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QUARTERLY FINANCIAL REPORT
FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2010

(Based on JAPANESE GAAP) (Consolidated)

February 8, 2011

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: Shuji Maeda, President and Representative Director
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Scheduled date of filing Quarterly Securities Report: February 14, 2011
Scheduled date of dividend payout: —
Preparation of quarterly supplementary materials: None
Holding of quarterly results information meeting: None

1. Consolidated financial results for the nine-month period ended December 31, 2010 (April 1, 2010 – December 31, 2010)

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

	Nine-month period ended December 31	
	2009	2010
Revenue	471,560 (3.2%)	481,512 2.1%
Operating profit	71,805 20.0%	73,481 2.3%
Ordinary profit	72,063 10.9%	81,462 13.0%
Net income	39,914 238.6%	47,806 19.8%
Basic net income per share (in yen)	183.07	219.26
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 positions (In millions of yen, figures rounded down)

	March 31, 2010	December 31, 2010
Total assets	1,081,679	1,078,137
Net assets	625,153	647,239
Equity ratio	51.6%	53.8%
Net assets per share (in yen)	2,561.94	2,661.58

Note: Equity as of:
March 31, 2010: JPY 558,591 million December 31, 2010: JPY 580,306 million

2. Dividends

	Years ended March 31		
	2010	2011	2011(projected)
1st quarter dividends per share (in yen)	–	–	
2nd quarter dividends per share (in yen)	–	–	
3rd quarter dividends per share (in yen)	–	–	
Year-end dividends per share (in yen)	85.00		90.00
Annual dividends per share (in yen)	85.00		90.00

Note: Revision of projected dividends in this quarter: None

3. Projections for the consolidated financial results for the fiscal year ending March 31, 2011 (April 1, 2010 – March 31, 2011)

(In millions of yen)

	Year ending March 31, 2011
Projected revenue	683,300 4.4%
Projected operating profit	106,300 7.9%
Projected ordinary profit	109,800 11.7%
Projected net income	59,500 25.0%
Projected basic net income per share (in yen)	272.89

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: None

4. Others (Please refer to "Other Information" on page 5 in the appendices)

1. Significant changes in subsidiaries (scope of consolidation) during this quarter: None
2. Adoption of simplified accounting treatment or unique accounting treatment: Applicable
3. Changes in accounting policies and/or presentations:
   ① Changes associated with amendment of accounting standards: Applicable
   ② Other changes: None
4. Number of common shares outstanding :
   ① Number of common shares outstanding, including treasury stock, as of:
   December 31, 2010: 233,288,717 shares March 31, 2010: 233,288,717 shares
   ② Number of shares of treasury stock, as of:
   December 31, 2010: 15,257,648 shares March 31, 2010: 15,254,334 shares
   ③ Number of average common shares outstanding over period (cumulative; consolidated):
   The nine-month period ended December 31, 2010: 218,033,049 shares
   The nine-month period ended December 31, 2009: 218,035,648 shares

Note on status of quarterly review procedures

This report is excluded from the scope of quarterly review procedures pursuant to the Financial Instruments and Exchange Act. Review procedures for quarterly financial statements have not been completed at the time of disclosure of this report.

Note on appropriate use of projections for the financial results; other special items

The forward-looking statements including the future performance described in this document are provided based on both all information available at this moment and definite rational assumptions. Actual performance may differ from the forward-looking statements due to various factors hereafter occurred.

For matters regarding conditions as assumptions on financial projections and the financial projections, please refer to “Qualitative Information Regarding Consolidated Financial Projections” on page 4 in the appendices.

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1. Qualitative Information Regarding the Nine-month Period Ended December 31, 2010

(1) Qualitative Information Regarding Consolidated Financial Results

During the nine-month period ended December 31, 2010, despite signs of economic recovery in some areas due to the improvement of corporate earnings, etc., Japanese economy remains uncertain due to the continuous high unemployment rate and gradual deflation, as well as the downward pressure to the economy, such as downturn risks in global economy and the fluctuation of foreign currency rate and stock price in the Japanese market.

In this environment, we have been continuously trying to satisfy the increasingly diversified and sophisticated needs of our customers for their safety and peace of mind, with the aim of realizing our vision of the establishment of "Social System Industry", a society where everyone can live safe and secure anytime and anywhere. To this end, we have made efforts to develop and provide high-grade products and services suited to customer needs mainly in our security services segment, as well as in our fire protection services, medical services, insurance services, geographic information services, real estate development and sales, and information and communication related and other services segments.

As a result, consolidated revenue for the nine-month period ended December 31, 2010 increased by 2.1% to 481.5 billion yen and consolidated operating profit increased by 2.3% to 73.4 billion yen, compared to the previous corresponding period. Consolidated ordinary profit increased by 13.0% to 81.4 billion yen and consolidated net income increased by 19.8% to 47.8 billion yen. Consolidated operating profit, ordinary profit and net income for the nine-month period ended December 31, 2010 reached a record, compared to the previous corresponding period, since the fiscal year ended March 31, 2004, when we started disclosure of the quarterly financial results.

Segment information is as follows.

In the security services segment, revenue increased by 0.3% to 308.3 billion yen, which was partly contributed by sales of new products. Operating profit decreased by 0.1% to 74.5 billion yen, due to increase in system development expenses corresponding to broad-band communications, etc. However, operating profit for the three-month period ended June 30, 2010, September 30, 2010 and December 31, 2010 compared to the previous corresponding period was a decrease of 1.8%, decrease of 1.0% and increase of 2.5%, respectively, showing recovery.

In the fire protection services segment, revenue decreased by 6.9% to 47.0 billion yen and operating loss was 73 million yen, down from operating profit of 1.2 billion yen in the previous corresponding period. These results reflected the absence of revenue from renovations of fire protection equipment in large facilities, etc. in the previous corresponding period.

In the medical services segment, revenue increased by 4.9% to 29.5 billion yen and operating profit increased by 5.9% to 1.9 billion yen. These results were attributable to brisk revenue from home medical services and sales of medical equipments.

In the insurance services segment, revenue rose by 3.5% to 24.6 billion yen. Operating profit increased by 142.3% to 1.0 billion yen, owing to decrease in underwriting expenses, etc., due to decrease in natural disasters.

In the geographic information services segment, revenue advanced 7.4% to 28.7 billion yen, reflecting steady progress on work for national and local government agencies. Deliveries of public-sector contracts – the principal source of revenue in this segment – tend to concentrate toward the end of the fiscal year, which increases seasonal fluctuation for revenue to also increase toward the end of the fiscal year. Owing to strict process management and cost-cutting efforts, the segment reported an operating income of 1.0 billion yen, increased by 0.8 billion yen from the previous corresponding period.

In the real estate development and sales segment, revenue increased by 133.5% to 18.4 billion yen and operating profit was 0.8 billion yen, up from an operating loss of 0.6 billion yen in the previous corresponding period.

In the information and communication related and other services segment, revenue decreased by 8.3% to 24.7 billion yen and operating profit decreased by 25.5% to 2.5 billion yen, due to divestiture of Japan Image Communications Co., Ltd. in August 2009, which earned 1.9 billion yen of revenue in the previous corresponding period, etc.

(2) Qualitative Information Regarding Consolidated Financial Positions

(i) Consolidated Balance Sheets

Total assets as of December 31, 2010 amounted to 1,078.1 billion yen, 0.3% or 3.5 billion yen lower than at the end of the previous fiscal year. Total current assets, at 484.9 billion yen, were up 0.3% or 1.3 billion yen. This was largely attributable to increases in cash on hand and in banks by 16.2% or 23.7 billion yen to 170.6 billion yen and cash deposits for armored car services by 27.7% or 13.5 billion yen to 62.3 billion yen, despite decreases in notes and accounts receivable, trade by 21.8% or 16.1 billion yen to 57.7 billion yen, short-term investments by 46.4% or 7.4 billion yen to 8.5 billion yen, work in process for real estate inventories by 11.6% or 6.4 billion yen to 49.4 billion yen and real estate inventories by 30.1% or 5.5 billion yen to 12.9 billion yen. Total fixed assets, at 593.0 billion yen, were down 0.8% or 4.8 billion yen. This was mainly attributable to decreases in intangible assets by 4.5% or 0.9 billion yen to 20.9 billion yen, investment securities by 4.9% or 9.1 billion yen to 178.6 billion yen and long-term loans receivable by 4.6% or 2.3 billion yen to 48.1 billion yen, despite the increase in tangible assets by 2.8% or 7.6 billion yen to 280.6 billion yen.

Total liabilities amounted to 430.8 billion yen, 5.6% or 25.6 billion yen lower than at the end of the previous fiscal year. Total current liabilities amounted to 197.7 billion yen, down 6.0% or 12.5 billion yen, owing to decreases in accrued income taxes by 71.7% or 14.9 billion yen to 5.9 billion yen, accrued bonuses by 68.2% or 8.2 billion yen to 3.8 billion yen, reserve for litigation losses by 1.7 billion yen, etc., despite increases in other current liabilities, including deposits received, etc., by 38.9% or 14.2 billion yen to 50.9 billion yen. Long-term liabilities decreased by 5.3% or 13.0 billion yen to 233.1 billion yen, compared to at the end of the previous fiscal year. This was mainly attributable to decrease in investment deposits by policyholders, unearned premiums and other insurance liabilities by 10.4% or 15.5 billion yen to 134.5 billion yen, etc., despite increase in lease obligations by 2.6 billion yen to 3.1 billion yen.

Total net assets amounted to 647.2 billion yen, 3.5% or 22.0 billion yen higher than at the end of the previous fiscal year, due to increase in retained earnings by 5.8% or 29.2 billion yen to 536.7 billion yen, despite increase of losses in foreign currency translation adjustments by 18.0% or 5.0 billion yen to 32.8 billion yen and decrease in unrealized gains on securities by 56.1% or 2.5 billion yen to 1.9 billion yen.

(ii) Consolidated Cash Flows

(Cash flows from operating activities)

Net cash provided by operating activities for the nine-month period ended December 31, 2010 amounted to 60.7 billion yen. Major factors of cash increase were income before income taxes of 79.1 billion yen, depreciation of 27.3 billion yen, and decrease in notes and accounts receivable, trade, and due from subscribers of 15.3 billion yen. Major factors of cash decrease were income taxes paid of 37.9 billion yen and decrease in investment deposits by policyholders, unearned premiums and other insurance liabilities of 15.5 billion yen.

(Cash flows from investing activities)

Net cash used in investing activities was 19.5 billion yen. Major factors of cash decrease were payments for purchase of tangible assets, including security equipment and control stations, of 28.4 billion yen and payments for purchases of investment securities of 16.2 billion yen. Major factor of cash increase was proceeds from sales and redemptions of investment securities of 26.8 billion yen.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 22.9 billion yen. Major factors were dividends paid of 18.5 billion yen, repayments of long-term loans of 2.9 billion yen, and dividends paid for minority shareholders of 1.7 billion yen.

As a result, cash and cash equivalents as of December 31, 2010 were 196.3 billion yen, 17.5 billion yen higher than at the end of the previous fiscal year.

(3) Qualitative Information Regarding Consolidated Financial Projections

The financial results for the nine-month period ended December 31, 2010 were within our projections, despite the continuous harsh economic conditions.

Therefore, projections for the consolidated financial results for the fiscal year ending March 31, 2011 were not changed from the projections released on May 11, 2010.

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.

2. Other Information

(1) Summary of Significant Changes in Subsidiaries

Not applicable.

(2) Summary of Simplified Accounting Treatment or Unique Accounting Treatment

For the assessment regarding collectability of all deferred tax assets, financial projections and tax planning used in the previous fiscal year are used when there are no significant changes in business environments or occurrence of temporary differences after the end of the previous fiscal year.

(3) Summary of Changes in Accounting Policies and/or Presentations

(i) Adoption of "Accounting Standard for Asset Retirement Obligations"

"Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, issued on March 31, 2008) and "Guidance on Accounting Standard for Asset Retirement Obligation" (ASBJ Guidance No. 21, issued on March 31, 2008) were adopted from April 1, 2010.

Due to the adoption, operating profit and ordinary profit for the nine-month period ended December 31, 2010 decreased by 83 million yen, respectively, and income before income taxes for the nine-month period ended December 31, 2010 decreased by 1,268 million yen.

(ii) Adoption of "Accounting Standard for Business Combinations" and Others

"Accounting Standard for Business Combinations" (ASBJ Statement No. 21, issued on December 26, 2008), "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, issued on December 26, 2008), "Partial Amendments to 'Accounting Standard for Research and Development Costs'" (ASBJ Statement No. 23, issued on December 26, 2008), "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, revised on December 26, 2008), "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, revised on December 26, 2008), and "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, revised on December 26, 2008) were adopted from April 1, 2010.

3. Consolidated Quarterly Financial Statements

(1) Consolidated Balance Sheets

(In millions of yen)

	December 31, 2010	March 31, 2010
	Amount	Amount
ASSETS:		
Current assets:	**484,966**	**483,600**
Cash on hand and in banks	170,674	146,929
Cash deposits for armored car services	62,397	48,861
Call loans	34,000	36,500
Notes and accounts receivable, trade	57,738	73,844
Due from subscribers	22,529	20,824
Short-term investments	8,576	15,989
Lease receivables and investment in leased assets	15,358	14,742
Merchandises and products	11,840	10,987
Real estate inventories	12,919	18,493
Work in process	3,129	1,427
Costs on uncompleted construction contracts	8,044	5,312
Work in process for real estate inventories	49,432	55,916
Raw materials and supplies	5,900	5,932
Deferred income taxes	7,407	11,684
Short-term loans receivable	4,189	3,088
Other	12,787	15,275
Allowance for doubtful accounts	(1,961)	(2,207)
Fixed assets:	**593,025**	**597,864**
Tangible assets:	**280,693**	**273,020**
Buildings and improvements	103,149	97,692
Security equipment and control stations	65,051	63,034
Land	94,433	93,424
Other	18,057	18,869
Intangible assets	**20,901**	**21,885**
Investments and others:	**291,430**	**302,959**
Investment securities	178,602	187,777
Long-term loans receivable	48,167	50,488
Prepaid pension and severance costs	18,580	18,618
Deferred income taxes	20,806	19,848
Other	43,729	44,630
Allowance for doubtful accounts	(18,456)	(18,403)
Deferred assets	**145**	**213**
Total assets	**1,078,137**	**1,081,679**

Consolidated Balance Sheets (Continued)

(In millions of yen)

	December 31, 2010	March 31, 2010
	Amount	Amount
LIABILITIES:		
Current liabilities:	**197,795**	**210,353**
Notes and accounts payable, trade	23,463	24,774
Bank loans	47,009	48,094
Current portion of straight bonds	1,714	1,761
Lease obligations	408	247
Payables - other	23,318	23,359
Accrued income taxes	5,921	20,907
Accrued consumption taxes	3,388	3,302
Accrued expenses	3,201	3,633
Deferred revenue	33,767	33,554
Accrued bonuses	3,858	12,139
Reserve for litigation losses	—	1,770
Provision for loss on construction contracts	830	145
Other	50,914	36,660
Long-term liabilities:	**233,101**	**246,171**
Straight bonds	15,878	17,006
Long-term loans	15,971	16,085
Lease obligations	3,132	501
Guarantee deposits received	37,456	36,777
Deferred income taxes	8,617	8,399
Accrued pension and severance costs	13,532	13,264
Accrued retirement benefits for directors and corporate auditors	2,366	2,398
Investment deposits by policyholders, unearned premiums and other insurance	134,598	150,180
Other	1,548	1,557
Total liabilities	**430,897**	**456,525**
NET ASSETS:		
Shareholders' equity:	**611,219**	**581,959**
Common stock	66,377	66,377
Capital surplus	83,054	83,054
Retained earnings	536,707	507,434
Common stock in treasury, at cost	(74,919)	(74,907)
Valuation,translation adjustments and others:	**(30,912)**	**(23,367)**
Unrealized gains (losses) on securities	1,984	4,521
Deferred gains (losses) on hedges	(11)	(17)
Foreign currency translation adjustments	(32,886)	(27,871)
Minority interests in subsidiaries	**66,933**	**66,562**
Total net assets	**647,239**	**625,153**
Total liabilities and net assets	**1,078,137**	**1,081,679**

(2) Consolidated Statements of Income

(In millions of yen)

	Nine-month period ended December 31, 2009	Nine-month period ended December 31, 2010
	Amount	Amount
Revenue	**471,560**	**481,512**
Costs of revenue	294,876	304,096
Gross profit	176,683	177,415
Selling, general and administrative expenses	104,878	103,934
Operating profit	**71,805**	**73,481**
Non-operating income	7,247	12,401
Non-operating expenses	6,988	4,420
Ordinary profit	**72,063**	**81,462**
Extraordinary profit	2,237	1,506
Extraordinary losses	1,873	3,821
Income before income taxes	**72,427**	**79,147**
Income taxes - current	25,836	23,640
Income taxes - deferred	3,666	5,309
Total income taxes	29,502	28,949
Net income before minority interests in subsidiaries	–	50,198
Minority interests in subsidiaries	3,010	2,391
Net income	**39,914**	**47,806**

(3) Consolidated Statements of Cash Flows

(In millions of yen)

	Nine-month period ended December 31, 2009	Nine-month period ended December 31, 2010
Cash flows from operating activities:		
Income before income taxes	72,427	79,147
Depreciation	27,455	27,326
Amortization of goodwill	1,343	1,127
Net (gains) losses from investment in affiliated companies accounted for under the equity method	(2,848)	(3,262)
Increase (decrease) in accrued bonuses	(8,857)	(8,293)
Interest and dividend income	(3,300)	(2,661)
Interest expenses	1,029	877
Net (gains) losses on sales and disposal of tangible assets	1,043	1,075
Net (gains) losses on sales of investment securities	(529)	(2,257)
Net gains on redemptions of investment securities	—	(1,453)
Net (gains) losses on revaluation of investment securities	1,173	1,322
Net (gains) losses on sales of investment securities in subsidiaries and affiliates	(2,165)	954
Write-down on real estate inventories	156	1,309
Net (gains) losses on private equity investment	2,510	(3,936)
The effect of adoption of accounting standard for asset retirement obligations	—	1,184
(Increase) decrease in notes and accounts receivable, trade, and due from subscribers	20,229	15,358
(Increase) decrease in inventories	(6,603)	6,490
Increase (decrease) in accounts payable	(3,488)	(1,404)
Increase (decrease) in investment deposits by policyholders, unearned premiums and other insurance liabilities	(6,403)	(15,581)
Other	4,416	(1,704)
Subtotal	97,590	95,621
Interest and dividend received	6,041	5,750
Interest paid	(999)	(848)
Income taxes paid	(36,086)	(37,954)
Payments for legal settlement	—	(1,770)
Net cash provided by (used in) operating activities	**66,546**	**60,797**
Cash flows from investing activities:		
(Increase) decrease in short-term investments, net	(7,238)	(2,109)
Payments for purchases of tangible assets	(30,268)	(28,414)
Proceeds from sales of tangible assets	148	713
Payments for purchases of intangible assets	(5,942)	(3,219)
Payments for purchases of investment securities	(21,507)	(16,288)
Proceeds from sales and redemptions of investment securities	27,521	26,810
Proceeds from sales of investment securities in subsidiaries and affiliates	—	5,054
(Increase) decrease in short-term loans receivable, net	(79)	(363)
Payments for long-term loans receivable	(5,720)	(1,374)
Proceeds from long-term loans receivable	4,535	2,743
Acqisitions of subsidiaries accompanied with change in scope of consolidation	995	(1,349)
Divestitures of subsidiaries accompanied with change in scope of consolidation	5,186	—
Other	2,254	(1,713)
Net cash provided by (used in) investing activities	**(30,116)**	**(19,510)**
Cash flows from financing activities:		
Increase (decrease) in bank loans, net	(28,130)	(75)
Proceeds from long-term loans	535	1,731
Repayments of long-term loans	(2,660)	(2,914)
Proceeds from issuance of straight bonds	1,684	—
Payments for redemption of straight bonds	(1,204)	(1,174)
Dividends paid	(18,533)	(18,532)
Dividends paid for minority shareholders	(1,732)	(1,752)
(Increase) decrease in treasury stocks, net	(9)	(12)
Other	(116)	(266)
Net cash provided by (used in) financing activities	**(50,167)**	**(22,998)**
Effect of exchange rate changes on cash and cash equivalents	140	(695)
Net increase (decrease) in cash and cash equivalents	(13,596)	17,593
Cash and cash equivalents at beginning of the period	158,184	178,781
Cash and cash equivalents at end of the period	**144,587**	**196,374**

(4) Notes Regarding the Assumption of Going Concern

Not applicable.

(5) Segment Information

[Business Segment Information]

(In millions of yen)

	Nine-month period ended December 31, 2009				
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services
Revenue:					
Customers	307,455	50,557	28,125	23,829	26,753
Intersegment	6,879	3,077	92	2,284	90
Subtotal	314,334	53,634	28,217	26,113	26,843
Operating costs and expenses	239,682	52,426	26,358	25,676	26,740
Operating profit (loss)	74,652	1,208	1,859	437	103

	Nine-month period ended December 31, 2009				
	Real estate development and sales	Information and communication related and other services	Total	Eliminations or corporate items	Consolidated
Revenue:					
Customers	7,885	26,953	471,560	—	471,560
Intersegment	—	6,507	18,930	(18,930)	—
Subtotal	7,885	33,460	490,490	(18,930)	471,560
Operating costs and expenses	8,521	30,048	409,454	(9,699)	399,754
Operating profit (loss)	(635)	3,412	81,036	(9,231)	71,805

[Segment Information]

(Additional Information)

"Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, revised on March 27, 2009) and "Guidance for Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, issued on March 21, 2008) were adopted from April 1, 2010.

1. Summary of Reportable Segments

The reportable segments of SECOM Co., Ltd. and its subsidiaries (collectively "the Company") are segments, based on the Company's components, for which separate financial information is available and operating results are regularly reviewed by the Board of Directors for the decision of resource allocation and performance evaluation.

The Company plans and decides group strategies, allocates resources and evaluates performance for those segments, which are "security services", "fire protection services", "medical services", "insurance services", "geographic information services", "real estate development and sales", and information and communication related and other services ("information and communication related services", "real estate leasing" and "hotel businesses", etc.).

Accordingly, the Company considers these six segments – "security services", "fire protection services", "medical services", "insurance services", "geographic information services" and "real estate development and sales" – as reportable segments. Principal services and products of each reportable segment are as follows.

"Security services" segment offers comprehensive security services which provide customers with security and peace of mind, including core centralized security systems (on-line security systems) for commercial and residential premises. "Fire protection services" segment provides a variety of fire protection systems such as fire alarm systems and fire extinguishing systems to office buildings, plants, tunnels, cultural properties, ships and residences. "Medical services" segment provides a variety of medical services such as core home medical services including home nursing services and pharmaceutical services, operation of residence for seniors, electronic medical reports, and sales of medical equipment. "Insurance services" segment develops and markets unique insurance polices that take installation of security systems as a risk-mitigating factor, and insurance policies to overcome cancer by having the best cancer treatments, etc. "Geographic information services" segment provides geospatial information services for national, local and overseas governmental agencies. "Real estate development and sales" segment develops and markets condominiums focusing on security and disaster preventions.

2. Information About Amounts of Revenue and Operating Profit or Loss of Reportable Segments

(In millions of yen)

	Nine-month period ended December 31, 2010				
	Reportable segments				
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services
Revenue:					
Customers	308,384	47,075	29,510	24,655	28,744
Intersegment	6,763	3,895	91	2,020	88
Subtotal	315,148	50,970	29,602	26,675	28,833
Operating profit (loss)	74,559	(73)	1,968	1,059	1,001

	Nine-month period ended December 31, 2010					
	Reportable segments		Information and communication related and others (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated statements of income (Note 3)
	Real estate development and sales	Subtotal				
Revenue:						
Customers	18,414	456,785	24,727	481,512	–	481,512
Intersegment	–	12,859	4,381	17,241	(17,241)	–
Subtotal	18,414	469,644	29,108	498,753	(17,241)	481,512
Operating profit (loss)	820	79,336	2,541	81,878	(8,396)	73,481

Note 1: Information and communication related and others is an operating segment not included in reportable segments, and comprises information and communication related services, real estate leasing and hotel businesses, etc.

Note 2: Adjustment of segment profit/loss includes intersegment eliminations of -58 million yen and corporate expenses not allocated to each reportable segment of 8,455 million yen. Major components of corporate expenses are expenses regarding planning, personnel and administrative departments of the Company’s headquarter, etc.

Note 3: Segment profit/loss is adjusted to operating profit in the consolidated statements of income.

(6) Notes Regarding Significant Changes in Shareholders’ Equity

Not applicable.

(7) Significant Subsequent Events

(Tender Offer of Common Shares of SECOM TECHNO SERVICE CO., LTD.)

SECOM Co., Ltd. (the “Company”) resolved, at a meeting of its Board of Directors held on February 8, 2011, to acquire shares of SECOM TECHNO SERVICE CO., LTD. (Code number: 1742, the Second Section of the Tokyo Stock Exchange; the “Target Company”) through a tender offer (the “Tender

Offer").The outline of the Tender Offer is as follows:

The Target Company also resolved, at a meeting of its Board of Directors held on February 8, 2011, to endorse the Tender Offer.

1. Purpose of the Tender Offer

To expand the value of the Target Company and the SECOM group as a whole through the realization of maximum synergy and the acceleration of efforts towards the establishment of the Social System Industry, by means of conducting management integration through the Tender Offer and subsequent transactions.

2. Description of the Target Company

① Name	SECOM TECHNO SERVICE CO., LTD.
② Address	6-11, Yayoicho 5-chome, Nakano-ku, Tokyo
③ Name and Title of Representative	Representative Director and President, Seiji Sakamoto
④ Business Description	(i) Construction of on-line security systems and maintenance of building equipment, (ii) design, construction, maintenance and operation of various building equipment and (iii) sale and construction of condominium security systems
⑤ Capital	2,357,810,000 yen (as of December 31, 2010)
⑥ Date of Establishment	May 21, 1970

3. Description of the Tender Offer

The Company currently owns 67.76% (8,800,000 shares) of the total number of issued shares of the Target Company (as of September 30, 2010: 12,987,000 shares), and the Target Company is a consolidated subsidiary of the Company. The Company has decided recently to acquire all of the issued shares of the Target Company (excluding the treasury shares owned by the Target Company) through the Tender Offer for the purpose of management integration with the Target Company. With respect to the Tender Offer, no maximum or minimum number to be purchased has been established.

① Number of Share Certificates to Be Purchased in the Tender Offer: 4,182,798 shares of common stock
② Schedule of the Tender Offer: From Wednesday, February 9, 2011 through Thursday, March 24, 2011 (30 business days in Japan)
③ Purchase Price for the Tender Offer: 3,500 yen per share of common stock
④ Date of Settlement: Wednesday, March 30, 2011
⑤ Funds for Payment: Funds on hand

4. Policy on Matters including Organizational Restructuring after the Tender Offer (Matters concerning the so-called Two-Step Merger)

The Company intends to conduct an absorption-type merger just after the Tender Offer (the "Straight Merger"), with the Company being the surviving company and the Target Company being the absorbed company, or to conduct an absorption-type merger consecutively after making the Target Company its wholly owned subsidiary after the Tender Offer (the "Two-Step Merger"), in accordance with the procedures pursuant to the Companies Act.