Profile



stablished in 1962, SECOM CO., LTD., is a pioneer in Japan's security services industry. Since its founding date, SECOM has sought to offer innovative products and services that benefit society, in line with its mission, which is to contribute to society through its business activities. These efforts have enabled SECOM to provide security and peace of mind, and achieve steady growth.

Today, SECOM—the parent company and the companies of the SECOM Group—continues to pursue a wide range of initiatives aimed at realizing its vision for the future, namely the Social System Industry—a framework comprising integrated packages of products and services designed to make life more secure, convenient and comfortable. SECOM has maximized the network it has built up through its efforts to provide security systems to offer a wide range of products and services crucial to corporate and residential customers. Now, SECOM is expanding its focus beyond security services to include fire protection services, medical services, insurance services, geographic information services, and information and communication related and other services. SECOM is building on its capabilities in these areas to provide comprehensive packages that encourage customers to turn to SECOM and inspire confidence that doing so will enhance security, convenience and comfort.

SECOM has also expanded into overseas markets, establishing a network of subsidiaries and joint venture operations in 11 countries and territories, where it has earned a solid reputation for providing security services of the same high quality as it offers in Japan. In particular, SECOM is focusing on the high-growth market of the People's Republic of China (PRC), and is establishing a business foundation by setting up operations in key coastal cities as part of a larger effort to expand its presence in the country.

Contents

Our Philosophy	1
A Message to Shareholders ·····	2
Business Index	5
SECOM Today	6
Financial Review	22
Audited Financial Statements	27
Other Financial Data	58
Supplemental Consolidated	
Financial Data (Based on Japanese GAAP)	63
Supplemental Nonconsolidated	
Financial Data (Based on Japanese GAAP)	67
Corporate Information	71
SECOM Group's Basic Business Areas ·····	75
Directors, Corporate Auditors	
and Executive Officers	77

Note: Unless specified otherwise, all figures contained in this annual report are based on the financial statements, which have been calculated and are presented in accordance with accounting principles generally accepted in the United States (U.S. GAAP).