

**NONCONSOLIDATED FINANCIAL REPORT
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2002**

November 11, 2002

Company name: Secom Co., Ltd.
 Code number: 9735 Tokyo Stock Exchange ----- First Section
 Osaka Stock Exchange ----- First Section
 Corporate headquarters: Tokyo, Japan
 For inquiries: Katsuhisa Kuwahara, Executive Director Phone (03) 5775-8100
 Date approved by Board of Directors: November 11, 2002
 Adoption for US GAAP: None

1. Summary of the nonconsolidated financial statements for the six months ended September 30, 2002 (April 1, 2002 – September 30, 2002)

(1) Operating results (Figures rounded down to the nearest million)

	Six months ended September 30		Year ended March 31
	2001	2002	2002
Revenue Percent change from the previous year	¥135,575 million 7.5%	¥137,436 million 1.4%	¥274,669 million
Operating income Percent change from the previous year	¥27,781 million 0.6%	¥29,162 million 5.0%	¥38,901 million
Ordinary income Percent change from the previous year	¥29,410 million 0.4%	¥30,208 million 2.7%	¥38,891 million
Net income Percent change from the previous year	¥17,325 million 0.6%	¥17,713 million 2.2%	¥16,948 million
Basic net income per share	¥74.32	¥76.82	¥72.70

Note 1. Weighted average number of common shares outstanding:

Six months ended September 30, 2001: 233,108,364 shares

Six months ended September 30, 2002: 230,574,752 shares

Year ended March 31, 2002: 233,138,018 shares

Note 2. Change in accounting policy: Yes

Note 3. Percent numbers shown in revenue, operating income, ordinary income, and net income represent the change from the results of the six months of the previous year.

(2) Dividends

	Six months ended September 30		Year ended March 31
	2001	2002	2002
Interim dividends per share	–	–	–
Annual dividends per share	–	–	¥40.00

(3) Financial conditions

(Figures rounded down to the nearest million)

	September 30, 2001	September 30, 2002	March 31, 2002
Total assets	¥544,899 million	¥561,368 million	¥570,769 million
Shareholders' equity	¥396,859 million	¥359,489 million	¥394,729 million
Shareholders' equity/ Total assets	72.8%	64.0%	69.2%
Shareholders' equity per share	¥1,702.44	¥1,596.13	¥1,692.29

Note 1. Number of common shares outstanding:

As of September 30, 2001: 233,112,486 shares

As of September 30, 2002: 225,225,908 shares

As of March 31, 2002: 233,252,257 shares

Note 2. Number of shares of common stock in treasury:

As of September 30, 2002: 8,055,225 shares

As of March 31, 2002: 22,512 shares

2. Forecasts for the nonconsolidated financial results for the fiscal year ending March 31, 2003
(April 1, 2002 – March 31, 2003)

	Year ending March 31, 2003
Revenue	¥279,698 million
Ordinary income	¥53,563 million
Net income	¥30,842 million
Annual dividends per share	¥40.00

Note: Expected basic net income per share: ¥136.94

*Forecast statements above include estimates based on current plans, assumptions and prospects and may differ from actual performance because of risks and uncertainties.

(in millions of yen)

Nonconsolidated balance sheets	September 30		March 31, 20002
	2001	2002	
	Assets:		
Current assets:	171,528	164,313	179,475
Cash on hand and in banks	79,879	94,074	101,946
Notes receivable	565	320	741
Due from subscribers	7,630	8,270	7,726
Accounts receivable, trade	6,055	3,536	6,719
Marketable securities	15,880	451	1,479
Inventories	11,078	7,986	11,212
Short-term loans to subsidiaries and affiliates	23,832	20,158	23,216
Common stock in treasury	5	-	-
Other current assets	28,863	32,472	29,392
Allowance for doubtful accounts	(2,261)	(2,958)	(2,959)
Fixed assets:	373,371	397,054	391,293
Tangible assets:	146,426	131,196	143,325
Signal equipment on subscribers' premises	56,315	-	56,633
Control station signal equipment	18,988	-	18,582
Security equipment and control stations	-	62,145	-
Buildings and improvements	23,432	20,668	20,576
Land	37,847	41,727	37,907
Other tangible assets	9,841	6,653	9,626
Intangible assets:	14,377	13,950	14,772
Telephone and telegraph utility rights	701	581	634
Software	9,526	10,210	10,535
Other intangible assets	4,150	3,159	3,602
Investments and others:	212,566	251,907	233,195
Investment securities	24,435	27,472	23,578
Investment securities in subsidiaries and affiliates	146,534	154,729	156,879
Investment in subsidiaries	3,681	3,991	3,991
Other investments	39,144	67,325	50,058
Allowance for doubtful accounts	(1,229)	(1,611)	(1,311)
Total Assets	544,899	561,368	570,769

(in millions of yen)

Nonconsolidated balance sheets	September 30		March 31, 20002
	2001	2002	
	Liabilities:		
Current liabilities:	97,046	127,913	98,234
Accounts payable	1,754	1,322	1,813
Bank loans	19,736	51,131	15,234
Current portion of long-term debt	466	-	33
Payables – others	10,833	8,306	10,167
Income taxes payable	14,948	12,989	18,163
Consumption taxes payable	1,608	1,880	1,839
Accrued expenses	626	575	619
Deferred revenue - service charges	20,051	21,036	20,108
Accrued bonus	5,132	5,236	4,939
Other current liabilities	21,889	25,436	25,315
Fixed liabilities:	50,994	73,965	77,805
Straight bonds	30,000	30,000	30,000
Convertible bonds	18	18	18
Guarantee deposits received	16,198	16,709	16,445
Accrued pension and severance costs	4,718	27,238	31,341
Other fixed liabilities	60	-	-
Total liabilities	148,040	201,878	176,039
Shareholders' equity:			
Common stock	66,143	66,368	66,360
Capital Surplus		82,544	
Additional paid-in capital	82,319	82,544	82,536
Earned surplus		253,532	
Legal reserve	9,028	9,028	9,028
Voluntary reserve	3,040	3,039	3,040
Unappropriated retained earnings	233,640	241,465	233,263
Unrealized gains (losses) on securities	2,686	730	642
Common stock in treasury, at cost	-	(43,687)	(141)
Total shareholders' equity	396,859	359,489	394,729
Total liabilities and shareholders' equity	544,899	561,368	570,769

(in millions of yen)

Nonconsolidated statements of income	Six months ended September 30		Year ended March 31
	2001	2002	2002
	Revenues		
Service charges and sales of merchandise	135,575	137,436	274,669
Costs			
Cost of service charges and sales of merchandise	74,355	74,419	162,427
Gross Profit	61,220	63,016	112,241
Selling, general and administrative expenses	33,438	33,854	73,339
Operating profit	27,781	29,162	38,901
Non-operating income	3,391	3,168	4,661
Non-operating expense	1,762	2,121	4,671
Ordinary profit	29,410	30,208	38,891
Extraordinary income	-	6,399	28,211
Extraordinary losses	584	6,936	38,712
Income before income taxes	28,825	29,671	28,390
Income taxes - current	14,387	12,526	29,442
Income taxes - deferred	(2,887)	(568)	(18,000)
Net income	17,325	17,713	16,948
Unappropriated earned surplus at beginning of the period	216,315	223,751	216,315
Unappropriated earned surplus	233,640	241,465	233,263