

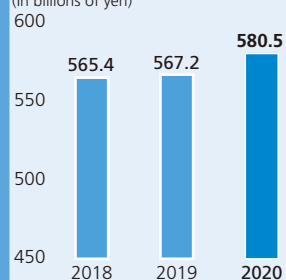
# SECOM Today

## Security Services



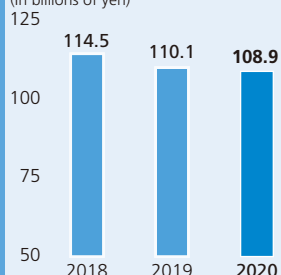
### Net sales and operating revenue

(In billions of yen)



### Operating income

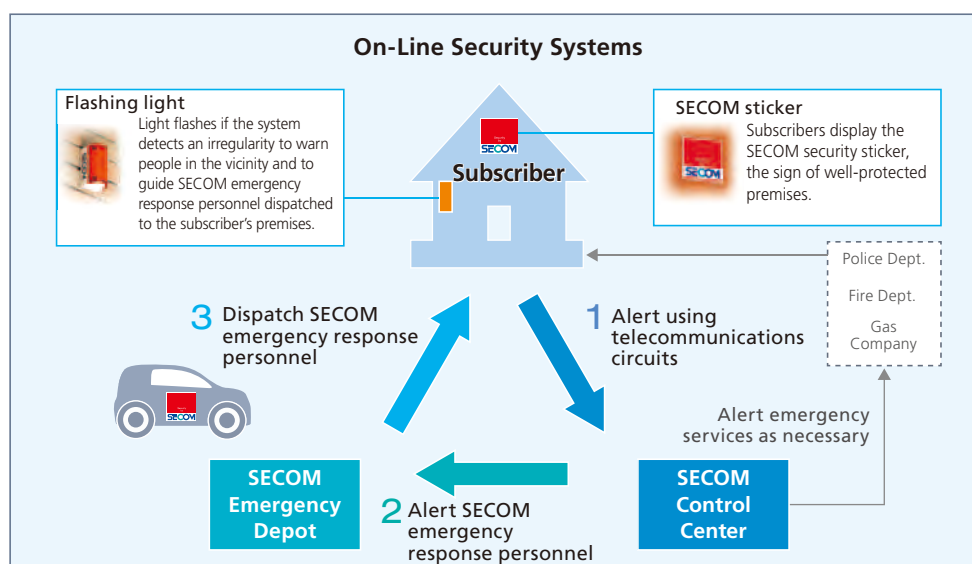
(In billions of yen)



## Business summary

A distinguishing feature of our security services business is that it primarily consists of recurring revenue-based services, that is, services based on long-term contracts. For example, the initial contract period for mainstay on-line security systems is five years, after which the contract is automatically renewed annually. The provision of SECOM on-line security systems includes the installation of sensors and other monitoring equipment and around-the-clock monitoring by a SECOM control center via telecommunications circuits. In the event an intruder, fire or other irregularity is detected, control center staff dispatch emergency response personnel from the nearest SECOM emergency depot and, if necessary, notify the police and/or fire department. To deliver seamless services, we maintain ownership of security equipment and extend it to subscribers on a rental basis. The fact that we take full responsibility for all aspects of our on-line security systems, from R&D through to equipment manufacturing, security planning, installation, around-the-clock monitoring, emergency response services and equipment maintenance, ensures exceptional quality and reliability.

Since our founding, we have sought to expand our menu of services in response to increasingly diverse and sophisticated market needs—a consequence of rising subscriber numbers and socioenvironmental changes—by capitalizing on the three components of our operating foundation, namely, our technological prowess, human resources and operational and control structure. Our technological prowess is underpinned by the SECOM Intelligent Systems Laboratory, which conducts forward-looking research in the area of core technologies, and the SECOM Development Center, which capitalizes on these core technologies to develop highly reliable security systems. Our R&D team's ability to keep abreast of the latest technological trends and take into account social imperatives and trends in criminal activity has enabled us to realize unparalleled services and systems that leverage optimal technologies. In addition, the critical opinions and needs of subscribers, obtained by sales staff, emergency response personnel and other employees in the course of their work, are conveyed to our R&D team, facilitating swift and precise adjustments that further enhance the quality of our on-line security systems.





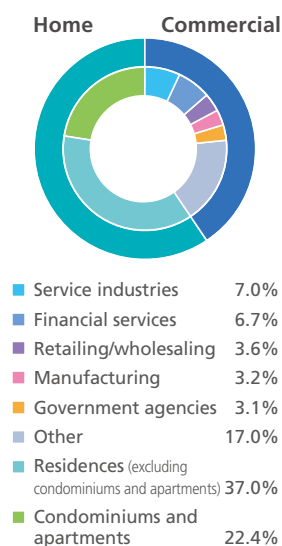
SECOM control center

To foster human resources, we provide training for new recruits, as well as for emergency response personnel, sales staff, administrative staff and other employees, at four training centers in Japan. This enables us to ensure that employees fully understand our corporate philosophy and observe a code of conduct befitting security professionals and equips them with advanced knowledge and technical skills. We also leverage our wealth of experience in serving a diverse range of customers to improve our training programs. Strengthening our effort to cultivate human resources has enabled us to build a strong organization that underpins our ability to extend high-grade, distinctively SECOM services.

We have established an incomparable operational and control structure by offering on-line security systems through a nationwide network of approximately 2,800 emergency depots across Japan, extensive know-how accumulated over many years, the unerring decision making of our highly experienced control center staff and the swift actions of our emergency response personnel. By maintaining a close proximity to the communities in which we operate, we ensure our ability to promptly ascertain customers' needs for safety and peace of mind and provide the optimum solutions. Our experience addressing diverse customer needs gives us outstanding flexibility and broad responsiveness. These capabilities have earned us the trust of customers, enhancing the value of the SECOM brand.

Looking ahead, we will continue to rally SECOM Group strengths, at the core of which is on-line security systems, to offer unique services and products that deliver safety and peace of mind and make life more comfortable and convenient. Through these efforts, we will endeavor to further differentiate SECOM from its competitors, as well as to deepen and strengthen our ties with customers.

**Contracts for On-line Security Systems in Japan**  
(As of March 31, 2020)



## Operating highlights

### ■ Commercial security services

We work actively to provide an extensive lineup of security services, centered on on-line security systems, that respond to the diverse needs of customers. In recent years, on-line security systems for commercial subscribers must not only offer monitoring for irregularities to guarantee security and prevent fires, but also support the business activities of subscribers around the clock. In response to such needs, we are working to reinforce our business policy, which emphasizes the quality of subscriptions, by extending a variety of high-value-added offerings. In line with this policy, in the fiscal year ended March 31, 2020, we launched System Security AZ, an updated on-line security system for commercial use that further enhances our ability to respond swiftly and flexibly to the needs of subscribers.

### ● Introducing System Security AZ

In 1966, we developed and launched the first on-line security system in Japan and have since expanded our lineup to accommodate business establishments of different sizes and customers with various business formats. Today, customer needs are highly diverse and continue to evolve in line with changing business and social conditions. In response, in September 2019 we launched System Security AZ, an all-in-one system that leverages our unmatched know-how in the provision of security. In addition to security, fire prevention and access control functions, AZ can be integrated with attendance management systems to create effective work efficiency solutions, as well as with biometric systems such as SESAMO IDf, a finger vein authentication system, to provide rigorous identity confirmation, record images of people arming and disarming the system, allow the adjustment of security settings and confirmation of images remotely from a smartphone and browsing of operating history, and the efficient management of user information and other functions. Because it consolidates multiple systems for commercial subscribers



System Security AZ



SECOM IP Camera system



Trial using the Virtual Security Guard System to measure visitors' body temperature



SECOM Robot X2 on patrol at the G20 Osaka Summit

into one, AZ also benefits us by helping reduce our inventory, development and procurement costs.

AZ also boasts superb expandability, making it possible to heighten the system's functions in response to evolving customer needs, technological innovations and changes in the communications infrastructure. Going forward, we will work to expand the popularity of this system by further improving service quality through the addition of functions such as centralized multisite management and the introduction of advanced new sensors.

### ● The launch of the SECOM IP Camera system and SECOM Cloud Video Surveillance Service

The new SECOM IP Camera system is a next-generation surveillance camera system that meets the security needs of a broad range of premises. Incorporating box-type, dome-type, attractively designed compact 180° omnidirectional or other cameras, this system makes it possible to record in full HD for clear, high-resolution images that capture even the smallest details. Recorded images can be checked via the Internet from a computer or from a smartphone using a dedicated application. Linking this system to the SECOM Cloud Video Surveillance Service makes it possible to manage captured video images in the cloud and check them anytime and anywhere from a computer or a smartphone. This eliminates the need for a video recorder, minimizing the amount of equipment necessary to install a surveillance camera system.

### ● Protecting facilities with the Virtual Security Guard System

Against a backdrop of rising security needs and increasing labor shortages in the security services industry, we launched the AI-powered Virtual Security Guard System, which features a virtual character who performs security, receptionist and other static guard duties. With the goal of helping prevent the spread of COVID-19, a practical trial of this system linked with a thermographic camera to

measure visitors' body temperature, as well as to request that they wear a mask is currently under way.

## ■ Security services for large-scale events

### ● Extending SECOM security services for the G20 Osaka Summit

In June 2019, we deployed SECOM 3D Security Planning to assist the Osaka Prefectural Police (OPP) Headquarters in preparing a security plan for the G20 Osaka Summit and carried out a preliminary aerial check of the security area using a SECOM Aerostat dirigible. We also offered SECOM Robot X2 autonomous patrol robot units and the SECOM IP Camera system to the OPP Headquarters to help ensure the safety and security of this global event. In addition, we extended security services, including static guards equipped with wearable cameras, for the G20 Ibaraki-Tsukuba Ministerial Meeting on Trade and Digital Economy, helping to facilitate the safe and secure staging of this important event.

### ● Earning certification as Japan's first emergency medical care facility with ELSTs

In December 2019, we earned certification as Japan's first emergency medical care facility with emergency life-saving technicians (ELSTs)\*. This makes it possible for our ELSTs to provide specialized emergency medical care under the direction of physicians. Accordingly, we will expand the scope of our services for large-scale events and major facilities, creating a framework for providing medical assistance that will enable us to offer integrated services encompassing both security and First Aid.

\* Certification provided by Japan's Accreditation Board for Prehospital Medical Oversight (ABPMO) for systems of training and rules for legal compliance aimed at ensuring the quality of the medical care provided by ELSTs.



Airborne stadium surveillance  
by a drone

### ● Participation in demonstration test of stadium security using 5G mobile communications system

In collaboration with a major telecommunications group, we successfully conducted a demonstration test of security around the Hanazono Rugby Stadium in the city of Higashi-Osaka using the 5G mobile communications system. During the tests, 4K video was transmitted in real time by SECOM Robot X2 units and cameras worn by security guards, as well as by drones operated by the telecommunications provider, over 5G networks to one of SECOM's vehicle-mounted On-Site Center mobile monitoring bases, enabling the assessment of security status over a broad area and prompt provision of an assortment of security responses, including the detection and apprehension of suspicious individuals. AI is used to analyze the movement of people, automatically flagging irregularities and notifying On-Site Center operators, demonstrating the ability to ensure the timely detection of problems and swift implementation of response measures. Looking ahead, we will capitalize on the results of this test in the provision of security for large-scale events with the aim of realizing sophisticated security that leverages 5G technology.



SECOM Home Security NEO

### ■ Home security services

Enhanced convenience continues to underscore steady growth in the popularity of SECOM Home Security NEO, a home security system that can be armed and disarmed remotely from a smartphone and includes an automatic notification feature that enables subscribers to receive alerts on their smartphones when the system is accessed by family members entering or leaving the home. In addition to standard home security, including monitoring for intruders and fires and emergency alerts, and optional services such as medical emergency calls, monitoring for gas leaks and safety monitoring, SECOM Home Security NEO can be linked with devices on the IoT to facilitate use of a variety of new services.



aibo see offs a SECOM Home Security  
subscriber  
aibo is a product of Sony Corporation

### ● New service linking SECOM Home Security and the aibo entertainment robot premiers

In January 2020, we began offering a new service linking SECOM Home Security with the aibo autonomous entertainment robot. In addition to enabling aibo to see subscribers off when they go out and greet them when they return, this service makes it possible to check up on their home remotely via aibo when they are out, providing comfort and further enhancing satisfaction with SECOM Home Security. In the years ahead, we will continue working to combine our expertise in the area of security services and our partner's capabilities in the areas of AI, robotics and entertainment to create truly original new services.

### ● SECOM Senior Care Phone Service for resolving users' concerns whether indoors or out

The SECOM Senior Care Phone Service is an emergency monitoring service that combines emergency medical alert, health consultation and safety confirmation functions. Whether indoors or out, the device sends an emergency alert to SECOM when activated by pulling in its strap and, if deemed necessary, triggers the dispatch of emergency response personnel. When the user presses the safety confirmation prompt on the device's display, an email verifying his or her safety is automatically sent to registered individuals. If the user does not respond to the prompt, family members or other registered individuals can request the dispatch of emergency response personnel. This service, which does not require a SECOM Home Security contract, continues to earn solid marks as an offering that helps resolve the concerns of elderly individuals and their families.

### ● Provision of Mago Channel with SECOM commences

In January 2020, we began extending Mago ("grandchild") Channel with SECOM, a new service based on the concept of "joyful care," in collaboration with an IoT startup. Mago Channel enables users to display photographs





Mago Channel with SECOM

or videos on the home televisions of parents living apart. Information from *Mago Channel*'s environment sensor also makes it possible for users to check whether their parents are up or in bed and advise them of heatstroke alerts, among others, as well as to monitor indoor temperature and humidity changes, using an application. Going forward, we will continue to expand our lineup of services that address needs arising from factors such as declining birthrates and the graying of Japanese society.

### ■ New initiatives

#### ● Establishment of the SECOM DESIGN FACTORY brand

In December 2019, we established the SECOM DESIGN FACTORY brand, which will be used for strategic projects undertaken with partners that will seek to develop innovative, original services. The new brand will be used for initiatives designed to capitalize on the beliefs and ideals of our diverse partners, rather than exclusively our own, and for new services and products that accelerate the creation of customer and social value. SECOM DESIGN FACTORY projects to date include the development of *Mago Channel* with SECOM, a new service linking SECOM Home Security with the aibo entertainment robot, and training programs for security guards that make use

of VR technologies. Multiple other initiatives are currently underway that we expect will yield a variety of new services and products in the future.

### ■ Other security services

COCO-SECOM, a mobile security system for outdoor use, uses signals from GPS satellites and cellular phone base stations to pinpoint the location of dedicated portable transmitters carried by individuals or attached to objects. If a customer wants to locate a transmitter, he or she can trace it precisely via a dedicated COCO-SECOM website or by contacting the COCO-SECOM Operations Center. Upon receiving a search request from a customer, operations center operators dispatch emergency response personnel and, if necessary, notify the police or fire department. Users can also alert the COCO-SECOM Operations Center if they are concerned for their physical safety by pushing the transmitter's emergency alert button. Applications for COCO-SECOM are diverse, ranging from deterring child abductions and tracking dementia patients who wander to preventing the theft of cars and motorcycles, managing taxi and bus fleets, averting the theft of ATMs, managing employee safety and aiding self-defense.

### ■ Overseas security services

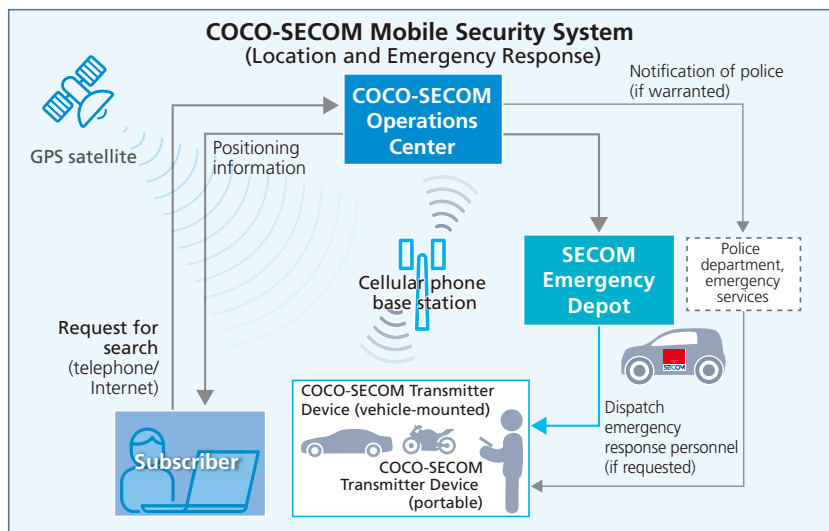
#### ● Extending services in 13 countries and territories

We made our overseas debut in 1978, when we established a presence in Taiwan. Today, our overseas business encompasses operations in 13 countries and territories. A distinguishing feature of our overseas security services is that we offer on-line security systems with SECOM-style emergency response services customized to reflect local needs and sensibilities. The high quality of the services we extend continues to earn praise from overseas customers, as a result of which market acceptance is increasing.

Publicly listed affiliated company Taiwan Secom, the largest security services company in the Taiwanese market, offers a broad lineup of



SECOM DESIGN FACTORY logo





Control center in Thailand  
(Thai SECOM Security Co., Ltd.)



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

security services, ranging from home security to safety management systems for large-scale facilities. The company is also working actively to improve services by incorporating new technologies, including using SECOM wearable cameras to provide security for an international ladies' professional golf tournament.

In the ROK, affiliated company S1 extends a wide variety of security services and building solutions, centered on on-line security systems. Also publicly listed, S1 continues to garner praise from customers for its swift initial responses, which it provides through approximately 650 emergency depots.

In the PRC, we have established that country's largest security network, which today encompasses bases in 25 key coastal and inland cities. We have also established a manufacturing facility in Shanghai that produces security equipment tailored to local market needs.

In Southeast Asia, which continues to see economic growth, the efforts of Group companies are bolstering acceptance of SECOM-style on-line security systems. As the largest security services company in Thailand, we provide comprehensive security systems that encompass tailored solutions. We also offer comprehensive services in Malaysia that range from on-line security systems to static guard and security management services. In Singapore and Indonesia, we continue to earn solid marks for on-line security systems and anti-terrorism security. In Vietnam and Myanmar, which continue to see brisk economic growth, we extend security services to major Japanese companies.

We entered the Turkish market in 2019 and have begun providing a diverse range of security services, from home security to safety management systems for large-scale facilities.

Group companies in Australia extend security services to private-sector companies such as financial institutions, large commercial facilities, and to state and federal government agencies. In New Zealand, our high-grade security and maintenance/inspection services enjoyed solid support from customers.

Subsidiary Secom plc provides on-line security systems and other security services to customers across the United Kingdom. The company has long been trusted by government agencies and major corporate customers, including prominent British banks, and has built a robust reputation for service quality.

#### ● Tailoring services to local needs

In addition to promoting a variety of efforts to ensure an accurate understanding of customer needs in overseas markets, including conducting market surveys, we actively promote open innovation with manufacturers and IT companies around the world and collaborate with overseas partner companies to drive innovation in a manner that meets local needs. In June 2019, we established the China Innovation Center, an R&D facility, in Shanghai, and are creating a framework for leveraging advanced technologies and local market conditions to swiftly develop services and systems that address local needs. We also continued working with a major local electric appliances manufacturer and a telecommunications company to help create services that help address key social imperatives.

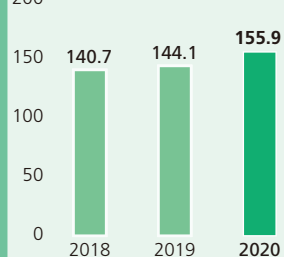
In Thailand, where the number of middle-income earners continues to rise, we advanced initiatives aimed at achieving a full-scale entry into the market for home security services. These included commencing sales of home security services in July 2019. We are also collaborating with partner companies in Thailand and will inaugurate a project to develop and launch services optimized to meet local market needs. In addition, plans are in place to establish the ASEAN Innovation Center, in Bangkok, which will support efforts to expand our presence in other Southeast Asian markets. We will also deploy our *ANSHIN* Platform service infrastructure overseas and promote *ANSHIN* as a universally recognized and accepted term.

## Fire Protection Services



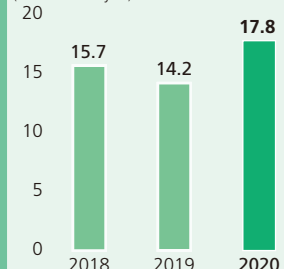
### Net sales and operating revenue

(In billions of yen)



### Operating income

(In billions of yen)



## Operating highlights

The evolution of society, as represented by the growth of cities and advances in building techniques, continues to drive demand for increasingly diverse and sophisticated fire protection services. At the same time, new issues are emerging, including the aging of existing buildings and infrastructure. The operations of Nohmi Bosai and Nittan, two of Japan's leading fire protection services companies, include the provision of automatic fire alarms and fire extinguishing systems, as well as equipment inspection and maintenance, for a broad range of applications, including residences, commercial facilities and cultural properties. Both companies boast competitive advantages that derive from extensive experience and know-how, as well as an integrated service configuration encompassing everything from R&D to system planning, manufacturing, installation and maintenance, allowing them to extend high-grade services tailored to customer needs.

In the area of automatic fire alarms, sales efforts in the period under review focused on securing orders for alarms for new buildings. Nohmi Bosai and Nittan also responded to replacement demand in the renovations market

by drawing on their solid track record and the trust of customers to promote optimized proposal-oriented sales efforts. In fire extinguishing equipment, orders remained brisk.

### ● The new TASKis cloud-based disaster response support software

Nohmi Bosai recently launched TASKis, a cloud-based disaster response support software that assists efforts to promote awareness of BCP emergency response manuals and to create an initial disaster response infrastructure. In the event of a fire, earthquake or other emergency, TASKis sends manual-based instructions regarding tasks to perform to the smartphones of pertinent individuals. This enables individuals to act swiftly and appropriately while checking the instructions displayed on their smartphone screens and to send a status report back to their supervisor once tasks have been completed. As a software that adds new value, TASKis is also ideal for proposals offered to maintenance and inspection services customers. Looking ahead, the company will continue to upgrade TASKis to accommodate customers' needs while at the same time expanding the provision of this promising recurring revenue-based service.



Visual representation of TASKis action guidelines (Nohmi Bosai)



Water cannon test (Nohmi Bosai)

### ● Protecting cultural properties against fire

In the wake of major fires that caused heavy damage to Notre Dame cathedral in Paris and Shuri Castle in Okinawa, Japan's Agency for Cultural Affairs published new guidelines to enhance the protection of national treasures or important cultural properties (structures) against fire. These guidelines are expected to increase the need for fire protection measures at buildings that have earned World Heritage Site or National Treasure designations and museums. Nohmi Bosai, which boasts a wealth of experience providing fire protection systems for cultural properties, has taken steps to respond to such rising needs by strengthening its framework for developing proposals and its installation capabilities and will continue working to provide automatic fire alarm and fire extinguishing systems optimized for such structures.

plans to add additional functions, including equipment location and management, with the aim of contributing to the provision of offices that are safer as well as more secure and comfortable.

### ● Active efforts to expand overseas operations

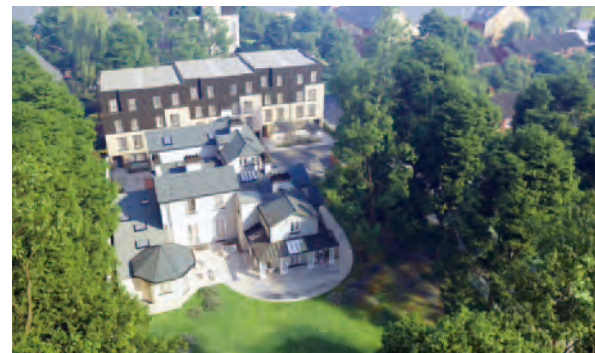
Nittan's fire alarm systems have also garnered praise overseas for their ease of use, reliability and quality. This, combined with the skill of the company's installers, has led to the increased adoption of Nittan systems. Nittan Europe Ltd., the company's consolidated subsidiary in the United Kingdom, established a training center in 2017 and launched a program to provide support to distributors and installers with the goal of reinforcing its sales capabilities and improving the quality of installation work. This led to a European Standards (ENs)-compliant Nittan Evolution series analogue addressable fire detection system being installed in a new student accommodation development that centers on a building with a complex architectural structure that dates back to the 18th century. Nittan smoke detectors were incorporated into hospitals newly built as an emergency measure as part of the United Kingdom's response to the COVID-19 crisis. Nittan Europe also offers technical support for systems that comply with the ENs and UL LLC standards installed by partners outside of the United Kingdom and Europe. These include the UL-compliant SPERA fire alarm system installed at a major hospital in Dhaka, the capital of Bangladesh.



B Catch Now sensor beacon and screen displaying location information (Nittan)

### ● The debut of the B Catch Now indoor location information system

A new addition to Nittan's portfolio is B Catch Now, which uses positioning information to aid the evacuation of people from facilities in the event of an emergency. If a fire breaks out, this system, which is linked with an automatic fire alarm system, swiftly pinpoints the point of origin and the location of individuals and sends a visual notification to the facility's disaster prevention center, thereby making it possible to swiftly extinguish the fire and guide rescue operations. On an everyday basis, customers can use the system to track people in the facility, analyze the time and frequency of meetings and operations, and generate visual information and data for flow lines, helping to improve workplace efficiency and office environments. The beacons used by B Catch Now to measure location require maintenance to replace depleted batteries and make repairs, but because Nittan services the system on the same cycle as it conducts fire alarm system inspections it is always in working order with no additional burden on the customer. Nittan



University student accommodation development in the United Kingdom that installed a Nittan fire detection system

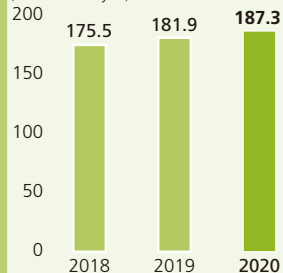


## Medical Services



### Net sales and operating revenue

(In billions of yen)



### Operating income

(In billions of yen)



## Operating highlights

Believing that extending services that protect health and life is the ultimate expression of our commitment to providing safety and peace of mind, we have created a medical services business in four key categories: medical care, personal care, health and preventative care, and ICT-based services. Our operations in this area reflect our commitment to providing a menu of services tailored to the needs of individuals with medical care, nursing care or healthcare concerns. We continue to capitalize on ICT to create seamless, integrated community-based healthcare models encompassing, among others, support for affiliated medical institutions and the provision of home nursing, pharmaceutical dispensing, personal care, and health and preventative care services.

### ● Medical care services

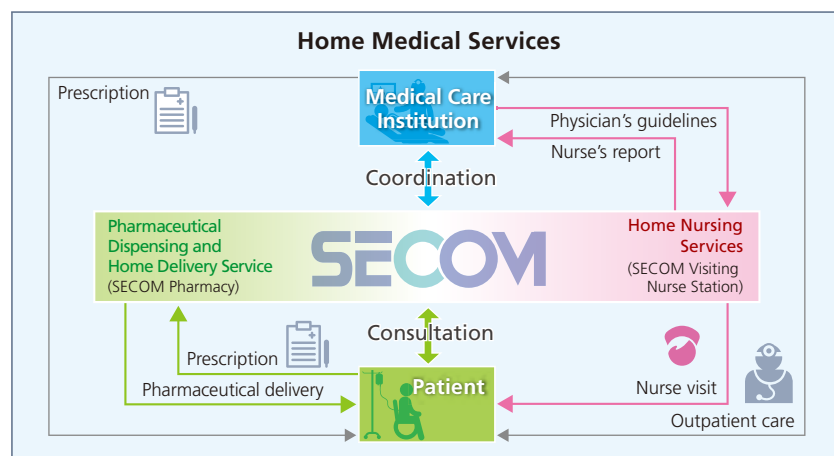
Our medical care services business began with home nursing services and pharmaceutical dispensing services, both of which are provided to patients in the comfort of their own homes. Today, our home nursing services assist home medical care by dispatching visiting nurses from a nationwide network of 34 visiting nurse stations to provide expert

medical treatment and nursing care in the patient's home under the direction of his or her physician. Our pharmaceutical dispensing services involve filling prescriptions and delivering medications needed by patients at home, as well as providing medical supplies, including infusion lines and syringes for home parenteral nutrition (HPN) administered via central venous catheter, and medical hygiene products.

Our support for affiliated medical institutions focuses on partnering with diverse hospitals and clinics providing services ranging from emergency medicine to convalescent care to help ensure high-grade medical care services and working to create integrated community-based healthcare models. We also leverage our extensive expertise and proficiency in home medical care to open and operate



Pharmaceutical dispensing services





Visiting personal care services



Hospi-net remote image diagnosis support system

community clinics. Leveraging our experience in Japan, we also opened and currently operate Sakra World Hospital, a general hospital, in Bengaluru, India.

### ● Personal care services

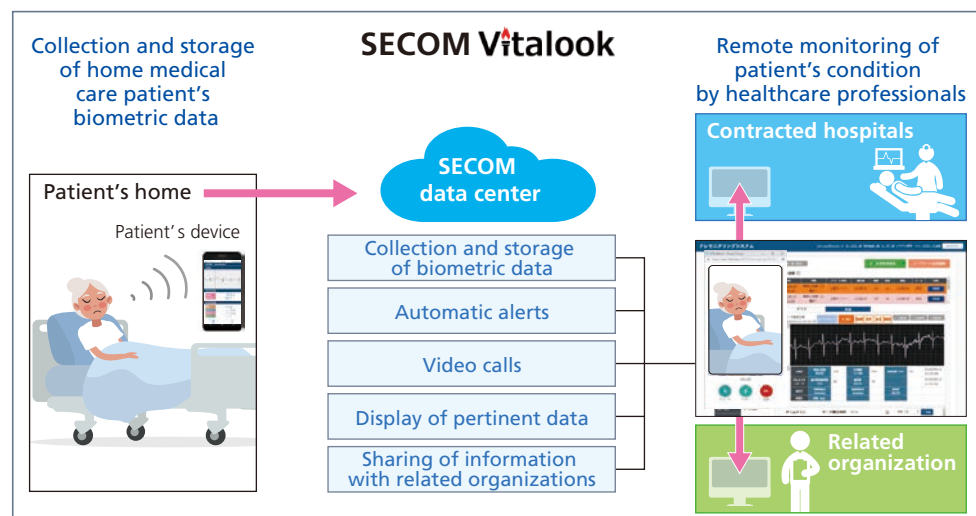
This category includes the operation of residences for seniors, which brings together our know-how in security services and in medical and personal care. We also provide visiting personal care services and adult day care services, as well as operate comprehensive senior care centers that offer diverse in-home care services.

### ● Health and preventative care services

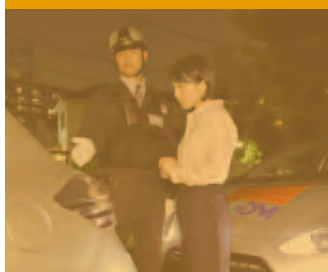
We are taking steps to expand health and preventative care services to encourage health maintenance and promotion and enhance quality of life. We also manage SECOM Health Care Club KENKO, a membership-based club that provides access to a variety of health management services.

### ● ICT-based services

These services center on the deployment of distinctively SECOM networked services. One example is the SECOM Vitalook remote medical support platform, which capitalizes on our accumulated expertise in home medical care and in the provision of support for affiliated medical institutions, together with our capabilities in ICT and unique management resources. We also provide an extensive selection of cloud-based medical record systems designed to suit the needs of a range of medical care institutions, from clinics to small and medium-sized hospitals. Other offerings include solutions that leverage our know-how in ICT, data center operation and medical services to respond to the diverse information needs of medical care institutions, such as SECOM LINKus, which allows medical personnel to share electronic medical records stored at a SECOM data center, the Hospi-net remote image diagnosis support system and SECOM SMASH, a hospital management information analysis system.

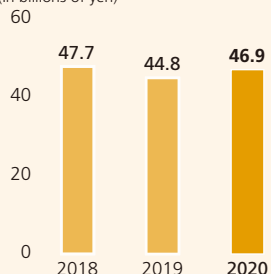


## Insurance Services



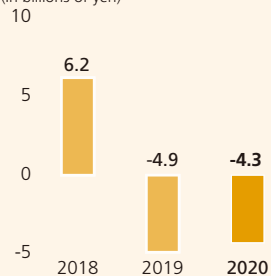
### Net sales and operating revenue

(In billions of yen)



### Operating income (loss)

(In billions of yen)



## Operating highlights

We believe that both security services, which are preventative by nature, and non-life insurance, which looks after people should misfortune strike, are essential to our ability to deliver uninterrupted safety and peace of mind. In line with this belief, we continue to expand the scope of our insurance services business by offering a variety of distinctive policies that support the daily lives and business activities of our customers.

### ● Subscriptions to MEDCOM continue to rise

MEDCOM is an unrestricted cancer treatment policy that provides coverage for costs associated with all inpatient hospital treatments, including those covered under Japan's National Health Insurance (NHI) scheme, those for advanced medical care, and those for which the individual usually bears the burden. Coverage for inpatient treatment is unlimited, while that for outpatient treatment provides up to ¥10 million per five-year period. This allows the subscriber to concentrate on treatment without having to worry about the economic implications thereof. Developed from the perspective of the subscriber to facilitate the best possible cancer treatment, MEDCOM continues to attract support, underpinning the expansion of subscriptions.

### ● Fire insurance policies with distinctively SECOM discounts

SECOM *Anshin My Home* is a fire insurance policy for residential customers that offers a discount on premiums for subscribers who have installed on-line security systems, reflecting our belief that such systems reduce the risk of theft and fire. The Security Discount Fire Policy is a similar policy for commercial customers who have installed on-line security systems in which premiums are discounted to reflect the risk-mitigating benefits of such systems. Active efforts to propose fire insurance when introducing on-line security systems to potential home and commercial security services customers continues to push up subscriptions. Going forward, we will continue to focus on expanding sales of these policies in line with increasing security services subscriptions.

### ● SECOM *Anshin My Car*: Backed by on-site support from emergency response personnel

SECOM *Anshin My Car* is an automotive insurance policy that includes around-the-clock access to on-site support by SECOM emergency response personnel in the event of an accident if requested, thereby helping to resolve concerns. This feature, which also includes emergency response personnel contacting the police and ambulance services and photographing the accident site, continues to earn high marks.



New pamphlets for MEDCOM, SECOM *Anshin My Home* and SECOM *Anshin My Car*



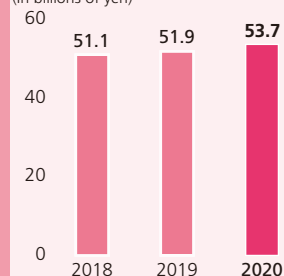
A security advisor proposes fire insurance to new home security subscribers

## Geospatial Information Services



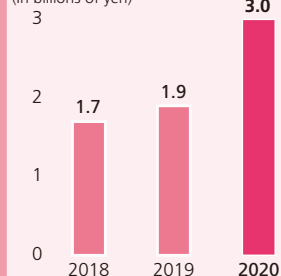
### Net sales and operating revenue

(In billions of yen)



### Operating income

(In billions of yen)



## Operating highlights

Subsidiary Pasco collects geographic data from commercial satellites, aircraft, drones and proprietary vehicle- and ship-mounted sensors, among others, which it integrates, processes and analyzes to provide a variety of geospatial information services, assisting efforts to address diverse social imperatives. Pasco provides services to public sector entities—including national and local governments—and private sector customers in Japan. The company also extends services to customers in both the public and private sectors overseas. Services for public sector entities in Japan account for approximately 80% of segment net sales and operating revenue.

### ● Contributing to national resilience

The need for measures to prevent disasters attributable to climate change, including flooding rivers and landslides, continues to grow. Using aerial lasers, Pasco collects high-precision 3D topographical data necessary for effective dam and river management and erosion control and conducts risk assessments and evaluates scale of impact. The company also offers comprehensive surveying services that use a drone-mounted green laser scanner, enabling the simultaneous 3D topographical measurement of both the beds and above-ground portions of water bodies, helping boost the efficiency and precision of river management and fields included in the i-Construction\* program. Pasco looks forward to expanding its deployment of sophisticated geospatial information technologies to facilitate an accurate topographical understanding, as well

as to provide comprehensive assistance for risk assessment, the formulation of countermeasures and effective management.

### ● Support for efforts to prevent the deterioration of infrastructure

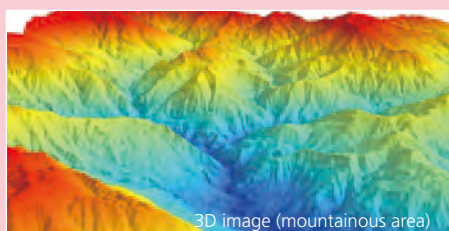
The aging of Japan's infrastructure, much of which was built during the country's postwar period of rapid economic growth, has become a major issue. Pasco continues to see brisk results for the development of plans designed to extend the lifespan of roads, bridges, schools and other infrastructure assets. The company also provides integrated support for the preparation of infrastructure-specific electronic ledgers, as well as the implementation of inspections to assess deterioration, and the formulation of long-term repair plans and maintenance work, and will continue to actively submit proposals to local governments nationwide.

### ● Providing total services for logistics

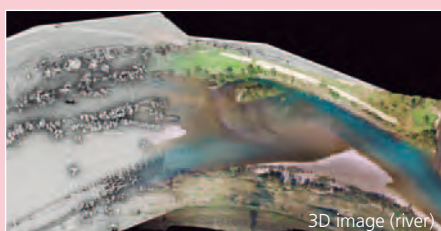
Pasco is collaborating with companies to enhance services and expand marketing channels in order to solve challenges in the logistics industry. Pasco leverages its geospatial information technologies to conduct marketing and location analysis and determine optimal warehouse configurations, and has partnered an ICT solutions provider in the area of warehouse management and with a logistics solutions developer in the area of delivery management. To enhance delivery from warehouses, Pasco prepares optimized delivery plans and ensures effective crisis management in the event of a disaster, while an allied mobile navigation services provider offers route navigation.

Looking ahead, Pasco will step up its efforts to provide total logistics and other next-generation services that will lead to future growth. To this end, it will strengthen cooperation with companies and academic institutions in diverse fields.

\* The i-Construction program was launched by Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT) as an initiative aimed at deploying ICT in construction and civil engineering to help overcome persistent labor shortages.



3D image (mountainous area)



3D image (river)

PASCO collects high-precision 3D topographical data necessary to assess various risks

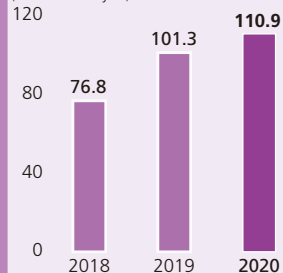


## BPO and ICT Services



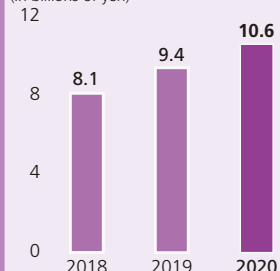
### Net sales and operating revenue

(In billions of yen)



### Operating income

(In billions of yen)



## Operating highlights

This segment encompasses the operations of subsidiaries Secom Trust Systems, which develops and provides ICT services that resolve a variety of issues faced by customers, delivering safety and peace of mind and making lives more comfortable and convenient; At Tokyo, one of Japan's largest data center operators, which offers services boasting excellent connectivity to mainstay cloud-based services; and TMJ, which provides BPO services, including contact center and back office support services.

### ● Large-scale disaster preparedness, information security and cloud-based services

Secom Trust Systems provides wide-ranging services that assist in the formulation of BCPs to ensure preparedness, the implementation of effective immediate response measures and the prompt restart of operations in the aftermath of a major disaster. The SECOSM Safety Confirmation Service enables subscribers to swiftly ascertain the safety of employees and their families and damage to sites in the event of a major earthquake or other disaster or the failure of key infrastructure. As of March 31, 2020, this service was used by approximately 7,900 companies employing around 7.1 million individuals, with contracts with large companies and public-sector entities continuing to grow. Since its release, steps have been taken in response to customer feedback to improve convenience, as a result of which it is now possible to confirm and report on safety using the business communication tools of major social media services.

In response to COVID-19, Secom Trust Systems prepared a questionnaire template to help companies to promptly confirm the status of their employees' health, providing certain components free of charge to support companies' efforts to prevent the further spread of the virus. Moreover, with the

pandemic forcing people to change the way they work, accelerating the trend toward telework, the company is also focusing efforts on proposing cloud-based services that make new work styles safer and more comfortable. Examples include personnel management-related services such as the SECOSM Anshin Employee Attendance Management Service KING OF TIME Edition, which makes it possible for employees utilizing telework to enter work start and end times and manage attendance data online regardless of their location, and the SECOSM Secure Digital Payslip Service that enables employees to safely manage and view salary details protected by stringent SECOSM security. SECOSM Trust Systems also capitalizes on our robust secure data center capabilities and the competitive advantage we enjoy as a certification authority to offer a variety of services that contribute to the resolution of issues faced by companies, including the SECOSM Secure Digital Minutes Service, which makes it possible to approve digitized minutes of Board of Directors' meetings held via Web conference or teleconference; the SECOSM Anshin Eco Document Digitization Service, which digitizes contracts and other documents; and the SECOSM Secure File Transmission Service, which facilitates the



SECOSM Safety Confirmation Service:  
Helping ensure safety in the COVID-19 era



At Tokyo data center



Operator at call center deploying voice sentiment analysis (TMJ)

safe and secure transmission of electronic files to and from individuals in teleworking environments. Looking ahead, SECOM Trust Systems will continue to enhance its lineup of services that support new ways of working.

#### ● Data center services

Data center operator At Tokyo capitalizes on its many years of experience and operational know-how to offer a broad range of customers uninterrupted, around-the-clock data center services that respond to diverse needs and have earned a reputation for world-class quality and reliability. Of note, the company's key competitive advantage is its ability to provide high-grade services that boast low latency and excellent connectivity together with megacloud, internet exchange (IX) and diverse other services, creating an important IT infrastructure for companies for which system outages would significantly impact society. In recent years, companies have been forced to address business risks associated with large-scale natural disasters, prompting a further increase in demand for data center services in the Kansai region, which is unlikely to suffer a disaster concurrently with the Tokyo metropolitan area. In light of this trend, in January 2020 At Tokyo opened a new data center in the Kansai region to help ensure business continuity for financial institutions in the event of a major disaster. In April, the company opened another new data center for use as a network communication hub in the same region.

Going forward, At Tokyo will continue to promote the qualitative and quantitative expansion of its data center operations in response to rising demand, providing a platform that will support the realization of diverse services essential to tomorrow's advanced information society.

#### ● BPO services

In Japan, a declining labor force and the spread of COVID-19 are spurring brisk demand for high-grade BPO services that deliver safety and peace of mind. Subsidiary TMJ provides highly rated contact center and back office support services tailored to the needs of financial institutions and other companies. In March 2020, TMJ leveraged its know-how in the management of contact centers to develop voice sentiment analysis AI to assist call center operations in collaboration with a firm specializing in AI-based voice sentiment analysis. This AI is deployed to analyze and evaluate the emotions of call center operators and customers from their vocal intonation and displays the results on the operators' monitors. Supervisors can check the results displayed in real time and provide advice, thereby helping to improve the skills of new operators. This also contributes to the creation of more positive work environments for operators.

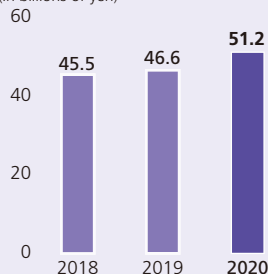
With an increasing number of companies introducing telework arrangements as a result of COVID-19, TMJ is working to boost sales of the SECOM Call on Duty Service, an outsourced telephone receptionist service that responds to calls coming into the customers premises around the clock whenever requested. Through the provision of this service, the company seeks to support the creation of an environment that enables employees to work from remote locations comfortably and securely, as well as to increase customers for its high-grade contact center services.

## Real Estate and Other Services



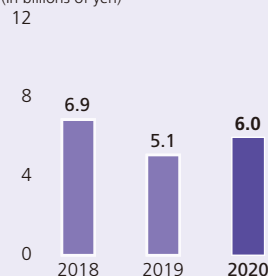
### Net sales and operating revenue

(In billions of yen)



### Operating income

(In billions of yen)



## Operating highlights

### ● Real estate development and sales

We continue to promote the development and sales of the Glorio Residence series of family-focused condominiums, which boast the latest security systems, extensive disaster preparedness features and dependable follow-up services, reflecting the concepts of security, peace of mind and reliability. We also offer the Glorio Comfort series of inviting, high-performance urban condominiums that offer outstanding security in a compact package, and the Glorio Scelto series of condominiums for lease and pre-owned condominiums that have been renovated in response to rising demand. On another front, we opened condominium information centers in the Tokyo metropolitan area to handle inquiries about housing-related issues. With remote support becoming a new normal in the era of COVID-19, we also launched an online condominium information center that enables people to access services from their homes. Looking ahead, we will promote sales activities that make use of these facilities.



Glorio Residence Urawa Motocho

### ● Real estate leasing

Our real estate leasing business focuses on advantageous locations in central Tokyo. This business comprises extensive, highly rated maintenance and management that are used by diverse companies in various industries.

### ● Construction and installation

We have created a configuration for providing a wide range of high-grade services, from the design and installation of air conditioning, plumbing and electrical systems to building maintenance.

### ● Home services

SECOM Home Service is an optional suite of services available to SECOM Home Security subscribers with a diverse menu that enables us to tailor packages that help customers resolve concerns in everyday life. Services offered vary from housework support to patrolling around subscribers' homes when they are out.



SECOM Home Service



Condominium information center display room