

CONSOLIDATED FINANCIAL DATA

(BASED ON JAPANESE GAAP) [REFERENCE]

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Condensed Consolidated Balance Sheets (Based on Japanese GAAP)

SECOM CO., LTD. and Subsidiaries
As of March 31

	In millions of yen					
ASSETS	2017	2016	2015	2014	2013	2012
Current assets:						
Cash on hand and in banks.....	¥ 302,364	¥ 228,458	¥ 232,221	¥ 210,514	¥ 175,427	¥ 182,412
Cash deposits for armored car services	130,619	128,267	50,395	58,597	56,089	54,011
Call loans	—	—	15,500	20,500	46,500	28,000
Notes and accounts receivable, trade.....	119,801	122,048	114,071	115,318	106,638	85,744
Due from subscribers.....	33,090	31,812	26,316	25,174	24,059	24,830
Short-term investments	29,387	34,448	28,517	12,955	14,723	19,936
Lease receivables and investments in leased assets.....	43,974	39,542	39,242	33,188	27,569	14,605
Merchandise and products	11,915	13,099	14,163	14,186	12,321	9,597
Real estate inventories.....	5,223	3,527	3,063	33	12,944	9,082
Work in process	4,913	5,557	4,031	4,602	4,526	2,527
Costs on uncompleted construction contracts	8,979	9,070	9,460	8,983	7,563	5,671
Work in process for real estate inventories.....	22,283	23,024	21,058	15,396	13,348	33,276
Raw materials and supplies.....	8,385	8,579	7,913	7,573	6,430	5,950
Deferred income taxes.....	14,003	12,728	12,808	13,254	14,384	11,383
Short-term loans receivable	4,942	4,086	2,268	2,699	4,158	4,389
Other	23,684	27,375	21,111	17,623	18,453	13,489
Allowance for doubtful accounts.....	(1,766)	(1,883)	(1,997)	(2,026)	(2,302)	(1,428)
Total current assets.....	761,804	689,744	600,146	558,574	542,836	503,479
Fixed assets:						
Tangible assets:						
Buildings and improvements, net.....	150,254	148,828	148,375	153,278	155,839	97,955
Security equipment and control stations, net	69,569	71,447	70,478	68,759	67,200	66,900
Land.....	116,825	116,613	119,604	113,946	115,652	104,426
Other, net.....	39,886	39,415	23,702	24,849	22,839	21,464
Total tangible assets.....	376,536	376,305	362,161	360,833	361,532	290,747
Intangible assets.....	112,131	119,505	49,411	53,596	55,079	25,043
Investments and others:						
Investment securities.....	280,974	264,400	284,322	246,233	189,042	177,655
Long-term loans receivable	38,403	39,401	42,904	45,701	42,338	46,197
Prepaid pension and severance costs.....	—	—	—	—	19,572	19,130
Net defined benefit asset.....	35,282	30,796	35,010	17,612	—	—
Deferred income taxes	9,592	8,602	4,874	13,521	11,711	14,793
Other.....	51,436	54,978	49,382	48,486	43,706	42,376
Allowance for doubtful accounts	(15,990)	(15,698)	(17,525)	(16,352)	(16,742)	(17,584)
Total investments and others	399,698	382,482	398,969	355,203	289,629	282,568
Total fixed assets.....	888,367	878,293	810,541	769,633	706,241	598,359
Deferred assets	4	14	26	17	32	45
Total assets.....	¥1,650,176	¥1,568,052	¥1,410,715	¥1,328,226	¥1,249,110	¥1,101,884

In millions of yen

LIABILITIES	2017	2016	2015	2014	2013	2012
Current liabilities:						
Notes and accounts payable, trade	¥ 44,635	¥ 41,794	¥ 43,160	¥ 49,409	¥ 43,684	¥ 30,731
Bank loans	44,969	55,283	44,965	52,120	42,350	47,985
Current portion of straight bonds	1,460	2,582	1,414	4,640	4,487	5,983
Lease obligations	4,752	4,724	503	579	537	354
Payables—other	37,469	38,376	33,849	31,316	31,406	27,627
Accrued income taxes	27,557	22,341	21,063	27,744	29,282	14,688
Accrued consumption taxes	5,765	6,611	12,878	4,151	4,377	3,833
Accrued expenses	5,315	5,562	4,653	4,625	4,571	4,169
Deposits received for armored car services	107,878	101,306	16,945	17,765	24,862	21,920
Deferred revenue	30,552	31,389	31,348	31,027	30,880	30,834
Accrued bonuses	15,447	15,524	14,652	14,437	14,031	12,739
Provision for loss on construction contracts	2,532	1,397	1,612	1,981	1,714	834
Other	25,596	20,738	20,707	16,883	15,691	14,076
Total current liabilities	353,933	347,633	247,755	256,684	247,879	215,780
Long-term liabilities:						
Straight bonds	7,003	8,251	8,413	7,796	8,847	9,625
Long-term loans	14,123	20,033	20,602	17,256	19,828	10,700
Lease obligations	11,777	11,954	3,712	4,183	3,438	2,884
Guarantee deposits received	33,907	35,002	36,000	36,542	36,125	38,235
Deferred income taxes	21,943	14,026	13,554	11,169	13,400	8,415
Accrued pension and severance costs	—	—	—	—	17,137	12,585
Accrued retirement benefits for directors and audit and supervisory board members	1,306	1,387	1,415	1,635	2,443	2,509
Net defined benefit liability	22,428	22,816	18,504	18,569	—	—
Investment deposits by policyholders, unearned premiums and other insurance liabilities	166,155	159,636	150,119	141,099	133,627	127,812
Other	4,342	4,166	3,295	2,918	2,242	1,817
Total long-term liabilities	282,989	277,274	255,618	241,171	237,091	214,586
Total liabilities	636,922	624,907	503,374	497,856	484,970	430,366
NET ASSETS						
Shareholders' equity:						
Common stock	¥ 66,377	¥ 66,377	¥ 66,377	¥ 66,377	¥ 66,377	¥ 66,377
Capital surplus	80,297	80,326	80,265	83,054	83,054	83,054
Retained earnings	797,493	743,353	694,688	656,286	609,275	565,261
Common stock in treasury, at cost	(73,731)	(73,717)	(73,701)	(73,682)	(73,664)	(73,659)
Total shareholders' equity	870,437	816,340	767,630	732,036	685,042	641,034
Accumulated other comprehensive income:						
Unrealized gains on securities	25,125	19,964	26,981	12,504	11,783	4,559
Deferred losses on hedges	(30)	(40)	(34)	(33)	(41)	(28)
Foreign currency translation adjustments	(7,954)	(2,196)	1,477	(10,885)	(27,760)	(37,556)
Remeasurements of defined benefit plans, net of taxes	4,423	(783)	4,390	(3,506)	—	—
Total accumulated other comprehensive income	21,563	16,944	32,815	(1,921)	(16,018)	(33,026)
Noncontrolling interests	121,253	109,859	106,895	100,253	95,114	63,509
Total net assets	1,013,253	943,144	907,341	830,369	764,139	671,517
Total liabilities and net assets	¥1,650,176	¥1,568,052	¥1,410,715	¥1,328,226	¥1,249,110	¥1,101,884

Condensed Consolidated Statements of Income (Based on Japanese GAAP)

SECOM CO., LTD. and Subsidiaries
Years ended March 31

	In millions of yen					
	2017	2016	2015	2014	2013	2012
Revenue	¥928,098	¥881,028	¥840,722	¥822,228	¥765,635	¥679,173
<i>Percentage change from prior year</i>	5.3%	4.8%	2.2%	7.4%	12.7%	2.3%
Costs of revenue	621,412	586,539	557,884	542,949	504,006	458,452
<i>As a percentage of revenue</i>	67.0	66.6	66.4	66.0	65.8	67.5
Gross profit	306,686	294,488	282,837	279,278	261,629	220,720
<i>As a percentage of revenue</i>	33.0	33.4	33.6	34.0	34.2	32.5
Selling, general and administrative expenses	175,636	165,906	159,222	159,259	153,258	139,642
<i>As a percentage of revenue</i>	18.9	18.8	18.9	19.4	20.0	20.6
Operating profit	131,050	128,582	123,615	120,018	108,370	81,078
<i>As a percentage of revenue</i>	14.1	14.6	14.7	14.6	14.2	11.9
Non-operating income	22,371	11,380	18,366	13,100	11,171	12,970
Non-operating expenses	6,388	5,136	5,293	6,441	5,922	6,209
Ordinary profit	147,033	134,826	136,688	126,677	113,618	87,839
<i>As a percentage of revenue</i>	15.8	15.3	16.3	15.4	14.8	12.9
Extraordinary profit	516	1,584	1,962	2,025	984	287
Extraordinary losses	5,697	15,003	11,384	3,876	2,623	11,558
Income before income taxes	141,852	121,408	127,265	124,826	111,980	76,567
<i>As a percentage of revenue</i>	15.3	13.8	15.1	15.2	14.6	11.3
Income taxes—current	43,326	39,150	43,156	48,485	43,211	32,023
Income taxes—deferred	2,369	(526)	(37)	(2,110)	(252)	4,600
Net income	96,156	82,784	84,146	78,451	69,021	39,943
Net income attributable to noncontrolling interests	11,986	5,745	8,754	8,574	5,363	4,454
Net income attributable to owners of the parent	84,170	77,039	75,392	69,876	63,658	35,489
<i>As a percentage of revenue</i>	9.1	8.7	9.0	8.5	8.3	5.2
<i>Percentage change from prior year</i>	9.3	2.2	7.9	9.8	79.4	(41.7)

Consolidated Statements of Comprehensive Income (Based on Japanese GAAP)

SECOM CO., LTD. and Subsidiaries
Years ended March 31

	In millions of yen					
	2017	2016	2015	2014	2013	2012
Net income	¥ 96,156	¥ 82,784	¥ 84,146	¥78,451	¥69,021	¥39,943
Other comprehensive income (loss):						
Unrealized gains (losses) on securities	5,324	(7,103)	15,058	543	7,500	2,318
Deferred gains on hedges	—	—	—	—	—	8
Foreign currency translation adjustments	(3,539)	(1,616)	9,527	11,787	6,222	(2,262)
Remeasurements of defined benefit plans	4,698	(6,163)	8,581	—	—	—
Share of other comprehensive gains (losses) of affiliated companies accounted for under the equity method	(1,327)	(2,743)	3,676	6,649	4,402	(1,281)
Total other comprehensive income (loss)	5,155	(17,626)	36,843	18,980	18,124	(1,217)
Comprehensive income	101,312	65,157	120,990	97,431	87,146	38,726
Comprehensive income attributable to:						
Owners of the parent company	88,789	61,168	110,128	87,480	80,666	34,473
Noncontrolling interests	12,522	3,989	10,861	9,950	6,480	4,253