

SPECIAL FEATURE

Systems that Provide Security and Peace of Mind— The Next Step toward the Social System Industry



SECOM started as a security services company that offered security and peace of mind. It subsequently expanded services to meet customer demand for security, convenience and comfort by entering the medical, insurance, information, GIS and education fields.

The SECOM Group's mission is to establish the Social System Industry, and in doing so contribute to a society free from apprehension. To this end, we must offer innovative products and services that respond to society's needs and have the potential to generate synergy. This is important because we provide our products and services as packages or systems, rather than individually—an approach that enables us to offer peace of mind, convenience and comfort at appropriate prices. We can achieve this because of the wide scope of our operations.

By further integrating products and services into coordinated systems and offering them to the world, we will ensure SECOM is a company to which people can turn with confidence to meet a wide range of needs.

The following pages introduce some of the main steps we have taken in recent years to develop these synergies.

SPECIAL FEATURE

■ Peace of Mind for the Home

The SECOM Group strives to contribute toward a society free from anxiety. We aim to provide solutions to all the apprehensions that may exist in a home and earn the trust of householders so they will turn to us when they have concerns. This is why we broadened our focus from narrowly defined “security systems,” such as crime prevention and fire prevention systems, to products and services that enable us to provide peace of mind.

The centerpiece of such a system for the home is our SECOM Home Security systems, which provide on-line monitoring around-the-clock to respond to intruders, fires, gas leaks and medical emergencies. We also offer additional anti-intrusion devices and fire detection and extinguishing systems. Further protection is afforded by our insurance policies, as well as a

variety of home medical services to protect family health. Together, these services offer a comprehensive system that aims to provide subscribers with peace of mind at home.

Residential Anti-Crime Solutions

Public security has eroded in recent years and planned robberies and new types of home intrusion are occurring more frequently. To protect homes from crimes such as these, SECOM has launched a rapid succession of new crime prevention products.

One such product is SECOM *Anshin* Glass, a high-impact window glass with built-in sensors developed to prevent thieves from breaking windows and gaining entry into homes. The window’s breakage-resistant glass and sensor functions have combined to make it extremely effective against intrusions. If



SECOM control center



SECOM Home Security

an attempt to break the glass is made, not only does it make a loud sound but breaking it takes an extended period of time. If the homeowner is a subscriber to SECOM Home Security, a SECOM control center will be alerted the instant the breakage occurs and will dispatch emergency response personnel. SECOM Anshin Glass has been highly evaluated by purchasers, particularly SECOM Home Security subscribers.

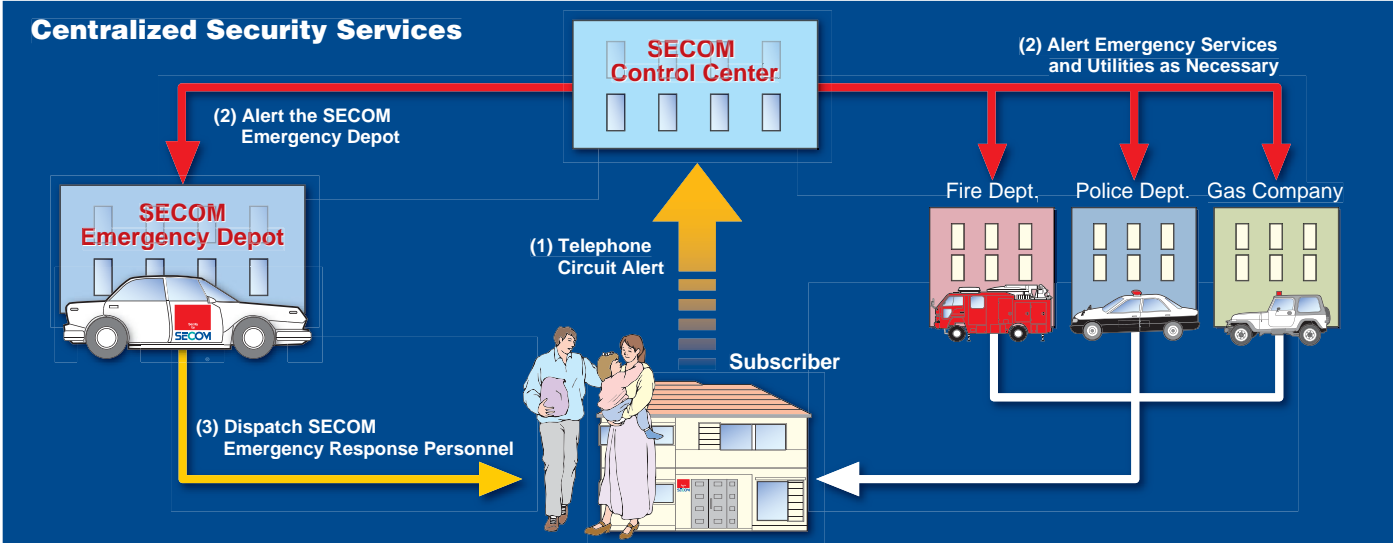
Criminals are demonstrating increasingly sophisticated methodology, such as impersonating delivery personnel to gain entry or using a home’s intercom to confirm the occupants’ absence. To combat resourceful criminals such as these, we released SECURIFACE. This intercom system combines an interphone



SECURIFACE

featuring built-in face detection technology with SECOM’s Home Camera System to create a complete image monitoring system with alert, monitoring, recording and control functions. The face detection function recognizes whether or not a person’s face appears in the field of

the camera in the interphone. If the person intentionally hides his or her face or stays out of the camera’s field of view, suspicious intent is assumed and the occupants are alerted to exercise diligence at the door. The know-how gained through operating security services and the advanced image processing technologies that went into the creation of this unique system illustrates how SECOM solves the challenges of modern life for its customers.



SPECIAL FEATURE

To combat forced entries, we came up with Strong Door, a reinforced door that can withstand an assault for an extended period of time. If bedroom doors are replaced with Strong Door, customers are protected from intruders while they are asleep.

Similarly, SECOM Window Frame can be installed on window exteriors to prevent entry. These attractive reinforced stainless bars are designed to resist tampering for an extended period of time and if they are broken or removed, their integrated sensors alert a SECOM control center.

In this way, SECOM has taken decisive steps to provide products and services to protect customers and their families at home from rapidly increasing incidence of intrusion.

We have also directed our creativity to fire prevention. Tomahawk Jet Alpha is an automatic fire extinguishing system attached to range hoods in residential kitchens. This system does not require pipes to be installed and protects the home from stove-top fires by directing a jet of fire suppressant on the burners if its sensors detect temperatures above 96°C (205°F).



Tomahawk Jet Alpha

■ Ground-Breaking Medical Services

SECOM Medical Club—Easing Anxiety about Health Issues

Eliminating fears about family health is one aspect of how we are offering security and peace of mind in the home. This is why we combined aspects of our security business with

the medical business to create SECOM Medical Club in November 2003. To date, we have offered My Doctor, an emergency medical alert system, as an option to SECOM Home Security subscribers. SECOM Medical Club is offered to subscribers as part of an integrated service package.

SECOM Medical Club offers three main services—preventive medical services, emergency medical



My Doctor emergency medical alert system

services and referral services for medical institutions and specialists—to accommodate family health management needs. Subscribers can evaluate their health status and living habits over the Internet or by mail with an easy-to-use Living Habits Check function, which includes a health checklist, a questionnaire on living habits to assess health and provide advice, and a prevention and treatment program for osteoporosis. These services are well utilized by subscribers.



SECOM Medical Club nurse center

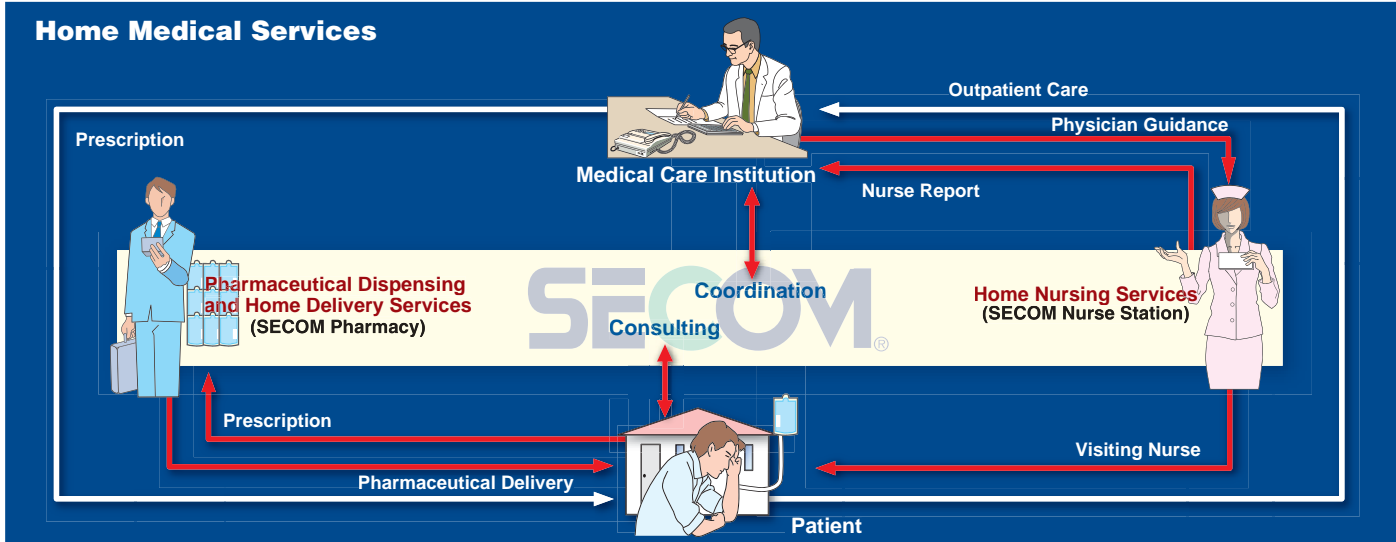
In addition, we offer a toll-free hotline staffed by qualified nurses, who provide telephone health consultation, health check referral and medical institution information search services.

For those who may be experiencing symptoms of a medical ailment or condition, we offer advice on possible causes. People who are anxious about whether they have a heart condition can use our electrocardiogram service to rent a self-administered mobile electrocardiograph and

send in their data, which is converted to an electrocardiogram and faxed back. We will continue to add new services that help people maintain and promote their health as we evolve our SECOM Medical Club services.

Quality Home Medical Services

The SECOM Group is keeping an eye firmly on the future of medical care in Japan while rolling out a precedent-setting series of medical services. Patients



SPECIAL FEATURE

convalescing at home, for example, can obtain 24-hour peace of mind with our nursing care and home personal care services. SECOM was the first company in Japan to offer a full-fledged home nursing service employing highly skilled and experienced nurses to attend to patients at their homes at regular intervals. With patients expressing much appreciation for these services, we have expanded the nationwide network of SECOM visiting nurse stations to 32. Home personal care services for individuals include assistance with daily activities, such as bathing, exercising, meal preparation and housework.

Using the experience gained in home medical services, in May 2004 we opened the SECOM Senior Club Tama Plaza, an adult day service facility for senior citizens. As with the visiting nurse and home care services, adult day services are covered by the

long-term care insurance scheme. The SECOM Senior Club Tama Plaza was conceived to provide seniors who require care with an enhanced lifestyle through the opportunity to meet others and enjoy various programs while providing respite to family members during the day.

■ The Ever-Expanding COCO-SECOM Lineup

SECOM began offering security services to corporate clients and then expanded to the home. We are now going one step further to focus on individuals, through our precedent-setting COCO-SECOM mobile security services, which combine security, information and GIS services. These services use Global Positioning System (GPS) satellites and cellular telephone base stations to pinpoint locations with high precision, providing a solution to people concerned about automobile or motorcycle theft, elderly family members who may wander and get lost or children who might be abducted.



SECOM Senior Club Tama Plaza

Since we launched COCO-SECOM in April 2001, we have continually added to the menu of services in response to customer needs. We presently offer services for people, motorcycles, automobiles, cash and valuables cases, construction machinery, safes, automated teller machines (ATMs), pets and motorized bicycles. The COCO-SECOM



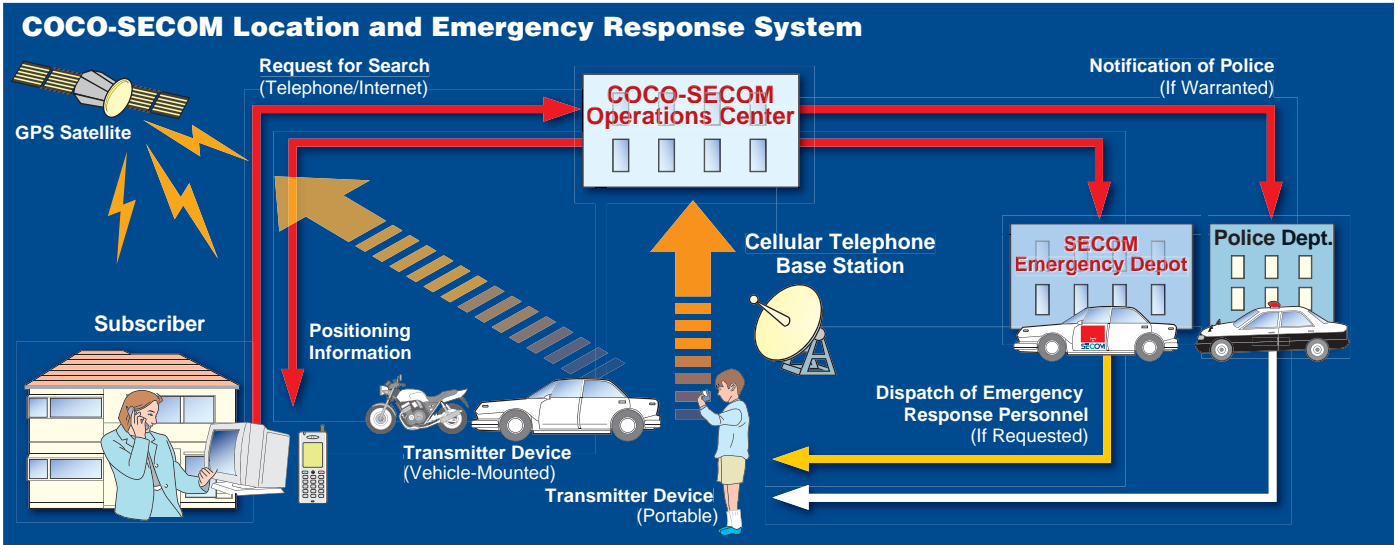
COCO-SECOM

lineup also includes a service that enables subscribers to pinpoint the location of several vehicles or individuals simultaneously, making it suitable for tracking commercial vehicle fleets and employees.

Child abductions and assaults on women are increasing. To counter this, we began offering new COCO-SECOM services with enhanced communication options. In addition to being able to alert and

summon SECOM to an emergency situation with the press of a single button, users can opt to use the services COCO-SECOM Inquiry Call or COCO-SECOM Watch Me Call. With COCO-SECOM Inquiry Call, for example, a parent can confirm the safety of a child carrying the special transmitter by using the Internet to send a signal to the trans-

mitter, which vibrates when it receives the signal. The child can then reassure the parent that they are safe simply by activating a switch on the transmitter. With COCO-SECOM Watch Me Call, a woman walking alone down a dark road, for example, can activate the transmitter and if she does not activate it again within a set period of time, an emergency signal is automatically transmitted to SECOM.



SPECIAL FEATURE

When we first launched COCO-SECOM services, communication was only possible in one direction, that is, it enabled someone at home to confirm the location of a family member carrying a transmitter when that person was out. Now, we offer interactive security, providing location data and a response by the person carrying the transmitter.

■ Business Synergies for Unique Insurance Policies

At SECOM, we believe combining on-line security systems with non-life insurance represents the ideal in seamless services that provide security and peace of



Heavy ion radiation therapy
© NIRS

mind. This is because our on-line security systems provide prior protection, while non-life insurance protects customers in the event of misfortune. The combination offers customers an enhanced level of reassurance. We are using this approach to develop a series of products that combines elements of

security and insurance.

Security Discount Fire Policy, for example, takes into account the lowered risk of an office that subscribes to on-line security systems to offer discounted premiums. The customer therefore not only breathes more easily knowing that a security system is protecting them, but also gains the peace of mind of being insured against loss for less cost. The same concept underlies the SECOM *Anshin My Home* policy for households. This policy offers lower premiums to home security subscribers.

The New SECOM *Anshin My Car* policy has several features. If the car is in an accident, at the request of the insured party we send emergency response personnel to the site to assist at any hour, any day of the year. In addition, the policy offers safe-driving discounts for families and a discount for using an anti-theft service, such as COCO-SECOM.



MEDCOM consultants

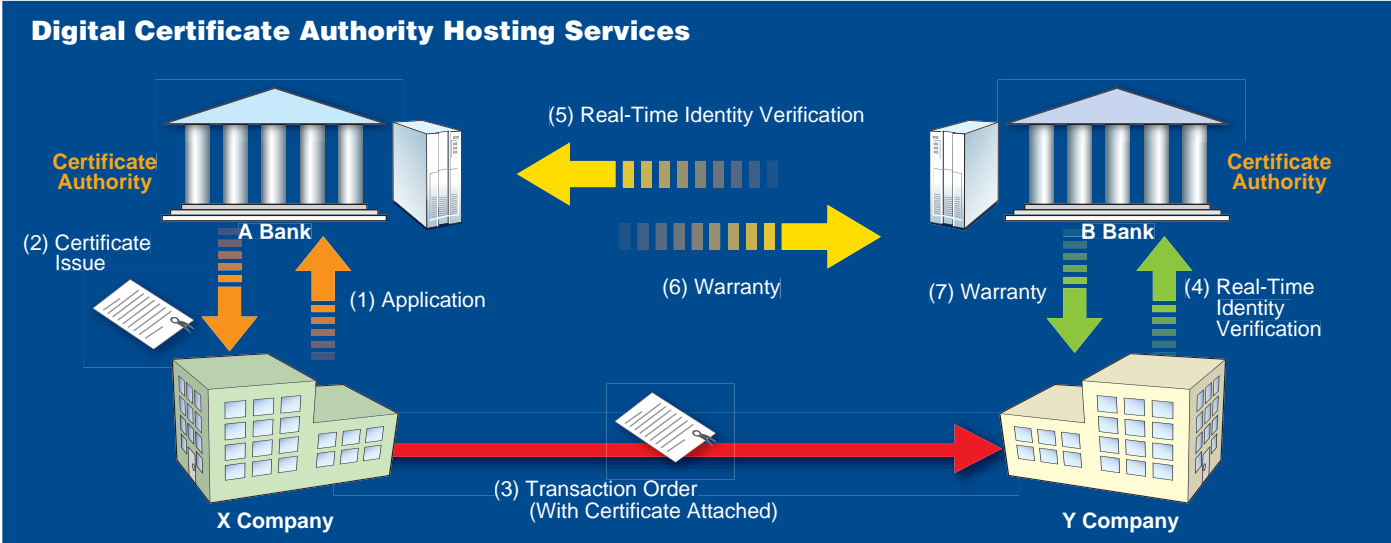
Our approach has also given birth to MEDCOM, an unrestricted cancer treatment policy that combines medical and insurance features. MEDCOM insures against the costs involved with cancer treatments. Until MEDCOM, in many cases patients could not take advantage of optimal cancer treatments that were not covered by the national health insurance scheme because of the prohibitive cost. This, in turn, slowed down the adoption of new treatments. With this product, the policyholder is referred to the best medical institution for their particular needs and Secom General Insurance Co., Ltd., covers all of the treatment costs.

In November 2003, we substantially upgraded the policy in response to user demand by having it cover the portion of cancer treatment costs (30%) that individuals must meet under the national health insurance

scheme. With guaranteed coverage, our customers can focus on getting better without having to worry about money issues or forgo treatment.

■ Security Needs for the Information Age

As the role of information increases in modern society, so too does the importance of information security. Information security involves physical protection and access control as well as cyber protection against interception and tampering perpetrated by hackers or malicious computer programs, such as viruses. By combining its expertise in physical and cyber security, SECOM is responding to the needs of its clients in the information age.



SPECIAL FEATURE

The Secure Data Center— Integrated Physical and Cyber Security

The Secure Data Center was inaugurated in December 2000. Access to the building is guarded around the clock with static guards and zero-blind-spot cameras, applying all the years of know-how that SECOM has accumulated in the realm of physical security. In the area of cyber security, our customers' servers are guarded ceaselessly by highly secure monitoring services that protect against unauthorized access and viruses, and by digital authentication services.



Secure Data Center storage area

The Secure Data Center operates the digital certificate authorities for a number of Japan's preeminent financial institutions. It also operates the extranet and servers of the Japanese subsidiary of a major U.K. pharmaceuticals firm, and is entrusted with their repair and

maintenance. As of May 2004, we also began offering a key activation report service and procedural services to help prevent and combat the recent spate of customer information and insider information leaks. With the key activation report service, a SECOM guard records the date and time, company name, title and name of any person who opens or closes a server rack. This information is relayed to the owner's IT contact. Under the procedural service, a SECOM guard accompanies the owner's IT staff or maintenance vendor at all times to prevent improper actions. As with bricks and mortar assets, SECOM ensures its customers' cyber assets are secure too.



Secure Data Center procedural services

Noncontact IC Card Systems— Security for the Information Age

Demand has risen for security systems that offer more reliability and convenience as public safety erodes and technologies progress. We have responded with our access-control systems. Our noncontact IC card systems control access to a building and each of its floors, provide definitive identification of individuals and control access to multiple servers—all with a single card. These systems blend physical and cyber security at an advanced level, providing security countermeasures that satisfy the demanding requirements of the information age.



Noncontact IC card system

■ Toward a World Free from Apprehension

The SECOM Group's growth to date reflects its adherence to its vision of building the infrastructure for a society in which people can enjoy security, convenience and comfort.

The fields of security, medical, insurance, information, GIS and education services are all part of the social infrastructure and essential to realizing the Social System Industry vision.

As we develop the various integrated products and services that will make the Social System Industry a reality, we will keep in mind the vital importance of offering high-value-added systems that serve the diverse needs of society. We will continue to adhere to a philosophy that seeks to transcend accepted boundaries and provide products and services that are truly beneficial to society. Last but not least, the employees of the SECOM Group will work to create and deliver the services and products that ensure customers are satisfied they chose SECOM.

Over the coming years, the SECOM Group will strengthen the SECOM brand and rise to the challenge of taking the Social System Industry to the next step by introducing revolutionary new products and services. We urge you to expect the best from the SECOM Group.