

[TRANSLATION]

March 30, 2012

To whom it may concern

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Notice Regarding Write-down on Real Estate Inventories, etc. and Revised Projections for Financial Results

While financial performance for the fiscal year ending March 31, 2012 has continued favorably due to the enhancement of expansion of security services in overseas and security product sales, etc., SECOM CO., LTD. (“the Company”) recognized write-down on real estate inventories, etc. in the three-month period ending March 31, 2012. The Company hereby announced that projections for financial results for the fiscal year ending March 31, 2012, originally announced on May 11, 2011, were revised as described in the following.

Projected annual dividends for the fiscal year ending March 31, 2012 are not affected by the revised projections for the financial results and remain at 90 yen per share.

1. Revision of projections for the consolidated financial results for the fiscal year ending March 31, 2012 (April 1, 2011 - March 31, 2012)

(In millions of yen)

	Revenue	Operating profit	Ordinary profit	Net income	Net income per share (in yen)
Previous projection (A)	673,900	100,000	103,000	57,300	262.81
Revised projection (B)	675,200	79,900	86,200	35,200	161.31
Change in amount (B-A)	1,300	(20,100)	(16,800)	(22,100)	-
Change (%)	0.2	(20.1)	(16.3)	(38.6)	-
(For reference) Financial results for the fiscal year ended March 31, 2011	663,887	99,141	109,674	60,846	279.07

2. Revision of projections for the nonconsolidated financial results for the fiscal year ending March 31, 2012 (April 1, 2011 - March 31, 2012)

(In millions of yen)

	Revenue	Ordinary profit	Net income	Net income per share (in yen)
Previous projection (A)	341,100	73,900	68,200	312.80
Revised projection (B)	343,800	75,200	26,400	120.98
Change in amount (B-A)	2,700	1,300	(41,800)	-
Change (%)	0.8	1.8	(61.3)	-
(For reference) Financial results for the fiscal year ended March 31, 2011	329,297	74,501	45,023	206.50

3. Reasons of the revision

As for projections for the consolidated financial results, a consolidated subsidiary in the real estate development and sales segment recognized write-down on real estate inventories of 20,723 million yen, owing to the fact that demand in condominium market has not led to full recovery. Also, the Company recognized impairment loss for fixed assets of 8,100 million yen, as a result of reviewing future profitability in consideration of stagnant economy owing to the Great East Japan Earthquake, etc.

As for projections for the nonconsolidated financial results, owing to the occurrence of write-down on real estate inventories in a consolidated subsidiary of the real estate development and sales segment, the Company recorded allowance for doubtful accounts on long-term loans receivable to this subsidiary of 5,518 million yen. And the Company exercised debt-equity-swap of part of loans to this subsidiary for the purpose of supporting its restructuring, resulting in debt-equity-swap loss of 25,000 million yen. Also, impairment loss for fixed assets amounted to 7,909 million yen. Furthermore, as a result of careful consideration of realizability of deferred tax assets, the Company reduced deferred tax assets, which could not be scheduled, by 16,001 million yen and recognized deferred income taxes.

4. Projections for the consolidated financial results for the fiscal year ending March 31, 2013 (April 1, 2012 - March 31, 2013)

The Company, celebrating the 50th anniversary on July 7, 2012, will continuously strive to reinforce strong sales of on-line security systems, including SECOM Home Security G-Custom, and security products, as well as enhance customer bases in

overseas, etc., improving profitability with comprehensive approach of “ALL SECOM,” the combination of all SECOM Group’s power.

Projections for the financial results for the fiscal year ending March 31, 2013 are as follows. Annual dividends are planned to be 100 yen per share.

(In millions of yen)

	Revenue	Operating profit	Ordinary profit	Net income	Net income per share (in yen)
Revised projection (B) for the consolidated financial results for the fiscal year ending March 31, 2012	675,200	79,900	86,200	35,200	161.31
Projection for the consolidated financial results for the fiscal year ending March 31, 2013	738,900	103,100	106,000	62,200	284.97
Change in amount	63,700	23,200	19,800	27,000	-
Change (%)	9.4	29.0	23.0	76.7	-

***Note on forward-looking statements:**

Projections for the future performance described in this document are provided based on all information available at the release date of this document. Actual performance may differ materially from the forward-looking statements due to various factors hereafter occurred.