

We are expanding our lineup of innovative services and systems that respond to companies' increasingly sophisticated security needs.



SECOM emergency response personnel

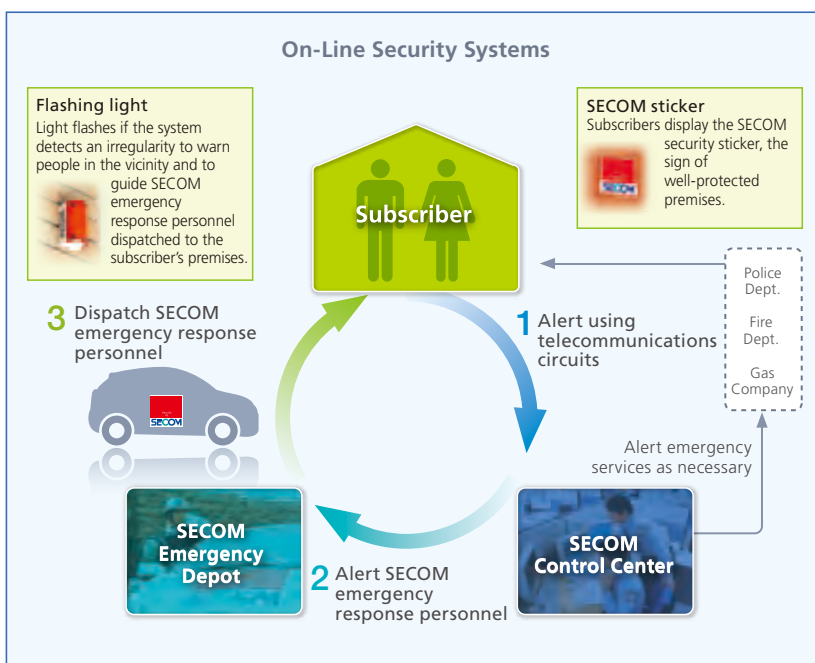
► **Competitive advantages in the security services business**

Our principal competitive advantage in the security services business derives from our integrated services framework, whereby we take responsibility for everything from R&D to the production, marketing, security planning and installation of sensors and other equipment, around-the-clock monitoring, emergency response services and maintenance. This framework, which ensures the exceptional safety and reliability of our on-line security systems, and our team of highly trained security professionals, guarantee the quality of our services.

We have also created a unique R&D configuration centered on the SECOM Intelligent Systems Laboratory and the SECOM Development Center, facilitating the prompt and accurate development of systems that respond to the requirements of customers. The effectiveness of our around-the-clock monitoring and emergency response services is attributable to our ability to combine the precision of security equipment, which monitors the subscriber's premises for intruders and fires with the analytical skills and prompt decision-making capabilities of people. Our swift, quality emergency response services are also underpinned by a nationwide network of emergency depots, the largest of any security services company in Japan.

Our rental format, which minimizes initial costs for subscribers, is another key strength. This format also means that we look after maintenance and upkeep, guaranteeing both the quality and stability of our services.

Our comprehensive approach to security services enjoys the trust of customers across a wide range of industries. Accordingly, it is a fundamental factor behind the power of the SECOM brand.



▶ **Expanding sales of on-line security systems continue to support the business activities of subscribers**

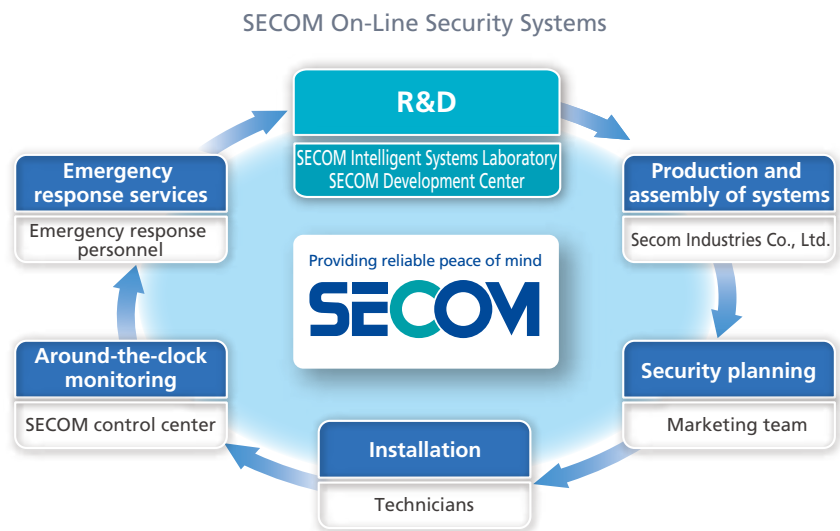
We are committed to providing on-line security systems that address needs engendered by evolving social imperatives and to leveraging our innovative technologies to create added value. SECOM AX, a remote imaging on-line security system, transmits images of the subscriber's premises to SECOM control center staff should an irregularity be detected, facilitating prompt assessment by control center staff and a swift and accurate response. Control center staff can also broadcast a warning to intruders using on-premises speakers, thereby helping to prevent crimes from occurring. We continue to apply our proprietary technologies to enhance the performance of SECOM AX. For example, we have enhanced the precision of the system's image sensors, which employ exclusive image recognition technology, enabling the system to detect the presence of an intruder even in darkness.

In recent years, we have seen an increase in the popularity of high-value-added systems that not only provide excellent security but also assist subscribers' efforts to reduce costs and lower energy consumption. SECOM LX combines security with access control functions. Because subscribers can use existing IC cards, such as employee ID cards, and because recorded entry and exit data can be used for other purposes, SECOM LX reduces the amount of work involved in managing attendance and calculating payroll, helping to improve the efficiency of personnel management.

SECOM FX is a system that integrates monitoring for intruders and fires with facility control. The system's facility control function



SECOM control center



can be set to turn lights, air conditioners, signage illumination and security cameras on and off automatically at the subscriber's discretion. In unattended facilities, the system thus facilitates the opening and closing of entrances, while in offices it can be set to control lights and air conditioners as appropriate when employees arrive in the morning, go for lunch and leave for the day, thus helping to minimize heating and lighting bills and reduce energy consumption.

Looking ahead, we will continue to capitalize on our accumulated technological prowess and know-how to develop and provide high-grade, high-value-added on-line security systems that anticipate social imperatives and subscriber needs.



High-resolution outdoor NVR camera



SECOM Image Archive Service (secure remote image storage service)

▶ Strengthening internal controls: SECOM NVR System and SECOM Image Archive Service

In Japan, the need for systems that help strengthen internal monitoring continues to rise, owing in part to incidents involving personal information leaks and product contamination at food processing facilities, which have fueled a steady increase in the number of companies installing security cameras. We responded to such needs by introducing the SECOM NVR System and SECOM Image Archive Service, an option available to SECOM NVR subscribers, making it suitable for installation in a broad range of facilities.

The SECOM NVR System offers enhanced security features, including the ability to detect attempts made to interrupt operation by, for example, covering the camera, changing its direction or cutting wires. The SECOM NVR lineup also includes a dustproof and waterproof high-resolution outdoor NVR camera with built-in infrared LEDs that allow it to capture clear video even in complete darkness.

The SECOM Image Archive Service lets subscribers store SECOM NVR camera images at a SECOM secure data facility. A subscription to the SECOM NVR System with the SECOM Image Archive Service option provides comprehensive support, from image recording and storage to monitoring for irregularities. As a result, subscribers do not need a recording device, eliminating concerns over such devices potentially being destroyed or stolen by intruders. We will continue working to respond to diverse demands for security camera systems that deliver safety and peace of mind.

▶ **SESAMO IDf biometric authentication system facilitates rigorous access control**

Needs for systems that reinforce management of confidential information are increasing among companies and data centers. With the launch of Japan's My Number social security and tax number system, we are also seeing greater demand for controlled access areas to ensure strict physical security for My Number information. In response, we capitalized on our advanced biometric authentication technologies and extensive know-how to launch SESAMO IDf, a finger vein authentication-based access control system that facilitates rigorous access control. In addition to being more compact than conventional biometric authentication systems, SESAMO IDf is waterproof and thus suitable for use both indoors and outdoors. SESAMO IDf also has a built-in card reader, enabling both card key and finger vein authentication for entry and exit. The system can be linked to a company's security system and the SECOM *Anshin* Attendance Management Services, which use the Internet to record clock-in and clock-out times and calculate work hours.



SESAMO IDf finger vein authentication-based access control system

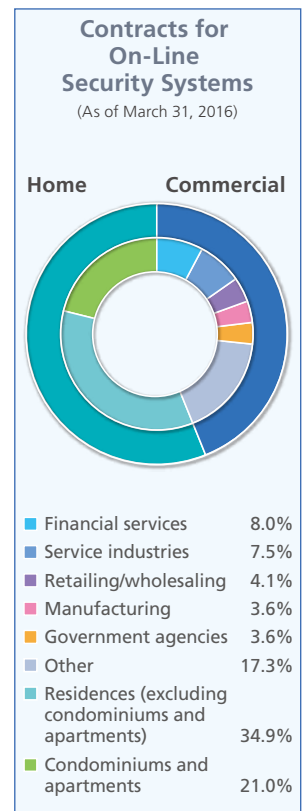
▶ **Asahi Security joins the SECOM Group, further reinforcing our operating foundation**

We have long provided armored car services, including cash collection and deposit, for automated teller machines (ATMs) operated by financial institutions. In the period under review, we acquired all shares in Asahi Security, which has built a strong business foundation as a provider of cash collection and delivery services—including the collection of proceeds from sales, delivery and deposit to banks, and the preparation and delivery of change—for companies in areas other than financial services particularly

retailers and restaurants. Asahi Security also has its own customers, network and around-the-clock cash collection and delivery centers. The purpose of this acquisition was to allow collaboration between the two companies to enable the provision of even higher levels of safety, peace of mind, comfort and convenience. We look forward to working with Asahi Security to leverage complementary strengths with the goal of further enhancing the SECOM Group's armored car services business by expanding our customer base and reinforcing service quality.



Asahi Security cash collection and delivery services



SECOM Home Security and its increasing lineup of optional services accommodate the diverse security needs of households.



► **Expanding service menu continues to boost market acceptance of SECOM Home Security**

SECOM Home Security is an on-line security system that provides around-the-clock monitoring for intruders, fires and gas leaks, emergency alerts and medical emergency calls. If the sensors installed detect an irregularity, the system automatically alerts a SECOM control center, where staff members assess the situation, dispatch emergency response personnel from the nearest emergency depot and, if necessary, notify the police and/or the fire department.

One of the most highly rated services currently offered under the SECOM Home Security label is SECOM Home Security G-Custom, which combines home security with a variety of features designed to enhance everyday comfort and convenience. These include a data storage system, which enables subscribers to store important documents—including driver's licenses, passports, health insurance cards and prescriptions for medications—at a SECOM data center facility; an ALL SECOM function, which allows subscribers to request other SECOM services and products; and My Page, which gives subscribers access to information from selected collaborating companies, enabling them to make online purchases; and a data-sharing service that lets family members exchange photographs and messages.

SECOM Home Security subscribers also enjoy access to a diverse menu of optional services that further enhance customer satisfaction. These include the Healthcare Hotline, a telephone-based health consultation service; SECOM Home Service, an optional suite of lifestyle support services; and SECOM

My Doctor Plus, an emergency medical alert system for seniors.

Until recently, SECOM Home Security systems were primarily used in detached houses and condominiums. However, owing to greater awareness of security, we are seeing a steady increase in installations in apartment complexes. Customer diversity is also increasing, with SECOM Home Security subscribers today ranging from young people to seniors. With the increasing prevalence of nuclear families and the advance of Japan's super-aged society pushing up demand for home security services, we will continue working to bolster acceptance of SECOM Home Security as a service that provides safety and peace of mind and makes life more convenient and comfortable.

▶ **SECOM My Doctor Plus services begin in collaboration with a leading adult day service provider**

Offered as an option to SECOM Home Security subscribers, SECOM My Doctor Plus is an emergency medical alert system for seniors, which also provides access to personal care services. The system features an exclusive portable device incorporating a cellular phone, GPS locator and emergency alert functions. Regardless of time or place, if the device is activated a signal is sent to a SECOM control center indicating that medical assistance is required. Control center staff assess the subscriber's situation by telephone and, if required, dispatch emergency response personnel who are specially trained in assisting people who have fallen. If the subscriber wishes to speak with a nurse, the system also offers consultation with staff at the SECOM Medical Support Center. Additionally, if the



SECOM Home Security G-Custom

subscriber requests an ambulance, a control center staff will notify the fire department and send his or her emergency information, which is stored at a SECOM data center facility, to the portable device, thus ensuring such information is immediately available to ambulance attendants and hospital staff. Individuals who have contracted care from a service provider in advance can request that we arrange for the dispatch of a home-care helper should they require specialized personal care.



ALL SECOM function enables subscribers to request other SECOM services and products



SECOM emergency response personnel are dispatched promptly if an irregularity is detected

Home Security Services



SECOM emergency response personnel are trained to provide support when needed



Kumalift stair lift



SECOM My Doctor Plus emergency medical alert service

SECOM My Doctor Plus was launched in 2013 in collaboration with one of Japan's leading day services firms as an option available with SECOM Home Security and since then has earned high marks from both seniors and their families. Expanding this relationship, we recently began offering SECOM My Doctor Plus to individuals who are users of our partner company's services, as a new independent service for seniors living alone, combining access to adult day services and home-based personal care services with SECOM emergency medical alert services, which are available day and night. Users can take advantage of home-based services during the day, including day services, as well as an emergency medical alert service, which is also available at night, ensuring uninterrupted around-the-clock monitoring, making it easier for seniors to remain in their own homes. SECOM My Doctor Plus continues to attract considerable attention as an attractive choice for seniors that combines home-based personal care services and security.

▶ **Through collaboration with Kumalift, we are accelerating efforts to address issues under the themes of "super-aged society" and "security"**

New SECOM Group member Kumalift has capitalized on its accumulated technologies and know-how in the manufacture of industrial elevators to market stair lifts, wheelchair lifts and other products that meet the needs of a super-aged society. The acquisition of Kumalift has positioned us to provide stair lifts, home elevators and other such forward-looking products.

We are excited to work with Kumalift to capitalize on considerable synergies to develop new services that combine home security with, for example, stair lifts, positioning us to better address the needs of seniors in the years ahead. We will continue to promote the integration of SECOM Group companies to facilitate the development of products and services that respond to social imperatives.

Other Security Services

In addition to broadening the scope of the COCO-SECOM mobile security system, we introduced an AED with bilingual voice guidance, in line with our belief in the importance of ensuring usability by as many people as possible.

▶ COCO-SECOM: Responding to evolving needs for safety and peace of mind

The COCO-SECOM mobile security system uses signals from GPS satellites and cellular phone base stations to pinpoint the location of dedicated portable transmitters carried by individuals or attached to objects. If a customer wants to know where the transmitter is, he or she can trace it via a dedicated COCO-SECOM website or contact the COCO-SECOM Operations Center and ask an operator to search for it. If the operations center receives a search request, an operator dispatches emergency response personnel and, if necessary, notifies the police and/or the fire department. The COCO-SECOM transmitter is also equipped with an alert button, which if pressed will instantly notify the COCO-SECOM Operations Center of an emergency.

Introduced originally as a way to foil child abductions and the theft of cars and motorcycles, COCO-SECOM has since attracted attention for such diverse applications as keeping track of personal belongings, managing taxi and bus fleets and preventing the theft of construction equipment, ATMs and safes. In recent years, increasing awareness of crime prevention has encouraged its use as a way to discourage crimes against women, manage employee safety and prevent wandering by seniors suffering from dementia.

▶ Expanding our AED lineup with the bilingual AED3100

An automated external defibrillator (AED) is a portable device that treats cardiac arrhythmia by administering an electrical pulse to the heart to reestablish a normal rhythm. We currently offer SECOM AED Package Service, a full-service AED rental package, which has contributed to the expanded installation of AEDs in a variety of public- and private-sector facilities in Japan. In response to a sharp increase in the number of non-Japanese-speakers in Japan in recent years, we recently augmented our AED Package Service lineup with a new model, AED3100, a bilingual unit that offers voice guidance in English as well as Japanese. Going forward, we will actively promote the installation of this particular unit, in line with our belief that ensuring availability and usability to as many people as possible is essential to saving lives.



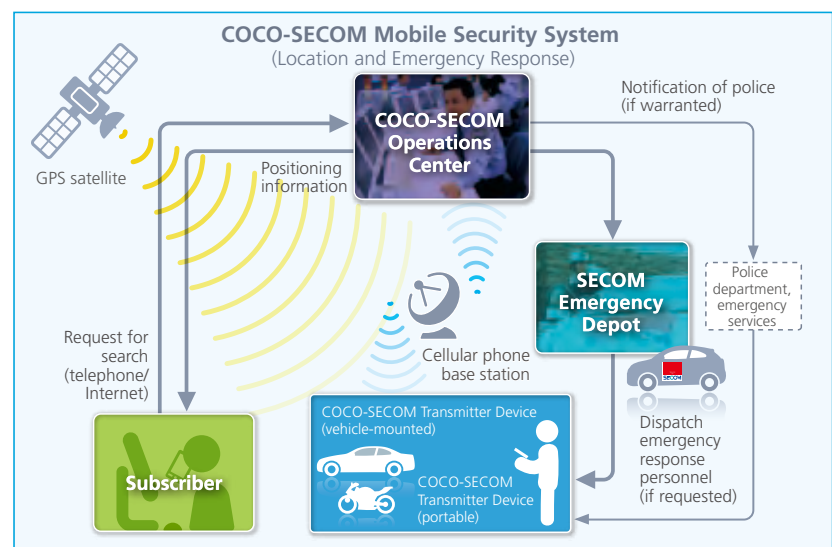
COCO-SECOM mobile security system



COCO-SECOM Operations Center



Bilingual AED



Synonymous with high-grade services, the SECOM brand continues to earn high marks from customers overseas, resulting in growing market acceptance.



Emergency response personnel (Thai Secom Security Co., Ltd., Thailand)



Control center (Myanmar Secom Co., Ltd.)



Emergency response personnel (Secom Vietnam Security Service Joint Stock Company)

► **High-grade SECOM-style services are offered in 12 countries and territories overseas**

The distinguishing feature of our overseas security services is that we offer SECOM-style on-line security systems, which include emergency response services, customized to reflect local needs and sensibilities. We made our overseas debut in 1978, when we established a presence in Taiwan. Today, our overseas security services business encompasses operations in 12 countries and territories. As in Japan, we take full responsibility for our operations in these markets, positioning us to deliver high-grade SECOM-brand services. This continues to earn praise from overseas customers, as a result of which the use of our services continues to expand steadily.

► **Actively promoting on-line security systems in Southeast Asia**

Steady economic growth continues to drive robust demand for security services in Southeast Asia from both Japanese and local companies. We are working to respond to such demand by actively promoting SECOM-style on-line security systems.

In Thailand, the efforts of Thai Secom Security Co., Ltd., to provide high-grade on-line security services have bolstered awareness of “SECOM-style” services, underpinning steady growth in contracts for the provision of on-line security systems to corporations and national and local government agencies. The company also continues to supply a variety of merchandise to health-care facilities.

Secom (Malaysia) Sdn. Bhd. provides customized security systems—comprising on-line security systems and static guard services—to customers across Malaysia. Underscoring the high marks accorded to the company’s proposal-based services, which are tailored to market needs, major drugstore chains and leading financial institutions have installed SECOM security systems.

In Singapore, Secom (Singapore) Pte. Ltd. boasts a diverse menu of services. These include the provision of on-line security systems and fire protection systems, as well as the leasing of safety deposit boxes.

PT. Secom Indonesia provides on-line security systems and static guard services to subscribers, focusing on the capital of Jakarta and the country’s second-largest city, Surabaya, with operations in both cities expanding steadily. Secom Indonesia also offers highly rated consulting services designed to help customers prevent insider crimes.

In Vietnam, Secom Vietnam Security Service Joint Stock Company and SECOM Trading Co., Ltd., are working to augment their operations by responding to the advanced security needs of Japanese and other companies in the country, as well as by promoting market acceptance of on-line security systems.

Myanmar Secom Co., Ltd., Myanmar’s only provider of on-line security systems, serves subscribers in the capital city of Yangon, the country’s largest market. The company continues to expand its operations in this

promising market, which is benefitting from economic growth, by providing on-line security systems to offshore (including Japanese) and local financial institutions.

► Scope of operations broadens in key overseas markets

Taiwan Secom Co., Ltd., a publicly listed firm and the leading provider of security services in Taiwan, offers a wide array of security services, centered on on-line security systems. In line with our goal of supporting safety and peace of mind, the company provides wireless alarm systems for residential and small-scale commercial applications and has collaborated with Taiwan's National Center for Research on Earthquake Engineering to develop and begin offering an earthquake alert system.

In the Republic of Korea (ROK), S1 Corporation, which is also publicly listed, provides on-line security systems, as well as an extensive selection of other services that make life more convenient and comfortable and provide safety and peace of mind. S1 has also reinforced the foundation of its building solutions business and is promoting the development of fire protection systems that make use of video analysis, enabling it to help enhance community safety and security.

We currently provide our distinctive on-line security systems to subscribers in the PRC through a network of security service bases in 20 cities. With demand growing in all of these locations, we are accelerating efforts to secure contracts, particularly in the area of security services for large-scale commercial complexes. Looking ahead, we will continue to expand our operations by providing high-grade security services that accurately address local needs.

For many years, Secom Australia Pty. Ltd. has provided security services to major financial institutions and government

agencies, earning positive reviews across the board. The company has also provided security systems for a number of key Australian defence facilities and government-affiliated service institutions. Secom Australia continues working to expand its operating foundation and recently secured contracts to provide security services for, among others, a major media firm, and the Australian branches of an international apparel retailer.

In New Zealand, Secom Guardall NZ Ltd. continues to provide service packages combining monitoring using on-line security systems and maintenance to major global financial institutions.

Secom plc, in the United Kingdom, is renowned as a provider of high-grade security services, as a result of which it has risen to the number three position in the U.K. security services market. Testament to the high marks given for the quality of the company's services, Secom plc currently provides its on-line security system to financial institutions for use at branches and ATMs. The company also continues to secure new contracts from major British corporations.

We recognize that the desire for comfort and convenience, as well as for safety and peace of mind, is something shared by people the world over. Accordingly, we will continue to encourage acceptance of our services and systems, as well as to cultivate promising new overseas markets.



Secom plc (United Kingdom)



Emergency response personnel (SECOM Australia Pty. Ltd.)

We continue to offer high-grade fire protection systems that respond to the needs of customers in Japan and overseas.



Test of a high-expansion foam fire extinguishing system (Nohmi Bosai)

▶ **Our principal competitive strength is our ability to provide integrated services**

Our fire protection services business is spearheaded by subsidiaries Nohmi Bosai and Nittan, two leading players in Japan's fire protection industry. As integrated service providers, the two companies take responsibility for R&D, planning, design, production, installation and maintenance of high-grade fire protection systems, and boast an extensive portfolio of automatic fire alarm and fire extinguishing systems.

▶ **Sales of systems for tunnels and other large-scale facilities continue to increase**

Nohmi Bosai provides high-grade fire protection systems for a range of applications, including office buildings, plants, tunnels, structures designated as cultural properties, ships and homes. Building on its extensive record of installations and on a reputation for reliability, the company is actively expanding proposal-oriented marketing, which has boosted sales of systems for new tunnels and buildings under renovation.



UL standard-compliant SPERA fire alarm system (Nittan)

▶ **Debut of PROTECVIEW LT and Splash α**

Nohmi Bosai recently launched PROTECVIEW LT, a smoke detector designed for small-scale electrical and server rooms that is up to 100 times more sensitive than conventional detectors, helping to minimize damage. Another new addition to the company's lineup is Splash α, an automatic fire extinguishing system that delivers an atomized spray of extinguishing agents. Developed for hospitals and clinics with beds, which are required by revised fire regulations to install sprinkler systems, Splash α features a cylinder containing the extinguishing agents, eliminating the need to install a water tank or pump. We are actively marketing this device to existing hospitals and clinics by emphasizing its usability and ease of installation.

▶ **Participating in a next-generation disaster mitigation project**

Nittan is currently taking part in a project being promoted by Japan's Ministry of Internal Affairs and Communications aimed at building geospatial information-based disaster mitigation systems. Project participants are working to develop a system that will facilitate the Big Data analysis of geospatial information in real time and use of smartphones and other such devices to communicate evacuation instructions, as well as an advanced firefighting and rescue support system.

Through such efforts, Nittan continues working to help realize a safe and secure society.

▶ **A new expiration date management system**

As part of its menu of disaster mitigation solutions, Nittan recently began offering a system that assists customers in keeping track of expiration dates for emergency supplies by sending an email notification beforehand. In Japan, a country subject to frequent natural disasters, local authorities and companies stockpile supplies to ensure that they are prepared in the event of a massive earthquake or any other disaster. Nittan's new system will thus enhance its ability to address diverse needs.

▶ **Results in Southeast Asia remain brisk**

Nittan provides highly reliable fire protection systems, which comply with Underwriters Laboratories Inc. (UL) and European Norm (EN) standards, to government facilities, banks, high-rise buildings, hotels, and aircraft and passenger liners around the world. In the period under review, the company developed a new UL standard-compliant fire alarm system, marketed under the SPERA name, which continues to enjoy brisk sales, particularly in Southeast Asia. Going forward, Nittan will work to further reinforce its overseas sales configuration and to promote broader acceptance of fire protection systems throughout the region.

Medical Services

We capitalize on our accumulated know-how in home medical and personal care services to offer high-value-added medical services.

▶ The SECOM Wellness Service is introduced

In a super-aged society, preventative healthcare services, which seek to help individuals remain physically and mentally healthy over one's entire life, a theme frequently referred to as "healthy life expectancy," are expected to play a significant role in the years ahead. In the period under review, we began offering the SECOM Wellness Service, a membership-based preventative care and healthcare service, through SECOM CAREA Chitose-Karasuyama, a multipurpose residential and service complex for seniors in Setagaya-ku, Tokyo.

The SECOM Wellness Service is a unique program of services for seniors that is designed to be both enjoyable and to help forestall the need for nursing care. These services, which are outside the scope of government-run long-term care insurance, are organized into three categories—hobbies, exercise and lifelong learning—and are developed in collaboration with local businesses. Examples include a hometown railroad diorama building class, offered jointly with a major toymaker; flower arrangement classes organized together with the local merchants' association; and yoga and ballet classes taught by instructors from a local university of physical education. Plans are also in place for health-related seminars provided by SECOM Pharmacy and the local SECOM-associated hospital. Looking ahead, we will continue to explore the possibility of introducing the SECOM Wellness Service in other areas and to consider synergies with the SECOM My-home Concierge Service.

▶ Expanding cloud-based services

We currently provide the SECOM Ubiquitous Electronic Medical Report (EMR) system, developed to meet the needs of small and medium-sized hospitals, which has been adopted by numerous such facilities across Japan. Capitalizing on experience gained

through the provision and operation of this system, we recently developed SECOM OWEL (On-demand Web Link), a cloud-based EMR system designed to assist smaller facilities, notably general home healthcare and clinics. SECOM OWEL also incorporates an accounting system designed to improve clinic operating efficiency. Its ease of use is ensured by a video-based user manual and an on-line help function.

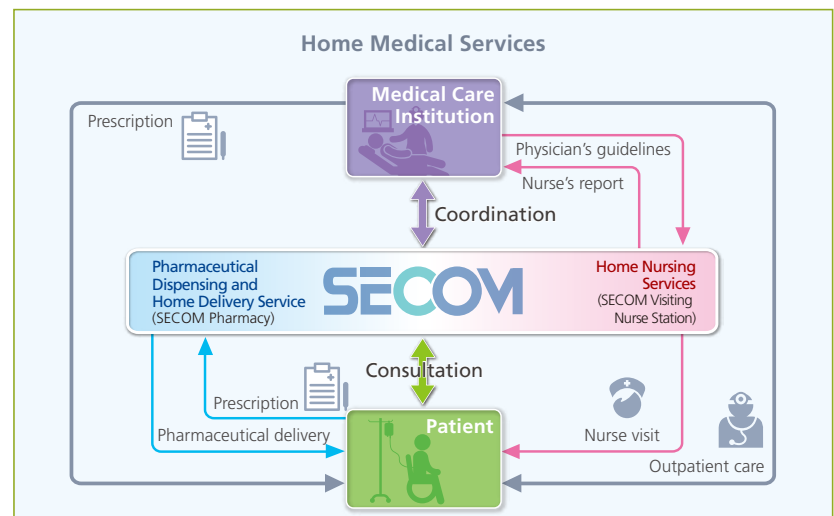
We continue to develop a wide range of cloud-based services. These include a service that provides the secure storage of EMR data at one of our data centers, sharing such data with the local community if the necessity arises. Because SECOM OWEL allows for the centralized management of patient EMRs, doctors can view EMR data even when they are out, ensuring a swift, accurate response, even in the event of an emergency. The ability to share EMR data among healthcare professionals will contribute to coordinated community-based healthcare. By combining SECOM OWEL with other cloud-based services, we will also seek to facilitate the integrated management of medical information currently held independently by institutions, with the goal of supporting patient-centered community-based healthcare and enhancing the quality of care available.



SECOM CAREA Chitose-Karasuyama



SECOM provides a wide range of high-grade home medical services



Our distinctive fire, medical and automobile insurance policies leverage the comprehensive capabilities of the SECOM Group.



Headquarters of Secom General Insurance Co., Ltd.



Call center
(Secom General Insurance)



SECOM Anshin My Car
on-site support

► Contracts for SECOM Anshin My Home continue to increase steadily, bolstered by enhanced coverage

Our diversification into non-life insurance came about as a result of our conviction that augmenting security services, which are preventative by nature, with insurance, which looks after people should misfortune strike, was a way to further enhance safety and peace of mind.

SECOM *Anshin My Home* is a comprehensive policy for residential customers that offers a discount on regular premiums to subscribers who have installed on-line security systems, taking into account the fact that such systems mitigate the risk of theft and fire, as well as for houses that have exclusively electrical appliances, recognizing that this also lowers the risk of fire.

Recent changes to SECOM *Anshin My Home* include introducing a discount for subscribers with homes less than 10 years old based on the home's actual age and adding an option that provides for up to 100% coverage in the event of a fire caused by an earthquake or other natural disaster. We also increased the limit of coverage provided for security upgrade costs for the purchase of fire detectors and fire extinguishers in the event of a fire or theft to a maximum of ¥500,000. Thanks to enhanced coverage, contracts for SECOM *Anshin My Home* continue to increase steadily. We will continue working to expand sales of this attractive product. We are also taking steps to increase sales of the Security Discount Fire Policy, a similar policy for commercial customers.

► MEDCOM, an unrestricted cancer treatment policy, enables patients to focus on treatment without concerns over economic burden

MEDCOM is an unrestricted cancer treatment policy that provides full coverage for

all hospitalization and medical treatment costs, both those covered under Japan's National Health Insurance (NHI) scheme and those for which the patient usually bears the burden. MEDCOM coverage also extends to outpatient treatment, which continues to rise in importance, providing up to ¥10 million per five-year period. In addition, policyholders are entitled to a one-time lump sum payment of ¥1 million if they are diagnosed with cancer. Subscribers are thus able to focus on treatment without having to worry about the economic burden.

Policies that pay a per diem amount for medical expenses based on the number of days hospitalized are the most common type of cancer treatment insurance available. As a non-life insurance provider, we were able to develop a product that provides coverage similar in nature to unlimited personal injury protection, an extension of automobile insurance. We will continue working to develop attractive cancer insurance policies that respond to the evolving needs of patients.

► SECOM Anshin My Car: Backed by around-the-clock support provided by our emergency response personnel

Another attractive SECOM non-life insurance product is SECOM *Anshin My Car*, an automotive insurance policy that includes around-the-clock access to on-site support by SECOM emergency response personnel in the event of an accident.

In addition to conventional approaches, we also market our various non-life insurance policies through banks and over the Internet. We will continue seeking to propose and expand sales of this and other attractive non-life insurance products in a manner that reflects the perspectives of our customers.

Geographic Information Services

We capitalize on our distinctive geospatial information services to contribute to secure societies and actively cultivate new businesses.

▶ Leveraging 3D mapping technologies to advance the use of digital relief maps

Subsidiary Pasco Corporation collects geographic data from satellite images, aerial photography, and vehicle/ground and shipborne surveying, which it integrates, processes and analyzes to provide geospatial information services. In recent years, advances in surveying, measuring and image processing technologies have spurred an increase in the use of digital relief maps. In the wake of the April 2016 Kumamoto Earthquake, measurements taken by Pasco using aircraft-mounted lasers to create a digital relief map of the affected area made it possible to quantify damage by, among others, estimating sediment outflow. This played a key role in facilitating the prompt development of an effective relief plan by making it possible to accurately determine where equipment and human resources were needed.

Pasco is also the first private-sector firm in Japan to employ airborne laser bathymetry (ALB) to survey sea, lake and river beds and is promoting the data thus derived in such areas as environmental protection and safety management. Recently, Pasco ALB data was used in the field of nautical archaeology, helping to create 3D topographical maps above and below water, ensuring an accurate grasp of an entire exploration site and contributing to preservation. In April 2016, ALB was certified as a technique for use in public surveying. Accordingly, Pasco will take steps to further strengthen its ALB business.

▶ Decisive efforts help foster new businesses

Pasco continues to apply geospatial information technologies to address varied needs, from contributing to increased productivity on construction sites to helping realize autonomous cars, and promotes research aimed at prototype development, verification and commercialization.

In the period under review, Japan's Ministry of Land, Infrastructure, Transport and Tourism launched the i-Construction program, an initiative aimed at creating a construction system incorporating information and communications

technologies (ICT) with the goal of increasing the productivity of skilled workers by 50%. This will involve the use of drones for 3D measuring, with the resulting data to be used in formulating plans for engineering and execution, and for construction equipment mounted with ICT, to reduce labor requirements in construction and inspection. Pasco will use its proprietary surveying and measuring technologies, as well as its advanced 3D mapping technologies, to help improve productivity in key areas of construction.

3D mapping technologies are used to create high-precision basic road data crucial to the realization of autonomous cars. Pasco uses highly accurate 3D geospatial information collected using its Mobile Mapping System (MMS) to create data on running lines and other elements essential to autonomous driving. Efforts to create such basic road data have advanced from research related to its practical application to reviewing plans for its implementation.

▶ Responding to diverse global needs for geospatial information

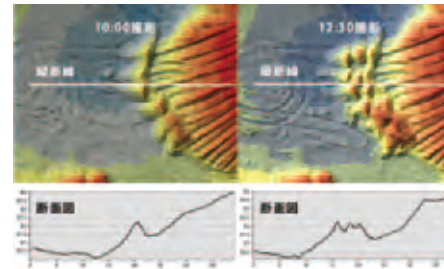
Pasco's proprietary technologies and extensive global network position it well to respond to heightened and increasingly diverse needs for geospatial information in global markets.

Pasco's geospatial information technologies are used in aerial photography and the creation of basic national land maps for the management of land assets. These technologies also assist efforts to protect marine environments and ensure safe navigation for ships, maintain roads, ascertain damage and plan relief and recovery measures following earthquakes, manage waterways and respond in the wake of landslides, and calculate building risks.

Pasco will continue to foster demand for its services in new markets around the world, taking into account local conditions and potential business risks, with the aim of contributing to safety and peace of mind and responding to social imperatives.



Aerial laser surveying facilitates seamless 3D topographical measurements above and below water



3D terrain model created using data collected by drones (i-Construction project)



High-precision basic road maps, crucial to the realization of autonomous vehicles

Our know-how in the field of information security has positioned us well to address needs for safety and protection in an increasingly networked society.



Rigorous procedures under the SECOM *Anshin* My Number service include operation at a dedicated secure site



SECOM Premium Net Plus unit (foreground)



My Number information is stored at a Secure Data Center facility

▶ SECOM *Anshin* My Number Service is introduced

In May 2015, we began providing the SECOM *Anshin* My Number Service, a comprehensive support service that enables companies to collect, manage and, when necessary, use their employees' My Number information. A key channel for marketing this service is through banks, which match us with clients approaching them for advice regarding ways to ensure the security of My Number information. This has led to a significant number of orders since the service's launch.

▶ Expanding the SECOM Premium Net lineup

In response to the proliferation of online banking scams involving illegal transfers of funds, we offer two versions of SECOM Premium Net, a system that guarantees the security of online transactions, for commercial customers and for consumers. SECOM Premium Net centers on a proprietary dedicated USB flash drive that connects the user's computer to the financial institution's online banking site, ensuring a secure communications channel. The commercial version of the system has earned high marks for its effectiveness, as a result of which orders from financial institutions continue to rise. Applications for the consumer version have been expanded to include online stock trading transactions.

We recently expanded the SECOM Premium Net lineup with the launch of SECOM Premium Net Plus, which is designed to block leaks of My Number information. Use of this service in tandem with the SECOM *Anshin* My Number Service is an effective way for companies to create an environment that doubly secures management of My Number information.

▶ Digital certificates and tailored support for digitizing documents

Since launching a Root Certificate Authority (CA)—the highest level of CA—in 2004 in compliance with recognized global standards, we have steadily expanded our digital authentication services business. Digital certificates facilitate the secure exchange of encrypted information between browsers and servers and are used to authenticate documentation registered by, among others, judicial scriveners. These certificates are also used in the digitization of contracts and other official documentation. In addition to providing technologies for digitization, we offer tailored support for, among others, the reconfiguration of business processes and confirmation of legal validity.

▶ Unveiling the SECOM *Anshin* Stress Check Service

In line with revisions to Japan's Industrial Health and Safety Act obliging employers to conduct stress checks, we unveiled the SECOM *Anshin* Stress Check Service. The act now requires that all workplaces with more than 50 employees conduct an annual stress check for all employees and, if requested by an employee, arranges for visits to a doctor and counseling. The SECOM *Anshin* Stress Check Service provides assistance to companies, employees and in-house medical staff, ensuring that stress checks are conducted in compliance with the Ministry of Health, Labour and Welfare's stress check system.

▶ Highly rated services for coping with major disasters

A series of earthquakes, localized torrential rainfall and other natural disasters in the past few years have encouraged an increasing number of companies in Japan to formulate

BCPs. We provide a number of services that assist such efforts. The SECOM Safety Confirmation Service, which helps subscribers ascertain the safety of employees and their families in the aftermath of a disaster, has earned high marks from users, and is currently recognized as one of Japan's leading crisis management support services. In tandem with this system, we also offer the SECOM Emergency Call Out Service, which facilitates the swift deployment of personnel critical to business continuity and the prompt resumption of operations. We also offer the Real-Time Disaster Information Service,

whereby the SECOM *Anshin* Information Center collects and scrutinizes disaster-related information, enabling us to support the subscriber's decision-making process and help ensure business continuity.



SECOM *Anshin* Information Center

Real Estate and Other Services

We develop and sell high-grade condominiums offering exceptional security and disaster-preparedness features, ensuring safety and peace of mind for occupants.

► Uniquely SECOM: Glorio-brand condominiums

In line with our goal of providing living spaces that deliver safety, peace of mind, comfort and convenience, we develop and provide high-grade uniquely SECOM condominiums under the Glorio brand. We recently commenced sales of units in Glorio Tokyo Sumiyoshi and other complexes in the Tokyo metropolitan area. Glorio Tokyo Sumiyoshi boasts a seismic grade 2 rating under Japan's three-grade system of ranking earthquake resistance. Each unit in the complex is equipped with MS-4, an on-line security system for condominiums; Tomahawk Jet α , which instantaneously extinguishes cooking stove fires; and a Pythagoras Wall Safe, while common areas are protected by the SECOM IX remote imaging security system.

We also commenced sales of units in The Park House Chitose-Karasuyama Glorio, a complex in Tokyo under development in collaboration with a major real estate developer. Park House Chitose-Karasuyama Glorio features several units designed in line with the concept of universal planning, thereby

enabling us to satisfy a more diverse range of occupant needs and preferences.

► Strengthening the SECOM Home Service lineup

SECOM Home Service is an optional suite of lifestyle support services available to SECOM Home Security subscribers. Featuring a broad menu of services—including the Housework Support Service, which delivers safety, peace of mind, comfort and convenience by providing help with housekeeping and small jobs around the house, and the *Anshin* Support Service, whereby we assist subscribers by, for example, patrolling around their homes when they are out—SECOM Home Service lets us tailor responses to subscribers' needs. In recent years, we have also seen an increase in contracts for SECOM Home Service Pack, which allows subscribers to group services in individualized one-year packages. In light of increasing needs engendered by Japan's super-aged society, we continue to promote acceptance of SECOM Home Service.



Glorio Tokyo Sumiyoshi



SECOM Home Service
(lifestyle support services)