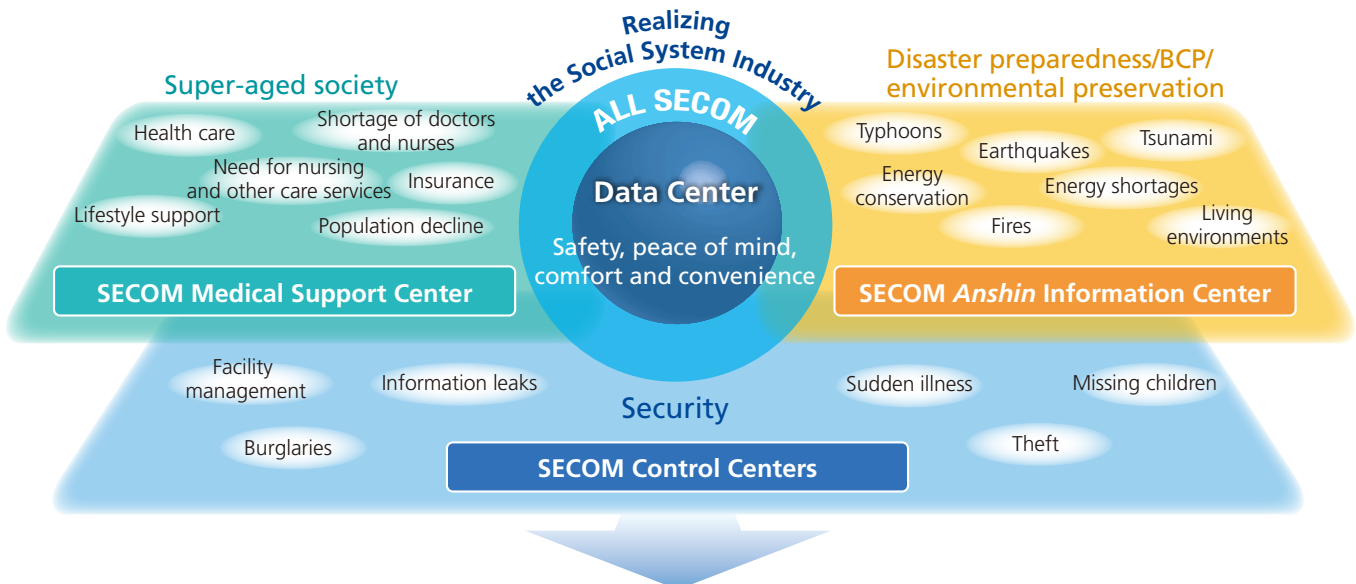


Accelerating the Commercialization of New Services that Deliver Safety, Peace of Mind, Comfort and Convenience

Guided by the ALL SECOM concept, we are working to help resolve concerns that threaten society by developing services in line with three key themes: **security**, a **super-aged society** and **disaster preparedness/BCP/environmental preservation**

Addressing challenges in three areas under the ALL SECOM banner and operational structure



Guided by the ALL SECOM concept, we are working to make life more comfortable and convenient and to deliver safety and peace of mind by responding to social imperatives and helping to resolve everyday concerns.

Accelerating the Commercialization of New Services that Deliver Safety, Peace of Mind, Comfort and Convenience

Principal sources of competitiveness

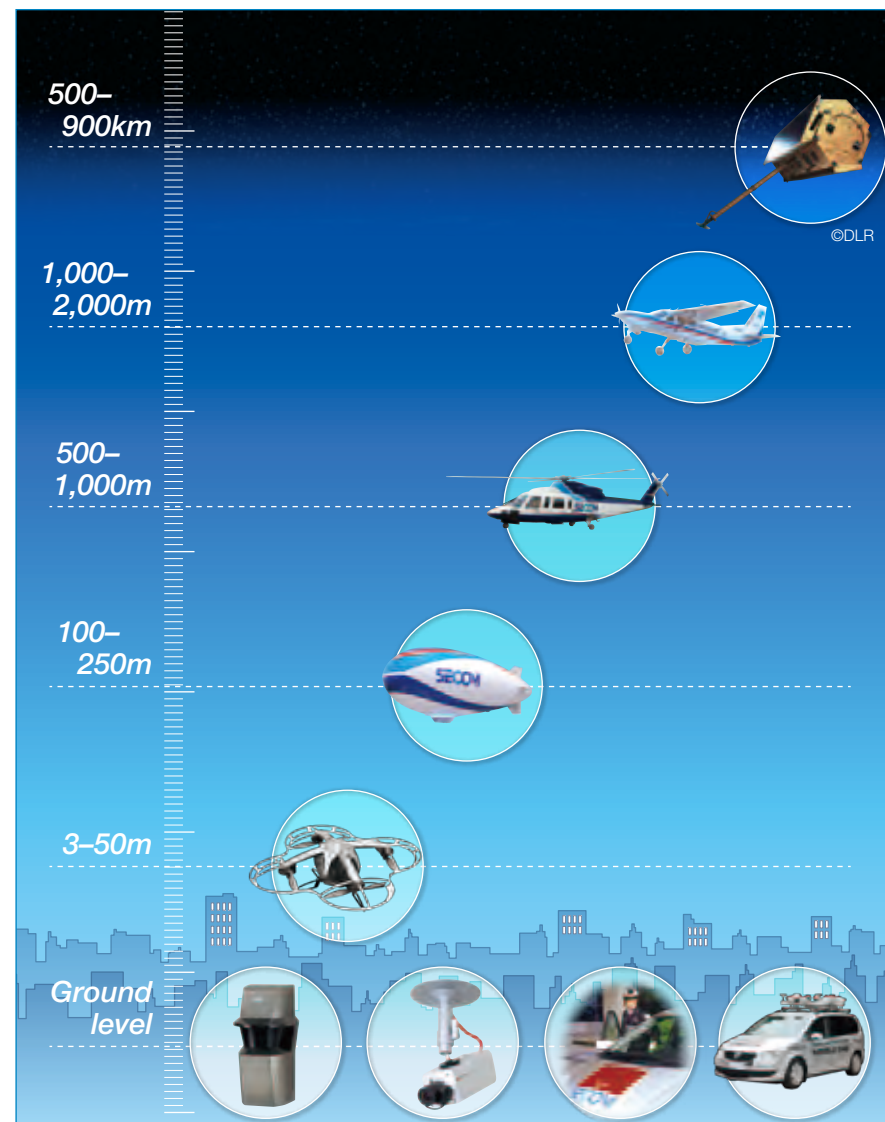
We acknowledge the three core components of our operating foundation as the principal sources of our competitiveness, namely, our technologies, our people and our operational and control structure.

Having recognized that technological prowess is crucial to maintaining a competitive edge in the security services market, we keep abreast of evolving social imperatives, technical trends and changing patterns of criminal behavior, while at the same time advancing the development and provision of systems incorporating innovative technologies. Research is spearheaded by the SECOM Intelligent Systems Laboratory, which conducts research aimed at developing core technologies crucial to the realization of our Social System Industry vision. The SECOM Development Center uses these core technologies to promote the swift development of distinctive, reliable systems that respond to the requirements of customers.

To foster the capabilities of our human resources, we provide training for employees, who include emergency response personnel, sales staff and administrative staff, at four training centers across Japan. This enables us to equip employees with the advanced knowledge and technological skills they need, as well as to ensure that they understand our corporate philosophy and observe a code of conduct befitting security professionals. These qualities facilitate the provision of high-grade services that deliver safety, peace of mind, comfort and convenience.

The operational and control structure of our security services business in Japan centers on SECOM control centers. Our security systems use sensors and other equipment installed at subscribers' premises, which are linked to a SECOM control center via telecommunications circuits to provide around-the-clock monitoring. Should an irregularity be detected, emergency response personnel are dispatched from one of our more than 2,800 emergency depots.

Services designed to respond to needs engendered by a super-aged society are overseen by the SECOM Medical Support Center, the expert staff of which provide a variety of services, including consultations regarding health care, medical services, nursing care and personal care, among others. Under the theme of disaster preparedness/BCP/environmental preservation, the SECOM Anshin Information Center provides a variety of critical services. In the event of



a disaster, the facility analyzes Big Data, including public evacuation information and Internet-derived information and its own proprietary information, allowing the swift provision of accurate and beneficial information to subscribers. Based on Big Data accumulated by our data center facilities, SECOM control centers, the SECOM Medical Support Center and the SECOM Anshin Information Center collaborate to spearhead the provision of services and systems to customers that respond to needs arising as a result of evolving social imperatives.

In recent years, security needs have become increasingly sophisticated, owing to the emergence of numerous risks that threaten society. With the heightened risk of acts of terrorism at major public events, there is a rising need for measures that provide security over wide areas for events held at large venues. Our focus is thus on surveillance both from the ground and the air.

Enhancing airborne security services

In Japan, installations of fixed surveillance cameras that capture images of suspicious vehicles and individuals outdoors are on the rise. However, if these cameras are positioned too far away

from the subject, images of license plates or faces may be indistinct. One way in which we have addressed this issue is by developing the SECOM Drone, an autonomous flying surveillance robot that reinforces external security.

Capitalizing on our advanced technological expertise in image processing and sensing, as well as in security and flying robots, along with our considerable proprietary know-how, we developed the SECOM Drone, an autonomous flying surveillance robot for the private sector that is based on a uniquely SECOM concept. If Laser Sensor units installed at the subscriber's premises detect an irregularity, a signal and location details are sent via the on-line security system to a control center and the robot, which is mounted with LED lights and a security camera. The robot launches and flies toward the unauthorized vehicle or individual to capture clear close-range images of the license plate number, model name and color of the vehicle or the face and clothing of the individual, which it transmits to a SECOM control center in real time, hastening efforts to track down and capture trespassers.

The use of drones at events that attract large crowds of people has

prompted safety concerns. In particular, people are worried about drones crashing and causing injury or falling into the wrong hands. In response to such fears, we have begun offering the SECOM Drone Detection System, which automatically detects an approaching drone, tracks it using a camera and transmits captured images to a monitoring console. The service uses radar to automatically detect any drones that come within a 100-meter radius, a 3D directional microphone to pick up sound and a high-speed infrared pan-tilt zoom camera which automatically tracks the



SECOM Drone



SECOM Airship (tethered)

© Tokyo Marathon Foundation



© Tokyo Marathon Foundation

SECOM Drone Detection System
Upper left: Radar
Upper right: High-speed infrared pan-tilt zoom camera
Lower right: 3D directional microphone

device. Live camera images appear on a monitoring console, making it possible to swiftly and precisely pinpoint the drone's location. This service is expected to enhance our efforts to provide effective security for essential facilities, as well as for arenas and stadiums hosting large-scale events.

We are also proceeding with preparations to commercialize the SECOM Airship, a dirigible designed for surveillance, as well as to provide support following disasters, from the assessment of damage through to evacuation guidance, over wide areas. The autonomous SECOM Airship is equipped with multiple high-definition cameras, thermal imaging cameras, directional loudspeakers, parabolic microphones and search lights, allowing for monitoring over a predetermined area. Images and sound data from the dirigible, together with information from SECOM Drone units as well as sensors and security cameras on the ground, are transmitted to a SECOM control center, ensuring effective monitoring of the target area and realizing an unprecedented level of security. The SECOM Airship can also collect and convey aerial images of, for example, people and traffic congestion, and of disaster damage, over large areas in real time. Accordingly, its use in tandem with the SECOM *Anshin* Information Center, which analyzes information in the event of a major disaster to provide a variety of critical services, will expedite the assessment of damage.

■ Providing uniquely SECOM security systems for the Tokyo Marathon 2016

In February 2016, we provided pioneering security systems for the Tokyo Marathon 2016, serving as an official partner for this annual event.

During the race, high-definition cameras mounted in a tethered SECOM Airship, soon to be commercialized for private-sector security use, captured images over a wide area around the finish line from an altitude of 70 meters, which were monitored on the ground. In addition, the SECOM Drone Detection System was installed in the same area to promptly detect and assist in the interception of any suspicious drones that might appear. To prevent impersonation and other illegal activity, a facial recognition system at the entrance scanned the faces and registered number cards of

approximately 900 race participants and checked the resulting images against photographs submitted in advance to verify their identity.

For the first time ever, SECOM security guards on the ground were equipped with wearable cameras, allowing staff at security headquarters to check images from patrolling guards in real time. In addition, a security camera system was installed temporarily at points along the race route, with network cameras facilitating the concentrated monitoring of key points by security headquarters. These uniquely SECOM security systems enabled us to provide safety and peace of mind to the approximately 37,000 participants in the Tokyo Marathon 2016, thereby contributing greatly to the successful staging of the event.

Looking ahead, we will continue to use our experience in providing and

managing innovative security systems and services for such events to create uniquely SECOM security systems that leverage our proprietary technological and development capabilities.

■ Broadening use of the SECOM My Number Service

The use of My Number social security and tax number system information for social security, taxation and disaster relief purposes began in January 2016, as a result of which private companies in Japan are now obliged to collect, store and manage the individual numbers of their employees. Rigorous procedures are necessary to guarantee the safe storage and handling of information designated as confidential, which includes My Number information. For many companies, this is a difficult task. In response, we introduced the SECOM My Number Service, which capitalizes on our extensive expertise in both physical and information security to provide comprehensive support for the handling of My Number information, including collection, storage, use, management and disposal. To fortify physical security, the service encompasses everything from the construction of a controlled use area to entry and exit management, image

recording and document storage. We also offer a technological solution in the form of the SECOM *Anshin* My Number Service, which enables companies to entrust their employees' My Number information to us for storage at one of our data center facilities. On the organizational and human front, we provide broad-based consulting services designed to, among others, help companies formulate safe storage policies and measures to ensure information security.

The potential for My Number information to be leaked due to inadequate computer security or viruses is a major concern for many people. We recently launched SECOM Premium Net Plus, a system whereby customers use a dedicated USB flash drive that permits access only to secure websites. There has also been an increase in the number of financial institutions being approached by customers for assistance in ensuring robust My Number information storage. We have entered into business alliances with a number of such institutions to assist in these efforts.

Going forward, we will continue to capitalize on our ability to provide innovative services that integrate physical and information security, a key competitive advantage, to help create safe environments for the handling of My Number information.

■ Expanding services for a super-aged society

With the aim of ensuring a solid understanding of the concerns of seniors and further enhancing customer satisfaction, in April 2015 we established SECOM Lifestyle Partner Kugayama, a facility that provides a variety of support services to seniors in Tokyo's Kugayama area.

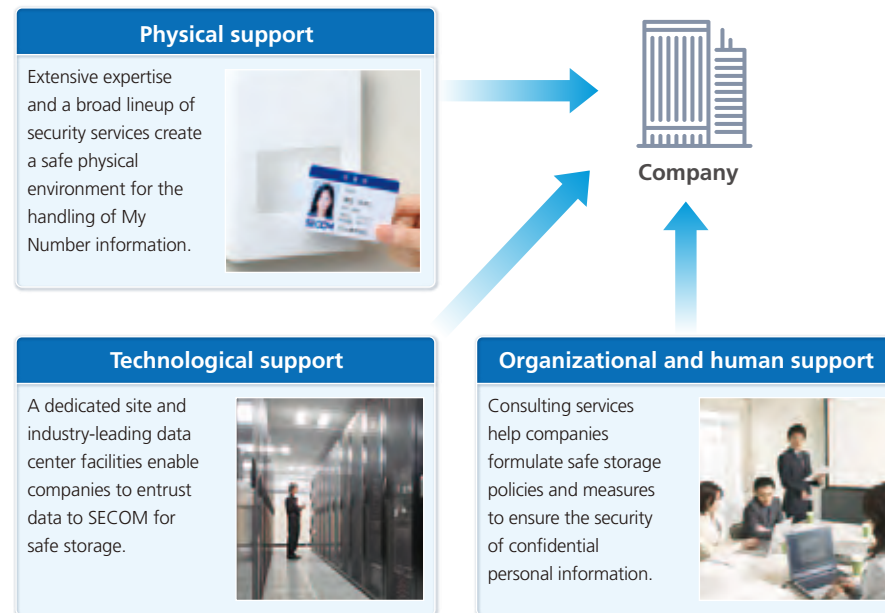
In response to views expressed by seniors, we recently introduced SECOM My-home Concierge Service, a region-specific membership-based service designed to support seniors who wish to remain in their own homes. SECOM Lifestyle Partner Kugayama provides a consultation desk that enables seniors and their families to seek advice from staff regarding issues of concern in everyday life with a view to finding a viable solution. Thus, the staff at SECOM Lifestyle Partner Kugayama not only works with us, but also with other companies and local authorities, to help arrange services that enhance safety, peace of mind, comfort and convenience.

We will continue working to build a distinctive business model based on the concept of providing services that citizens truly need, with the aim of helping prepare for the future of Japan's super-aged society.

■ Helping to address risks and resolve concerns

Guided by the ALL SECOM concept, we remain committed to expanding and evolving our businesses by rallying Group synergies to accelerate the creation of services and systems that deliver safety, peace of mind, comfort and convenience. This concept will also continue to underpin efforts to help address risks and resolve concerns by developing services that reflect a solid grasp of social imperatives. Through such efforts, implemented in line with the three key themes of security, a super-aged society and disaster preparedness/BCP/environmental protection, we will continue working to make SECOM an ever-present part of our customers' lives.

SECOM My Number Service



SECOM Lifestyle Partner Kugayama