# **Consolidated Financial Statements**

#### **Consolidated Balance Sheets**

SECOM CO., LTD. and Subsidiaries March 31, 2023 and 2022

ASSETS  Current assets:  Cash and cash equivalents  Time deposits  Cash deposits for armored car services.  Short-term investments  Notes and accounts receivable, trade  Due from subscribers.  Inventories  Short-term deferred charges  Short-term receivables  Allowance for doubtful accounts  Deferred insurance acquisition costs  Other current assets.	2023 ¥ 524,777 9,211 135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	# 531,555 8,972 136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597 1,026,658	\$ 3,916,246 68,739 1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978 7,735,112
Current assets:  Cash and cash equivalents	2023 ¥ 524,777 9,211 135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	¥ 531,555 8,972 136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	\$ 3,916,246 68,739 1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Current assets:  Cash and cash equivalents	¥ 524,777 9,211 135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	¥ 531,555 8,972 136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	\$ 3,916,246 68,739 1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Current assets:  Cash and cash equivalents	¥ 524,777 9,211 135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	¥ 531,555 8,972 136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	\$ 3,916,246 68,739 1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Cash and cash equivalents	9,211 135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	8,972 136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	68,739 1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Time deposits  Cash deposits for armored car services  Short-term investments  Notes and accounts receivable, trade  Due from subscribers  Inventories  Short-term deferred charges  Short-term receivables  Allowance for doubtful accounts  Deferred insurance acquisition costs  Other current assets	9,211 135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	8,972 136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	68,739 1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Cash deposits for armored car services  Short-term investments  Notes and accounts receivable, trade  Due from subscribers  Inventories  Short-term deferred charges  Short-term receivables  Allowance for doubtful accounts  Deferred insurance acquisition costs  Other current assets	135,460 25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	136,478 26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	1,010,896 193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Short-term investments  Notes and accounts receivable, trade  Due from subscribers  Inventories  Short-term deferred charges  Short-term receivables  Allowance for doubtful accounts  Deferred insurance acquisition costs  Other current assets	25,938 172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	26,528 165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	193,567 1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Notes and accounts receivable, trade  Due from subscribers	172,946 61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	165,415 61,300 38,171 7,973 26,192 (2,077) 3,554 22,597	1,290,642 461,052 348,925 56,455 221,866 (16,433) 20,179 162,978
Due from subscribers	61,781 46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	38,171 7,973 26,192 (2,077) 3,554 22,597	461,052 348,925 56,455 221,866 (16,433 20,179 162,978
Inventories	46,756 7,565 29,730 (2,202) 2,704 21,839 1,036,505	38,171 7,973 26,192 (2,077) 3,554 22,597	348,925 56,455 221,866 (16,433 20,179 162,978
Short-term deferred charges Short-term receivables Allowance for doubtful accounts Deferred insurance acquisition costs Other current assets	7,565 29,730 (2,202) 2,704 21,839 1,036,505	7,973 26,192 (2,077) 3,554 22,597	56,455 221,866 (16,433 20,179 162,978
Short-term receivables	29,730 (2,202) 2,704 21,839 1,036,505	26,192 (2,077) 3,554 22,597	221,866 (16,433 20,179 162,978
Allowance for doubtful accounts	(2,202) 2,704 21,839 1,036,505	(2,077) 3,554 22,597	(16,433 20,179 162,978
Deferred insurance acquisition costs Other current assets	2,704 21,839 1,036,505	3,554 22,597	20,179 162,978
Other current assets	21,839 1,036,505	22,597	162,978
	1,036,505	,-	
		1,020,000	.,,
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Investments and long-term receivables:		015 010	1 750 75/
Investment securities	235,003	215,012	1,753,754
Investments in affiliated companies	79,647	71,663	594,381
Long-term receivables	38,712	34,984	288,896
Lease deposits	22,078	20,699	164,761
Other investments	12,457	11,380	92,963
Allowance for doubtful accounts	(4,175)	(4,201)	(31,157)
	383,722	349,537	2,863,598
Property, plant and equipment:			
Land	123,197	121,890	919,381
Buildings and improvements	397,640	388,254	2,967,463
Security equipment and control stations	372,650	365,350	2,780,970
Machinery, equipment and automobiles	168,973	163,887	1,260,993
Construction in progress	20,558	9,773	153,417
	1,083,018	1,049,154	8,082,224
Accumulated depreciation	(646,969)	(624,313)	(4,828,127)
	436,049	424,841	3,254,097
Other assets:			
Operating lease right-of-use assets	130,584	137,412	974,507
Long-term deferred charges	12,559	13,174	93,724
Goodwill	141,626	109,653	1,056,910
Other intangible assets	65,743	58,676	490,619
Prepaid pension and severance costs	55,552	47,852	414,567
Deferred income taxes	15,039	15,663	112,231
	421,103	382,430	3,142,558
Total assets	¥2,277,379	¥2,183,466	\$16,995,365

		In millions of yen	Translation into thousands of U.S. dollars
		March 31	March 31
LIABILITIES AND EQUITY	2023	2022	2023
Current liabilities:			
Bank loans	¥ 30,096	¥ 31,814	\$ 224,597
Current portion of long-term debt	12,527	15,121	93,485
Notes and accounts payable, trade	48,148	46,038	359,313
Other payables	46,284	44,669	345,403
Deposits received	124,117	124,001	926,246
Deferred revenue	37,747	38,259	281,694
Accrued income taxes	23,121	26,665	172,545
Accrued payroll	46,476	41,526	346,836
Current operating lease liabilities	21,040	20,450	157,015
Other current liabilities	44,547	30,622	332,440
Total current liabilities	434,103	419,165	3,239,574
Long-term liabilities:			
Long-term debt	47,414	51,844	353,836
Guarantee deposits received	23,229	23,238	173,351
Accrued pension and severance costs	31,090	30,244	232,015
Long-term deferred revenue	16,121	16,545	120,306
Unearned premiums and other insurance liabilities	129,034	133,014	962,940
Investment deposits by policyholders	14,363	16,966	107,187
Deferred income taxes	20,222	14,277	150,910
Noncurrent operating lease liabilities	109,544	116,962	817,493
Other long-term liabilities	16,767	16,262	125,125
Total long-term liabilities	407,784	419,352	3,043,163
Total liabilities	841,887	838,517	6,282,737

#### Commitments and contingent liabilities

Equity:
SECOM CO., LTD. shareholders' equity:
Common stock
Authorized—900,000,000 shares, issued 233,299,898 sl
Authorized—900,000,000 shares, issued 233,298,049 sl
Additional paid-in capital

Total liabilities and equity	¥2,277,379	¥2,183,466	\$16,995,365
Total equity	1,435,492	1,344,949	10,712,628
Noncontrolling interests	168,287	135,437	1,255,873
Total SECOM CO., LTD. shareholders' equity	1,267,205	1,209,512	9,456,755
18,763,110 shares in 2023 and 15,215,218 shares in 2022	(109,225)	(79,437)	(815,112)
Common stock in treasury, at cost:			
	23,585	8,678	176,008
Foreign currency translation adjustments	18,991	2,929	141,724
Pension liability adjustments	5,814	3,325	43,388
Unrealized gains on securities	(1,220)	2,424	(9,104)
Accumulated other comprehensive income (loss):			
Retained earnings	1,212,269	1,139,866	9,046,784
Legal reserve	11,067	10,972	82,590
Additional paid-in capital	63,082	63,014	470,761
Authorized—900,000,000 shares, issued 233,298,049 shares in 2022	66,427	66,419	495,724
Authorized—900,000,000 shares, issued 233,299,898 shares in 2023			
Common Stock			

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### **Consolidated Statements of Income**

SECOM CO., LTD. and Subsidiaries Three years ended March 31, 2023

Tiffee years ended March 31, 2023				
		In	millions of yen	Translation into thousands of U.S. dollars
	-	Years ended March 31		
	2023	2022	2021	2023
Net sales and operating revenue	¥1,227,316	¥1,166,098	¥1,135,339	\$9,159,075
Costs and expenses: Cost of sales Selling, general and administrative expenses Impairment loss on long-lived assets. Impairment loss on goodwill Gain and loss on sales and disposal of fixed assets, net	216,032 2,647 1,456	802,443 204,190 113 268 2,682	790,288 201,723 95 5,660 1,764	6,431,358 1,612,179 19,754 10,866 (1,291) 8,072,866
Operating income		156,402	135.809	1,086,209
Other income:  Interest and dividends Gain and loss on sales of securities, net Gain on other-than-temporary impairment of investment securities Gain on private equity investments Other.	2,325 	1,784 334 - 3,072 4,480 9,670	1,880 4,594 5,647	17,351 — 3,567 88,000 40,634 149,552
Other expenses: Interest Gain and loss on sales of securities, net. Loss on other-than-temporary impairment of investment securities. Loss on private equity investments. Other.		1,165 — 848 — 2,370 4,383	1,168 121 — 302 1,254 2,845	8,828 828 — 9,687
Income from continuing operations before income taxes and equity in net income of affiliated companies		161,689	145,085	1,216,418
Income taxes: Current Deferred		46,738 2,426 49.164	43,743 3,855 47,598	342,329 26,746 369.075
Income from continuing operations before equity in net income of affiliated companies Equity in net income of affiliated companies	113,544	112,525 6,639	97,487 6,578	847,343 60,836
Income from continuing operations		119,164	104,065 (2,570)	908,179 —
Net income Less: Net income attributable to noncontrolling interests		119,164 (11,433)	101,495 (11,582)	908,179 (75,657)
Net income attributable to SECOM CO., LTD.	¥ 111,558	¥ 107,731	¥ 89,913	\$ 832,522
			In yen	Translation into U.S. dollars
			Years ended March 31	Year ended March 31

			In yen	U.S. dollars
			Years ended March 31	Year ended March 31
	2023	2022	2021	2023
Per share data:				
Income from continuing operations attributable to SECOM CO., LTD	¥516.68	¥492.83	¥423.73	\$3.86
Income (loss) from discontinued operations attributable to SECOM CO., LTD	_	_	(11.78)	_
Net income attributable to SECOM CO., LTD.	516.68	492.83	411.95	3.86
Cash dividends per share	¥180.00	¥175.00	¥170.00	\$1.34

Consolidated Statements of Comprehensive Income SECOM CO., LTD. and Subsidiaries In millions of yen							
Three years ended March 31, 2023			Years ended March 31	Year ended March 31			
	2023	2022	2021	2023			
Comprehensive income:							
Net income	¥121,696	¥119,164	¥101,495	\$ 908,179			
Other comprehensive income (loss), net of tax:							
Unrealized gains on securities	(3,644)	(142)	519	(27,194)			
Pension liability adjustments	2,716	3,976	4,462	20,269			
Foreign currency translation adjustments	16,885	11,678	(3,975)	126,007			
Total comprehensive income	137,653	134,676	102,501	1,027,261			
Less: Comprehensive income attributable to noncontrolling interests	(11,188)	(12,055)	(11,739)	(83,492)			
Comprehensive income attributable to SECOM CO., LTD.	¥126,465	¥122,621	¥ 90,762	\$ 943,769			

## **Consolidated Statements of Changes in Equity**

SECOM CO., LTD. and Subsidiaries Three years ended March 31, 2023

Tillee years ended March 31, 2023									ln :	millions of yen
	Number of shares issued	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other com- prehensive income (loss)	Common stock in treasury, at cost	Total SECOM CO., LTD. shareholders' equity	Noncontrolling interests	Total
Balance, March 31, 2020	233,293,998	¥66,401	¥74,680	¥10,833	¥1,017,661	(¥ 7,061)	(¥ 73,776)	¥1,088,738	¥138,669	¥1,227,407
Comprehensive income:										
Net income	_	_	_	_	89,913	_	_	89,913	11,582	101,495
Other comprehensive income (loss), net of tax:										
Unrealized gains on securities	_	_	_	_	_	519	_	519	_	519
Pension liability adjustments	_	_	_	_	_	3,942	_	3,942	520	4,462
Foreign currency translation adjustments	_	_	_	_	_	(3,612)	_	(3,612)	(363)	(3,975)
Total comprehensive income								90,762	11,739	102,501
Issuance of new stocks	1,928	9	9	_	_	_		18	_	18
Cash dividends paid to SECOM CO., LTD. shareholders	_	_	_	_	(37,104)	_	_	(37,104)	_	(37,104)
Cash dividends paid to noncontrolling interests	_	_	_	_	_	_	_	_	(2,523)	(2,523)
Transfer to legal reserve		_	_	51	(51)	_	_	_	_	_
Equity transactions with noncontrolling interests										
and other	_	_	(82)	_	_	_	_	(82)	935	853
Gains on disposal of treasury stock	_	_	_	_	_	_	_	_	_	_
Net changes in treasury stock	_	_	_	_	_	_	(9)	(9)	_	(9)
Balance, March 31, 2021	233,295,926	66,410	74,607	10,884	1,070,419	(6,212)	(73,785)	1,142,323	148,820	1,291,143
Comprehensive income:										
Net income	_	_	_	_	107,731	_	_	107,731	11,433	119,164
Other comprehensive income (loss), net of tax:										
Unrealized gains on securities	_	_	_	_	_	(142)	_	(142)	_	(142)
Pension liability adjustments		_	_	_	_	3.983	_	3.983	(7)	3.976
Foreign currency translation adjustments		_	_	_	_	11,049	_	11,049	629	11.678
Total comprehensive income						,		122,621	12.055	134,676
Issuance of new stocks		9	9	_	_	_		18	- 12,000	18
Cash dividends paid to SECOM CO., LTD. shareholders		_		_	(38,196)	_	_	(38.196)	_	(38,196)
Cash dividends paid to noncontrolling interests		_	_	_	(50,170)	_	_	(50,170)	(2.965)	(2.965)
Transfer to legal reserve		_	_	88	(88)	_	_	_	(2,703)	(2,703)
Equity transactions with noncontrolling interests				00	(00)					
and other	_	_	(11.602)	_	_	_	_	(11.602)	(22,473)	(34.075)
Gains on disposal of treasury stock		_	0	_	_	_	0	0	-	0
Net changes in treasury stock		_	_	_	_	_	(5,652)	(5.652)	_	(5.652)
Balance, March 31, 2022		66.419	63,014	10,972	1,139,866	8,678	(79,437)	1.209.512	135.437	1.344.949
Comprehensive income:		,	,	,	.,,	-,	(,,	.,=,		.,,,
Net income	_	_	_	_	111,558	_	_	111,558	10,138	121,696
Other comprehensive income (loss), net of tax:					111,550			111,550	10,130	121,070
Unrealized gains on securities	_	_	_	_	_	(3.644)	_	(3,644)	_	(3,644)
Pension liability adjustments		_	_	_	_	2.490	_	2,490	226	2,716
		_	_	_	_		_		824	
Foreign currency translation adjustments		_	_	_	_	16,061		16,061 126,465	11.188	16,885 137.653
Total comprehensive income										
Issuance of new stocks		8	8	_	(20.0(0)	_	_	16	_	16
Cash dividends paid to SECOM CO., LTD. shareholders		_	_	_	(39,060)	_	_	(39,060)	(2.100)	(39,060)
Cash dividends paid to noncontrolling interests		_	_	_	(22)	_	_	_	(3,199)	(3,199)
Transfer to legal reserve	_	_	_	95	(95)	_	_	_	_	_
Equity transactions with noncontrolling interests			40					40	2/ 9/1	24 021
and other		_	60 0	_	_	_	0	60 0	24,861	24,921 0
Gains on disposal of treasury stock		_	U	_	_	_			_	_
Net changes in treasury stock		V// /25	V/2.002	V11 0/5	V1 212 212	V22 F25	(29,788)	(29,788)	V1/0.227	(29,788)
Balance, March 31, 2023	233,277,898	¥66,427	¥63,082	¥11,067	¥1,212,269	¥23,585	(¥109,225)	¥1,267,205	¥168,287	¥1,435,492

	Translation into thousands of U.S. dollars								
	Common	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other com- prehensive income (loss)	Common stock in treasury, at cost	Total SECOM CO., LTD. shareholders' equity	Noncontrolling interests	Total
Balance, March 31, 2022	. \$495,664	\$470,254	\$81,881	\$8,506,463	\$ 64,761	(\$592,813)	\$9,026,210	\$1,010,724	\$10,036,934
Comprehensive income:									
Net income	_	_	_	832,522	_	_	832,522	75,657	908,179
Other comprehensive income (loss), net of tax:									
Unrealized gains on securities	. –	_	_	_	(27,194)	_	(27,194)	_	(27,194)
Pension liability adjustments	_	_	_	_	18,582	_	18,582	1,687	20,269
Foreign currency translation adjustments	. –	_	_	_	119,859	_	119,859	6,148	126,007
Total comprehensive income							943,769	83,492	1,027,261
Issuance of new stocks	60	60	_	_	_	_ `	120	_	120
Cash dividends paid to SECOM CO., LTD. shareholders	. –	_	_	(291,492)	_	_	(291,492)	_	(291,492)
Cash dividends paid to noncontrolling interests	_	_	_	_	_	_	_	(23,873)	(23,873)
Transfer to legal reserve	. –	_	709	(709)	_	_	_	_	_
Equity transactions with noncontrolling interests									
and other	_	447	_	_	_	_	447	185,530	185,977
Gains on disposal of treasury stock	_	0	_	_	_	0	0	_	0
Net changes in treasury stock	_	_	_	_	_	(222,299)	(222,299)	_	(222,299)
Balance, March 31, 2023	\$495,724	\$470,761	\$82,590	\$9,046,784	\$176,008	(\$815,112)	\$9,456,755	\$1,255,873	\$10,712,628

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### **Consolidated Statements of Cash Flows**

SECOM CO., LTD. and Subsidiaries Three years ended March 31, 2023

		thousands of U.S. dollars		
			Years ended March 31	Year ended March 31
	2023	2022	2021	2023
Cash flows from operating activities:				
Net income	¥121,696	¥119,164	¥101,495	\$ 908,179
Adjustments to reconcile net income to net cash provided by operating activities—  Depreciation and amortization, including amortization of deferred charges	78.718	78.507	78.716	587,448
Accrual for pension and severance costs, less payments	(2,661)	(2,659)	(2,110)	(19,858)
Deferred income taxes, including discontinued operations		2,426	3,859	26,746
Gain and loss on sales and disposal of fixed assets, net		2,682	1,788	(1,291)
Impairment loss on long-lived assets		113	95	19,754
Write-down on real estate inventories			20	(22.222)
Gain and loss on private equity investments		(3,072)	302	(88,000)
Impairment loss on goodwill		268 (709)	5,660 2,476	10,866 (20,246)
Loss on other-than-temporary impairment of investment securities		2.373	(11,441)	(19,470)
Equity in net income of affiliated companies		(6,639)	(6,578)	(60,836)
Changes in assets and liabilities, net of effects from acquisitions and disposals:		, , , , ,	, , , , , ,	(***,****,
(Increase) decrease in cash deposits for armored car services	1,060	2,412	2,016	7,910
(Increase) decrease in receivables and due from subscribers,				
net of allowances		(10,450)	14,319	(28,336)
(Increase) decrease in inventories		(5,415)	(787)	(66,866) (59,896)
Increase in deferred charges Increase (decrease) in notes and accounts payable		(8,015) 2,986	(8,985) (4,077)	15,799
Increase (decrease) in deposits received		163	1,061	(739)
Increase (decrease) in deferred revenue		(1,391)	(1,807)	(8,567)
Increase (decrease) in accrued income taxes		4,022	(935)	(29,963)
Increase (decrease) in guarantee deposits received		(210)	(1,197)	(1,015)
Increase (decrease) in unearned premiums and other insurance liabilities		(103)	4,209	(29,701)
Increase (decrease) in accrued consumption tax	(1,376)	(4,121)	1,295	(10,269)
Other, net	4,568	12,961	9,329	34,090
Net cash provided by operating activities	156,209	185,293	188,723	1,165,739
Cash flows from investing activities:	(4.70)	700	(500)	(4.004)
(Increase) decrease in time deposits		738	(593)	(1,291)
Proceeds from sales of property, plant and equipment		3,602 (55,075)	766 (50.122)	48,612 (394,373)
Payments for purchases of intangible assets		(10,778)	(10,738)	(89,582)
Proceeds from sales and redemptions of investment securities		33,243	47,859	397,993
Payments for purchases of investment securities		(31,683)	(55,991)	(364,396)
(Increase) decrease in short-term investments		_	9,269	(19,060)
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of		(3)	14,633	(1,164)
Acquisitions, net of cash acquired		_	(7,098)	(141,261)
(Increase) decrease in short-term receivables, net		57 (703)	310 (1.472)	(1,396) (5,500)
Payments for long-term receivables Proceeds from long-term receivables		1,975	1,947	11,261
Other, net		(1,734)	(1,719)	(16,895)
Net cash used in investing activities		(60,361)	(52.949)	(577,052)
Cash flows from financing activities:	(77,323)	(00,301)	(32,747)	(377,032)
Proceeds from long-term debt	2,837	5,349	16,699	21,172
Repayments of long-term debt		(16,953)	(18,752)	(124,634)
Increase (decrease) in bank loans, net	(1,275)	(1,903)	(4,500)	(9,515)
Increase (decrease) in investment deposits by policyholders	(2,603)	(2,863)	(1,687)	(19,425)
Dividends paid to SECOM CO., LTD. shareholders		(38,196)	(37,104)	(291,492)
Dividends paid to noncontrolling interests	(3,427)	(2,965)	(2,600)	(25,575)
Payments for acquisition of shares of consolidated subsidiaries from noncontrolling interest holders	(38)	(28,573)	(241)	(284)
Increase in treasury stock, net		(11,241)	(241)	(222,299)
Other, net		72	478	21,246
Net cash used in financing activities	(87,208)	(97,273)	(47,716)	(650,806)
Effect of exchange rate changes on cash and cash equivalents	1,546	1,695	(525)	11,537
Net increase in cash and cash equivalents		29,354	87,533	(50,582)
Cash and cash equivalents at beginning of year		502,201	414,668	3,966,828
Cash and cash equivalents at end of year	¥524,777	¥531,555	¥502,201	\$3,916,246
Cash and Cash equivalents at end of year	+324,777	+551,555	+302,201	\$3,710,240

## Segment Information

Translation into

Information by business and geographic segments for the years ended and as of March 31, 2023, 2022 and 2021 is as follows:

#### (1) Business Segment Information

			In	millions of yen	In thousands of U.S. dollars
	-		Years ended March 31		
	_	2023	2022	2021	2023
Net sales and operating revenue:					
Security services—	CustomersIntersegment	¥ 597,071 3,235	¥ 563,623 3,093	¥ 555,060 3,064	\$4,455,754 24,142
		600,306	566,716	558,124	4,479,896
Fire protection services—	Customers	145,662 3,125	148,804 3,302	140,599 3,275	1,087,031 23,321
		148,787	152,106	143,874	1,110,352
Medical services—	Customers	196,246 239	195,826 236	182,573 206	1,464,522 1,784
		196,485	196,062	182,779	1,466,306
Insurance services—	CustomersIntersegment	58,876 3,012	51,769 3,151	58,291 3,084	439,373 22,478
		61,888	54,920	61,375	461,851
Geospatial information services—	Customers	62,086 226	56,371 194	53,908 204	463,328 1,687
		62,312	56,565	54,112	465,015
BPO and ICT services—	Customers	127,854 11,012	115,544 9,212	112,144 9,709	954,134 82,179
		138,866	124,756	121,853	1,036,313
Other services—	CustomersIntersegment	39,521 1,560	34,161 1,235	32,764 1,187	294,933 11,642
		41,081	35,396	33,951	306,575
		1,249,725 (22,409)	1,186,521 (20,423)	1,156,068 (20,729)	9,326,308 (167,233)
	evenue	¥1,227,316	¥1,166,098	¥1,135,339	\$9,159,075

		In thousands of U.S. dollars		
		Years ended March 31		
	2023	2022	2021	2023
Operating income (loss):				
Security services	¥109,420	¥113,380	¥101,096	\$ 816,567
Fire protection services	11,559	14,516	13,091	86,261
Medical services	10,504	13,636	3,938	78,388
Insurance services	7,090	8,547	9,309	52,910
Geospatial information services	5,807	3,874	4,443	43,336
BPO and ICT services	13,112	14,562	14,495	97,851
Other services	7,519	6,120	6,046	56,112
Total	165,011	174,635	152,418	1,231,425
Corporate expenses and eliminations	(19,459)	(18,233)	(16,609)	(145,216)
Operating income	¥145,552	¥156,402	¥135,809	\$1,086,209
Other income	20,040	9,670	12,121	149,552
Other expenses	(2,592)	(4,383)	(2,845)	(19,343)
Income from continuing operations before income taxes	¥163,000	¥161,689	¥145,085	\$1,216,418

	In	In millions of yen March 31	
	2023	2022	2023
ssets:			
Security services	¥ 961,134	¥ 916,912	\$ 7,172,642
Fire protection services	192,783	190,544	1,438,679
Medical services	203,876	203,299	1,521,463
Insurance services		247,258	1,823,373
Geospatial information services	77,827	77,954	580,799
BPO and ICT services	252,319	241,694	1,882,978
Other services	128,970	121,195	962,460
Total	20/12/1	1.998.856	15.382.394
Corporate items		112,948	1,018,590
Investments in affiliated companies		71,662	594,381
Total assets	¥2,277,379	¥2,183,466	\$16,995,365

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#### Segment Information

	In millions of yen			In thousands of U.S. dollars
			Years ended March 31	Year ended March 31
	2023	2022	2021	2023
Depreciation and amortization:				
Security services	¥ 51,739	¥51,573	¥51,645	\$386,113
Fire protection services	2,955	2,836	2,662	22,052
Medical services	7,829	8,055	8,496	58,425
Insurance services		2,509	2,556	17,373
Geospatial information services		1,751	1,665	13,231
BPO and ICT services		9,751	9,816	74,008
Other services	1,303	1,158	1,008	9,724
Total	77,844	77,633	77,848	580,926
Corporate items	874	874	868	6,522
Total depreciation and amortization	¥ 78,718	¥78,507	¥78,716	\$587,448
Capital expenditure:				
Security services	¥ 66,278	¥44,059	¥44,276	\$494,612
Fire protection services	4,043	5,176	5,249	30,172
Medical services	5,620	4,018	4,057	41,940
Insurance services		2,770	1,936	22,948
Geospatial information services		2,608	2,052	19,403
BPO and ICT services	20,961	7,871	6,928	156,425
Other services	8,108	4,182	3,677	60,507
Total	110,685	70,684	68,175	826,007
Corporate items	795	584	486	5,933
Total capital expenditures	¥111,480	¥71,268	¥68,661	\$831,940

The capital expenditures in the above table represent the additions to property, plant and equipment and intangible assets of each segment. The Company has no single customer that accounts for more than 10 percent of total revenues.

The following table is a breakdown of security services revenue to external customers by service category. The security services business is managed as a single operating segment by the Company's management.

	In millions of yen			In thousands of U.S. dollars
			Years ended March 31	Year ended March 31
	2023	2022	2021	2023
Electronic security services	¥356,962	¥348,749	¥344,882	\$2,663,896
Static guard services	89,200 62,920 87,989	75,459 62,467 76,948	69,370 62,841 77,967	665,672 469,552 656,634
Total security services	¥597,071	¥563,623	¥555,060	\$4,455,754

#### (2) Geographic Segment Information

Net sales and operating revenue attributed to countries based on the geographical location of customers for the years ended March 31, 2023, 2022 and 2021 and long-lived assets as of March 31, 2023 and 2022 were as follows:

2020, 2022 dild 2021 dild tolig tived dosets as of March 31, 2023 dild 2022 wer		In	millions of yen	In thousands of U.S. dollars
			Years ended March 31	Year ended March 31
	2023	2022	2021	2023
Net sales and operating revenue:				
JapanOther	¥1,168,628 58,688	¥1,117,929 48,169	¥1,091,216 44,123	\$8,721,105 437,970
Total	¥1,227,316	¥1,166,098	¥1,135,339	\$9,159,075
		In millions of yen		In thousands of U.S. dollars
			March 31	March 31
	-	2023	2022	2023
Long-lived assets:				
Japan Other		¥798,435 15,855	¥755,252 15,125	\$5,958,470 118,321
Total		¥814,290	¥770,377	\$6,076,791

There are no individually material countries other than Japan with respect to net sales and operating revenue and long-lived assets.