

**NONCONSOLIDATED FINANCIAL REPORT
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2003**

November 13, 2003

Company name: SECOM Co., Ltd. (URL: <http://www.secom.co.jp>)
 Code number: 9735 Tokyo Stock Exchange ----- First Section
 Osaka Stock Exchange ----- First Section
 Corporate headquarters: Tokyo, Japan
 Representative: Shohei Kimura, President and Representative Director
 For inquiries: Katsuhisa Kuwahara, Executive Director Phone (03) 5775-8100
 Date approved by board of directors: November 13, 2003
 Interim dividends plan: None
 Sales unit of shares: 500 shares (1 *Tangen*)

1. Summary of the nonconsolidated financial statements for the six months ended September 30, 2003
 (April 1, 2003 – September 30, 2003)

(1) Operating results (Figures rounded down to the nearest million)

	Six months ended September 30		Year ended March 31
	2002	2003	2003
Revenue	JPY 137,436 million	JPY 141,964 million	JPY 278,610 million
% change from the previous year	1.4%	3.3%	
Operating income	JPY 29,162 million	JPY 32,449 million	JPY 54,167 million
% change from the previous year	5.0%	11.3%	
Ordinary income	JPY 30,208 million	JPY 32,586 million	JPY 53,513 million
% change from the previous year	2.7%	7.9%	
Net income	JPY 17,713 million	JPY 19,692 million	JPY 30,784 million
% change from the previous year	2.2%	11.2%	
Basic net income per share	JPY 76.82	JPY 87.49	JPY 134.45

Note 1. Weighted average number of common shares outstanding:

Six months ended September 30, 2002: 230,574,752 shares

Six months ended September 30, 2003: 225,074,191 shares

Year ended March 31, 2003: 227,849,223 shares

Note 2. Change in accounting policy: Yes

Note 3. Percent numbers shown in revenue, operating income, ordinary income and net income represent the change from the results of the six months of the previous year.

(2) Dividends

	Six months ended September 30		Year ended March 31
	2002	2003	2003
Interim dividends per share	–	–	–
Annual dividends per share	–	–	JPY 40.00

(3) Financial conditions

(Figures rounded down to the nearest million)

	September 30, 2002	September 30, 2003	March 31, 2003
Total assets	JPY 561,368 million	JPY 594,250 million	JPY 582,707 million
Shareholders' equity	JPY 359,489 million	JPY 382,890 million	JPY 371,182 million
Shareholders' equity / Total assets	64.0%	64.4%	63.7%
Shareholders' equity per share	JPY 1,596.13	JPY 1,701.22	JPY 1,648.44

Note 1. Number of common shares outstanding:

As of September 30, 2002: 225,225,908 shares

As of September 30, 2003: 225,067,936 shares

As of March 31, 2003: 225,080,888 shares

Note 2. Number of shares of common stock in treasury:

As of September 30, 2002: 8,055,225 shares

As of September 30, 2003: 8,213,197 shares

As of March 31, 2003: 8,200,245 shares

2. Forecasts for the nonconsolidated financial results for the fiscal year ending March 31, 2004 (April 1, 2003 – March 31, 2004)

	Year ending March 31, 2004
Expected revenue	JPY 289,021 million
Expected ordinary income	JPY 60,037 million
Expected net income	JPY 34,832 million
Expected term-end dividends per share	JPY 40.00
Expected annual dividends per share	JPY 40.00
Expected basic net income per share	JPY 154.76

*Forecast statements above include estimates based on current plans, assumptions and prospects and may differ from actual performance because of risks and uncertainties.

Nonconsolidated Balance Sheets

(in millions of yen)

	September 30, 2002		September 30, 2003		March 31, 2003	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	% of Total Assets
ASSETS:						
Current assets:						
Cash on hand and in banks	94,074		106,281		93,044	
Notes receivable	320		279		365	
Due from subscribers	8,270		8,475		8,311	
Accounts receivable, trade	3,536		4,341		4,695	
Marketable securities	451		7,951		7,951	
Inventories	7,986		7,614		8,158	
Short-term loans to subsidiaries and affiliates	20,158		34,501		30,076	
Other current assets	32,472		30,599		34,600	
Allowance for doubtful accounts	(2,958)		(4,315)		(3,602)	
Total current assets	164,313	29.3%	195,728	32.9%	183,602	31.5%
Fixed assets:						
Tangible assets:						
Security equipment and control stations	62,145		61,758		60,220	
Buildings and improvements	20,668		27,848		28,777	
Land	41,727		42,098		42,197	
Other tangible assets	6,653		7,658		7,187	
Total tangible assets	131,196	23.3%	139,364	23.5%	138,383	23.7%
Intangible assets:						
Telephone and telegraph utility rights	581		231		540	
Software	10,210		9,220		10,957	
Other intangible assets	3,159		2,948		2,834	
Total intangible assets	13,950	2.5%	12,399	2.1%	14,332	2.5%
Investments and others:						
Investment securities	27,472		22,915		20,796	
Investment securities in subsidiaries and affiliates	154,729		156,293		155,886	
Investment in subsidiaries	3,991		4,015		4,015	
Other investments	67,325		65,343		67,287	
Allowance for doubtful accounts	(1,611)		(1,809)		(1,596)	
Total investments and others	251,907	44.9%	246,757	41.5%	246,389	42.3%
Total fixed assets	397,054	70.7%	398,521	67.1%	399,104	68.5%
Total Assets	561,368	100.0%	594,250	100.0%	582,707	100.0%

Nonconsolidated Balance Sheets (Contd.)

(in millions of yen)

	September 30, 2002		September 30, 2003		March 31, 2003	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	% of Total Assets
LIABILITIES:						
Current liabilities:						
Accounts payable	1,322		1,432		2,121	
Bank loans	51,131		49,055		52,203	
Current portion of long-term loans	-		1,400		1,300	
Payables – others	8,306		8,611		9,605	
Income taxes payable	12,989		12,441		6,806	
Consumption taxes payable	1,880		1,853		2,157	
Accrued expenses	575		586		576	
Deferred revenue - service charges	21,036		21,914		21,048	
Accrued bonus	5,236		4,817		4,920	
Other current liabilities	25,436		32,919		29,965	
Total current liabilities	127,913	22.8%	135,032	22.7%	130,706	22.4%
Fixed liabilities:						
Straight bonds	30,000		30,000		30,000	
Convertible bonds	18		18		18	
Long-term loans	-		2,300		3,700	
Guarantee deposits received from subscribers	16,709		16,846		16,721	
Accrued pension and severance costs	27,238		27,163		30,378	
Total fixed liabilities	73,965	13.2%	76,327	12.9%	80,818	13.9%
Total liabilities	201,878	36.0%	211,359	35.6%	211,524	36.3%
SHAREHOLDERS' EQUITY:						
Common stock	66,368	11.8%	66,368	11.2%	66,368	11.4%
Capital surplus:						
Additional paid-in capital	82,544		82,544		82,544	
Total capital surplus	82,544	14.7%	82,544	13.9%	82,544	14.2%
Earned surplus:						
Legal reserve	9,028		9,028		9,028	
Voluntary reserve	3,039		3,038		3,039	
Unappropriated retained earnings	241,465		264,902		254,364	
Total earned surplus	253,532	45.2%	276,969	46.6%	266,431	45.7%
Net unrealized gain in debt and equity securities	730	0.1%	1,343	0.2%	124	0.0%
Common stock in treasury, at cost	(43,687)	(7.8%)	(44,335)	(7.5%)	(44,287)	(7.6%)
Total shareholders' equity	359,489	64.0%	382,890	64.4%	371,182	63.7%
Total liabilities and shareholders' equity	561,368	100.0%	594,250	100.0%	582,707	100.0%

Nonconsolidated Statements of Income

(in millions of yen)

	Six months ended September 30, 2002		Six months ended September 30, 2003		Year ended March 31, 2003	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Revenues						
Service charges and sales of merchandise	137,436	100.0%	141,964	100.0%	278,610	100.0%
Costs						
Cost of service charges and sales of merchandise	74,419	54.1%	76,853	54.1%	155,499	55.8%
Gross profit	63,016	45.9%	65,111	45.9%	123,111	44.2%
Selling, general and administrative expenses	33,854	24.7%	32,661	23.0%	68,943	24.8%
Operating income	29,162	21.2%	32,449	22.9%	54,167	19.4%
Non-operating income	3,168	2.3%	3,514	2.5%	4,288	1.5%
Non-operating expenses	2,121	1.5%	3,376	2.4%	4,942	1.7%
Ordinary income	30,208	22.0%	32,586	23.0%	53,513	19.2%
Extraordinary income	6,399	4.7%	2,063	1.4%	6,543	2.3%
Extraordinary losses	6,936	5.1%	2,470	1.7%	7,535	2.6%
Income before income taxes	29,671	21.6%	32,180	22.7%	52,521	18.9%
Income taxes - current	12,526	9.1%	12,447	8.8%	20,933	7.6%
Income taxes - deferred	(568)	(0.4%)	40	0.0%	802	0.3%
Net income	17,713	12.9%	19,692	13.9%	30,784	11.0%
Unappropriated earned surplus at beginning of the period	223,751		245,210		223,751	
Amortization of investment in subsidiary as the result of corporate merger	-		-		172	
Unappropriated earned surplus	241,465		264,902		254,364	