

**QUARTERLY FINANCIAL REPORT
FOR THE THREE MONTHS ENDED JUNE 30, 2007**

July 31, 2007

Company name: SECOM Co., Ltd. (URL: <http://www.secom.co.jp>)
 Code number: 9735 Tokyo Stock Exchange ----- First Section
 Osaka Securities Exchange ----- First Section
 Representative: Kanemasa Haraguchi, President and Representative Director
 For inquiries: Katsuhisa Kuwahara, Executive Director Phone (03) 5775-8100

1. Summary of the consolidated financial information for the 1st quarter of the fiscal year ended March 31, 2008 (April 1, 2007 – June 30, 2007)

(1) Consolidated operating results (In millions of yen, figures rounded down)

	Three months ended June 30		Year ended March 31, 2007
	2007	2006	
Revenue	155,185 18.5%	130,966 5.4%	613,976
Operating profit	22,756 11.1%	20,473 7.5%	97,840
Ordinary profit	24,570 13.9%	21,581 9.5%	102,720
Net income	13,534 6.6%	12,700 14.8%	58,299
Basic net income per share (in yen)	60.16	56.45	259.14
Diluted net income per share (in yen)	-	-	-

Note: Percentage figures represent changes from the results of the corresponding period of the previous year.

(2) Consolidated financial conditions (In millions of yen, figures rounded down)

	June 30, 2007	June 30, 2006	March 31, 2007
Total assets	1,117,401	1,058,559	1,169,182
Net assets	594,524	524,787	601,116
Equity ratio	47.8%	46.3%	46.2%
Net assets per share (in yen)	2,376.30	2,179.72	2,400.91

(3) Consolidated cash flows (In millions of yen, figures rounded down)

	Three months ended June 30		Year ended March 31, 2007
	2007	2006	
Cash flows from operating activities	19,809	(21,449)	(20,987)
Cash flows from investing activities	(24,366)	13,927	14,496
Cash flows from financing activities	(35,656)	(51,662)	(30,495)
Cash and cash equivalents at end of the period	152,312	169,614	192,378

2. Dividends

The Company distributes no interim dividends for the 1st quarter.

3. Projections for the consolidated financial results for the fiscal year ending March 31, 2008 (April 1, 2007 – March 31, 2008) [Reference]

The Company has not changed its projections announced on May 9, 2007.

(In millions of yen)

	Six-month period ending September 30, 2007	Year ending March 31, 2008
Projected revenue	323,700 20.9%	704,000 14.7%
Projected operating profit	47,300 12.1%	108,600 11.0%
Projected ordinary profit	50,200 11.0%	112,500 9.5%
Projected net income	28,600 9.3%	63,300 8.6%
Projected net income per share (in yen)	127.13	281.37

Note: Percentage figures represent changes from the results of the corresponding period of the previous year.

4. Others

- (1) Significant changes in subsidiaries during the period: None
- (2) Adoption of simplified procedure in accounting processing: None
- (3) Change in accounting policy from the last fiscal year: None

* Note on forward-looking statements:

The forward-looking statements about the future performance described in this document include estimates based on future assumptions, prospects and plans as of the release date. Actual performance may differ from the forward-looking statements due to various risks and uncertainties.

Consolidated Balance Sheets

(In millions of yen)

	June 30, 2007		March 31, 2007		Change	June 30, 2006	
	Amount	% of total assets	Amount	% of total assets	Amount	Amount	% of total assets
ASSETS:							
Current assets:	455,760	40.8%	524,484	44.9%	(68,724)	458,430	43.3%
Cash on hand and in banks	157,208		181,266		(24,058)	172,836	
Cash deposits for armored car services *	68,756		75,328		(6,572)	66,894	
Call loans	-		15,000		(15,000)	-	
Notes and accounts receivable, trade	59,738		83,397		(23,659)	33,651	
Due from subscribers	19,405		19,217		187	18,359	
Short-term investments	16,402		18,171		(1,769)	65,564	
Inventories	106,957		97,670		9,287	73,476	
Deferred income taxes	7,735		11,597		(3,861)	7,308	
Short-term loans receivable	6,234		5,097		1,137	7,751	
Other	15,245		19,660		(4,414)	14,149	
Allowance for doubtful accounts	(1,924)		(1,923)		(1)	(1,562)	
Fixed assets:	661,355	59.2%	644,478	55.1%	16,877	600,083	56.7%
Tangible assets:	263,815	23.6%	260,809	22.3%	3,006	235,618	22.3%
Buildings and improvements	86,976		87,306		(329)	76,801	
Security equipment and control stations	64,520		63,675		844	64,513	
Land	81,011		80,341		670	65,597	
Other	31,307		29,485		1,821	28,705	
Intangible assets	22,407	2.0%	23,294	2.0%	(886)	24,779	2.3%
Investments and others:	375,132	33.6%	360,374	30.8%	14,757	339,685	32.1%
Investment securities	256,180		243,148		13,032	223,520	
Long-term loans receivable	54,421		55,223		(801)	60,018	
Prepaid pension and severance costs	16,313		15,817		496	11,645	
Deferred income taxes	17,019		15,654		1,365	16,276	
Other	46,382		45,692		689	41,666	
Allowance for doubtful accounts	(15,185)		(15,161)		(24)	(13,441)	
Deferred assets	286	0.0%	219	0.0%	67	45	0.0%
Total assets	1,117,401	100.0%	1,169,182	100.0%	(51,780)	1,058,559	100.0%

"Change" represents changes between figures as of June 30, 2007, and those as of March 31, 2007.

* "Cash deposits for armored car services" represent cash on hand and in banks related to cash collection and deposit services. The use of this cash deposits by the Company is restricted.

The item has been separated from "cash on hand and in banks" since March 31, 2007. In this document, however, the same presentation is used for June 30, 2006, for reference purpose.

Consolidated Balance Sheets (Contd.)

(In millions of yen)

	June 30, 2007		March 31, 2007		Change	June 30, 2006	
	Amount	% of total assets	Amount	% of total assets	Amount	Amount	% of total assets
LIABILITIES:							
Current liabilities:	274,734	24.6%	323,766	27.7%	(49,031)	237,082	22.4%
Notes and accounts payable, trade	24,933		28,469		(3,536)	11,588	
Bank loans	107,785		129,169		(21,384)	104,574	
Current portion of straight bonds	3,436		3,356		80	2,510	
Payables - other	24,190		29,888		(5,697)	18,131	
Accrued income taxes	7,952		24,973		(17,021)	7,094	
Accrued consumption taxes	3,409		3,366		42	3,154	
Accrued expenses	3,121		3,198		(76)	1,853	
Deferred revenue	33,544		31,188		2,355	33,194	
Accrued bonuses	6,714		11,409		(4,694)	3,582	
Other	59,647		58,745		901	51,399	
Long-term liabilities:	248,142	22.2%	244,299	20.9%	3,842	296,688	28.0%
Straight bonds	14,790		13,941		849	12,870	
Long-term loans	18,452		14,363		4,088	12,772	
Guarantee deposits received	32,129		32,164		(34)	29,362	
Deferred income taxes	2,995		2,717		277	2,332	
Accrued pension and severance costs	17,503		17,596		(93)	11,339	
Accrued retirement benefits for directors and corporate auditors	2,274		2,300		(25)	1,566	
Investment deposits by policyholders, unearned premiums and other insurance liabilities	159,228		160,142		(914)	225,504	
Other	767		1,073		(305)	939	
Total liabilities	522,876	46.8%	568,065	48.6%	(45,188)	533,771	50.4%
NET ASSETS:							
Shareholders' equity:	532,810	47.7%	537,279	46.0%	(4,468)	491,742	46.5%
Common stock	66,377	5.9%	66,377	5.7%	-	66,377	6.3%
Capital surplus	83,056	7.4%	83,056	7.1%	0	83,054	7.8%
Retained earnings	428,232	38.3%	432,696	37.0%	(4,463)	387,110	36.6%
Common stock in treasury, at cost	(44,855)	(4.0%)	(44,850)	(3.8%)	(5)	(44,799)	(4.2%)
Valuation, translation adjustments and others:	1,781	0.2%	2,853	0.2%	(1,071)	(1,353)	(0.1%)
Unrealized gains (losses) on securities	9,753	0.9%	10,157	0.9%	(404)	8,105	0.8%
Deferred gains (losses) on hedges	7	0.0%	(51)	(0.0%)	58	42	0.0%
Foreign currency translation adjustments	(7,978)	(0.7%)	(7,253)	(0.6%)	(725)	(9,500)	(0.9%)
Minority interest in subsidiaries	59,932	5.4%	60,983	5.2%	(1,051)	34,397	3.2%
Total net assets	594,524	53.2%	601,116	51.4%	(6,591)	524,787	49.6%
Total liabilities and net assets	1,117,401	100.0%	1,169,182	100.0%	(51,780)	1,058,559	100.0%

"Change" represents changes between figures as of June 30, 2007, and those as of March 31, 2007.

Consolidated Statements of Income

(In millions of yen)

	Three months ended June 30, 2007		Three months ended June 30, 2006		Change		Year ended March 31, 2007	
	Amount	% of revenue	Amount	% of revenue	Amount	%	Amount	% of revenue
Revenue	155,185	100.0%	130,966	100.0%	24,218	18.5%	613,976	100.0%
Costs of revenue	96,400	62.1%	80,006	61.1%	16,394	20.5%	388,787	63.3%
Gross profit	58,785	37.9%	50,960	38.9%	7,824	15.4%	225,189	36.7%
Selling, general and administrative expenses	36,028	23.2%	30,486	23.3%	5,541	18.2%	127,348	20.7%
Operating profit	22,756	14.7%	20,473	15.6%	2,282	11.1%	97,840	15.9%
Non-operating income	4,176	2.7%	2,993	2.3%	1,182	39.5%	15,087	2.5%
Non-operating expenses	2,361	1.5%	1,885	1.4%	476	25.2%	10,207	1.7%
Ordinary profit	24,570	15.8%	21,581	16.5%	2,989	13.9%	102,720	16.7%
Extraordinary profit	2	0.0%	6	0.0%	(4)	(60.0%)	2,601	0.4%
Extraordinary loss	22	0.0%	4	0.0%	18	443.0%	3,317	0.5%
Income before income taxes	24,550	15.8%	21,584	16.5%	2,966	13.7%	102,005	16.6%
Income taxes - current	7,618	4.9%	6,458	4.9%	1,159	17.9%	39,961	6.5%
Income taxes - deferred	3,011	1.9%	1,964	1.5%	1,046	53.3%	(660)	(0.1%)
Minority interest in subsidiaries	387	0.2%	459	0.4%	(72)	(15.7%)	4,404	0.7%
Net income	13,534	8.7%	12,700	9.7%	833	6.6%	58,299	9.5%

Consolidated Statement of Changes in Net Assets

Three months ended June 30, 2007

(In millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Common stock in treasury, at cost	Total shareholders' equity
Balance as of March 31, 2007	66,377	83,056	432,696	(44,850)	537,279
Changes during the period:					
Cash dividends *			(17,997)		(17,997)
Net income			13,534		13,534
Purchase of treasury stock				(6)	(6)
Disposal of treasury stock		0		1	1
Net changes of items other than shareholders' equity					-
Total changes during the period	-	0	(4,463)	(5)	(4,468)
Balance as of June 30, 2007	66,377	83,056	428,232	(44,855)	532,810

	Valuation, translation adjustments and others				Minority interest in subsidiaries	Total net assets
	Unrealized gains (losses) on securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Total valuation, translation adjustments and others		
Balance as of March 31, 2007	10,157	(51)	(7,253)	2,853	60,983	601,116
Changes during the period:						
Cash dividends *						(17,997)
Net income						13,534
Purchase of treasury stock						(6)
Disposal of treasury stock						1
Net changes of items other than shareholders' equity	(404)	58	(725)	(1,071)	(1,051)	(2,122)
Total changes during the period	(404)	58	(725)	(1,071)	(1,051)	(6,591)
Balance as of June 30, 2007	9,753	7	(7,978)	1,781	59,932	594,524

The item marked with * derives from profit appropriation resolved at the general shareholders' meetings for the previous fiscal year.

Consolidated Statements of Cash Flows

(In millions of yen)

	Three months ended June 30, 2007	Three months ended June 30, 2006	Year ended March 31, 2007
Cash flows from operating activities:			
Income before income taxes	24,550	21,584	102,005
Depreciation	9,404	8,487	41,503
Amortization of goodwill	279	304	1,499
Interest and dividend income	(1,682)	(1,354)	(6,242)
Interest expenses	561	400	1,801
(Increase) decrease in notes and accounts receivable, trade, and due from subscribers	23,479	18,666	(12,537)
(Increase) decrease in inventories	(9,736)	(9,580)	(17,259)
Increase (decrease) in accounts payable	(9,210)	(15,440)	(105)
Increase (decrease) in investment deposits by policyholders, unearned premiums and other insurance liabilities	(914)	(20,139)	(85,501)
Other	6,054	(5,676)	(14,871)
Subtotal	42,787	(2,748)	10,290
Interest and dividend received	1,756	2,789	8,596
Interest paid	(520)	(458)	(1,850)
Income taxes paid	(24,215)	(21,031)	(38,024)
Net cash provided by (used in) operating activities	19,809	(21,449)	(20,987)
Cash flows from investing activities:			
(Increase) decrease in short-term investments, net	1,916	1,368	32,548
Payments for purchases of tangible assets	(12,054)	(9,904)	(52,242)
Proceeds from sales of tangible assets	22	1,755	3,765
Payments for purchases of investment securities	(36,243)	(10,849)	(108,400)
Proceeds from sales of investment securities	23,136	28,007	132,923
(Increase) decrease in short-term loans receivable, net	(656)	(654)	(474)
Payments for long-term loans receivable	(1,257)	(3,181)	(9,258)
Proceeds from long-term loans receivable	1,578	9,195	16,347
Other	(808)	(1,808)	(712)
Net cash provided by (used in) investing activities	(24,366)	13,927	14,496
Cash flows from financing activities:			
Increase (decrease) in bank loans, net	(22,190)	(8,105)	20,687
Proceeds from long-term loans	5,678	97	5,549
Repayments of long-term loans	(794)	(1,046)	(10,012)
Dividends paid	(17,997)	(13,499)	(13,499)
Dividends paid for minority shareholders	(1,249)	(1,011)	(899)
Payments for redemption of straight bonds	(670)	(30,410)	(38,422)
Other	1,568	2,313	6,100
Net cash provided by (used in) financing activities	(35,656)	(51,662)	(30,495)
Effect of exchange rate changes on cash and cash equivalents	147	53	620
Net increase (decrease) in cash and cash equivalents	(40,065)	(59,130)	(36,367)
Cash and cash equivalents at beginning of the period	192,378	228,745	228,745
Cash and cash equivalents at end of the period	152,312	169,614	192,378

Business Segment Information

(In millions of yen)

	Three months ended June 30, 2007								
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:									
Customers	102,167	14,359	9,297	6,903	4,920	17,537	155,185	-	155,185
Intersegment	2,467	792	31	721	138	1,552	5,704	(5,704)	-
Subtotal	104,635	15,152	9,329	7,624	5,058	19,089	160,890	(5,704)	155,185
Operating costs and expenses	78,428	15,086	8,719	7,956	6,870	17,669	134,730	(2,301)	132,428
Operating profit (loss)	26,206	65	609	(331)	(1,811)	1,420	26,159	(3,403)	22,756

(In millions of yen)

	Three months ended June 30, 2006								
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:									
Customers	99,422	-	7,170	6,141	4,573	13,657	130,966	-	130,966
Intersegment	2,521	-	56	749	10	921	4,259	(4,259)	-
Subtotal	101,944	-	7,227	6,890	4,584	14,579	135,226	(4,259)	130,966
Operating costs and expenses	75,834	-	6,894	8,124	6,725	13,965	111,545	(1,052)	110,492
Operating profit (loss)	26,109	-	332	(1,234)	(2,140)	613	23,680	(3,207)	20,473

(In millions of yen)

	Year ended March 31, 2007								
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:									
Customers	408,078	27,447	30,850	26,669	36,437	84,492	613,976	-	613,976
Intersegment	10,295	944	232	2,702	138	9,096	23,408	(23,408)	-
Subtotal	418,374	28,392	31,082	29,371	36,576	93,588	637,385	(23,408)	613,976
Operating costs and expenses	315,037	26,326	29,757	32,886	36,113	86,321	526,442	(10,306)	516,135
Operating profit (loss)	103,336	2,066	1,325	(3,515)	462	7,267	110,942	(13,102)	97,840