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QUARTERLY FINANCIAL REPORT FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2016

(Based on JAPANESE GAAP) (Consolidated)

November 9, 2016

Company name: SECOM CO., LTD. (URL: <http://www.secom.co.jp/>)
 Code number: 9735 Tokyo Stock Exchange ----- First Section
 Representative: Yasuo Nakayama, President and Representative Director
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 Scheduled date of filing Quarterly Securities Report: November 14, 2016
 Scheduled date of dividend payout: December 7, 2016
 Preparation of quarterly supplementary materials: Applicable
 Holding of quarterly results information meeting: Applicable (for institutional investors and analysts)

1. Consolidated financial results for the six-month period ended September 30, 2016 (April 1, 2016–September 30, 2016)

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

	Six-month Period Ended September 30	
	2015	2016
Revenue	408,890 3.9%	440,086 7.6%
Operating profit	60,206 1.0%	62,146 3.2%
Ordinary profit	63,062 (10.2%)	67,343 6.8%
Net income attributable to owners of the parent	40,045 (2.8%)	40,857 2.0%
Basic net income per share (in yen)	183.47	187.20
Diluted net income per share (in yen)	—	—

Note 1: Comprehensive income:

Six-month period ended September 30, 2016: JPY 23,316 million [(46.2%)]

Six-month period ended September 30, 2015: JPY 43,351 million [(10.9%)]

Note 2: There is no diluted net income per share as there are no shares with dilutive effect.

Note 3: Percentage figures represent changes from the results of the corresponding period of the previous year.

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

	March 31, 2016	September 30, 2016
Total assets	1,568,052	1,536,741
Net assets	943,144	951,474
Equity ratio	53.1%	54.6%
Net assets per share (in yen)	3,817.82	3,844.39

SECOM CO., LTD.
November 9, 2016

Note 1: Equity as of:

September 30, 2016 : JPY 839,081 million

March 31, 2016 : JPY 833,284 million

Note 2: Equity is calculated by deducting noncontrolling interests in subsidiaries from net assets. Net assets per share is calculated by dividing equity by the number of common shares outstanding, excluding treasury stock, as of each period-end.

2. Dividends

	Years ended March 31		
	2016	2017	2017 (projected)
1 st quarter dividends per share (in yen)	—	—	
2 nd quarter dividends per share (in yen)	65.00	70.00	
3 rd quarter dividends per share (in yen)	—		—
Year-end dividends per share (in yen)	70.00		75.00
Annual dividends per share (in yen)	135.00		145.00

Note: Revision of projected dividends from that most recently disclosed: None

3. Projections for the consolidated financial results for the fiscal year ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(In millions of yen)

	Year ending March 31, 2017
Projected revenue	933,900 6.0%
Projected operating profit	130,000 1.1%
Projected ordinary profit	135,100 0.2%
Projected net income attributable to owners of the parent	82,300 6.8%
Projected basic net income per share (in yen)	377.07

Note 1: Revision of projections for the consolidated financial results from those most recently disclosed: None

Note 2: Projected basic net income per share for the fiscal year ending March 31, 2017 is calculated based on the number of average common shares outstanding over the six-month period ended September 30, 2016, assuming that it remains the same until March 31, 2017.

Note 3: Percentage figures represent changes from the results of the corresponding period of the previous year.

※ Note

- Significant changes in subsidiaries during the six-month period ended September 30, 2016 (changes in specified subsidiaries accompanied with changes in scope of consolidation): None
- Adoption of unique accounting treatment for preparation of consolidated quarterly financial statements: None
- Changes in accounting policies, accounting estimates and/or restatements:
 - Changes in accounting policies associated with amendment of accounting standards: Applicable
 - Other changes in accounting policies: None
 - Changes in accounting estimates: None

- ④ Restatements: None
4. Number of common shares outstanding :
- ① Number of common shares outstanding, including treasury stock, as of:
- | | |
|----------------------|--------------------|
| September 30, 2016 : | 233,288,717 shares |
| March 31, 2016 : | 233,288,717 shares |
- ② Number of shares of treasury stock, as of:
- | | |
|----------------------|-------------------|
| September 30, 2016 : | 15,027,531 shares |
| March 31, 2016 : | 15,026,824 shares |
- ③ Number of average common shares outstanding over:
- | | |
|--|--------------------|
| The six-month period ended September 30, 2016: | 218,261,529 shares |
| The six-month period ended September 30, 2015: | 218,263,294 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 certain assumptions considered reasonable. Actual performance may differ materially from the forward-looking statements due to various factors hereafter occurred. For matters regarding assumptions on financial projections and notes for the use of financial projections, please refer to “1. Qualitative Information Regarding the Six-month Period Ended September 30, 2016 (3) Qualitative Information Regarding Consolidated Financial Projections” on page 4 in the appendices.

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1. Qualitative Information Regarding the Six-month Period Ended September 30, 2016

(1) Qualitative Information Regarding Consolidated Financial Results

During the six-month period ended September 30, 2016, despite the improvement in employment environment, stagnations in corporate earnings were seen, the outlook for Japanese economy has been remained unclear mainly due to the increased uncertainty in overseas economies and the effects of fluctuations in the financial and capital markets.

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 as well as comfort and convenient, with the aim of realizing our vision for the future, “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-quality products and services suited to customer needs in our security services segment, as well as in our fire protection services, medical services, insurance services, geographic information services, information and communication related services, and real estate and other services segments. We also pressed forward with efforts to apply the ALL SECOM concept, which emphasizes cooperation among our various independent businesses to strengthen the bond of the Group as a whole with a view to hastening our advance to growth. Furthermore, preparing for future Japanese society, we promote the effort to develop innovative services through ALL SECOM concept, in terms of key themes: super-aged society and disaster preparedness/business continuity planning (BCP)/environmental preservation, based on a foundation of our security services.

Also, in August 2016, we signed “Shibuya Social Action Partner Agreement” with Shibuya ward, Tokyo, and started initiatives to promote resolving social concerns in the community such as disaster prevention and super-aged society by collaboration of the public and private sectors. In September, we launched “Secom 3D Security Planning” based on high-precision 3D images for security planning which demonstrated its effectiveness in security operations at the Ise-Shima G7 Summit Meeting.

Consolidated revenue for the six-month period ended September 30, 2016 increased by 7.6% to 440.0 billion yen, chiefly owing to the contribution of Asahi Security Co., Ltd., a subsidiary newly consolidated from December 2015, and consolidated operating profit increased by 3.2% to 62.1 billion yen,. Consolidated ordinary profit increased by 6.8% yen to 67.3 billion yen, mainly due to the increase in net gains on private equity investment in the U.S. (16/9: 2.9 billion yen, 15/9: Δ0.1 billion yen). Consolidated net income attributable to owners of the parent increased by 2.0% to 40.8 billion yen. For the six-month period ended September 30, 2016, consolidated revenue and consolidated operating profit have reached a record-high, respectively.

Segment information is as follows.

In the security services segment, revenue increased by 11.7% to 262.2 billion yen, mainly due to brisk sales of on-line security systems for commercial and residential use and security merchandise including access control systems and security camera systems and owing to the contribution of Asahi Security Co., Ltd., a newly consolidated subsidiary. Operating profit went up by 0.4% to 56.4 billion yen.

In the fire protection services segment, revenue decreased by 6.9% to 53.1 billion yen and operating profit

was down by 5.9% to 4.2 billion yen, mainly attributable to the contribution of large-scale projects in the previous corresponding period, despite of active marketing efforts. Revenue tends to increase toward the end of the fiscal year, due to the fact that this segment is greatly affected by the construction industry.

In the medical services segment, revenue increased by 7.2% to 32.6 billion yen, mainly due to firm increase in sales of pharmaceutical products and medical equipment. Operating profit decreased by 0.1% to 2.7 billion yen, chiefly owing to the increase in cost ratio.

In the insurance services segment, revenue increased by 3.6% to 20.1 billion yen, mainly due to the firm increase in sales of fire insurance policy and MEDCOM, an unrestricted cancer treatment policy, provided by Secom General Insurance Co., Ltd. Operating profit increased by 163.8% to 1.1 billion yen, mainly owing to the decrease in underwriting expenses ascribed to the decrease in losses incurred from natural disasters.

In the geographic information services segment, revenue decreased by 3.9% to 21.9 billion yen, chiefly owing to the decrease in revenue in public division and international division. Operating loss amounted to 0.5 billion yen, up from an operating loss of 0.6 billion yen in the previous corresponding period, mainly attributable to the improvement in the cost ratio ascribed to the recognition of provision for the loss on contracts at the end of previous fiscal year and the decrease in selling, general and administrative expenses. Revenue tends to concentrate toward the end of the fiscal year, due to the fact that deliveries of public-sector contracts, which is the primary market for this segment, are mainly made at the end of March.

In the information and communication related services segment, revenue increased by 3.7% to 24.1 billion yen, chiefly owing to the increase in revenue in data center and contribution of “SECOM *Anshin* My Number Service” launched in the previous fiscal year. Operating profit increased by 26.4% to 3.2 billion yen, chiefly owing to the decrease in operation costs relating to data center facilities.

In the real estate and other services segment, revenue increased by 23.0% to 25.7 billion yen, mainly due to the increase in revenue in the real estate development and sales business. Operating profit went up by 18.0% to 2.5 billion yen.

(2) Qualitative Information Regarding Consolidated Financial Position

(i) Consolidated Balance Sheets

Total assets as of September 30, 2016 amounted to 1,536.7 billion yen, 2.0% or 31.3 billion yen lower than that at the end of the previous fiscal year. Total current assets, at 684.6 billion yen, were down 0.7% or 5.1 billion yen. This was largely attributable to increase in cash on hand and in banks by 18.4% or 42.1 billion yen to 270.5 billion yen, despite the decreases in notes and accounts receivable, trade by 29.8% or 36.4 billion yen to 85.6 billion yen, other by 26.3% or 7.2 billion yen to 20.1 billion yen, and short-term investments by 15.4% or 5.2 billion yen to 29.1 billion yen. Total fixed assets, at 852.1 billion yen, were down 3.0% or 26.1 billion yen. This was mainly attributable to decreases in investment securities by 7.7% or 20.3 billion yen to 244.0 billion yen, intangible assets by 2.4% or 2.8 billion yen to 116.6 billion yen, and tangible assets by 0.5% or 1.7 billion yen to 374.6 billion yen.

Total liabilities amounted to 585.2 billion yen, 6.3% or 39.6 billion yen lower than that at the end of the previous fiscal year. Total current liabilities amounted to 308.7 billion yen, down 11.2% or 38.8 billion yen,

owing to decreases in bank loans by 42.1% or 23.2 billion yen to 31.9 billion yen, payables - other by 21.5% or 8.2 billion yen to 30.1 billion yen, and notes and accounts payable, trade by 13.9% or 5.8 billion yen to 35.9 billion yen. Long-term liabilities decreased by 0.3% or 0.7 billion yen to 276.5 billion yen, compared to that at the end of the previous fiscal year. This was mainly attributable to the increase in investment deposits by policyholders, unearned premiums and other insurance liabilities by 2.0% or 3.1 billion yen to 162.8 billion yen, despite the decreases in long-term loans by 14.2% or 2.8 billion yen to 17.1 billion yen, other by 19.9% or 0.8 billion yen to 3.3 billion yen, and guarantee deposits received by 2.3% or 0.8 billion yen to 34.1 billion yen.

Total net assets amounted to 951.4 billion yen, 0.9% or 8.3 billion yen higher than that at the end of the previous fiscal year, mainly due to the increase in retained earnings by 3.5% or 26.1 billion yen, despite the decreases in foreign currency translation adjustments by 801.7% or 17.6 billion yen and unrealized gains on securities by 16.9% or 3.3 billion yen.

(ii) Consolidated Cash Flows

(Cash flows from operating activities)

Net cash provided by operating activities for the six-month period ended September 30, 2016 amounted to 102.6 billion yen; 79.2 billion yen in the previous corresponding period. The major factors of cash increase were income before income taxes of 66.7 billion yen, decrease in notes and accounts receivable, trade, and due from subscribers of 34.7 billion yen, and depreciation and amortization of 26.3 billion yen. The major factors of cash decrease were income taxes paid of 22.2 billion yen, and decrease in accounts payable of 12.6 billion yen.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 15.8 billion yen; 19.4 billion yen in the previous corresponding period. The major factors of cash decrease were payments for purchases of tangible assets, including security equipment and control stations, of 22.1 billion yen, payments for purchases of investment securities of 12.3 billion yen, and payments for purchases of intangible assets of 3.6 billion yen. The major factor of cash increase was proceeds from sales and redemptions of investment securities of 24.0 billion yen.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 45.5 billion yen; 26.2 billion yen in the previous corresponding period. The major factors of cash decrease were decrease in bank loans of 23.5 billion yen, net dividends paid of 15.2 billion yen, and decrease in bank loans, net of 3.2 billion yen.

As a result, cash and cash equivalents at the end of the six-month period ended September 30, 2016 was 260.7 billion yen, 38.9 billion yen higher than the end of the previous fiscal year.

(3) Qualitative Information Regarding Consolidated Financial Projections

The financial results for the six-month period ended September 30, 2016 were generally within our projections. Accordingly, projections for the consolidated financial results for the fiscal year ending March 31, 2017 have not been changed from those disclosed on May 11, 2016.

(Notes for financial projections)

Projections for the consolidated financial results for the fiscal year ending March 31, 2017, are based on management's assumptions in light of information currently available. As actual performance may differ materially from the forward-looking statements due to various factors hereafter occurred, you should refrain from making an investment decision by solely relying on these projections. Such factors include, but are not limited to, changes in economic conditions affecting our group's operations, market trends, legislative changes, occurrences of natural disasters, recalls of products sold and the results of contingency.

2. Items Regarding the Summary Information (Other)

(1) Significant Changes in Subsidiaries in the Six-month Period Ended September 30, 2016

Not applicable.

(2) Adoption of Unique Accounting Treatment for Preparation of Consolidated Quarterly Financial Statements

Not applicable.

(3) Changes in Accounting Policies, Accounting Estimates and/or Restatements

Changes in Accounting Policies

[Application of "Revised Implementation Guidance on Recoverability of Deferred Tax Assets"]

The Company and its domestic subsidiaries adopted "Revised Implementation Guidance on Recoverability of Deferred Tax Assets" (ASBJ Guidance No.26, March 28, 2016 (hereinafter, "Guidance No.26")) from the first quarter ended June 30, 2016 and revised certain accounting for recoverability of deferred tax assets accordingly.

The Company and its domestic subsidiaries followed the provisional treatments in Article 49 (4) of Guidance No.26. The differences between deferred tax assets and liabilities as of April 1, 2016 that were computed in accordance with ① to ③ of Article 49 (3) and those as of March 31, 2016, were adjusted to retained earnings as of April 1, 2016.

As a result, deferred income taxes (investments and others) increased by 381 million yen, deferred income taxes (long-term liabilities) decreased by 256 million yen, retained earnings increased by 526 million yen, and noncontrolling interests increased by 111 million yen as of April 1, 2016

3. Consolidated Quarterly Financial Statements

(1) Consolidated Balance Sheets

(In millions of yen)

	March 31, 2016	September 30, 2016
ASSETS:		
Current assets:	689,744	684,625
Cash on hand and in banks	228,458	270,596
Cash deposits for armored car services	128,267	124,965
Notes and accounts receivable, trade	122,048	85,619
Due from subscribers	31,812	31,905
Short-term investments	34,448	29,158
Lease receivables and investment in leased assets	39,542	39,011
Merchandise and products	13,099	14,032
Real estate inventories	3,527	2,436
Work in process	5,557	6,564
Costs on uncompleted construction contracts	9,070	11,382
Work in process for real estate inventories	23,024	23,830
Raw materials and supplies	8,579	8,231
Deferred income taxes	12,728	13,784
Short-term loans receivable	4,086	4,531
Other	27,375	20,174
Allowance for doubtful accounts	(1,883)	(1,598)
Fixed assets:	878,293	852,103
Tangible assets:	376,305	374,603
Buildings and improvements, net	148,828	145,840
Security equipment and control stations, net	71,447	72,632
Land	116,613	117,042
Other, net	39,415	39,088
Intangible assets	119,505	116,664
Investments and others:	382,482	360,836
Investment securities	264,400	244,069
Long-term loans receivable	39,401	39,274
Net defined benefit asset	30,796	30,266
Deferred income taxes	8,602	10,270
Other	54,978	51,952
Allowance for doubtful accounts	(15,698)	(14,997)
Deferred assets	14	11
Total assets	1,568,052	1,536,741

(1) Consolidated Balance Sheets (Continued)

(In millions of yen)

	March 31, 2016	September 30, 2016
LIABILITIES:		
Current liabilities:	347,633	308,743
Notes and accounts payable, trade	41,794	35,972
Bank loans	55,283	31,992
Current portion of straight bonds	2,582	2,390
Lease obligations	4,724	4,827
Payables - other	38,376	30,136
Accrued income taxes	22,341	21,148
Accrued consumption taxes	6,611	4,860
Accrued expenses	5,562	5,225
Deposits received for armored car services	101,306	103,689
Deferred revenue	31,389	30,877
Accrued bonuses	15,524	15,188
Provision for losses on construction contracts	1,397	1,470
Other	20,738	20,964
Long-term liabilities:	277,274	276,522
Straight bonds	8,251	7,581
Long-term loans	20,033	17,196
Lease obligations	11,954	12,186
Guarantee deposits received	35,002	34,187
Deferred income taxes	14,026	15,430
Accrued retirement benefits for directors and audit and supervisory board members	1,387	1,226
Net defined benefit liability	22,816	22,556
Investment deposits by policyholders, unearned premiums and other insurance liabilities	159,636	162,819
Other	4,166	3,336
Total liabilities	624,907	585,266
NET ASSETS:		
Shareholders' equity:	816,340	842,424
Common stock	66,377	66,377
Capital surplus	80,326	80,310
Retained earnings	743,353	769,458
Common stock in treasury, at cost	(73,717)	(73,723)
Accumulated other comprehensive income (losses):	16,944	(3,342)
Unrealized gains on securities	19,964	16,591
Deferred losses on hedges	(40)	(38)
Foreign currency translation adjustments	(2,196)	(19,803)
Remeasurements of defined benefit plans, net of taxes	(783)	(92)
Noncontrolling Interests	109,859	112,393
Total net assets	943,144	951,474
Total liabilities and net assets	1,568,052	1,536,741

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(In millions of yen)

	Six-month period ended September 30, 2015	Six-month period ended September 30, 2016
Revenue	408,890	440,086
Costs of revenue	269,909	291,876
Gross profit	138,980	148,209
Selling, general and administrative expenses	78,774	86,063
Operating profit	60,206	62,146
Non-operating income	4,877	8,316
Non-operating expenses	2,021	3,119
Ordinary profit	63,062	67,343
Extraordinary profit	886	128
Extraordinary losses	277	719
Income before income taxes	63,672	66,753
Income taxes - current	19,002	21,031
Income taxes - deferred	999	1,075
Total income taxes	20,001	22,107
Net income	43,670	44,646
Net income attributable to noncontrolling interests	3,625	3,788
Net income attributable to owners of the parent	40,045	40,857

Consolidated Statements of Comprehensive Income

(In millions of yen)

	Six-month period ended September 30, 2015	Six-month period ended September 30, 2016
Net income	43,670	44,646
Other comprehensive income (losses):	(318)	(21,329)
Unrealized gains (losses) on securities	(1,975)	(3,517)
Foreign currency translation adjustments	1,061	(12,845)
Remeasurements of defined benefit plans, net of taxes	161	492
Share of other comprehensive income (losses) of affiliated companies accounted for under the equity method	433	(5,459)
Comprehensive income	43,351	23,316
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent company	39,811	20,570
Comprehensive income attributable to noncontrolling interests	3,539	2,745

(3) Consolidated Statements of Cash Flows

(In millions of yen)

	Six-month period ended September 30, 2015	Six-month period ended September 30, 2016
Cash flows from operating activities:		
Income before income taxes	63,672	66,753
Depreciation and amortization	22,980	26,353
Amortization of goodwill	765	2,203
Net (gains) losses from investment in affiliated companies accounted for under the equity method	(2,603)	(2,923)
Increase (decrease) in allowance for doubtful accounts	(222)	(152)
Increase/decrease in net defined benefit liability and asset	(985)	958
Interest and dividend income	(1,981)	(1,856)
Interest expenses	419	492
Exchange (gains) losses	215	990
Net (gains) losses on sales and disposal of fixed assets	143	695
Impairment losses on fixed assets	102	14
Net (gains) losses on sales of investment securities	(1,037)	(952)
Net (gains) losses on revaluation of investment securities	0	66
Write-down on real estate inventories	246	0
Net (gains) losses on private equity investment	168	(2,901)
(Increase) decrease in notes and accounts receivable, trade, and due from subscribers	28,270	34,716
(Increase) decrease in inventories	(8,234)	(4,112)
Increase (decrease) in accounts payable	(11,232)	(12,622)
Increase (decrease) in accrued consumption taxes	(8,411)	(1,585)
Increase (decrease) in deferred revenue	484	49
Increase (decrease) in investment deposits by policyholders, unearned premiums and other insurance liabilities	7,545	3,183
Increase/decrease in cash deposits/deposits received for armored car services	3,500	5,685
Other	1,357	5,183
Subtotal	95,165	120,240
Interest and dividend received	5,691	5,115
Interest paid	(421)	(493)
Income taxes paid	(21,192)	(22,217)
Net cash provided by (used in) operating activities	79,242	102,645
Cash flows from investing activities:		
(Increase) decrease in time deposits, net	(800)	(60)
(Increase) decrease in short-term investments, net	(1,807)	(1,080)
Payments for purchases of tangible assets	(24,568)	(22,144)
Proceeds from sales of tangible assets	2,542	344
Payments for purchases of intangible assets	(3,521)	(3,635)
Payments for purchases of investment securities	(15,998)	(12,317)
Proceeds from sales and redemptions of investment securities	30,021	24,093
Payments for acquisitions of affiliates	(1)	(497)
(Increase) decrease in short-term loans receivable, net	11	(29)
Payments for long-term loans receivable	(2,882)	(2,164)
Proceeds from long-term loans receivable	1,081	1,875
Acquisitions of subsidiaries accompanied with changes in scope of consolidation	(3,385)	-
Other	(153)	(219)
Net cash provided by (used in) investing activities	(19,462)	(15,834)
Cash flows from financing activities:		
Increase (decrease) in bank loans, net	(8,695)	(23,556)
Proceeds from long-term loans	1,600	900
Repayments of long-term loans	(2,225)	(3,203)
Repayments of lease obligations	(264)	(2,434)
Payments for redemption of straight bonds	(757)	(861)
Proceeds from stock issuance to noncontrolling shareholders	8	640
Dividends paid	(14,187)	(15,278)
Dividends paid for noncontrolling shareholders	(1,616)	(2,209)
(Increase) decrease in treasury stocks, net	(9)	(5)
Payments for acquisitions of subsidiaries not accompanied with changes in scope of consolidation	(68)	(200)
Proceeds from sales of shares of subsidiaries not accompanied with changes in scope of consolidation	-	617
Net cash provided by (used in) financing activities	(26,215)	(45,592)
Effect of exchange rate changes on cash and cash equivalents	99	(2,260)
Net increase (decrease) in cash and cash equivalents	33,663	38,957
Cash and cash equivalents at beginning of the period	241,716	221,760
Cash and cash equivalents at end of the period	275,380	260,718

(4) Notes Regarding the Consolidated Quarterly Financial Statement

[Notes Regarding the Assumption of Going Concern]

Not applicable.

[Notes Regarding Significant Changes in Shareholders' Equity]

Not applicable.

(5) Segment Information, etc.

[Segment Information]

I. Six-month Period Ended September 30, 2015

1. Information About Amounts of Revenue and Profit or Loss by Reportable Segments

(In millions of yen)

	Reportable segments				
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services
Revenue:					
Customers	234,747	57,114	30,509	19,425	22,868
Intersegment	5,946	2,160	87	1,503	45
Subtotal	240,694	59,274	30,596	20,929	22,913
Segment profit (loss)	56,226	4,556	2,757	431	(689)

	Reportable segments		Real estate and other services (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated statements of income (Note 3)
	Information and communication related services	Subtotal				
Revenue:						
Customers	23,304	387,970	20,920	408,890	-	408,890
Intersegment	3,839	13,582	978	14,560	(14,560)	-
Subtotal	27,143	401,552	21,898	423,451	(14,560)	408,890
Segment profit (loss)	2,577	65,859	2,201	68,060	(7,854)	60,206

Note 1: Real estate and other services is an operating segment not designated as a reportable segment, and comprises real estate development and sales, real estate leasing, construction and installation services, hotel businesses, etc.

Note 2: Adjustment of segment profit includes intersegment eliminations of △0 million yen and corporate expenses not allocated to each reportable segment of 7,854 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 is adjusted to operating profit in the consolidated statements of income.

II. Six-month Period Ended September 30, 2016

1. Information About Amounts of Revenue and Profit or Loss by Reportable Segments

(In millions of yen)

	Reportable segments				
	Security services	Fire protection services	Medical services	Insurance services	Geographic information services
Revenue:					
Customers	262,242	53,147	32,697	20,117	21,986
Intersegment	5,782	1,490	93	1,590	108
Subtotal	268,025	54,638	32,790	21,707	22,094
Segment profit (loss)	56,475	4,289	2,753	1,138	(511)

	Reportable segments		Real estate and other services (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated statements of income (Note 3)
	Information and communication related services	Subtotal				
Revenue:						
Customers	24,162	414,353	25,732	440,086	-	440,086
Intersegment	3,527	12,593	952	13,546	(13,546)	-
Subtotal	27,690	426,947	26,685	453,632	(13,546)	440,086
Segment profit (loss)	3,257	67,401	2,597	69,999	(7,852)	62,146

Note 1: Real estate and other services is an operating segment not designated as a reportable segment, and comprises real estate development and sales, real estate leasing, construction and installation services, etc.

Note 2: Adjustment of segment profit/loss includes intersegment eliminations of △146 million yen and corporate expenses not allocated to each reportable segment of 7,999 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) Significant Subsequent Events

Not applicable.