

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2009

May 11, 2009

Company name: SECOM Co., Ltd. (URL: <http://www.secom.co.jp>)
Code number: 9735 Tokyo Stock Exchange ----- First Section
Osaka Securities Exchange ----- First Section
Corporate headquarters: Tokyo, Japan
Representative: Kanemasa Haraguchi, President and Representative Director
For inquiries: Katsuhisa Kuwahara, Executive Director Phone (03) 5775-8100
Scheduled date of General Shareholders' Meeting: June 25, 2009
Scheduled date of dividend payout: June 26, 2009
Scheduled date of filing Securities Report: June 25, 2009

1. Consolidated financial statements for the fiscal year ended March 31, 2009 (April 1, 2008 – March 31, 2009)

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

	Years ended March 31	
	2008	2009
Revenue	682,619 11.2%	678,400 (0.6%)
Operating profit	104,706 7.0%	87,634 (16.3%)
Ordinary profit	114,278 11.3%	90,924 (20.4%)
Net income	61,506 5.5%	21,502 (65.0%)
Basic net income per share (in yen)	273.40	96.69
Net income / Equity	11.1%	4.0%
Ordinary profit / Total assets	9.6%	7.9%
Operating profit / Revenue	15.3%	12.9%

Note 1. Net gains from investment in affiliated companies accounted for under the equity method:

Year ended March 31, 2009: JPY 4,626 million

Year ended March 31, 2008: JPY 6,146 million

Note 2. Percentage figures represent changes from the results of the previous year.

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

	March 31, 2008	March 31, 2009
Total assets	1,202,840	1,090,483
Net assets	630,274	582,608
Equity ratio	47.2%	47.6%
Net assets per share (in yen)	2,521.45	2,380.12

Note: Equity as of:

March 31, 2009: JPY 518,954 million

March 31, 2008: JPY 567,238 million

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

	Years ended March 31	
	2008	2009
Cash flows from operating activities	89,768	105,123
Cash flows from investing activities	(60,121)	(52,434)
Cash flows from financing activities	(8,813)	(105,112)
Cash and cash equivalents at end of the period	213,366	158,184

2. Dividends (In millions of yen, figures rounded down)

	Years ended March 31		
	2008	2009	2010 (projected)
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	85.00	85.00 – 90.00
Annual dividends per share (in yen)	85.00	85.00	85.00 – 90.00
Total annual dividend payout	19,122	18,533	
Dividend payout ratio (consolidated)	31.1%	87.9%	–
Total dividends / Net assets (consolidated)	3.5%	3.5%	

Projected consolidated dividend payout ratio for the fiscal year ended March 31, 2010 is 31.7% to 33.5%.

3. Projections for the consolidated financial results for the fiscal year ending March 31, 2010 (April 1, 2009 – March 31, 2010) and the six-month period ending September 30, 2009 (April 1, 2009 – September 30, 2009) (In millions of yen)

	Six-month period ending September 30, 2009	Year ending March 31, 2010
Projected revenue	327,400 1.0%	700,300 3.2%
Projected operating profit	48,900 24.2%	107,500 22.7%
Projected ordinary profit	46,900 12.7%	106,700 17.3%
Projected net income	24,800 91.4%	58,500 172.1%
Projected basic net income per share (in yen)	113.74	268.30

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

4. Others

(1) Significant changes in subsidiaries (scope of consolidation) during the period: None

(2) Changes in accounting principles, procedure and/or presentation with regard to preparation of consolidated financial statements:

① Changes associated with amendment of accounting standards: Applicable

② Other changes: Applicable

(3) Number of common shares outstanding:

① Number of common shares outstanding, including treasury stock, as of:

- March 31, 2009: 233,288,717 shares March 31, 2008: 233,288,717 shares
- ② Number of shares of treasury stock as of:
- March 31, 2009: 15,251,520 shares March 31, 2008: 8,323,599 shares

[Reference] Summary of nonconsolidated results

1. Nonconsolidated financial statements for the fiscal year ended March 31, 2009 (April 1, 2008 – March 31, 2009)

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

	Years ended March 31	
	2008	2009
Revenue	337,611 3.5%	336,893 (0.2%)
Operating profit	74,155 1.0%	72,616 (2.1%)
Ordinary profit	79,187 3.4%	78,346 (1.1%)
Net income	50,046 5.9%	32,414 (35.2%)
Basic net income per share (in yen)	222.46	145.76

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

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

	March 31, 2008	March 31, 2009
Total assets	673,043	679,858
Net assets	521,529	504,932
Equity ratio	77.5%	74.3%
Net assets per share (in yen)	2,318.27	2,315.81

Note: Equity as of:

March 31, 2009: JPY 504,932 million

March 31, 2008: JPY 521,529 million

2. Projections for the nonconsolidated financial results for the fiscal year ending March 31, 2010 (April 1, 2009 – March 31, 2010) and the six-month period ending September 30, 2009 (April 1, 2009 – September 30, 2009)

	Six-month period ending September 30, 2009	Year ending March 31, 2010
Projected revenue	172,600 2.7%	347,100 3.0%
Projected operating profit	37,500 1.5%	74,500 2.6%
Projected ordinary profit	42,200 0.8%	79,500 1.5%
Projected net income	26,100 25.2%	48,500 49.6%
Projected basic net income per share (in yen)	119.70	222.44

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

* Note on forward-looking statements:

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.

Consolidated Balance Sheets

(In millions of yen)

	March 31, 2008	March 31, 2009
	Amount	Amount
ASSETS:		
Current assets:	547,538	473,445
Cash on hand and in banks	200,403	127,476
Cash deposits for armored car services	63,696	56,667
Call loans	19,000	36,500
Notes and accounts receivable, trade	85,595	77,398
Due from subscribers	21,125	20,139
Short-term investments	9,306	16,786
Lease receivables and investment in leased assets	-	14,993
Inventories	27,080	-
Merchandises and products	-	10,730
Real estate inventories	90,230	6,177
Work in process	-	2,174
Costs on uncompleted construction contracts	-	9,534
Work in process for real estate inventories	-	60,950
Raw materials and supplies	-	5,840
Deferred income taxes	11,840	11,135
Short-term loans receivable	7,246	4,125
Other	13,827	15,578
Allowance for doubtful accounts	(1,813)	(2,762)
Fixed assets:	654,936	616,698
Tangible assets:	265,348	263,267
Buildings and improvements	84,545	85,415
Security equipment and control stations	65,450	65,631
Land	81,716	89,297
Other	33,636	22,923
Intangible assets	22,332	21,331
Investments and others:	367,255	332,099
Investment securities	241,957	201,923
Long-term loans receivable	54,599	59,880
Prepaid pension and severance costs	17,834	18,876
Deferred income taxes	22,740	24,413
Other	47,579	46,129
Allowance for doubtful accounts	(17,455)	(19,122)
Deferred assets	365	338
Total assets	1,202,840	1,090,483

Consolidated Balance Sheets (Continued)

(In millions of yen)

	March 31, 2008	March 31, 2009
	Amount	Amount
LIABILITIES:		
Current liabilities:	319,737	256,655
Notes and accounts payable, trade	30,459	28,374
Bank loans	136,034	85,383
Current portion of straight bonds	1,936	5,036
Lease obligations	-	202
Payables - other	28,988	23,195
Accrued income taxes	24,610	18,983
Accrued consumption taxes	3,456	2,932
Accrued expenses	3,641	3,534
Deferred revenue	32,061	31,298
Accrued bonuses	12,210	12,741
Accrual for litigation losses	-	2,415
Other	46,337	42,558
Long-term liabilities:	252,828	251,218
Straight bonds	13,524	12,673
Long-term loans	20,024	15,338
Lease obligations	-	571
Guarantee deposits received	32,532	34,210
Deferred income taxes	5,042	3,740
Accrued pension and severance costs	16,096	13,807
Accrued retirement benefits for directors and corporate auditors	2,220	2,244
Investment deposits by policyholders, unearned premiums and other insurance liabilities	162,329	167,011
Other	1,057	1,621
Total liabilities	572,565	507,874
NET ASSETS:		
Shareholders' equity:	580,543	552,891
Common stock	66,377	66,377
Capital surplus	83,056	83,054
Retained earnings	475,987	478,355
Common stock in treasury, at cost	(44,877)	(74,896)
Valuation, translation adjustments and others:	(13,304)	(33,937)
Unrealized gains (losses) on securities	(3,306)	(3,901)
Deferred gains (losses) on hedges	(90)	(27)
Foreign currency translation adjustments	(9,907)	(30,008)
Minority interest in subsidiaries	63,035	63,654
Total net assets	630,274	582,608
Total liabilities and net assets	1,202,840	1,090,483

Consolidated Statements of Income

(In millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
	Amount	Amount
Revenue	682,619	678,400
Costs of revenue	433,030	444,771
Gross profit	249,589	233,628
Selling, general and administrative expenses	144,883	145,994
Operating profit	104,706	87,634
Non-operating income	20,125	12,957
Non-operating expenses	10,552	9,666
Ordinary profit	114,278	90,924
Extraordinary profit	2,748	482
Extraordinary loss	4,984	27,875
Income before income taxes	112,043	63,531
Income taxes - current	42,602	41,768
Income taxes - deferred	2,656	(3,244)
Total income taxes	45,258	38,523
Minority interest in subsidiaries	5,278	3,504
Net income	61,506	21,502

Consolidated Statements of Changes in Net Assets

(In millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Shareholders' Equity		
Common Stock		
Balance at the end of the previous period	66,377	66,377
Changes during the current period		
Total changes during the current period	-	-
Balance at the end of the current period	66,377	66,377
Capital Surplus		
Balance at the end of the previous period	83,056	83,056
Changes during the current period		
Disposal of treasury stock	0	(2)
Transfer of loss on disposal of treasury stock	-	0
Total changes during the current period	0	(1)
Balance at the end of the current period	83,056	83,054
Retained Earnings		
Balance at the end of the previous period	432,696	475,987
Effect of application of the Practical Issues Task Force No. 18	-	(11)
Changes during the current period		
Cash dividends	(17,997)	(19,122)
Changes in scope of consolidation	(217)	-
Net income	61,506	21,502
Transfer of loss on disposal of treasury stock	-	(0)
Total changes during the current period	43,291	2,379
Balance at the end of the current period	475,987	478,355
Common stock in treasury, at cost		
Balance at the end of the previous period	(44,850)	(44,877)
Changes during the current period		
Purchase of treasury stock	(31)	(30,031)
Disposal of treasury stock	5	12
Total changes during the current period	(26)	(30,018)
Balance at the end of the current period	(44,877)	(74,896)
Total Shareholders' Equity		
Balance at the end of the previous period	537,279	580,543
Effect of application of the Practical Issues Task Force No. 18	-	(11)
Changes during the current period		
Cash dividends	(17,997)	(19,122)
Changes in scope of consolidation	(217)	-
Net income	61,506	21,502
Purchase of treasury stock	(31)	(30,031)
Disposal of treasury stock	5	9
Total changes during the current period	43,264	(27,640)
Balance at the end of the current period	580,543	552,891

Consolidated Statements of Changes in Net Assets (Continued)

(In millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Valuation, translation adjustments and others		
Unrealized gains (losses) on securities		
Balance at the end of the previous period	10,157	(3,306)
Changes during the current period		
Net changes of items other than shareholders' equity	(13,464)	(595)
Total changes during the current period	(13,464)	(595)
Balance at the end of the current period	(3,306)	(3,901)
Deferred gains (losses) on hedges		
Balance at the end of the previous period	(51)	(90)
Changes during the current period		
Net changes of items other than shareholders' equity	(39)	63
Total changes during the current period	(39)	63
Balance at the end of the current period	(90)	(27)
Foreign currency translation adjustments		
Balance at the end of previous period	(7,253)	(9,907)
Changes during the current period		
Net changes of items other than shareholders' equity	(2,654)	(20,101)
Total changes during the current period	(2,654)	(20,101)
Balance at the end of the current period	(9,907)	(30,008)
Total valuation, translation adjustments and others		
Balance at the end of the previous period	2,853	(13,304)
Changes during the current period		
Net changes of items other than shareholders' equity	(16,158)	(20,632)
Total changes during the current period	(16,158)	(20,632)
Balance at the end of the current period	(13,304)	(33,937)
Minority interest in subsidiaries		
Balance at the end of the previous period	60,983	63,035
Changes during the current period		
Net changes of items other than shareholders' equity	2,051	619
Total changes during the current period	2,051	619
Balance at the end of the current period	63,035	63,654
Total net assets		
Balance at the end of the previous period	601,116	630,274
Effect of application of the Practical Issues Task Force No. 18	-	(11)
Changes during the current period		
Cash Dividends	(17,997)	(19,122)
Changes in scope of consolidation	(217)	-
Net income	61,506	21,502
Purchase of treasury stock	(31)	(30,031)
Disposal of treasury stock	5	9
Net changes of items other than shareholders' equity	(14,107)	(20,013)
Total changes during the current period	29,157	(47,654)
Balance at the end of the current period	630,274	582,608

Consolidated Statements of Cash Flows

(In millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Cash flows from operating activities:		
Income before income taxes	112,043	63,531
Depreciation	42,518	37,286
Amortization of goodwill	1,637	1,773
Net (gains) losses from investment in affiliated companies accounted for under the equity method	(6,146)	(4,626)
Increase (decrease) in allowance for doubtful accounts	2,378	3,609
Increase/decrease in accrued/prepaid pension and severance costs	(3,558)	(3,372)
Provision for accrual for litigation losses	—	2,415
Interest and dividend income	(6,774)	(5,332)
Interest expenses	2,351	2,080
Exchange (gains) losses	825	1,564
Net losses (gains) on sales and disposal of tangible assets	1,208	1,973
Gain on refund of lease deposits	(669)	—
Impairment losses on fixed assets	20	76
Net (gains) losses on sales of investment securities	(4,339)	(388)
Net (gains) losses on revaluation of investment securities	1,421	20,639
Net (gains) losses on sales of subsidiaries' and affiliates' securities	—	18
Loss on liquidation of subsidiaries	485	31
Net (gains) losses on revaluation of real estate inventories	—	8,366
Net (gains) losses on investment in business limited partnerships	—	(3,099)
(Increase) decrease in notes and accounts receivable, trade, and due from subscribers	(4,071)	7,931
(Increase) decrease in lease receivables and investment in leased assets	—	(1,018)
(Increase) decrease in inventories	(18,803)	9,952
Increase (decrease) in accounts payable	1,088	(7,472)
Increase (decrease) in deferred revenue	891	24
Increase (decrease) in investment deposits by policyholders, unearned premiums and other insurance liabilities	2,187	4,681
Other	894	4,844
Subtotal	125,589	145,489
Interest and dividend received	9,452	8,930
Interest paid	(2,339)	(2,039)
Income taxes paid	(42,933)	(47,257)
Net cash provided by (used in) operating activities	89,768	105,123
Cash flows from investing activities:		
(Increase) decrease in time deposits, net	(1,623)	(1)
(Increase) decrease in short-term investments, net	6,397	(3,316)
Payments for purchases of tangible assets	(49,918)	(44,471)
Proceeds from sales of tangible assets	4,146	205
Payments for purchases of investment securities	(101,002)	(57,132)
Proceeds from sales and redemptions of investment securities	87,439	60,118
Payments for purchases of subsidiaries' securities	(93)	(517)
(Increase) decrease in short-term loans receivable, net	(1,167)	99
Payments for long-term loans receivable	(6,767)	(8,528)
Proceeds from long-term loans receivable	6,228	6,097
Acquisitions of subsidiaries accompanied with change in scope of consolidation	(155)	(980)
Divestitures of subsidiaries accompanied with change in scope of consolidation	—	(74)
Other	(3,604)	(3,931)
Net cash provided by (used in) investing activities	(60,121)	(52,434)
Cash flows from financing activities:		
Increase (decrease) in bank loans, net	6,075	(55,160)
Proceeds from long-term loans	11,379	4,181
Repayments of long-term loans	(4,952)	(4,689)
Repayments of lease obligations	—	(53)
Proceeds from straight bonds	1,574	7,215
Payments for redemption of straight bonds	(3,436)	(5,051)
Proceeds from capital contribution of minority shareholders	10	—
Dividends paid	(17,997)	(19,122)
Dividends paid for minority shareholders	(1,415)	(2,412)
Increase in treasury stock, net	(26)	(30,018)
Other	(25)	—
Net cash provided by (used in) financing activities	(8,813)	(105,112)
Effect of exchange rate changes on cash and cash equivalents	222	(2,758)
Net increase (decrease) in cash and cash equivalents	21,055	(55,181)
Cash and cash equivalents at beginning of the period	192,378	213,366
(Decrease in) cash and cash equivalents due to exclusion from consolidation	(67)	—
Cash and cash equivalents at end of the period	213,366	158,185

Segment Information

1. Business segment information

(In millions of yen)

	Year ended March 31, 2008								
	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	425,958	82,571	34,848	28,231	39,375	71,632	682,619	-	682,619
Intersegment	9,975	4,046	126	2,894	321	8,968	26,332	(26,332)	-
Subtotal	435,934	86,617	34,975	31,125	39,697	80,600	708,951	(26,332)	682,619
Operating costs and expenses	329,035	81,537	33,412	33,551	38,393	75,533	591,464	(13,551)	577,913
Operating profit (loss)	106,898	5,080	1,563	(2,426)	1,303	5,067	117,486	(12,780)	104,706
Assets	542,393	79,025	107,058	185,702	53,817	205,708	1,173,706	29,134	1,202,840
Depreciation and amortization	30,737	977	2,178	1,212	1,213	8,127	44,446	(1,865)	42,581
Impairment loss on fixed assets	-	15	-	-	-	4	20	-	20
Capital expenditures	34,565	1,784	4,062	1,747	2,219	13,703	58,083	(3,004)	55,079

(In millions of yen)

	Year ended March 31, 2009									
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services	Real estate development and sales	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:										
Customers	427,989	84,174	35,226	30,396	40,206	22,072	38,333	678,400	-	678,400
Intersegment	9,077	5,658	123	2,919	117	2,360	8,863	29,119	(29,119)	-
Subtotal	437,067	89,833	35,349	33,315	40,323	24,432	47,197	707,520	(29,119)	678,400
Operating costs and expenses	333,550	84,127	33,695	33,648	38,507	41,142	42,770	607,442	(16,676)	590,766
Operating profit (loss)	103,517	5,706	1,654	(333)	1,816	(16,709)	4,426	100,077	(12,443)	87,634
Assets	572,542	79,305	110,370	190,415	54,087	76,264	137,883	1,220,869	(130,385)	1,090,483
Depreciation and amortization	29,665	1,091	1,577	1,651	1,317	47	2,033	37,384	(97)	37,286
Impairment loss on fixed assets	33	-	-	-	42	-	-	76	-	76
Capital expenditures	33,920	1,784	1,959	1,993	1,037	25	10,850	51,570	(2,883)	48,687

(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, 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 fiscal year ended March 31, 2009 exceeded 10% of the total amount of operating profits from segments incurring operating profits.

The business segment information for the fiscal year ended March 31, 2008, is restated as shown below, to conform to the presentation used for the fiscal year ended March 31, 2009.

(In millions of yen)

	Year ended March 31, 2008									
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services	Real estate development and sales	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:										
Customers	425,958	82,571	34,848	28,231	39,375	29,928	41,703	682,619	-	682,619
Intersegment	9,975	4,046	126	2,894	321	-	9,050	26,414	(26,414)	-
Subtotal	435,934	86,617	34,975	31,125	39,697	29,928	50,754	709,033	(26,414)	682,619
Operating costs and expenses	329,035	81,537	33,412	33,551	38,393	28,863	46,751	591,547	(13,633)	577,913
Operating profit (loss)	106,898	5,080	1,563	(2,426)	1,303	1,064	4,003	117,486	(12,780)	104,706
Assets	542,393	79,025	107,058	185,702	53,817	97,324	108,423	1,173,745	29,094	1,202,840
Depreciation and amortization	30,737	977	2,178	1,212	1,213	35	8,091	44,446	(1,865)	42,581
Impairment loss on fixed assets	-	15	-	-	-	-	4	20	-	20
Capital expenditures	34,565	1,784	4,062	1,747	2,219	257	13,445	58,083	(3,004)	55,079

2. Geographic segment information

(In millions of yen)

	Year ended March 31, 2008				
	Japan	Others	Total	Eliminations or corporate items	Consolidated
Revenue:					
Customers	660,833	21,785	682,619	-	682,619
Intersegment	430	912	1,342	(1,342)	-
Subtotal	661,264	22,697	683,961	(1,342)	682,619
Operating costs and expenses	545,582	21,690	567,273	10,640	577,913
Operating profit	115,681	1,006	116,688	(11,982)	104,706
Assets	1,025,435	25,053	1,050,488	152,351	1,202,840

(In millions of yen)

	Year ended March 31, 2009				
	Japan	Others	Total	Eliminations or corporate items	Consolidated
Revenue:					
Customers	658,080	20,320	678,400	-	678,400
Intersegment	553	1,508	2,061	(2,061)	-
Subtotal	658,633	21,829	680,462	(2,061)	678,400
Operating costs and expenses	560,352	20,665	581,017	9,748	590,766
Operating profit	98,281	1,163	99,444	(11,810)	87,634
Assets	956,536	21,113	977,650	112,833	1,090,483

3. Revenue from overseas

(In millions of yen)

	Years ended March 31	
	2008	2009
Revenue from overseas	25,022	23,085
Consolidated revenue	682,619	678,400
% of consolidated revenue	3.7%	3.4%

Nonconsolidated Balance Sheets

(in millions of yen)

	March 31, 2008	March 31, 2009
	Amount	Amount
ASSETS:		
Current assets:		
Cash on hand and in banks	77,130	31,149
Cash deposits for armored car services	60,821	54,258
Notes receivable	534	389
Due from subscribers	11,661	11,630
Accounts receivable, trade	6,760	6,732
Receivables - other	2,921	2,415
Short-term investments	454	455
Merchandise	6,298	5,652
Supplies	952	1,101
Prepaid expenses	1,913	2,034
Deferred income taxes	4,714	4,446
Short-term loans receivable	236	173
Short-term loans receivable to subsidiaries and affiliates	17,782	11,471
Other	2,720	3,457
Allowance for doubtful accounts	(568)	(567)
Total current assets	194,333	134,801
Fixed assets:		
Tangible assets:		
Buildings and improvements	48,119	50,226
Accumulated depreciation of buildings and improvements	(26,149)	(27,171)
Buildings and improvements, net	21,969	23,055
Automobiles	532	757
Accumulated depreciation of automobiles	(409)	(371)
Automobiles, net	122	386
Security equipment and control stations	220,490	229,467
Accumulated depreciation of security equipment and control stations	(158,071)	(166,402)
Security equipment and control stations, net	62,419	63,064
Machinery and equipment	8,711	8,727
Accumulated depreciation of machinery and equipment	(7,443)	(7,655)
Machinery and equipment, net	1,267	1,071
Tools, furniture and fixtures	17,661	18,619
Accumulated depreciation of tools, furniture and fixtures	(14,422)	(14,902)
Tools, furniture and fixtures, net	3,239	3,717
Land	25,913	28,306
Construction in progress	1,961	1,588
Other	162	854
Accumulated depreciation of other	(147)	(219)
Other, net	14	634
Total tangible assets	116,906	121,825
Intangible assets:		
Software	7,184	6,578
Other	516	542
Total intangible assets	7,700	7,121
Investments and others:		
Investment securities	28,668	21,267
Investment securities in subsidiaries and affiliates	194,110	192,775
Investments in subsidiaries and affiliates	1,874	1,874
Long-term loans receivable	8,453	8,468
Long-term loans receivable to employees	31	40
Long-term loans receivable to subsidiaries and affiliates	66,354	134,636
Lease deposits	8,859	8,702
Long-term prepaid expenses	26,165	26,412
Prepaid pension and severance costs	13,769	14,561
Deferred income taxes	6,760	14,763
Insurance funds	4,893	4,896
Other	975	1,065
Allowance for doubtful accounts	(6,812)	(13,354)
Total investments and others	354,102	416,110
Total fixed assets	478,710	545,056
Total Assets	673,043	679,858

Nonconsolidated Balance Sheets (Continued)

	March 31, 2008	March 31, 2009
	Amount	Amount
LIABILITIES:		
Current liabilities:		
Accounts payable	2,757	2,319
Bank loans	30,401	60,893
Lease obligations	—	43
Payables – other	10,838	10,981
Payables – construction	3,607	3,742
Accrued income taxes	15,834	11,849
Accrued consumption taxes	1,566	1,622
Accrued expenses	640	597
Deposits received	31,299	28,451
Deferred revenue	22,903	22,735
Accrued bonuses	5,372	5,537
Other	1,958	1,928
Total current liabilities	127,180	150,704
Long-term liabilities:		
Lease obligations	—	192
Guarantee deposits received	18,174	18,146
Accrued pension and severance costs	5,087	4,766
Accrued retirement benefits for directors and corporate auditors	1,070	1,104
Other	—	12
Total long-term liabilities	24,333	24,221
Total liabilities	151,513	174,926
NET ASSETS:		
Shareholders' equity:		
Common stock	66,377	66,377
Capital surplus:		
Additional paid-in capital	83,054	83,054
Other capital surplus	1	—
Total capital surplus	83,056	83,054
Retained earnings:		
Legal reserve	9,028	9,028
Other retained earnings:		
Reserve for systems development	800	800
General reserve	2,212	2,212
Accumulated earnings carried forward	405,015	418,306
Total retained earnings	417,055	430,347
Common stock in treasury, at cost	(44,877)	(74,896)
Total shareholders' equity	521,612	504,883
Valuation, translation adjustments and others:		
Unrealized gains (losses) on securities	(82)	48
Total valuation, translation adjustments and others	(82)	48
Total net assets	521,529	504,932
Total liabilities and net assets	673,043	679,858

Nonconsolidated Statements of Income

(in millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
	Amount	Amount
Revenue:		
Service charges	291,350	294,386
Sales of merchandise	46,261	42,506
Total revenue	337,611	336,893
Costs:		
Cost of service	158,031	161,548
Cost of sales	34,386	32,294
Total costs	192,417	193,842
Gross Profit	145,193	143,050
Selling, general and administrative expenses:		
Advertisement	4,491	3,576
Salaries	27,215	27,912
Bonuses	4,067	4,201
Provision for accrued bonuses	1,980	2,036
Pension and severance costs	1,074	1,412
Provision for retirement benefits for directors and corporate auditors	98	49
Welfare expenses	4,180	4,364
Depreciation expenses	2,358	1,746
Rent expenses	5,757	5,637
Travel expenses	1,245	1,251
Communication expenses	1,410	1,391
Office supply expenses	1,064	1,058
Taxes and public imposts	1,368	1,358
Provision for allowance for doubtful accounts	36	2
Business consignment expenses	5,241	5,162
Research and development expenses	3,805	3,853
Other	5,641	5,418
Total selling, general and administrative expenses	71,038	70,434
Operating profit	74,155	72,616
Non-operating income:		
Interest income	1,749	2,437
Dividends income	7,042	6,712
Other	815	571
Total non-operating income	9,607	9,721
Non-operating expenses:		
Interest expenses	431	673
Loss on disposal of fixed assets	1,202	1,622
Loss from write-off of prepaid installation cost	863	902
Loss on disposal of inventories	899	-
Other	1,179	792
Total non-operating expenses	4,575	3,990
Ordinary profit	79,187	78,346
Extraordinary profit:		
Gain on sales of subsidiaries' and affiliates' securities	-	44
Gain on sales of fixed assets	-	21
Gain on sales of investment securities	1,547	-
Gain on refund of lease deposits	669	-
Other	4	0
Total extraordinary profit	2,221	67
Extraordinary loss:		
Loss on revaluation of subsidiaries' and affiliates' securities	-	14,188
Provision for allowance of doubtful accounts	-	6,520
Loss on revaluation of investment securities	558	6,312
Other	8	46
Total extraordinary expenses	566	27,068
Income before income taxes	80,842	51,345
Income taxes - current	29,217	26,756
Income taxes - deferred	1,578	(7,825)
Total income taxes	30,795	18,931
Net income	50,046	32,414

Nonconsolidated Statements of Changes in Net Assets

(In millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Shareholders' Equity		
Common Stock		
Balance at the end of the previous period	66,377	66,377
Changes during the current period		
Total changes during the current period	-	-
Balance at the end of the current period	66,377	66,377
Capital Surplus		
Additional paid-in capital		
Balance at the end of the previous period	83,054	83,054
Changes during the current period		
Total changes during the current period	-	-
Balance at the end of the current period	83,054	83,054
Other capital surplus		
Balance at the end of the previous period	1	1
Changes during the current period		
Disposal of treasury stock	0	(2)
Transfer of loss on disposal of treasury stock	-	0
Total changes during the current period	0	(1)
Balance at the end of the current period	1	-
Total Capital Surplus		
Balance at the end of the previous period	83,056	83,056
Changes during the current period		
Disposal of treasury stock	0	(2)
Transfer of loss on disposal of treasury stock	-	0
Total changes during the current period	0	(1)
Balance at the end of the current period	83,056	83,054
Retained Earnings		
Legal reserve		
Balance at the end of the previous period	9,028	9,028
Changes during the current period		
Total changes during the current period	-	-
Balance at the end of the current period	9,028	9,028
Other retained earnings		
Reserve for systems development		
Balance at the end of the previous period	800	800
Changes during the current period		
Total changes during the current period	-	-
Balance at the end of the current period	800	800
General reserve		
Balance at the end of the previous period	2,212	2,212
Changes during the current period		
Total changes during the current period	-	-
Balance at the end of the current period	2,212	2,212
Accumulated earnings carried forward		
Balance at the end of the previous period	372,966	405,015
Changes during the current period		
Cash Dividends	(17,997)	(19,122)
Net income	50,046	32,414
Transfer of loss on disposal of treasury stock	-	(0)
Total changes during the current period	32,048	13,291
Balance at the end of the current period	405,015	418,306
Total Retained Earnings		
Balance at the end of the previous period	385,006	417,055
Changes during the current period		
Cash dividends	(17,997)	(19,122)
Net income	50,046	32,414
Transfer of loss on disposal of treasury stock	-	(0)
Total changes during the current period	32,048	13,291
Balance at end of the current period	417,055	430,347

Nonconsolidated Statements of Changes in Net Assets (Continued)

(In millions of yen)

	Year ended March 31, 2008	Year ended March 31, 2009
Common stock in treasury, at cost		
Balance at the end of the previous period	(44,850)	(44,877)
Changes during the current period		
Purchase of treasury stock	(31)	(30,031)
Disposal of treasury stock	5	12
Total Changes during the current period	(26)	(30,018)
Balance at the end of the current period	(44,877)	(74,896)
Total Shareholders' Equity		
Balance at the end of the previous period	489,590	521,612
Changes during the current period		
Cash dividends	(17,997)	(19,122)
Net income	50,046	32,414
Purchase of treasury stock	(31)	(30,031)
Disposal of treasury stock	5	9
Total changes during the current period	32,022	(16,729)
Balance at the end of the current period	521,612	504,883
Valuation, translation adjustments and others		
Unrealized gains (losses) on securities		
Balance at the end of the previous period	4,564	(82)
Changes during the current period		
Net changes of items other than shareholders' equity	(4,647)	131
Total changes during Term in Review	(4,647)	131
Balance at the end of the current period	(82)	48
Total valuation, translation adjustments and others		
Balance at the end of the previous period	4,564	(82)
Changes during the current period		
Net changes of items other than shareholders' equity	(4,647)	131
Total changes during the current period	(4,647)	131
Balance at the end of the current period	(82)	48
Total net assets		
Balance at the end of the previous period	494,154	521,529
Changes during the current period		
Cash Dividends	(17,997)	(19,122)
Net income	50,046	32,414
Purchase of treasury stock	(31)	(30,031)
Disposal of treasury stock	5	9
Net changes of items other than shareholders' equity	(4,647)	131
Total changes during the current period	27,375	(16,597)
Balance at the end of the current period	521,529	504,932