

**QUARTERLY FINANCIAL REPORT
FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2008**

February 5, 2009

Note: The following is an abridged English translation of the Third Quarter Financial Report (*Daisan Shihanki Kessan Tanshin*) of SECOM Co., Ltd. The Company provides this translation for your reference and convenience only and without any warranty as to its accuracy or otherwise.

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
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 Scheduled date of filing reviewed Quarterly Financial Statements (“*Shihanki Hokoku-sho*”):
 February 13, 2009

(In millions of yen, figures rounded down)

1. Summary of the consolidated financial information for the nine-month period ended December 31, 2008 (April 1, 2008 – December 31, 2008)

(1) Consolidated operating results

	The nine-month period ended December 31	
	2008	2007
Revenue	487,193 —	489,950 19.3%
Operating profit	59,859 —	72,681 11.9%
Ordinary profit	64,953 —	78,203 12.9%
Net income	11,788 —	43,675 7.8%
Basic net income per share (in yen)	52.67	194.14
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

	December 31, 2008	March 31, 2008
Total assets	1,138,194	1,202,840
Net assets	582,582	630,274
Equity ratio	45.6%	47.2%
Net assets per share (in yen)	2,382.39	2,521.45

Note: Equity as of:

December 31, 2008: JPY 519,452 million March 31, 2008: JPY 567,238 million

2. Dividends

	Years ended March 31		
	2009 (projected)	2009 (actual)	2008
1 st quarter dividends per share (in yen)	–	–	–
2 nd quarter dividends per share (in yen)	–	–	–
3 rd quarter dividends per share (in yen)	–	–	–
Year-end dividends per share (in yen)	85.00 – 90.00	–	85.00
Annual dividends per share (in yen)	85.00 – 90.00	–	85.00

Note: Revision of projected dividends in this quarter: None

3. Projections for the consolidated financial results for the fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)

	Year ending March 31, 2009
Projected revenue	683,000 0.1%
Projected operating profit	89,500 (14.5%)
Projected ordinary profit	92,000 (19.5%)
Projected net income	25,400 (58.7%)
Projected net income per share (in yen)	114.22

Note 1: Percentage figures represent changes from the results of the corresponding period of the previous year.

Note 2: Revision of projections for the consolidated financial results in this quarter: Applicable

4. Others

- (1) Significant changes in subsidiaries (scope of consolidation) during the period: None
- (2) Adoption of simplified accounting treatment or unique accounting treatment for preparation of quarterly consolidated financial statements : Applicable
- (3) Changes in accounting principles, procedures, disclosure methods, etc., pertaining to preparation of quarterly consolidated financial results (Those to be stated as changes of important matters for the basis of quarterly consolidated financial statements):
 - ① Changes associated with amendment of accounting standards: Applicable
 - ② Other changes: Applicable
- (4) Number of common shares outstanding :
 - ① Number of common shares outstanding, including treasury stock, as of:

December 31, 2008: 233,288,717 shares	March 31, 2008: 233,288,717 shares
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 - ② Number of shares of treasury stock, as of:

December 31, 2008: 15,250,675 shares	March 31, 2008: 8,323,599 shares
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 - ③ Number of average common shares outstanding over period (cumulative; consolidated):

The nine-month period ended December 31, 2008: 223,824,287 shares
The nine-month period ended December 31, 2007: 224,967,787 shares

* Note 1: The forward-looking statements about the future performance described in this document are provided based on all information available at the release date of this document. Actual performance may differ from the forward-looking statements due to various factors hereafter occurred.

Note 2: Effective from the fiscal year ending March 31, 2009, “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No.12 issued March 14, 2007) and “Guidance on Accounting Standard for Quarterly Financial Reporting” (ASBJ Guidance No.14 issued March 14, 2007) were applied. Also, quarterly financial statements are prepared in accordance with “Rules for Quarterly Consolidated Financial Statements.”

Consolidated Balance Sheets

(In millions of yen)

	December 31, 2008	March 31, 2008
	Amount	Amount
ASSETS:		
Current assets:	499,762	547,538
Cash on hand and in banks	128,428	200,403
Cash deposits for armored car services	83,812	63,696
Call loans	42,000	19,000
Notes and accounts receivable, trade	62,152	85,595
Due from subscribers	21,077	21,125
Short-term investments	19,632	9,306
Merchandises and products	13,355	10,758
Real estate inventories	12,287	17,213
Work in process	2,694	2,575
Costs on uncompleted construction contracts	13,022	7,736
Work in process for real estate inventories	64,787	73,016
Raw materials and supplies	6,644	6,010
Deferred income taxes	7,877	11,840
Short-term loans receivable	6,931	7,246
Other	16,811	13,827
Allowance for doubtful accounts	(1,753)	(1,813)
Fixed assets:	638,085	654,936
Tangible assets:	278,224	265,348
Buildings and improvements	86,646	84,545
Security equipment and control stations	67,009	65,450
Land	88,455	81,716
Other	36,113	33,636
Intangible assets	22,219	22,332
Investments and others:	337,641	367,255
Investment securities	207,182	241,957
Long-term loans receivable	58,985	54,599
Prepaid pension and severance costs	18,602	17,834
Deferred income taxes	24,775	22,740
Other	46,842	47,579
Allowance for doubtful accounts	(18,746)	(17,455)
Deferred assets	346	365
Total assets	1,138,194	1,202,840

Consolidated Balance Sheets (Contd.)

(In millions of yen)

	December 31, 2008	March 31, 2008
	Amount	Amount
LIABILITIES:		
Current liabilities:	300,041	319,737
Notes and accounts payable, trade	26,425	30,459
Bank loans	131,147	136,034
Current portion of straight bonds	1,756	1,936
Payables - other	23,525	28,988
Accrued income taxes	8,637	24,610
Accrued consumption taxes	3,350	3,456
Accrued expenses	3,167	3,641
Deferred revenue	33,776	32,061
Accrued bonuses	4,247	12,210
Other	64,008	46,337
Long-term liabilities:	255,569	252,828
Straight bonds	16,505	13,524
Long-term loans	16,405	20,024
Guarantee deposits received	33,965	32,532
Deferred income taxes	3,668	5,042
Accrued pension and severance costs	15,545	16,096
Accrued retirement benefits for directors and corporate auditors	2,190	2,220
Investment deposits by policyholders, unearned premiums and other insurance liabilities	166,314	162,329
Other	974	1,057
Total liabilities	555,611	572,565
NET ASSETS:		
Shareholders' equity:	543,172	580,543
Common stock	66,377	66,377
Capital surplus	83,054	83,056
Retained earnings	468,633	475,987
Common stock in treasury, at cost	(74,893)	(44,877)
Valuation, translation adjustments and others:	(23,719)	(13,304)
Unrealized gains (losses) on securities	(2,602)	(3,306)
Deferred gains (losses) on hedges	(42)	(90)
Foreign currency translation adjustments	(21,074)	(9,907)
Minority interest in subsidiaries	63,130	63,035
Total net assets	582,582	630,274
Total liabilities and net assets	1,138,194	1,202,840

Consolidated Statement of Income

(In millions of yen)

	The nine-month period ended December 31, 2008
	Amount
Revenue	487,193
Costs of revenue	318,335
Gross profit	168,857
Selling, general and administrative expenses	108,998
Operating profit	59,859
Non-operating income	11,363
Non-operating expenses	6,268
Ordinary profit	64,953
Extraordinary profit	499
Extraordinary loss	22,980
Income before income taxes	42,472
Income taxes - current	28,673
Income taxes - deferred	672
Total income taxes	29,345
Minority interest in subsidiaries	1,337
Net income	11,788

Consolidated Statement of Cash Flows

(In millions of yen)

	The nine-month period ended December 31, 2008
Cash flows from operating activities:	
Income before income taxes	42,472
Depreciation	30,443
Amortization of goodwill	1,308
Net (gains) losses from investment in affiliated companies accounted for under the equity method	(3,640)
Increase (decrease) in accrued bonuses	(7,832)
Interest and dividend income	(3,860)
Interest expenses	1,546
Net (gains) losses on sales of investment securities	(575)
Net (gains) losses on revaluation of investment securities	19,515
Losses on revaluation of real estate inventories	9,875
(Increase) decrease in notes and accounts receivable, trade, and due from subscribers	23,063
(Increase) decrease in inventories	(7,806)
Increase (decrease) in accounts payable	(9,498)
Increase (decrease) in investment deposits by policyholders, unearned premiums and other insurance liabilities	3,984
Other	(5,654)
Subtotal	93,342
Interest and dividends received	7,422
Interest paid	(1,495)
Income taxes paid	(44,155)
Net cash provided by (used in) operating activities	55,113
Cash flows from investing activities:	
(Increase) decrease in short-term investments, net	(4,350)
Payments for purchases of tangible assets	(40,335)
Proceeds from sales of tangible assets	167
Payments for purchases of investment securities	(43,005)
Proceeds from sales and redemptions of investment securities	53,546
(Increase) decrease in short-term loans receivable, net	203
Payments for long-term loans receivable	(8,232)
Proceeds from long-term loans receivable	3,970
Acquisition of subsidiaries accompanied with change in scope of consolidation	(665)
Divestiture of subsidiaries accompanied with change in scope of consolidation	(74)
Other	(2,177)
Net cash provided by (used in) investing activities	(40,954)
Cash flows from financing activities:	
Increase (decrease) in bank loans, net	(9,569)
Proceeds from long-term loans	4,183
Repayments of long-term loans	(3,563)
Dividends paid	(19,122)
Dividends paid for minority shareholders	(1,658)
Proceeds from issuance of straight bonds	7,215
Payments for redemption of straight bonds	(4,499)
Increase in treasury stocks, net	(30,015)
Other	(20)
Net cash provided by (used in) financing activities	(57,049)
Effect of exchange rate changes on cash and cash equivalents	(1,481)
Net increase (decrease) in cash and cash equivalents	(44,371)
Cash and cash equivalents at beginning of the period	213,366
Cash and cash equivalents at end of the period	168,994

Business Segment Information

(In millions of yen)

	The nine-month period ended December 31, 2008				
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services
Revenue:					
Customers	319,421	54,896	26,191	22,903	24,811
Intersegment	6,911	4,318	92	2,213	81
Subtotal	326,333	59,214	26,283	25,116	24,893
Operating costs and expenses	248,916	56,187	25,134	26,335	26,131
Operating profit (loss)	77,417	3,027	1,149	(1,219)	(1,238)

	The nine-month period ended December 31, 2008				
	Real estate development and sales	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:					
Customers	9,538	29,430	487,193	-	487,193
Intersegment	2,360	6,080	22,057	(22,057)	-
Subtotal	11,898	35,511	509,251	(22,057)	487,193
Operating costs and expenses	25,474	31,921	440,101	(12,767)	427,334
Operating profit (loss)	(13,575)	3,589	69,149	(9,290)	59,859

(Note)

The SECOM Group had formerly categorized its business into six business segments: security services, fire protection services, medical services, insurance services, geographic information services, and information and communication related and other services.

However, in the six-month period ended September 30, 2008, the SECOM Group established a new business segment, real estate development and sales, formerly included in information and communication related and other services, due to the fact that the absolute value of operating losses of real estate development and sales business incurred in the six-month period ended September 30, 2008 exceeded 10% of the total amount of operating profits from segments incurring operating profits.

The business segment information for the nine-month period ended December 31, 2008, is restated as shown below, to conform to the presentation used for the nine-month period ended December 31, 2007.

(In millions of yen)

	The nine-month period ended December 31, 2008				
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services
Revenue:					
Customers	319,421	54,896	26,191	22,903	24,811
Intersegment	6,911	4,318	92	2,213	81
Subtotal	326,333	59,214	26,283	25,116	24,893
Operating costs and expenses	248,916	56,187	25,134	26,335	26,131
Operating profit (loss)	77,417	3,027	1,149	(1,219)	(1,238)

	The nine-month period ended December 31, 2008			
	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:				
Customers	38,969	487,193	-	487,193
Intersegment	8,375	21,992	(21,992)	-
Subtotal	47,344	509,186	(21,992)	487,193
Operating costs and expenses	57,349	440,055	(12,721)	427,334
Operating profit (loss)	(10,005)	69,130	(9,271)	59,859

Note in the Event of Major Changes in Shareholders' Equity

The balance of treasury stock at the end of the nine-month period ended December 31, 2008 increased ¥30,015 million to ¥74,893 million. This is mainly due to the purchase of treasury stock of ¥29,999 million from the stock market from November 6, 2008 to December 22, 2008, based on the resolution approved at the meeting of the Board of Directors held on November 5, 2008.

Reference:**Consolidated financial results for the nine-month period ended December 31, 2007****Consolidated Statements of Income**

	The nine-month period ended December 31, 2007
	Amount
Revenue	489,950
Costs of revenue	309,039
Gross profit	180,910
Selling, general and administrative expenses	108,229
Operating profit	72,681
Non-operating income	11,859
Non-operating expenses	6,337
Ordinary profit	78,203
Extraordinary profit	747
Extraordinary loss	1,799
Income before income taxes	77,152
Income taxes - current	27,614
Income taxes - deferred	3,350
Minority interest in subsidiaries	2,511
Net income	43,675

Consolidated Statements of Cash Flows

	The nine-month period ended December 31, 2007
Cash flows from operating activities:	
Income before income taxes	77,152
Depreciation	30,379
Amortization of goodwill	1,218
Interest and dividend income	(4,837)
Interest expenses	1,719
Decrease in notes and accounts receivable, trade, and due from subscribers	15,909
Increase in inventories	(14,309)
Decrease in accounts payable	(9,942)
Increase in investment deposits by policyholders, unearned premiums and other insurance liabilities	164
Other	(7,625)
Subtotal	89,829
Interest and dividend received	6,655
Interest paid	(1,666)
Income taxes paid	(42,455)
Net cash provided by (used in) operating activities	52,362
Cash flows from investing activities:	
Decrease in short-term investments, net	6,458
Payments for purchases of tangible assets	(38,530)
Proceeds from sales of tangible assets	1,475
Payments for purchases of investment securities	(65,249)
Proceeds from sales of investment securities	58,741
Increase in short-term loans receivable, net	(2,193)
Payments for long-term loans receivable	(4,784)
Proceeds from long-term loans receivable	4,537
Other	(4,104)
Net cash provided by (used in) investing activities	(43,649)
Cash flows from financing activities:	
Increase in bank loans, net	1,114
Proceeds from long-term loans	11,135
Repayments of long-term loans	(2,868)
Dividends paid	(17,997)
Dividends paid for minority shareholders	(1,415)
Payments for redemption of straight bonds	(3,139)
Other	1,527
Net cash provided by (used in) financing activities	(11,643)
Effect of exchange rate changes on cash and cash equivalents	40
Net decrease in cash and cash equivalents	(2,889)
Cash and cash equivalents at beginning of the period	192,378
Cash and cash equivalents at end of the period	189,489

Segment Information

(In millions of yen)

	The nine-months period ended December 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	314,990	52,378	25,924	21,593	22,617	52,446	489,950	-	489,950
Intersegment	7,363	2,866	95	2,193	262	6,730	19,512	(19,512)	-
Subtotal	322,354	55,244	26,020	23,786	22,879	59,177	509,463	(19,512)	489,950
Operating costs and expenses	243,328	53,308	24,861	25,439	25,499	54,592	427,029	(9,760)	417,268
Operating profit (loss)	79,026	1,935	1,158	(1,652)	(2,619)	4,584	82,433	(9,751)	72,681