

Security Services

Our distinctive approach enables us to offer high-grade on-line security systems.

SECOM's on-line security systems encompass the placement of sensors at its subscribers' premises, around-the-clock monitoring from a SECOM control center via telecommunications circuits, the dispatch of emergency response personnel from the nearest emergency depot, should the sensors detect an irregularity, and, if necessary, the notification of the police and/or fire department. Our insistence on providing emergency response services, as well as security equipment installation and monitoring, reflects our deep-seated belief that only by guaranteeing subscribers' safety can we honestly claim to be providing security.

Appreciation for SECOM on-line security systems continues to grow not only in Japan, but also in overseas markets where we offer the same SECOM-style security services. Support for SECOM on-line security systems reflects a number of key competitive advantages, namely:

- **Swift emergency response capabilities:** Capitalizing on our extensive experience, reflected in the prompt decision-making capabilities of our control center staff and the fast reactions of our highly trained emergency response personnel, we are well positioned to respond swiftly and effectively in the event of an emergency. Another key factor underscoring our responsiveness is our nationwide network of approximately 2,750 emergency depots—more than any other security services company in Japan—each of which looks after only a limited geographic area. The swift response capabilities of our control center staff and emergency response personnel continue to earn high marks from subscribers nationwide.
- **Comprehensive security systems that combine the capabilities of humans and equipment:** Our on-line security systems combine the speed and accuracy of sensors and communications equipment in detecting irregularities and transmitting information with the analytical capabilities and quick action of humans, thereby delivering superb service quality. We give priority to fostering expert emergency response personnel capable of responding effectively in various situations through training that capitalizes on our unique know-how. Highly trained staff, together with reliable, technologically advanced security equipment, ensure our ability to provide comprehensive security solutions that are a cut above the competition.
- **Integrated services scheme:** We maintain control over every aspect of our security services, from R&D to manufacturing, sales, security planning, installation, around-the-clock monitoring, emergency response services and equipment maintenance. This integrated scheme underpins both our reputation for reliability and the potency of the SECOM brand, ensuring stable, high-grade services.
- **In-house R&D capabilities:** Our R&D organization encompasses the Secom Intelligent Systems Laboratory, which conducts research in the area of basic technology, and the Development Center, which applies basic technology to develop new security systems. This configuration enables us to incorporate feedback from customers swiftly and accurately into the development process, as well as to act promptly in making modifications that enhance existing products and systems.
- **Effective training and management of human resources:** Four SECOM training centers in Japan provide training for emergency response personnel, as well as for individuals in sales and administrative positions, designed to transmit knowledge and techniques. These facilities also strive to impart the SECOM corporate philosophy and standards of conduct that employees, as security professionals, are expected to observe. The effective training and management of human resources is essential to our ability to provide high-grade services.
- **Ability to provide comprehensive peace of mind:** In addition to security services, we provide fire protection services, medical services, insurance services, geographic information services, real estate development and sales, and information and communication related and other services, which we can combine into unique, tailored ALL SECOM packages that enable us to go beyond simply installing security systems, ensuring our customers feel they can turn to us anytime for solutions that will remove sources of unease and deliver security and peace of mind.
- **Security services adapted to local markets:** SECOM-style on-line security systems continue to earn high marks in overseas markets. One reason for this is that since launching operations overseas in 1978, our approach has been to customize products and services to reflect local needs and cultural sensibilities. In April 2011, we commenced operations in New Zealand, which is our 12th overseas market. We will continue promoting broader market acceptance of SECOM-style security services in markets around the world.

With the aim of making SECOM on-line security systems available to an ever-greater number of customers, we recognize the need to offer optimal prices. To this end, we retain ownership of security equipment, which we rent—rather than sell—to subscribers. As a consequence, initial costs for subscribers are significantly lower than would be the case if they were required to purchase equipment outright. The rental format also allows us to take responsibility for maintenance and upkeep, facilitating prompt replacement in the event of a malfunction, or an upgrade, and ensuring stable high-grade services.

In the years ahead, our distinctive approach and the key competitive advantages of our on-line security systems will continue to support our ability to provide services of the highest quality.

Commercial Security Services



We are promoting greater market acceptance of SECOM security services by drawing on our advanced technologies and our wealth of expertise.

Responding to the diverse security needs of large-scale commercial facilities

Large-scale commercial facilities require sophisticated security systems that help deter crimes and prevent accidents from occurring and ensure secure operation and management. Leveraging our extensive expertise, we provide proprietary security systems customized to suit each customer's requirements. Orders for such security systems remain firm. Of note, we recently signed a contract to provide a security system for Tokyo International Air Terminal, the new international terminal at Haneda Airport in Tokyo's Ota City, which opened in October 2010. Under this contract, we currently assist in the safe operation of the terminal by providing static guard services, airport security checks for employees and the SECOM AED Package Service, a full-service package that encompasses leasing, installation and maintenance of AEDs in public areas. For JR Hakata City, the building housing Fukuoka's main railway terminal, which opened in March 2011, we provide comprehensive support to help ensure the station's secure and safe operation. Rebuilt to accommodate the inauguration of

full services on the Kyushu Shinkansen's Kagoshima Route, JR Hakata City has a total floor space of 200,000 m², making it one of Japan's largest railway station building complexes. Our package for JR Hakata City includes TOTAX ZETA, a comprehensive local control system for large-scale commercial facilities; static guard services (provided by joint venture JR Kyushu Secom, Inc.); SECOM Security Gates, which prevents unauthorized access through building entrances; a surveillance camera system; and TOMAHAWK JET fire extinguishing systems for restaurant kitchens.

As these examples show, one of our greatest strengths is our ability to combine various service systems into unique packages tailored to customers' diverse needs. Moreover, rather than simply selling automated security services, we also offer static guard services provided by highly trained professionals, thereby realizing a quality of security services only possible by integrating systems and human capabilities. Looking ahead, we will continue to respond to the sophisticated needs of large-scale commercial facilities by capitalizing on our high-grade security services and comprehensive human capabilities.



JR Hakata City

Commercial Security Services

Developing systems that facilitate automatic detection of crimes and accelerate responses

With robberies committed by perpetrators armed with knives or firearms on the rise in Japan, we see more situations where victims are unable to press the emergency alarm button to notify SECOM because they feel physically threatened. Taking action, in the period under review, we launched the Intelligent Emergency Alert System, which automatically detects abnormal or suspicious occurrences and alerts a SECOM control center without the need for anyone to press a button. This newly developed system employs a number of exclusive image and sound processing technologies, including those used in SECOM AX, an on-line image recognition system, and in SECURIFACE, an intercom system equipped with a novel facial recognition function.

Installed in critical areas, such as near a safe, the Intelligent Emergency Alert System automatically detects, for example, individuals wearing masks or trying otherwise to hide their faces, groups of individuals approaching the safe together and someone screaming. The system simultaneously transmits images and audio, together with an emergency signal, to a SECOM control center and image monitoring center, where staff promptly dispatches emergency response personnel and, if necessary, notifies the police.

The Intelligent Emergency Alert System's ability to swiftly detect potential robberies, break-ins and other crimes and to issue an automatic alert, expedites our response, thereby

helping to prevent such acts from actually occurring. This system is designed for use with the SECOM IX remote imaging security system to provide an advanced security solution. We continue working to introduce systems that are a cut above the competition to a wider range of customers.

Next-generation external sensor technologies that facilitate highly sensitive external monitoring of a premises

External intrusion detection systems generally involve the placement of infrared illuminators and photodetectors around the perimeter of a subscriber's premises, wherein if the beam is interrupted by a person in its path, an alert is issued. However, for wide areas, multiple illuminators and photodetectors are required and physical obstacles such as trees and sheds often make installation unfeasible. Recently, we introduced Laser Sensor, a new sensor that resolves such problems, facilitating effective detection of intrusions over a broad area with only a single unit. Performance is not affected by physical impediments and the size of the area monitored can be programmed according to requirements. The sensor also boasts an autonomous learning function, enabling it to automatically reset itself if objects are shifted in the monitored area. Used in tandem with a SECOM on-line security system, the sensor automatically sends an emergency signal to a SECOM control center should an intrusion be detected.



SECOM AX



Intelligent Emergency Alert System

Laser Sensor is particularly appropriate for monitoring large premises, including factories, offices, stores, schools, construction sites and materials storage yards. We will continue actively to market this system as an attractive alternative for locations where conventional detection systems are unsuitable.

Development of a stereoscopic facial recognition access control system using 3D images

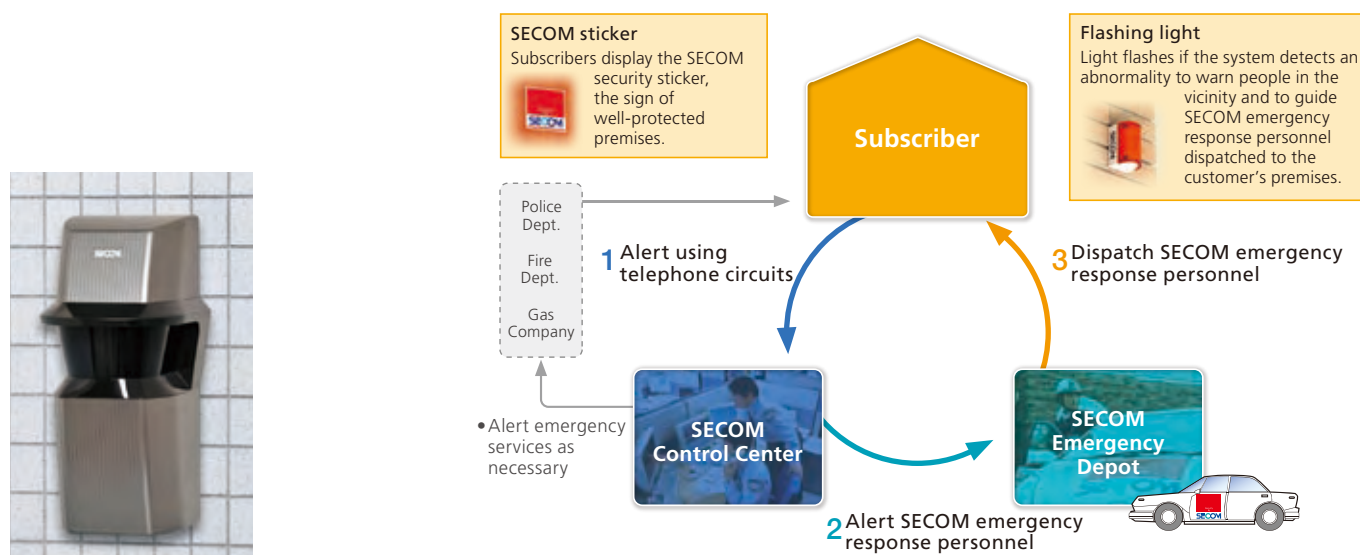
In recent years, intrusions and personal information leaks attributable to the loss or copying of employee ID cards have become issues of paramount concern for companies. To preclude such intrusions, many companies have introduced access control systems employing biometric authentication based on, for example, fingerprint, palm vein identification or facial recognition. Drawbacks to conventional facial recognition-based access control systems include the fact that individuals must stand still facing a camera and the need for manual system operation.

Responding to perceived needs, Secom Intelligent Systems Laboratory has for some time been promoting the development of facial recognition systems that use surveillance cameras to manage access control and detect suspicious persons. Individuals do not need to follow specific procedures, but can simply proceed in a normal fashion. In 2011, we expect to launch a stereoscopic facial recognition system, the Walkthrough Face Recognition System. The new system builds on our exclusive image processing technologies, which are integral to such offerings as SECOM AX, SECURIFACE and SESAMO IDs, our fingerprint-based access control system.



SECOM control center

Centralized (On-Line) Security Systems



Laser Sensor

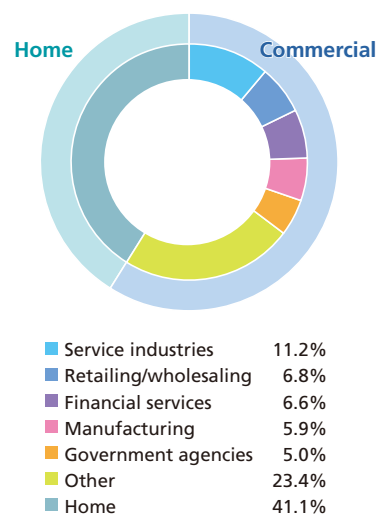
Commercial Security Services

The Walkthrough Face Recognition System works by automatically constructing a 3D image of each individual from a registered photograph of the face. Surveillance camera footage is then matched to this image to identify the individual. Because this system uses 3D images, it easily accommodates natural variations in features and posture—something not possible with existing facial recognition systems. Moreover, the system can process approximately 60 individuals per minute, allowing it to function effectively during high-traffic periods, such as the beginning and end of the workday. In addition to employee access control, the system is suited for identifying visitors who have previously called and been registered. By facilitating accurate, speedy facial recognition, the system will greatly enhance the convenience and efficiency of access control. Going forward, we will continue to develop and commercialize groundbreaking service systems that reflect our distinctive capabilities.



Walkthrough Face Recognition System

Contracts for Centralized Security Systems (As of March 31, 2011)



Home Security Services



By capitalizing on our distinctive capabilities, we continue responding to the increasingly diverse needs of homeowners for security and peace of mind by providing residential security products and services, centering on the growing SECOM Home Security system.

SECOM Home Security: Leveraging a wealth of experience and know-how accumulated over three decades

In 2011, we celebrated the 30th anniversary of SECOM Home Security, which we first introduced in 1981. Over the past three decades, we have expanded and modified the system's products and services in response to evolving social imperatives and lifestyles, as well as to changing patterns of criminal activity.

SECOM Home Security comprises sensors and other security equipment, which are placed in and around subscribers' homes, providing around-the-clock monitoring for intruders, fires and gas leaks, sending emergency alerts and calling for emergency medical attention. In the event an irregularity is detected, the system alerts a SECOM control center, where staff respond by assessing the situation, dispatching emergency response personnel and, if necessary, notifying the police and/or fire department.

In 1982, we introduced My Doctor, a pendant-style emergency medical alert system as an option for SECOM Home Security subscribers that, when activated, sends an emergency signal to a SECOM control center. In 2003, we added SECOM Medical Club, which gives subscribers access to telephone-based

health counseling and lifestyle assessments. Two years later, we inaugurated SECOM Home Service, further enhancing our ability to provide homeowners with security and peace of mind.

In light of the rising incidence of vicious crimes in Japan, in recent years we have reinforced the products and services we offer to SECOM Home Security subscribers. Examples include our External Image Monitoring service, which detects intruders and transmits images to a SECOM control center; SECURIFACE, an intercom system equipped with facial recognition; and SECOM *Anshin* Glass, a high-impact, breakage-resistant window glass that prevents break-ins. Looking ahead, we will continue striving to provide ever-greater security and peace of mind for SECOM Home Security subscribers.

In December 2011, we plan to launch SECOM Home Security G-Custom, a system that brings together a variety of services that enhance security and peace of mind and make life more convenient. One of these services allows subscribers, for example, to entrust family photographs, emergency contact information, information on prescription medications, to us for storage at a SECOM Secure Data Center, thereby ensuring such information is available in the event of an earthquake or other major disaster. A new function enables subscribers to check on the safety of elderly parents living far away, as well as to share photographs and messages with family members and

other relatives using the SECOM Home Security network. This new home security service system, which combines our extensive expertise in crime prevention and other security services and in information



SECOM Home Security



SECOM Home Security G-Custom

Home Security Services

security, is evidence of the excellence of our R&D capabilities. By continuing to develop such attractive new home security services, we will work to promote greater awareness of the concept of home security.

Expanding SECOM Home Service's geographic coverage and service menu

Launched in 2005, SECOM Home Service is a suite of close to 100 convenient, high-grade lifestyle support services developed for SECOM Home Security subscribers. Demand for these popular services has grown steadily since. In June 2010, we expanded the availability of all but a few of these services to include nonsubscribers, a move that has further spurred demand.

At present, the SECOM Home Service menu includes *Anshin* Support Service, whereby SECOM staff assist in resolving concerns that arise in everyday life by, for example, patrolling around subscribers' homes when occupants are away. Troubleshooting Support Service includes assistance in resolving unforeseen problems, such as lost keys. Housework Support Service provides help with housekeeping and around-the-house jobs. The SECOM Home Service Pack is a special plan that allows customers to sign up for services that suit their lifestyles on an annual basis. We continue to promote the expansion of this menu. Recent additions include Family Support Service, which provides short-term assistance with such tasks as tidying, cooking meals, doing laundry and airing bedding, and Family Grave Management, whereby we look after maintenance of the family grave on behalf of customers. We have also expanded our service area, as a result of which SECOM Home Service is now available in almost all parts of Japan.

Owing to the rapid aging of Japan's population and the growth of the nuclear family, we expect to see further growth in demand from seniors for lifestyle support services. Accordingly, we will continue to broaden our service menu to accommodate the needs of this important market.



SECOM Home Service (Family Support Service)

SECOM AS: Responding to needs in the rental housing market

One of the most important considerations for many individuals renting apartments or small multifamily dwellings is the building's security.

In Japan, the number of seniors living alone is on the rise, underscoring an increase in the need for home security systems that help prevent crime and fires. With this in mind, and with the aim of providing security and peace of mind for such individuals, as well as providing systems that help property owners enhance the appeal of their units, recruit potential tenants and ensure the stability of building management, we developed SECOM AS, a home security system designed especially for small-scale rental housing complexes with a built-in intercom system. Separate controls in each apartment not only enable tenants to use both the intercom and security functions, thus providing protection against burglary, but also enable them to alert a SECOM control center, should they feel ill at ease or require emergency medical services, greatly enhancing peace of mind. With the launch of SECOM AS, which offers significant benefits to both building owners and tenants, we are stepping up efforts to promote security for the rental housing market and bolster demand.



SECOM AS home security system for small-scale rental housing complexes

Other Security Services



COCO-SECOM continues to find new applications. With the aim of helping to save lives, we are working to promote wider acceptance of the SECOM On-Line AED Management Service.

mamorino 2



Expanding applications for COCO-SECOM continue to drive sales

The launch of the COCO-SECOM mobile security system for outdoor use in 2001 marked our expansion into the area of location tracking systems for individual subscribers. COCO-SECOM uses signals from Global Positioning System (GPS) satellites and cellular phone base stations to pinpoint the location of portable transmitter devices with outstanding precision. Simply by pushing the alert button on the device, an individual in danger can instantly notify the COCO-SECOM operations center. The operations center will dispatch emergency response personnel whenever needed.

Initially advanced as a way to prevent child abductions, locate elderly people who had wandered off and avert the theft of cars and motorcycles, today's COCO-SECOM is attracting attention for a wider range of applications, including preventing the theft of handbags or construction equipment, managing taxi and bus fleets and thwarting vandalism and removal of automated teller machines (ATMs).

Cellular phones for children with COCO-SECOM as a standard feature (*mamorino* and *mamorino 2*) earn high marks

Designed to provide security for preschool- and primary school-age children, *mamorino* was developed in collaboration

with a major telecommunications company. If a child feels threatened, all he or she has to do is sound the phone's security alarm to alert the COCO-SECOM operations center, which then tracks the child's location. The operations center then makes contact with the child and a parent or guardian and, if requested, dispatches emergency response personnel to ensure the child's safety. Because it does not have a web browser function and allows only a limited number of telephone/email contacts, *mamorino* also protects children from potential trouble arising from Internet and e-mail use. In March 2011, we launched *mamorino 2*, with expanded performance features, including a function that ensures location tracking and security alarm services remain active even when the phone is turned off during class hours, as well as a function that enables parents and guardians to keep an eye on their child's movements using a smartphone or a computer.

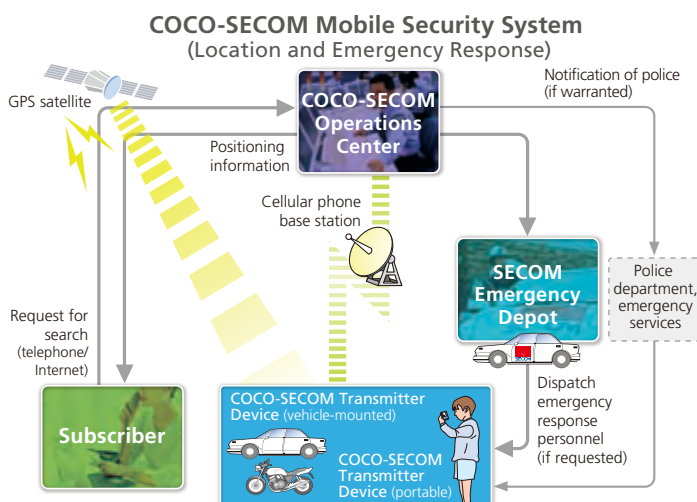
New around-the-clock AED management services

We currently offer the SECOM AED Package Service, a full-service package for automated external defibrillators (AEDs). However, with the installation of AEDs expanding in Japan, there have been a number of incidents recently in which devices have failed at a critical moment as a result of maintenance lapses. In response, we developed the SECOM On-Line AED Management Service, an automated daily maintenance service that ensures AEDs are kept in proper working order around-the-clock.

One of our principal goals as a corporate entity is to contribute to a society free from apprehension. Accordingly, we see promoting further market acceptance of AEDs as an important mission. Going forward, we will actively market the SECOM On-Line AED Management Service with the aim of further helping to save lives.



SECOM On-Line AED Management Service



Overseas Security Services

We continue to grow our overseas operations by offering comprehensive, high-grade security services customized to reflect local needs and cultural sensibilities.

Emergency response personnel (Thaisecom Pitakkij Co., Ltd.)



Solid results from overseas security businesses

Our first inroads into overseas markets were in 1978, when we began operating in Taiwan. In the years since, we have also established operations in the Republic of Korea (ROK), the PRC, Thailand, Malaysia, Singapore, Indonesia, Vietnam, the United Kingdom, Australia, New Zealand and the United States.

The distinguishing feature of our overseas security services is that we offer SECOM-style on-line security systems customized to reflect local needs and sensibilities. By this, we mean not only installing equipment and monitoring customers' premises from a control center, but also dispatching highly trained emergency response personnel and, if necessary, contacting the police and/or fire department. This is the same comprehensive approach we use in Japan, which differs significantly from the on-line security systems offered by European and U.S. security service providers—which, as a rule, specialize in sales, installation or monitoring—in that it enables us to better provide customers with security and peace of mind. Demand for such services continues to grow steadily in overseas markets.

Expanding operations in key markets

Recognizing the tremendous potential of the local market, we began offering services in the PRC in 1992. Initially, our focus was on offering on-line security systems in the cities of the PRC's high-growth coastal areas. Since then, we have broadened our service network to include inland cities. Today, our services encompass 18 cities—Beijing, Tianjin, Dalian, Shenyang, Qingdao, Shanghai, Suzhou, Wuxi, Kunshan, Hangzhou, Ningbo, Fuzhou, Xiamen, Shenzhen, Guangzhou, Dongguan, Chengdu and Xi'an—and we continue to see solid growth in our subscriber base.

The PRC has approximately 2,400 state-operated security services companies, as well as numerous internal private firms and foreign-affiliated firms, as a result of which the local market is intensely competitive. At the same time, heightened awareness of the need for effective security has spurred demand for high-grade services. In this environment, recognition of the intrinsic value of SECOM-style on-line security systems is rising. In 2008, we established an R&D center in Shanghai, better positioning ourselves to develop the products and services suited to local market needs.

In Taiwan, subsidiary Taiwan Secom Co., Ltd., enjoys the leading share of the Taiwanese security services market. Taiwan Secom is also publicly listed on the Taiwan Stock Exchange. Maintaining the SECOM business model, Taiwan Secom rents security equipment and enters into long-term contracts with subscribers. The company's subscriber base continues to increase steadily.

In the ROK, joint venture S1 Corporation is currently the country's top security services company and is listed on the Korea Exchange. S1 provides an extensive selection of security services to an increasing number of subscribers, including homeowners, companies and large-scale commercial facilities.



Emergency response personnel (Shanghai Secom Security Co., Ltd.)



Control center (Secom Australia Pty. Ltd.)

We are also expanding SECOM-style on-line security systems in Southeast Asia by providing products and services that respond to local needs in individual markets. A market leader in Thailand, we are not only active in the private sector, but also participate in large-scale public sector projects, reinforcing our position in the Thai market as a comprehensive security services firm. In Malaysia, we supply security systems combining static guard services and security equipment to local companies, as well as to the local subsidiaries of foreign companies, including those from Japan, and enjoy a strong competitive advantage. In Singapore, we are developing distinctive products and providing broad-based services that accommodate a trend toward the outsourcing of social services. Our focus in Indonesia is on antiterrorism security products suitable for airports, harbors, major facilities and high-rise office buildings, among others, and we have grown to become a leader in the local security services market.

In the United Kingdom, our track record as a provider of high-grade on-line security systems has earned us a solid reputation. Our expanding U.K. subscriber base currently includes major financial institutions, retail chains, companies, public facilities and large-scale facilities, as well as private homes.

Broadening our geographical coverage to 12 countries and territories

Our presence in Australia dates back to 1990, when we began providing a full menu of services, including on-line security systems, static guard services, equipment installation and maintenance, among others, earning solid praise from customers. Our subscriber base in Australia currently comprises major corporations, financial institutions and public offices. Many of our Australian customers also have bases in New Zealand.

Having thus recognized significant demand in New Zealand, we acquired a local company and began offering SECOM-style security services. Prior to the acquisition, the company—which has since been renamed Secom Guardall Ltd.—specialized in the sale of security equipment and maintenance and inspection services, and enjoyed a significant share of the local market for security services for major financial institutions and retail chains. Today, Secom Guardall is leveraging its broad service menu, which integrates its predecessor's security equipment sales and maintenance and inspection services with SECOM's on-line security systems and static guard services, to cultivate new demand nationwide.



Head office and local staff (Secom Guardall Ltd., New Zealand)

Fire Protection Services



High-rise fire prevention center

Nohmi Bosai's technological capabilities and wealth of expertise are enabling us to develop new systems and respond to rising demand in the renovations market.

Providing comprehensive fire protection systems

Subsidiary Nohmi Bosai is a leading name in fire alarms and other fire protection systems, with an extensive lineup that includes products for office buildings, plants, tunnels, cultural properties, ships and homes. A provider of integrated services, Nohmi Bosai takes responsibility for R&D, assembly, planning, installation and maintenance, an approach that has earned it the trust of customers nationwide.

In recent years, the deterioration of older office buildings has stimulated demand for renovations to update automatic fire alarm systems and other equipment. Responding to demand in this market, Nohmi Bosai is drawing on its achievements, and on the solid trust of its customers, to bolster orders from those undertaking renovations. With many older high-rises due to be renovated, demand for replacement of fire alarm systems is expected to expand in the future. Nohmi Bosai has established a department dedicated to the aim of improving its ability to provide solutions to customers in the renovations market and bolstering orders.

In the area of fire extinguishing equipment, Nohmi Bosai's product lineup includes sprinkler systems, foam fire extinguishers, such as those found in parking lots, and gas fire suppression systems for locations that preclude the use of water-based systems. Boasting advanced technologies in the area of fire extinguishing systems for industrial plants, factories and road tunnels, the company continues to capitalize on its reputation for excellence in customized fire extinguishing systems to cultivate new orders.

As an integrated services provider, Nohmi Bosai views maintenance services as a crucial responsibility. Regular maintenance calls are also opportunity to strengthen relations and enhance customer satisfaction because they enable Nohmi Bosai to keep abreast of the condition of its customers' systems. This approach also gives Nohmi Bosai a distinct competitive advantage when it comes time for customers to replace existing systems, a key factor in securing orders for new installations and another reason for the company's emphasis on maintenance services.

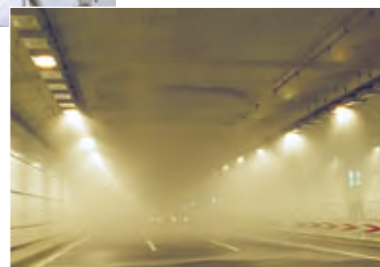
Leveraging a solid record in the provision of systems for large-scale facilities to develop innovative fire protection systems

A pioneer in Japan's fire protection services industry, Nohmi Bosai has built a solid record in the provision of systems for large-scale facilities, achieving growth and securing its position as the first choice of customers who place a high emphasis on safety. Recognizing the importance of adding value in distinguishing its products and services from those of its competitors, Nohmi Bosai has leveraged its technological capabilities and wealth of expertise to develop and launch such innovative offerings as PROTECTVIEW, a fire detection and alarm system that monitors for early signs of fire, thereby minimizing damage; Group Home Sprinkler System, a dry-pipe extinguishing system that is connected directly to a water pipe, for designated social welfare facilities; and Dry Mist, which uses sprinkler technology to reduce ambient temperature.

Going forward, Nohmi Bosai's development prowess and accumulated technologies will continue to underpin its efforts to respond to evolving social imperatives and shape the fire protection services industry, adding new value to products and systems that enable it to further bolster orders.



Clean room testing of fire extinguishing system



Water spray system installed in road tunnel

Medical Services



Alive Setagaya Nakamachi

By providing comprehensive services in the medical care, personal care, social welfare, health care and preventative care fields, we are giving new form to our ideal of providing security and peace of mind.

Home Medical Services: An expanding business

Our decision to diversify into medical services reflected our belief that protecting the health and lives of people is a natural extension of our commitment to provide security and peace of mind. Today, our medical services business encompasses a wide range of services in the medical care, personal care, social welfare, health care and preventative care fields.

Home Medical Services—a mainstay of this business—centers on home nursing, which involves regular visits by nurses to patients in their homes to provide expert nursing services and treatment in accordance with the instructions of the patient's physician, and pharmaceutical dispensing and home delivery services.

Our home nursing services, which began in 1991, are rated favorably by customers. This reflects a number of factors, including our rigorous proprietary training program, which is designed to further hone the skills of our visiting nurses and enable them to provide highly professional services. Our pharmaceutical dispensing and home delivery services range from the dispensing and delivery of common oral and topical medications to the provision of specialized services for home health care patients. These include the dispensing of nutrient solutions for parenteral nutrition, pain relief injections and home visits by pharmacists to provide guidance on the use of prescribed medications.

In June 2011, we opened SECOM Home Health Care Center Kugayama, a facility providing total services that combine con-

ventional home nursing with home personal care. The same month, we introduced *Karada ViBI*, a new brand of products in our mail-order health foods business, which we launched in 1998. We are currently marketing this new brand, highlighting its emphasis on safety and quality.



Home nursing services

Expanding our service menu to respond to the needs of an aging society

In October 2010, we opened Alive Setagaya Nakamachi, our 12th residence for seniors, in Tokyo's Setagaya City. Equipped with the SECOM IX remote imaging security system, as well

as SECOM Active IC Tag System, which controls access to the facility using IC tags, eliminating the need to swipe cards over a card reader, the new facility makes full use of SECOM's capabilities in the security services field to ensure the safety of residents.

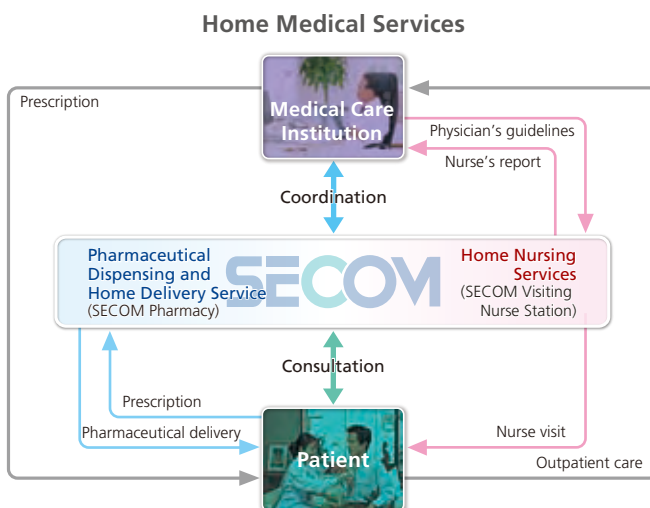
In April 2011, we opened SECOM Senior Club Fujigaoka, a day service center. This is the fourth facility in the SECOM Senior Club series, conceived to help seniors enjoy more fulfilling lifestyles. The new facility has received high marks from local seniors.

Collaboration among 17 associated hospitals to enhance operating efficiency and quality of care

We have established an association with 17 local hospitals, enabling us to ensure top-level care and earning us a reputation for reliability.

New Tokyo Hospital, in Matsudo, Chiba, is recognized for excellence in the treatment of cardiovascular disease. Seeking to cater to international patients, New Tokyo Hospital is currently building a new facility, completion of which is scheduled for 2013.

We also provide a variety of support services for hospitals and clinics that help enhance operating efficiency and the quality of care provided. Particularly notable are Hospinet, a remote image diagnosis support service, and SECOM Ubiquitous Electronic Medical Report, a medical report system that ensures safe storage of medical records and common access by all members of a patient's medical team.



Insurance Services



SECOM Anshin My Home call center

Sales of our distinctive non-life insurance policies continue to expand.

Revision of SECOM Anshin My Home enhances competitiveness

Diversification into the non-life insurance business came about as a result of our conviction that augmenting our security services, which provide prior protection, with insurance, which looks after people in the event of misfortune, would reinforce security and peace of mind.

We have developed a lineup of distinctive non-life insurance policies that capitalize on the strengths of the Group. Notable offerings include the Security Discount Fire Policy, for commercial customers, and SECOM Anshin My Home, for residential customers. These policies are aimed primarily at on-line security services subscribers that take into account the risk-mitigating nature of on-line security systems and offer a discount on regular premium rates to such customers, thereby reducing their costs.

In January 2011, we began offering a new, more competitive version of SECOM Anshin My Home. As a consequence, customers can now choose from among three versions of this policy—Wide, Basic or Slim—which they can configure to suit their own needs by adding options, which include special policy conditions, tailoring the policies to their requirements. Additionally, we offer discounts for houses with exclusively electrical—i.e., no gas—appliances and improved fire resistance.

Such efforts contributed to an increase in the number of policies. We also continue to benefit from considerable synergies among our businesses. In some cases, the drawing up of a security system contract prompts a subscriber to purchase insurance, while in others the decision to purchase insurance encourages a customer to sign up for security services.



Head office of Secom General Insurance Co., Ltd.

MEDCOM unrestricted cancer treatment policy subscriptions are on the rise

One of our most popular insurance policies is MEDCOM, an unrestricted cancer treatment policy that provides full coverage for hospitalization and medical treatment costs, for both those covered under Japan's National Health Insurance scheme and those that are not, for which the patient normally bears the full cost. In April 2009, we enhanced coverage under MEDCOM to include outpatient treatment, placing no restrictions on the number of days of outpatient treatment allowed and providing coverage for outpatient treatment of up to ¥10 million for each five-year period. This improvement has supported steady growth in subscriptions. MEDCOM continues to earn high acclaim not only from subscribers, but also from insurance industry experts. Looking ahead, we will continue to actively market MEDCOM with the aim of enabling people to take advantage of the most appropriate treatment options available.

Enhancing our unique SECOM Anshin My Car automotive insurance policy

SECOM Anshin My Car is a unique policy that includes on-site support by SECOM emergency response personnel if requested by the policyholder. In the event of an accident, this service plays a significant role in easing the anxiety of vehicle owners in the immediate aftermath of an accident.

Looking ahead, we will step up efforts to market these policies by highlighting the distinctive benefits of insuring with SECOM.

Geographic Information Services



Section of a national land map

We are making use of our geospatial information capabilities to expand our services in such areas as satellite image data, as well as to strengthen our overseas operations.

Broadening geographic information services that utilize satellite data

Subsidiary Pasco Corporation began as a provider of measuring and geographic data services based primarily on aerial photography. Today, the company is leveraging its capabilities to provide geospatial information services for the development of social infrastructure crucial to both public-sector planning and private-sector corporate management.

Since 2008, Pasco has provided image data offered by the operator of TerraSAR-X, a German commercial satellite that delivers images with higher resolution than other commercial satellites. To reinforce its satellite image-based geospatial information services, in January 2011 Pasco completed the PASCO Hokkaido Ground Station, a receiving station in Chitose, Hokkaido. This is its second such facility, joining the company's first domestic receiving station in Itoman, Okinawa. The addition of a new receiving station has facilitated extension of the usable pass time—the length of time the satellite is contactable when it is above a certain location—to 16 minutes, from 10 minutes, an achievement that will make a crucial difference when applied to disaster prevention and environmental monitoring, contributing to greater security and peace of mind.

Pasco enjoys exclusive rights in Japan and nonexclusive rights worldwide to sell image data generated by the operator of TerraSAR-X. The image capturing ability of TerraSAR-X is not affected by the weather, ensuring high-grade, timely data. At present, with rights to utilize data from a total of 14 commercial satellites, Pasco works tirelessly to enhance the quality

of the data it provides. A proponent of the importance of satellites in monitoring natural disasters, Pasco analyzed image data from TerraSAR-X from before and immediately after the Great East Japan Earthquake to pinpoint the devastated areas. Pasco also prepared map data, which it distributed to related organizations and government agencies, helping ensure a swift, accurate grasp of the situation on the ground, as well as assisted relief efforts, bolstering awareness of the value and effectiveness of satellite monitoring in times of disaster.

In Japan, Pasco has participated in the ASNARO (Advanced Satellite with New system ARchitecture for Observation) project, an initiative for developing an advanced small satellite that can be built and launched for short periods and at a low cost. Pasco is in charge of developing a compact integrated mobile receiving station for the satellite. This system will ensure a highly effective reception framework capable of functioning even in the event of damage to the communications infrastructure, enabling Pasco to go to affected areas and receive, process and provide satellite image data.

International orders continue to grow

Pasco has established subsidiaries in a number of countries, including Finland, Brazil and Belgium, with the aim of submitting tenders for overseas projects. Demand for better infrastructure is rising in developing countries, resource-rich nations and emerging economies. Beginning in the period under review, Pasco is assisting in the preparation of mapping data for the island of Sumatra, in Indonesia, a project that is expected to

take three and a half years to complete. Looking ahead, Pasco will make use of its group network in Asia, Europe and Brazil to broaden the geographic scope of its services.



PASCO Hokkaido Ground Station



Integrated Mobile Station
(1/12 scale model)

Real Estate Development and Sales



Glorio Roka-koen

This business encompasses the development and sale of condominiums with advanced security features.

Glorio Roka-koen honored with an award for excellence in condominium complexes

In line with our emphasis on peace of mind and comfortable living, we develop and sell condominiums in the Glorio series, which are equipped with advanced SECOM security systems. A notable example is Glorio Roka-koen, in Tokyo's Setagaya City. This complex combines SECOM MS-3, a security system developed specially for condominiums, with around-the-clock access control, as well as the SECOM IX remote imaging

security system and a sensor-equipped perimeter fence, to provide quality homes that are safe and secure. In the period under review, Glorio Roka-koen was honored with an award for excellence in condominium housing from the Japan Residential Land Development Federation. In presenting this award, the organization praised the complex's design concept, which emphasizes harmony with nature, spacious freestanding blocks and secure living.

Information and Communication Related and Other Services



New Secure Data Center (left)

We are enhancing our service menu to respond to increasingly diverse needs for effective information security and BCPs.

Services provided by new Secure Data Center facility earn high marks

Our Secure Data Center has provided data security services rated among the best in Japan since it opened in 2000. The facility houses servers, as well as important data, entrusted to us by subscribers, who include prominent financial institutions. In recent years, we have seen a sharp increase in demand for effective solutions that prevent the leakage of classified and personal information and for assistance in formulating BCPs to facilitate the swift restart of operations in the event of a major disaster. Responding to such needs, in August 2010, we opened our fifth Secure Data Center facility, which provides a highly secure environment, thanks to sophisticated SECOM security features, including an access control system that capitalizes on our extensive expertise in such systems, as well

as a biometric identification system and metal detectors. The facility also offers around-the-clock information monitoring provided by our highly trained information security staff, ensuring instantaneous response in the event of a breach. Other key features include a safe location and an advanced seismically isolated design. In addition to data center services, which include housing servers, our Secure Data Center facilities function as a base from which we provide operational and management support for customers' data systems, as well as SECOM cloud computing-based services, including SECOM Safety Confirmation Service. These and other features continue to bolster the Secure Data Centers' subscriber base.

Our Secure Data Center facilities once again proved their worth in the Great East Japan Earthquake of March 11, 2011. Despite the disaster and rolling blackouts implemented in its

aftermath to save power, these facilities continued to operate uninterrupted, thus ensuring customers' valuable information



Disaster monitoring center

assets were securely protected. Entrusting servers to a SECOM Secure Data Center facility has recently attracted the attention of companies that recognize this as an effective way to reduce their consumption of electric power.

Demand continues to expand for SECOM Safety Confirmation Service

SECOM has acquired a significant reputation as a provider of services designed to support business continuity and help ensure the prompt resumption of operations in the event of a major disaster. Of particular note is SECOM Safety Confirmation Service, which helps confirm the safety of employees and assess the extent of damage. The service's effectiveness and ease of use continue to attract acclaim from customers, who range from government agencies to private-sector corporations.

Support for SECOM Safety Confirmation Service reflects broader awareness of the need for stringent risk management following the Japanese government's publication of guidelines for BCPs. The service was effective in the wake of the Great East Japan Earthquake, drawing considerable attention from a variety of quarters. Our technological prowess, which enables us to customize products and services to suit the needs of customers, together with our extensive consulting capabilities, are key factors. In recent years, we have also offered SECOM Safety Confirmation Service SCM, which enables subscribers to confirm the safety of and the extent of damage to key suppliers, and SECOM Safety Confirmation Service GS, which enables subscribers to confirm the safety of overseas employees. We continue to develop and add new performance features to SECOM Safety Confirmation Service in response to arising needs, including functions that assist companies to manage exposure to new strains of influenza, make inquiries in English, and gather together personnel with capabilities necessary to facilitate a swift return to business.

We are further applying our know-how in security services and the foundation we have established with SECOM Safety Confirmation Service to provide risk management services. One of these is Initial Response Operations Service, whereby our

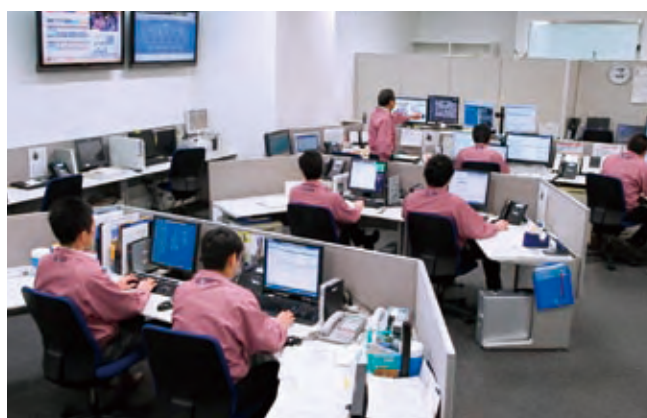
Secure Data Center
server room



expert staff provide around-the-clock services in the aftermath of a major accident or information leak, which encompasses handling queries from employees and other involved parties and swiftly notifying executives and other pertinent individuals in charge on the customer side. Another is SECOM Emergency Contact Network Service for everyday emergencies, which facilitates efficient contact via e-mail and enables an administrator to confirm collated responses, thus ensuring the swift communication of information. Used together, Initial Response Operations Service and SECOM Emergency Contact Network Service ensure effective emergency communication from the moment a disaster occurs.

In the information security field, our offerings include SECOM Information Leak Assessment Service, whereby our expert staff carefully examine the customer's information systems and diagnose problems regarding risk of an information leak. This service continues to find application in a wide range of industries and fields.

Drawing on our accumulated expertise in information security and our reputation as a professional in the field, we have launched SECOM Professional Support, which provides around-the-clock support in the event of a widespread computer virus infection or unauthorized network access. This service, whereby we dispatch SECOM information security professionals to the subscriber's premises, has earned considerable acclaim from customers.



New Secure Data Center monitoring room

Environmental Initiatives

With the belief that protecting the environment is essential to our ability to provide security and peace of mind, we continue to promote environmental initiatives in line with our basic environmental philosophy, which is to incorporate consideration for the environment in all areas of our operations.

- **A recycling-oriented, low-carbon business model**

In our on-line security services business, we provide security equipment on a rental basis, rather than selling it, and take full responsibility for management, including the collection after use. This enables us to minimize waste, as well as to reuse and recycle in an efficient manner. Our efforts to ensure a recycling-oriented, low-carbon business model also encompass the promotion of green purchasing and environment-friendly design.

- **SECOM Eco Data System supports corporate efforts to reduce energy consumption**

The SECOM Eco Data System is the first product to come out of our new environmental protection business. The system calculates and displays electric power, gas and other energy consumed, and is aimed at the approximately 10,000 companies in Japan obliged to report such information under the revised Law Concerning the Rational Use of Energy, which was enacted on April 1, 2010. By making energy use visible, the system assists the efforts of companies obligated under the law to achieve a 1% annual energy reduction to promote energy-saving initiatives.

- **Reducing the environmental impact of our operations**

We are currently implementing a program aimed at replacing the approximately 5,000 cars currently used in our security services business with environment-friendly vehicles. As of the date of this annual report, this effort was 84% complete. We have also begun using electric scooters in this business, a move aimed at helping to reduce CO₂ emissions from our operations. Additionally, we are implementing the "Eco-Anzen Drive," an initiative that aims to reduce the amount of fuel used by our vehicles when in operation, as well as to promote safe driving. These initiatives were recognized with an award for contributions to the preservation of air quality in 2010, from Japan's Ministry of the Environment.



Electric scooter

On another front, we are taking decisive steps to reduce our environmental footprint through measures designed to improve facility efficiency, including the installation of low-power lighting, voluntary initiatives aimed at making our offices more environmentally sound, and the establishment of SECOM Eco Team, which encourages environmental initiatives at home. We will continue working to implement lifecycle assessments (LCAs) with the aim of ensuring the environmental soundness of our various products over their entire lifecycle.

Corporate Citizenship Efforts

In the aftermath of the Great East Japan Earthquake, which struck on March 11, 2011, we took immediate action, rallying the entire Group with the aim of providing assistance to people in areas devastated by the earthquake and subsequent tsunami. On March 15, we donated five million hygienic masks and 10,000 liters of hand disinfectant to evacuation sites, with the aim of helping prevent the spread of viral infections and to provide respiratory protection against dangerous particles released during the post-disaster cleanup of destroyed homes and buildings.

On March 26, subsidiary Secom Medical System and the medical staff of its associated hospitals established the Secom Disaster Medical Assistance Team (SDMAT), a squad of doctors, nurses and other medical professionals. SDMAT was promptly dispatched to help provide vital health care services at evacuation sites, remaining in the area for three weeks. Other associated hospitals also responded to a request

from the All Japan Hospital Association by dispatching emergency medical teams to affected areas in Miyagi Prefecture.

With the aim of ensuring a swift, accurate grasp of the extent of the damage on the ground, as well as to assist relief efforts, subsidiary Pasco used image data from TerraSAR-X on March 13, along with the data generated through analysis from various perspectives and using a variety of processes, to create maps. These maps were published on Pasco's website and distributed to related organizations and government agencies.

We will continue to draw on the capabilities of SECOM to contribute to recovery efforts in the months and years ahead.



Health care services at earthquake evacuation center