

**E**stablished in 1962 as Japan's first security services firm, SECOM CO., LTD., has earned a reputation as a pioneer in the market by developing innovative products and services that truly benefit society. The Company's achievements to date have supported solid growth and transformed SECOM into a provider of security and peace of mind.

In 1989, SECOM introduced its vision for the future—the Social System Industry, a new framework of services created by integrating its products and services into distinctive, comprehensive packages that make life more secure, convenient and comfortable. To achieve this vision, SECOM has expanded its focus beyond security services to include medical, insurance, information, geographic information system (GIS) and education services. From this foundation, SECOM is now aiming to take the Social System Industry to the next level, the focus of which will be to maximize synergies among its diverse businesses and develop groundbreaking new products and services, thereby positioning the Company for further growth.

SECOM has also established an extensive network of security services subsidiaries and joint ventures overseas. This network currently encompasses companies in Taiwan, the Republic of Korea, Thailand, Malaysia, Singapore, Indonesia, the People's Republic of China, the United States, the United Kingdom and Australia.

We are  
SECOM.

### CONTENTS

HIGHLIGHTS .....	1
TO OUR SHAREHOLDERS.....	2
SPECIAL FEATURE.....	5
REVIEW OF OPERATIONS.....	16
FINANCIAL SECTION.....	21
SUPPLEMENTAL CONSOLIDATED FINANCIAL DATA (BASED ON JAPANESE GAAP).....	57
SUPPLEMENTAL NONCONSOLIDATED FINANCIAL DATA (BASED ON JAPANESE GAAP).....	61
CORPORATE INFORMATION .....	65
SECOM GROUP'S BASIC BUSINESS AREAS .....	67
DIRECTORS, CORPORATE AUDITORS AND EXECUTIVE OFFICERS.....	69