



## Condensed Consolidated Balance Sheets (Based on Japanese GAAP)

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

|   | In millions of yen |            |            |            |            |            |
|---|--------------------|------------|------------|------------|------------|------------|
| ASSETS  | 2019               | 2018       | 2017       | 2016       | 2015       | 2014       |
| <b>Current assets:</b>                                  |                    |            |            |            |            |            |
| Cash on hand and in banks.....                          | ¥ 350,319          | ¥ 317,267  | ¥ 302,364  | ¥ 228,458  | ¥ 232,221  | ¥ 210,514  |
| Cash deposits for armored car services.....             | 142,335            | 135,808    | 130,619    | 128,267    | 50,395     | 58,597     |
| Call loans.....   | —                  | —          | —          | —          | 15,500     | 20,500     |
| Notes and accounts receivable, trade.....               | 133,659            | 129,984    | 119,801    | 122,048    | 114,071    | 115,318    |
| Due from subscribers.....                               | 41,616             | 35,272     | 33,090     | 31,812     | 26,316     | 25,174     |
| Short-term investments.....                             | 25,382             | 17,360     | 29,387     | 34,448     | 28,517     | 12,955     |
| Lease receivables and investments in leased assets..... | 41,826             | 45,544     | 43,974     | 39,542     | 39,242     | 33,188     |
| Merchandise and products.....                           | 14,146             | 12,321     | 11,915     | 13,099     | 14,163     | 14,186     |
| Real estate inventories.....                            | 5,864              | 4,766      | 5,223      | 3,527      | 3,063      | 33         |
| Work in process.....                                    | 5,872              | 5,057      | 4,913      | 5,557      | 4,031      | 4,602      |
| Costs on uncompleted construction contracts.....        | 10,971             | 10,441     | 8,979      | 9,070      | 9,460      | 8,983      |
| Work in process for real estate inventories.....        | 30,743             | 39,688     | 22,283     | 23,024     | 21,058     | 15,396     |
| Raw materials and supplies.....                         | 10,398             | 8,849      | 8,385      | 8,579      | 7,913      | 7,573      |
| Deferred income taxes.....                              | —                  | —          | 14,003     | 12,728     | 12,808     | 13,254     |
| Short-term loans receivable.....                        | 4,398              | 5,196      | 4,942      | 4,086      | 2,268      | 2,699      |
| Other.....  | 31,000             | 26,352     | 23,684     | 27,375     | 21,111     | 17,623     |
| Allowance for doubtful accounts.....                    | (1,775)            | (1,818)    | (1,766)    | (1,883)    | (1,997)    | (2,026)    |
| Total current assets.....                               | 846,759            | 792,094    | 761,804    | 689,744    | 600,146    | 558,574    |
| <b>Fixed assets:</b>                                    |                    |            |            |            |            |            |
| Tangible assets:  |                    |            |            |            |            |            |
| Buildings and improvements, net.....                    | 148,693            | 148,622    | 150,254    | 148,828    | 148,375    | 153,278    |
| Security equipment and control stations, net.....       | 71,715             | 70,872     | 69,569     | 71,447     | 70,478     | 68,759     |
| Land.....   | 116,876            | 114,287    | 116,825    | 116,613    | 119,604    | 113,946    |
| Other, net.....   | 41,115             | 39,907     | 39,886     | 39,415     | 23,702     | 24,849     |
| Total tangible assets.....                              | 378,401            | 373,689    | 376,536    | 376,305    | 362,161    | 360,833    |
| Intangible assets.....                                  | 128,215            | 131,028    | 112,131    | 119,505    | 49,411     | 53,596     |
| Investments and others:                                 |                    |            |            |            |            |            |
| Investment securities.....                              | 269,575            | 280,659    | 280,974    | 264,400    | 284,322    | 246,233    |
| Long-term loans receivable.....                         | 35,284             | 35,284     | 38,403     | 39,401     | 42,904     | 45,701     |
| Net defined benefit asset.....                          | 38,488             | 41,409     | 35,282     | 30,796     | 35,010     | 17,612     |
| Deferred income taxes.....                              | 27,469             | 21,658     | 9,592      | 8,602      | 4,874      | 13,521     |
| Other.....  | 53,952             | 52,332     | 51,436     | 54,978     | 49,382     | 48,486     |
| Allowance for doubtful accounts.....                    | (13,042)           | (13,033)   | (15,990)   | (15,698)   | (17,525)   | (16,352)   |
| Total investments and others.....                       | 411,728            | 418,311    | 399,698    | 382,482    | 398,969    | 355,203    |
| Total fixed assets.....                                 | 918,346            | 923,029    | 888,367    | 878,293    | 810,541    | 769,633    |
| Deferred assets.....                                    | —                  | —          | 4          | 14         | 26         | 17         |
| Total assets.....                                       | ¥1,765,105         | ¥1,715,123 | ¥1,650,176 | ¥1,568,052 | ¥1,410,715 | ¥1,328,226 |

In millions of yen

| LIABILITIES   | 2019       | 2018       | 2017       | 2016       | 2015       | 2014       |
|---|------------|------------|------------|------------|------------|------------|
| <b>Current liabilities:</b>   |            |            |            |            |            |            |
| Notes and accounts payable, trade.....  | ¥ 45,826   | ¥ 43,929   | ¥ 44,635   | ¥ 41,794   | ¥ 43,160   | ¥ 49,409   |
| Bank loans.....   | 39,126     | 41,558     | 44,969     | 55,283     | 44,965     | 52,120     |
| Current portion of straight bonds.....  | 2,009      | 795        | 1,460      | 2,582      | 1,414      | 4,640      |
| Lease obligations.....  | 4,875      | 4,932      | 4,752      | 4,724      | 503        | 579        |
| Payables—other.....   | 42,645     | 40,102     | 37,469     | 38,376     | 33,849     | 31,316     |
| Accrued income taxes.....   | 22,767     | 25,896     | 27,557     | 22,341     | 21,063     | 27,744     |
| Accrued consumption taxes.....  | 7,209      | 7,959      | 5,765      | 6,611      | 12,878     | 4,151      |
| Accrued expenses.....   | 7,329      | 7,084      | 5,315      | 5,562      | 4,653      | 4,625      |
| Deposits received for armored car services.....   | 121,086    | 113,830    | 107,878    | 101,306    | 16,945     | 17,765     |
| Deferred revenue.....   | 30,438     | 30,309     | 30,552     | 31,389     | 31,348     | 31,027     |
| Accrued bonuses.....  | 17,255     | 16,209     | 15,447     | 15,524     | 14,652     | 14,437     |
| Provision for loss on construction contracts.....   | 2,913      | 2,436      | 2,532      | 1,397      | 1,612      | 1,981      |
| Other.....  | 25,975     | 22,499     | 25,596     | 20,738     | 20,707     | 16,883     |
| Total current liabilities.....  | 369,458    | 357,544    | 353,933    | 347,633    | 247,755    | 256,684    |
| <b>Long-term liabilities:</b>   |            |            |            |            |            |            |
| Straight bonds.....   | 4,702      | 5,322      | 7,003      | 8,251      | 8,413      | 7,796      |
| Long-term loans.....  | 10,063     | 12,721     | 14,123     | 20,033     | 20,602     | 17,256     |
| Lease obligations.....  | 11,960     | 11,902     | 11,777     | 11,954     | 3,712      | 4,183      |
| Guarantee deposits received.....  | 32,955     | 33,181     | 33,907     | 35,002     | 36,000     | 36,542     |
| Deferred income taxes.....  | 8,735      | 14,217     | 21,943     | 14,026     | 13,554     | 11,169     |
| Accrued retirement benefits for directors and<br>audit and supervisory board members.....       | 1,046      | 1,421      | 1,306      | 1,387      | 1,415      | 1,635      |
| Net defined benefit liability.....  | 22,953     | 21,849     | 22,428     | 22,816     | 18,504     | 18,569     |
| Investment deposits by policyholders, unearned<br>premiums and other insurance liabilities..... | 172,866    | 172,345    | 166,155    | 159,636    | 150,119    | 141,099    |
| Other.....  | 4,406      | 3,403      | 4,342      | 4,166      | 3,295      | 2,918      |
| Total long-term liabilities.....  | 269,691    | 276,366    | 282,989    | 277,274    | 255,618    | 241,171    |
| Total liabilities.....  | 639,150    | 633,910    | 636,922    | 624,907    | 503,374    | 497,856    |
| <b>NET ASSETS</b>   |            |            |            |            |            |            |
| <b>Shareholders' equity:</b>  |            |            |            |            |            |            |
| Common stock.....   | ¥ 66,392   | ¥ 66,385   | ¥ 66,377   | ¥ 66,377   | ¥ 66,377   | ¥ 66,377   |
| Capital surplus.....  | 80,360     | 80,328     | 80,297     | 80,326     | 80,265     | 83,054     |
| Retained earnings.....  | 908,852    | 851,764    | 797,493    | 743,353    | 694,688    | 656,286    |
| Common stock in treasury, at cost.....  | (73,759)   | (73,748)   | (73,731)   | (73,717)   | (73,701)   | (73,682)   |
| Total shareholders' equity.....   | 981,846    | 924,729    | 870,437    | 816,340    | 767,630    | 732,036    |
| <b>Accumulated other comprehensive income:</b>  |            |            |            |            |            |            |
| Unrealized gains on securities.....   | 18,157     | 23,759     | 25,125     | 19,964     | 26,981     | 12,504     |
| Deferred losses on hedges.....  | (21)       | (24)       | (30)       | (40)       | (34)       | (33)       |
| Foreign currency translation adjustments.....   | (10,683)   | (5,774)    | (7,954)    | (2,196)    | 1,477      | (10,885)   |
| Remeasurements of defined benefit plans, net of taxes.....                                      | 6,421      | 9,933      | 4,423      | (783)      | 4,390      | (3,506)    |
| Total accumulated other comprehensive income.....   | 13,873     | 27,894     | 21,563     | 16,944     | 32,815     | (1,921)    |
| Noncontrolling interests.....   | 130,234    | 128,589    | 121,253    | 109,859    | 106,895    | 100,253    |
| Total net assets.....   | 1,125,954  | 1,081,213  | 1,013,253  | 943,144    | 907,341    | 830,369    |
| Total liabilities and net assets.....   | ¥1,765,105 | ¥1,715,123 | ¥1,650,176 | ¥1,568,052 | ¥1,410,715 | ¥1,328,226 |

## Condensed Consolidated Statements of Income (Based on Japanese GAAP)

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

|   | In millions of yen |          |          |          |          |          |
|---|--------------------|----------|----------|----------|----------|----------|
|   | 2019               | 2018     | 2017     | 2016     | 2015     | 2014     |
| Revenue   | <b>¥1,013,823</b>  | ¥970,624 | ¥928,098 | ¥881,028 | ¥840,722 | ¥822,228 |
| Percentage change from prior year .....                   | <b>4.5%</b>        | 4.6%     | 5.3%     | 4.8%     | 2.2%     | 7.4%     |
| Costs of revenue .....                                    | <b>692,211</b>     | 652,673  | 621,412  | 586,539  | 557,884  | 542,949  |
| As a percentage of revenue .....                          | <b>68.3</b>        | 67.2     | 67.0     | 66.6     | 66.4     | 66.0     |
| Gross profit .....  | <b>321,611</b>     | 317,950  | 306,686  | 294,488  | 282,837  | 279,278  |
| As a percentage of revenue .....                          | <b>31.7</b>        | 32.8     | 33.0     | 33.4     | 33.6     | 34.0     |
| Selling, general and administrative expenses .....        | <b>191,397</b>     | 182,502  | 175,636  | 165,906  | 159,222  | 159,259  |
| As a percentage of revenue .....                          | <b>18.9</b>        | 18.8     | 18.9     | 18.8     | 18.9     | 19.4     |
| Operating profit .....                                    | <b>130,213</b>     | 135,448  | 131,050  | 128,582  | 123,615  | 120,018  |
| As a percentage of revenue .....                          | <b>12.8</b>        | 14.0     | 14.1     | 14.6     | 14.7     | 14.6     |
| Non-operating income .....                                | <b>19,646</b>      | 13,152   | 22,371   | 11,380   | 18,366   | 13,100   |
| Non-operating expenses .....                              | <b>4,970</b>       | 4,281    | 6,388    | 5,136    | 5,293    | 6,441    |
| Ordinary profit .....                                     | <b>144,889</b>     | 144,318  | 147,033  | 134,826  | 136,688  | 126,677  |
| As a percentage of revenue .....                          | <b>14.3</b>        | 14.9     | 15.8     | 15.3     | 16.3     | 15.4     |
| Extraordinary profit .....                                | <b>1,909</b>       | 2,471    | 516      | 1,584    | 1,962    | 2,025    |
| Extraordinary losses .....                                | <b>2,838</b>       | 2,545    | 5,697    | 15,003   | 11,384   | 3,876    |
| Income before income taxes .....                          | <b>143,960</b>     | 144,245  | 141,852  | 121,408  | 127,265  | 124,826  |
| As a percentage of revenue .....                          | <b>14.2</b>        | 14.9     | 15.3     | 13.8     | 15.1     | 15.2     |
| Income taxes—current .....                                | <b>47,001</b>      | 54,811   | 43,326   | 39,150   | 43,156   | 48,485   |
| Income taxes—deferred .....                               | <b>(7,808)</b>     | (9,314)  | 2,369    | (526)    | (37)     | (2,110)  |
| Net income .....  | <b>104,766</b>     | 98,748   | 96,156   | 82,784   | 84,146   | 78,451   |
| Net income attributable to noncontrolling interests ..... | <b>12,757</b>      | 11,755   | 11,986   | 5,745    | 8,754    | 8,574    |
| Net income attributable to owners of the parent .....     | <b>92,009</b>      | 86,993   | 84,170   | 77,039   | 75,392   | 69,876   |
| As a percentage of revenue .....                          | <b>9.1</b>         | 9.0      | 9.1      | 8.7      | 9.0      | 8.5      |
| Percentage change from prior year .....                   | <b>5.8</b>         | 3.4      | 9.3      | 2.2      | 7.9      | 9.8      |

## Consolidated Statements of Comprehensive Income (Based on Japanese GAAP)

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

|   | In millions of yen |          |          |          |          |         |
|---|--------------------|----------|----------|----------|----------|---------|
|   | 2019               | 2018     | 2017     | 2016     | 2015     | 2014    |
| Net income .....  | <b>¥104,766</b>    | ¥ 98,748 | ¥ 96,156 | ¥ 82,784 | ¥ 84,146 | ¥78,451 |
| Other comprehensive income (loss):  |                    |          |          |          |          |         |
| Unrealized gains (losses) on securities .....   | <b>(5,740)</b>     | (1,649)  | 5,324    | (7,103)  | 15,058   | 543     |
| Deferred gains on hedges .....  | <b>(0)</b>         | 0        | —        | —        | —        | —       |
| Foreign currency translation adjustments .....  | <b>(2,616)</b>     | (1,003)  | (3,539)  | (1,616)  | 9,527    | 11,787  |
| Remeasurements of defined benefit plans .....   | <b>(3,056)</b>     | 5,595    | 4,698    | (6,163)  | 8,581    | —       |
| Share of other comprehensive gains (losses) of affiliated companies accounted for under the equity method ..... | <b>(3,439)</b>     | 3,876    | (1,327)  | (2,743)  | 3,676    | 6,649   |
| Total other comprehensive income (loss) .....   | <b>(14,853)</b>    | 6,819    | 5,155    | (17,626) | 36,843   | 18,980  |
| Comprehensive income .....  | <b>89,913</b>      | 105,568  | 101,312  | 65,157   | 120,990  | 97,431  |
| Comprehensive income attributable to:   |                    |          |          |          |          |         |
| Owners of the parent company .....  | <b>77,988</b>      | 93,323   | 88,789   | 61,168   | 110,128  | 87,480  |
| Noncontrolling interests .....  | <b>11,924</b>      | 12,244   | 12,522   | 3,989    | 10,861   | 9,950   |