



Future Business Strategy by Market

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COMSYS Holdings Corporation

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1. Business Trends by Market (1/2)

Business category			COMSYS Group main customers		
			Current	Target expansion through FY2007	
Comprehensive engineering services	NTT Information Communications Engineering	NTT business		NTT(HD), NTT EAST, NTT WEST, NTT-C	—
		DoCoMo business		NTT DoCoMo Group	—
	Telecommunications Engineering	NCC business		KDDI, Vodafone, POWEREDCOM, DDIP, TEPCO	Softbank, new mobile phone carriers, regional electric power companies
		NEC business		NEC Corporation	—
		Government business		Ministry of Land, Infrastructure and Transport, Japan Highway Public Corporation, Ministry of Internal Affairs and Communications, Urban Renaissance Agency, Japan Defense Agency, National Police Agency related, Civil Aviation Bureau	PFI, mid-size local governments, Japan Post, Fire and Disaster Management Agency, Civil Aviation Bureau
		Electrical facility business		Metropolitan Expressway Public Corporation, Nihon University, Kurimoto Construction Industry, Ltd.	General companies, private universities
		General private-sector demand business		Sumisho Electronics Co., Ltd, Mitsui Fudosan Co., Ltd., LAWSON, INC., Mori Building Co., Ltd., NTT InfraNet	Mid-size general companies, SOHO
	IT Solutions	IT solutions business	NI	NTT EAST, NTT WEST, NTT-C, Meiji Yasuda Life Insurance Company, Recruit Co., Ltd., NISSHO ELECTRONICS CORPORATION, NTT-ME, NTT Neomeit	Mid-size general companies, SOHO
			SI	NEC Corporation, NTT DATA, NTT COMWARE, Sharp Corporation, Nihon Dengyo Kosaku Co., Ltd., ODK Co., Ltd.	Mid-size general companies, mid-size general contractors, SOHO
			Maintenance	IBM Japan, Ltd., ORIX Corporation, NTT-PC, NEC Corporation	Security companies, mid-size general companies
	Social Systems	General civil engineering business		Ministry of Land, Infrastructure and Transport, Shimizu Corporation, Maeda Road Construction Co., Ltd., Matsumoto Construction Industry, Ltd.	—
		Construction business		Maeda Corporation, Yamada Corporation, DAIHO CORPORATION	SECOM, PFI
Eco business		National and local government, electric power companies, electric power sellers	Public service corporations, general companies		

Business Trends by Market (2/2)



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Business category			Target market size (¥100 million)			
			Current	FY2007 (Estimate)		
Comprehensive engineering services	NTT Information Communications Engineering	NTT business	9,580		9,900	
		DoCoMo business	8,550	Under examination		
	Telecommunications Engineering	NCC business	870		1,000	
		NEC business	1,500		1,400	
		Government business	4,900		5,200	
		Electrical facility business	6,300		6,400	
		General private-sector demand business	3,000		4,000	
	IT Solutions	IT solutions business	NI	4,500		8,000
			SI	3,800		5,100
			Maintenance	500		800
Social Systems	General civil engineering business		1,700		1,800	
	Construction business		3,000		2,500	
	Eco business		700		1,000	

Note 1: Target market size represents the customers and industries of COMSYS Group business activities.

Note 2: Capital expenditures for NTT business and DoCoMo business.

2. COMSYS Group Core Competencies



- (1) Offer experience and reliability in network infrastructure construction
- (2) Offer experience in production of software for information systems
- (3) Offer internal corporate systems construction and administration experience
- (4) Provide IT solutions from an advanced
and diverse group of technical personnel (Exhibit 1)
(One-stop solutions provider from consulting to design,
development, construction, and maintenance)
- (5) Provide maintenance services from facilities nationwide
(Monitoring, administration, call center, and on-site maintenance)

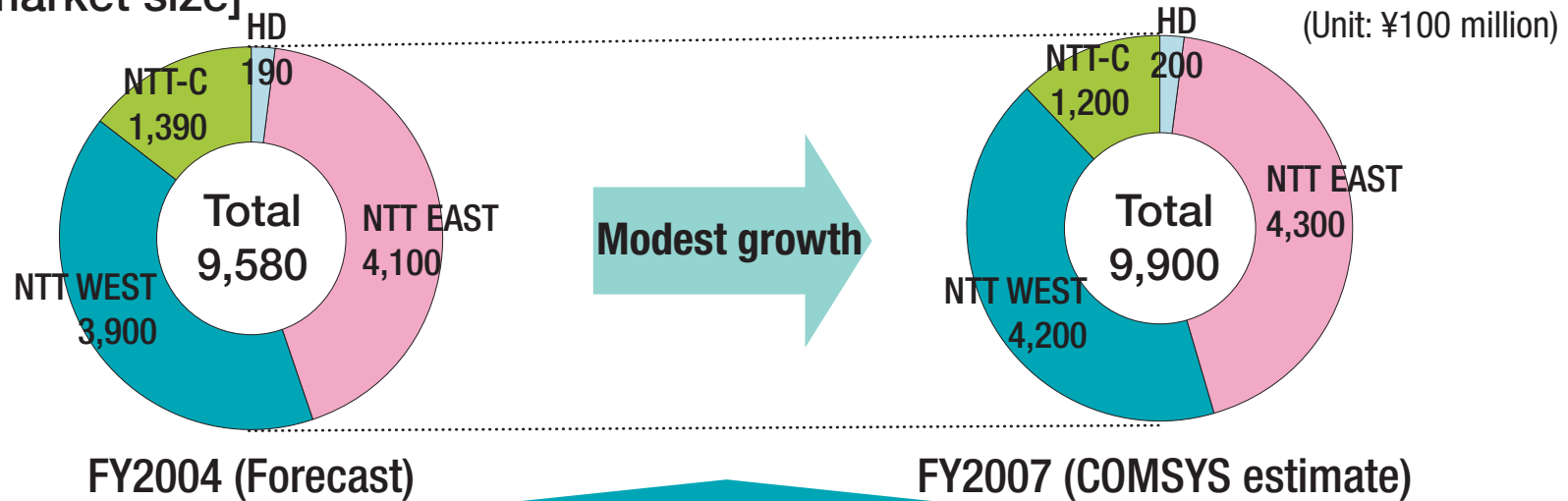


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3. Business Strategy

(1) NTT Business

[Target market size]



Strategy

- (1) Establish construction organization to deliver 30 million optical lines to customers by 2010
- (2) Reduce optical access costs by 30% through on-site reform and improvement
- (3) Enter next-generation network construction
(Train IP engineers in partnership with the NTT Group
— target increase from current 20 engineers to 100 engineers in end-FY2007)
- (4) Enter facility management, maintenance, and in-home business
- (5) Develop construction methods to ensure safety and improve quality

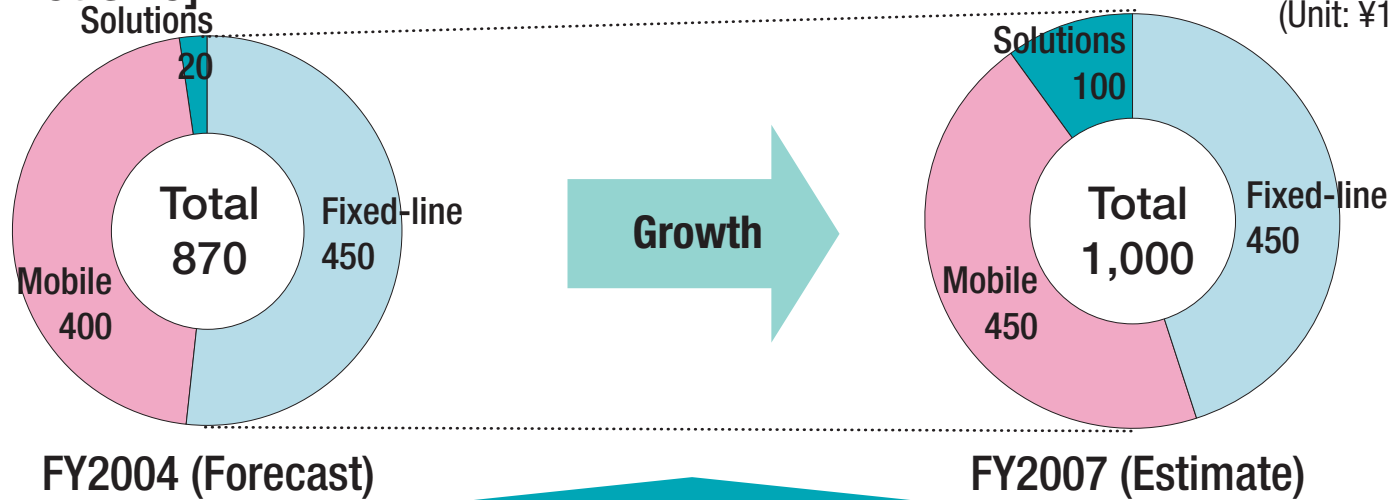
(2) NCC Business



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[Target market size]

(Unit: ¥100 million)



Strategy

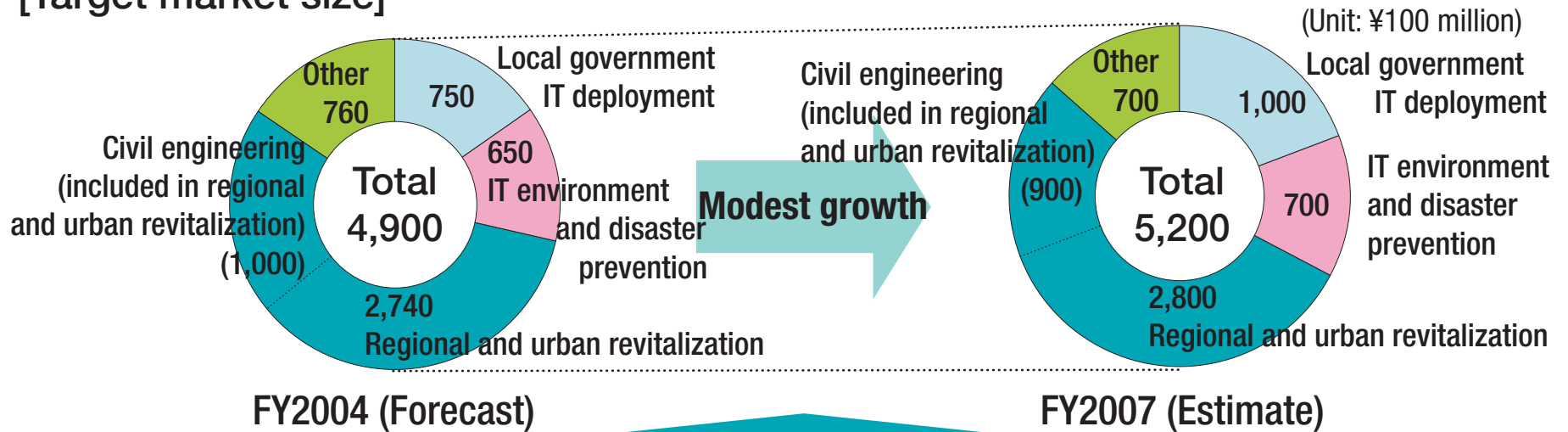
- (1) Maintain top industry position by concentrating COMSYS Group businesses
- (2) Prevent information leaks between NTT, DoCoMo businesses and NCC business under COMSYS Holdings (New SANWA ELEC)
- (3) Full-scale entry into solutions business and maintenance services



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(3) Government Business

[Target market size]



Strategy

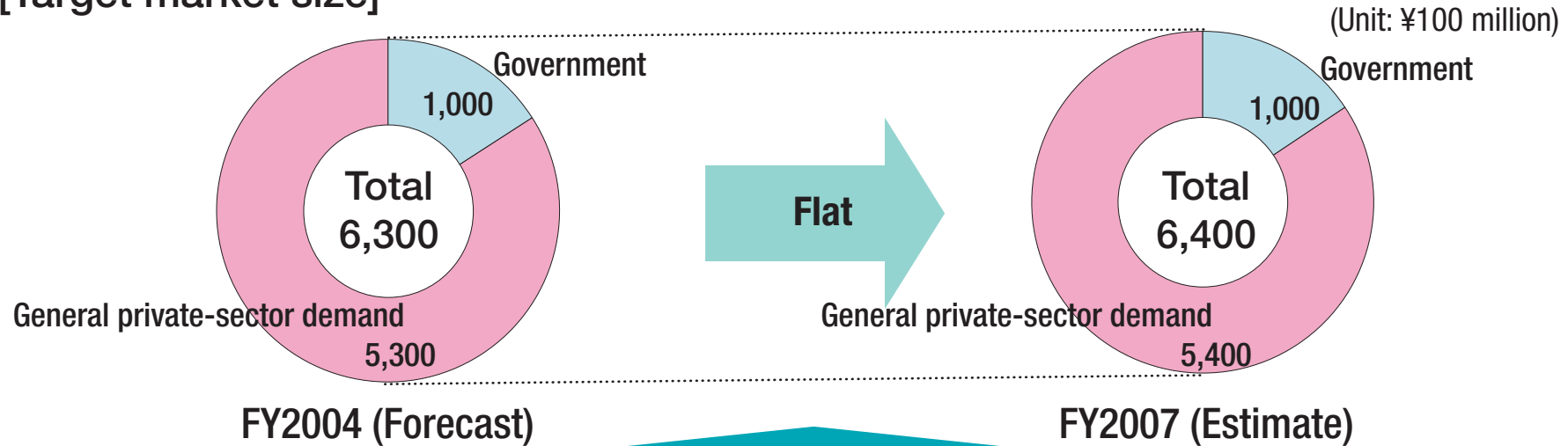
- (1) Aim to lead in deploying IT systems (including CATV) at local government
- (2) Step up efforts in laying power lines underground and civil engineering maintenance
- (3) Actively participate in PFI businesses



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(4) Electrical Facility Business

[Target market size]



Strategy

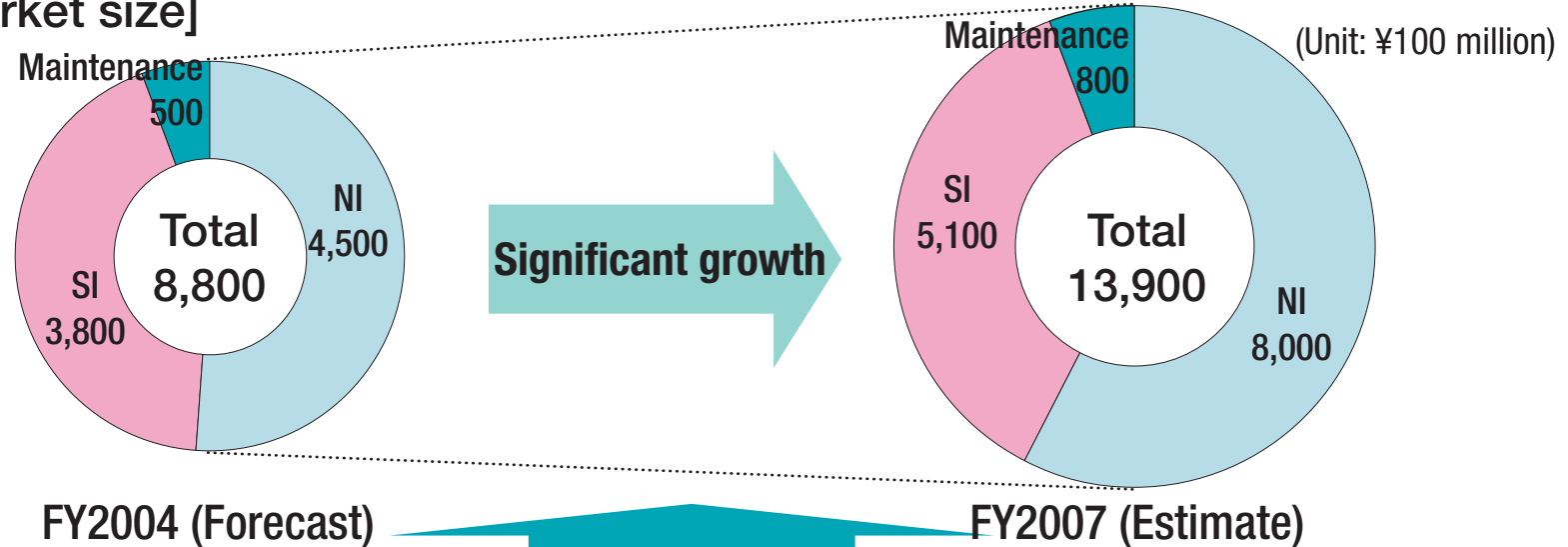
- (1) Aim to be a leader in electrical infrastructure construction by concentrating COMSYS Group businesses (New SANWA ELEC)
- (2) Integrate sales for electrical infrastructure construction and information and communications construction under COMSYS Holdings (Collaboration between Nippon COMSYS and New SANWA ELEC)
- (3) Actively pursue partner strategy (M&A, alliances, and joint ventures)



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(5) IT Solutions Business

[Target market size]



Strategy

- (1) Provide one-stop solutions from consulting to design, development (inspection), construction, and maintenance (Target solutions sales weighting of 20% at end-FY2007)
- (2) Provide round-the-clock monitoring and administration and nationwide on-site maintenance services
- (3) Develop COMSYS brand (COMSIP IP telephone, security, in-home services, etc.)
- (4) Conduct direct sales to small and medium-sized firms and partner with NTT's corporate sales division for large firms
- (5) Actively form alliances with vendors and other providers



4. Management Targets by Business (End-FY2007)

Business category			Net sales	Operating income	
Comprehensive engineering services	NTT Information Communications Engineering	NTT business			
		DoCoMo business	Under examination		
	Telecommunications Engineering	NCC business			
		NEC business			
		Government business			
		Electrical facility business			
		General private-sector demand business			
	IT Solutions	IT solutions business	NI		
			SI		
			Maintenance		
	Social Systems	General civil engineering business			
		Construction business			
Eco business					

Explanatory notes

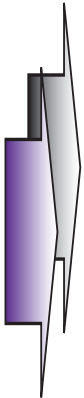
- Up
Over 30%
- Up
15%-30%
- Up
0%-15%
- Flat
- Down
5%
- Down
5%-10%
- Down
Over 10%

*Arrows indicate estimated increases or decreases between FY2004 and FY2007.

Exhibit 1

COMSYS Group Technical Staff

Qualifications Name		2005/3 (Estimate)	2008/3 (Plan)	
National qualifications	Certified engineers	Certified engineers	7	30
	Supervisory engineers	Supervisory engineers (Telecommunications, etc.)	2,560	2,870
	Electrical	First-class electrical construction management engineers	337	390
		Electricians	1,337	1,460
	Telecommunications	Chief telecommunications engineers	476	550
		First-class cable television broadcast engineers	108	150
		Installation technicians	1,131	1,200
	Wireless	First-class terrestrial wireless engineers	65	80
		First-class special terrestrial wireless technicians	508	550
	Civil engineering	First-class civil engineering construction management engineers	357	380
		First-class plumbing construction management engineers	13	20
		First-class paving construction management engineers	10	20
		Land surveyors	92	100
	Construction	First-class architects	10	20
		First-class architectural construction management engineers	28	40
	Information processing	System analysts	1	10
		Fundamental information technology engineers	380	440
		Software development engineers	103	140
		Technical engineers (network)	17	30
		Technical engineers (database)	1	10
Security administrators		10	30	
Senior system administrators		2	10	





Qualifications Name		2005/3 (Estimate)	2008/3 (Plan)
Vendor qualification	CCIE (included in Cisco)	10	70
	Cisco	1,048	1,600
	MCSE (included in Microsoft)	10	20
	Microsoft	788	1,000
	PLATINUM/GOLD (included in Oracle)	29	50
	Oracle	104	160
	RHCE (included in Linux)	5	30
	Linux	109	360



Reference: Main Medium-Term Management Indicators

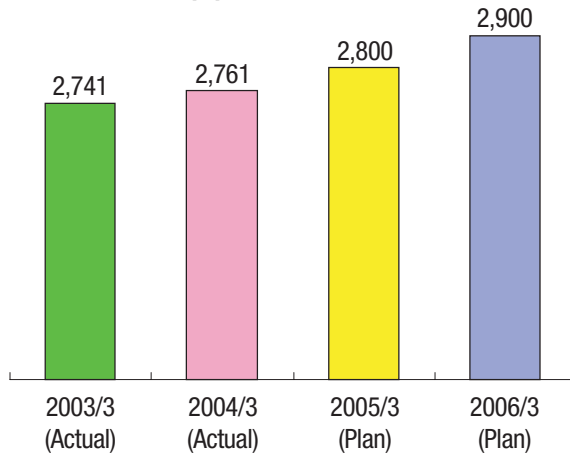
—Explanation at FY3/04 Results Briefing (May 27, 2004)



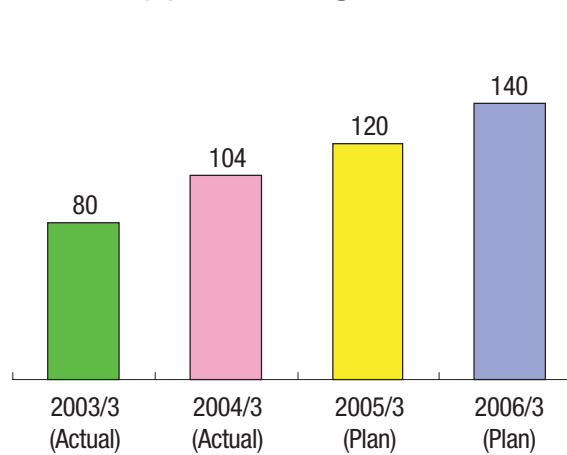
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(Unit: ¥100 million)

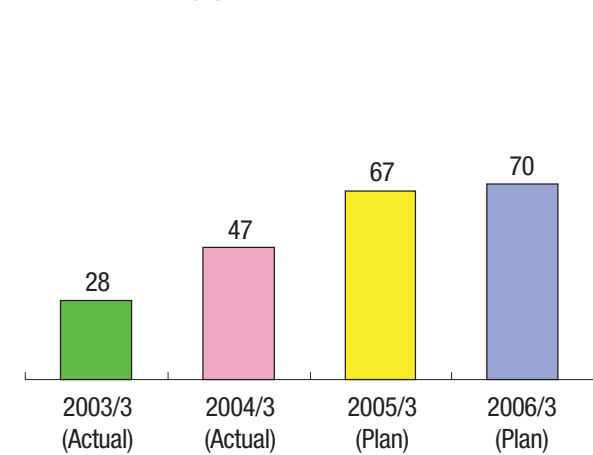
(1) Net Sales



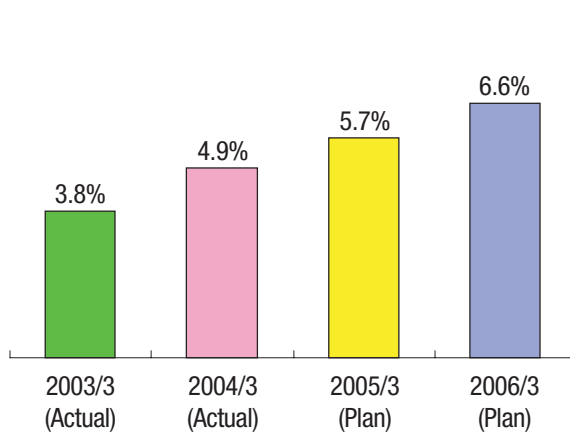
(2) Recurring Profit



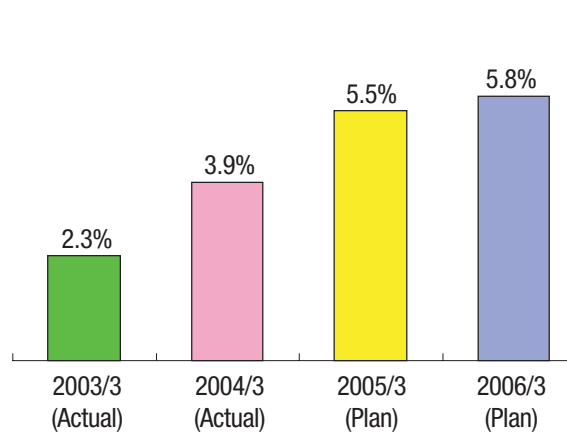
(3) Net Income



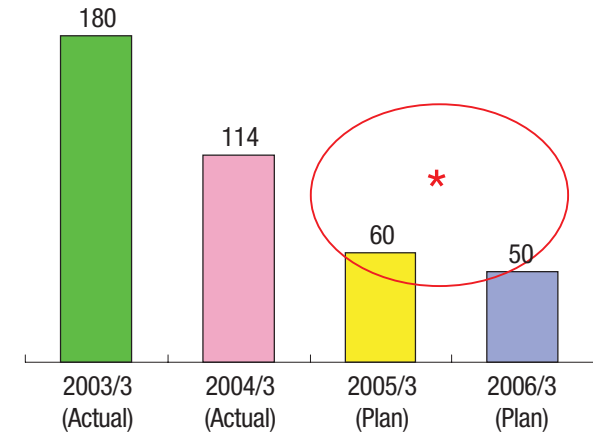
(4) ROA



(5) ROE



(6) Interest-Bearing Debt



Note: FY3/03 and FY3/04 figures are simple three-company totals for comparison purposes.

* Plans in FY3/05