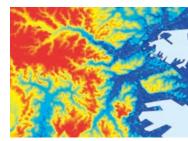
Pasco to aid efforts to prevent natural disasters and address environmental issues, thereby contributing to greater security and peace of mind for society in general.

Recently, Pasco established a joint venture in the United States. The new company is engaged in developing new processing technologies designed to facilitate the creation of highly accurate three-dimensional satellite images.

## Addressing the Need for Geospatial Information in International Projects

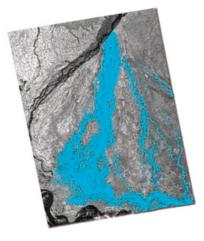
Pasco is assisting in the making and revising of national land maps, as well as in the preparation of mapping data necessary for urban planning and road engineering projects in countries where such data is not readily available but the needs for urban planning and proper land-use programs are high. Building on extensive expertise, accumulated over its many years in business, as well as its technological and consulting capabilities, Pasco is also directly securing orders for the creation of databases for national land maps for other countries, accepting orders as part of Japan's official development assistance (ODA) program, and is promoting sales of products that incorporate advanced technologies.

The expansion of Pasco's overseas operations is also proceeding steadily. Currently, the company has subsidiaries in the Philippines, Thailand, the PRC, Indonesia, Europe and the United States, and is stepping up efforts to secure orders in these markets. In Brazil, Pasco is involved in efforts to protect the Amazon rainforest, and has taken advantage of this to launch operations in Brazil and its surrounding countries. Pasco will continue to expand its satellite image-based geospatial information collection and processing capabilities overseas, supplying quality images equal to those it provides in Japan, thereby enabling it to cultivate new markets.



Digital elevation model (DEM) of a wide area made using two images generated by the Terra SAR-X commercial satellite

Extracted image of flooded area after Nepal's Kosi River breached its embankments ©Infoterra GmbH Distribution: PASCO



### **Real Estate Development and Sales**

This business encompasses the development and sale of condominiums with advanced security features.



Glorio Roka Park

### Safe and Secure Glorio Series Condominiums

In line with our emphasis on peace of mind and comfortable living, we have developed the Glorio series of condominiums, which are equipped with advanced SECOM security systems. Owners of Glorio series condominiums

also benefit from Glorio Support 24, a condominium management service that not only provides access to around-the-clock maintenance services, but also responds to inquiries about such subjects as non-life insurance and medical and personal care.

#### Information and Communication Related and Other Services

The information and communication related services business centers on information security and disaster response services.



Disaster monitoring center of Secom Trust Systems

SECOM Safety Confirmation Service Continues to Register Robust Results

Our information and communication related services originated with the call for better security for computers and networks in the information age. Today, subsidiary Secom Trust Systems Co., Ltd., provides comprehensive services that center on information security and disaster response services. Among these, the SECOM Safety Confirmation Service continues to attract acclaim. This service helps subscribers promptly assess structural damage and confirm the whereabouts and safety of employees in the aftermath of an earthquake or other major disaster, thus relieving concern and assisting companies in restarting operations as soon as possible. Anpikun, an optional feature, enables employees and their families to confirm one another's safety.

Key features of SECOM Safety Confirmation Service include Secom Trust Systems' disaster monitoring center, which provides around-theclock human support services, collects disaster information and assists subscribers in setting up a disaster response headquarters in the immediate aftermath of a disaster, using IT technologies. Since it was built and is operated in-house, SECOM Safety Confirmation Service is constantly evolving and is able to respond flexibly to the changing needs of subscribers. For example, in order to promptly determine the whereabouts of client employees, we linked the service to COCO-SECOM for swift and precise tracking. We also expanded our lineup of related services, launching SECOM Safety Confirmation Service SCM, which enables companies to confirm the safety of key suppliers and the extent of damage where they are located; and SECOM Safety Confirmation Service GS, which confirms the safety of employees abroad in the event of a disaster.

#### SECOM Safety Confirmation Service: Protecting Against the Spread of H1N1 Influenza

In 2008, a new standard function of SECOM Safety Confirmation Service was created to help companies manage exposure to the newly identified H1N1 strain of influenza. This new function enables the individuals in charge of risk management to assess the extent of transmission among employees and their families swiftly and accurately. They can then issue the appropriate instructions to their employees and minimize the likelihood that operations will be affected. Going forward, we will continue to enhance the SECOM Safety Confirmation Service to better address the needs of customers.



Secure Data Center