

**Detailed Presentation of Performance for the First Half
and Forecasts for the Fiscal Year**

Fiscal Year Ending March 31, 2007

November 21, 2006

COMSYS Holdings Corporation

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1. Interim Consolidated Statements of Income (Comparisons with the First Half of the Previous Fiscal Year)



(Unit: ¥100 million)

Item	Performance in previous year	Performance this year	Difference	Percentage difference	Main reasons for increase/decrease
Net Sales	1,191	1,433	242	20.3%	<ul style="list-style-type: none"> • NTT (2: Access 27, Network -25), DoCoMo (127), NCC (46) IT solutions (21), Construction (48), Other (-3)
Cost of Sales	1,042	1,253	211	20.2%	<ul style="list-style-type: none"> • Cost of sales ratio (From 87.5% to 87.4%; down 0.1 percentage point)
Gross Profits	148	179	31	20.9%	<ul style="list-style-type: none"> • Gross profit margin (From 12.5% to 12.6%; up 0.1 percentage point)
Selling, General and Administrative Expenses	99	101	2	2.0%	<ul style="list-style-type: none"> • Consolidation of Kokusai Densetsu Co., Ltd. (1.1) • Transfers to the reserve for directors' bonuses (1)
Operating Income	49	78	29	59.2%	<ul style="list-style-type: none"> • Operating margin (From 4.2% to 5.5%; up 1.3 percentage point)
Other Income	11	10	-1	-9.1%	<ul style="list-style-type: none"> • Previous year: Amortization of other consolidation adjustments (8.0) • Interest and dividend income (1.4), Other (1.6) • This year: Negative amortization of goodwill (7.0), Interest and dividend income(1.5), Other (1.5)
Other Expenses	0	0	0	—	—
Recurring Profit	60	87	27	45.0%	<ul style="list-style-type: none"> • Recurring profit margin (From 5.1% to 6.1%; up 1.0 percentage point)
Extraordinary Profit	4	18	14	350.0%	<ul style="list-style-type: none"> • Previous year: Gain on sale of investment in securities (0.2), Reversal of allowance for doubtful receivables (1.1) • Reversal of accrued severance indemnities (Sanwa Denshi Inc., 2.2), Other (0.5) • This year: Gain on sales of fixed assets (Land for SANCOM headquarters, 7.9) • Gain on sale of investment in securities (Daido, Ishimatsu, etc., 6.0) • Reversal of allowance for doubtful receivables (0.8) • Unrealized gain on investment association (2.0), Other (1.3)
Extraordinary Loss	7	6	-1	-14.3%	<ul style="list-style-type: none"> • Previous year: Loss on disposal of fixed assets (0.2), Write-down of investments in securities (0.4) • Special payments on employees' retirement (2), Allowance for doubtful receivables (3.6), Other (0.8) • This year: Loss on disposal of fixed assets (1.2), Write-down of investments in securities (2.5) • Special payments on employees' retirement (1.6), Allowance for doubtful receivables (0.4), Other (0.3)
Net Income	34	63	29	85.3%	<ul style="list-style-type: none"> • Net profit margin (From 2.9% to 4.4%; up 1.5 percentage point)

2. Interim Consolidated Statements of Income by Company (Comparisons with the First Half of the Previous Fiscal Year)



(Unit: ¥100 million)

Item	COMSYS-G			SANCOM-G			TOSYS-G		
	Performance in previous year	Performance this year	Difference	Performance in previous year	Performance this year	Difference	Performance in previous year	Performance this year	Difference
Net Sales	940	1,146	206	179	227	48	122	122	0
Cost of Sales	817	999	182	165	206	41	108	110	2
Gross Profits	122	147	25	13	21	8	14	11	-3
(Gross Profit Margin)	(13.0%)	(12.9%)	—	(7.7%)	(9.6%)	—	(11.6%)	(9.7%)	—
Selling, General and Administrative Expenses	71	75	4	16	16	0	13	10	-3
Operating Income	50	71	21	-2	4	6	1	1	0
(Operating Margin)	(5.4%)	(6.3%)	—	(-1.4%)	(2.1%)	—	(1.0%)	(1.0%)	—
Other Income	11	10	-1	0	0	0	0	0	0
Other Expenses	0	0	0	0	0	0	0	0	0
Recurring Profit	62	81	19	-2	4	6	1	1	0
(Recurring Profit Margin)	(6.6%)	(7.1%)	—	(-1.3%)	(2.1%)	—	(1.2%)	(1.5%)	—
Extraordinary Profit	1	8	7	0	8	8	0	0	0
Extraordinary Loss	7	5	-2	0	0	0	0	0	0
Net Income	34	52	18	-1	8	9	0	1	1
(Net Profit Margin)	(3.6%)	(4.6%)	—	(-1.0%)	(3.9%)	—	(0.3%)	(0.9%)	—

3. Interim Consolidated Statements of Income (Comparisons with Initial Plans)



(Unit: ¥100 million)

Item	Initial plans	Performance this year	Difference	Percentage difference	Main reasons for increase/decrease
Net Sales	1,340	1,433	93	6.9%	• NTT (-1: Access 8, Network -9), DoCoMo (46), NCC (22) IT solutions (-2), Construction (12), Other (16)
Cost of Sales	1,167	1,253	86	7.4%	• Cost of sales ratio (From 87.1% to 87.4%; up 0.3 percentage point)
Gross Profits	173	179	6	3.5%	• Gross profit margin (From 12.9% to 12.6%; down 0.3 percentage point)
Selling, General and Administrative Expenses	105	101	-4	-3.8%	• Delay in reduction of operating costs and special measures
Operating Income	68	78	10	14.7%	• Operating margin (From 5.1% to 5.5%; up 0.4 percentage point)
Other Income	11	10	-1	-9.1%	—
Other Expenses	1	0	-1	-100%	—
Recurring Profit	78	87	9	11.5%	• Recurring profit margin (From 5.8% to 6.1%; up 0.3 percentage point)
Extraordinary Profit	8	18	10	125.0%	{ Gain on sale of investment in securities (Daido, Ishimatsu, etc., 6) Unrealized gain on investment association (2) Reversal of allowance for doubtful receivables (0.8) Other (1.2)
Extraordinary Loss	6	6	0	—	—
Net Income	50	63	13	26.0%	• Net profit margin (From 3.7% to 4.4%; up 0.7 percentage point)

4. Interim Consolidated Statements of Income by Company (Comparisons with Initial Plans)



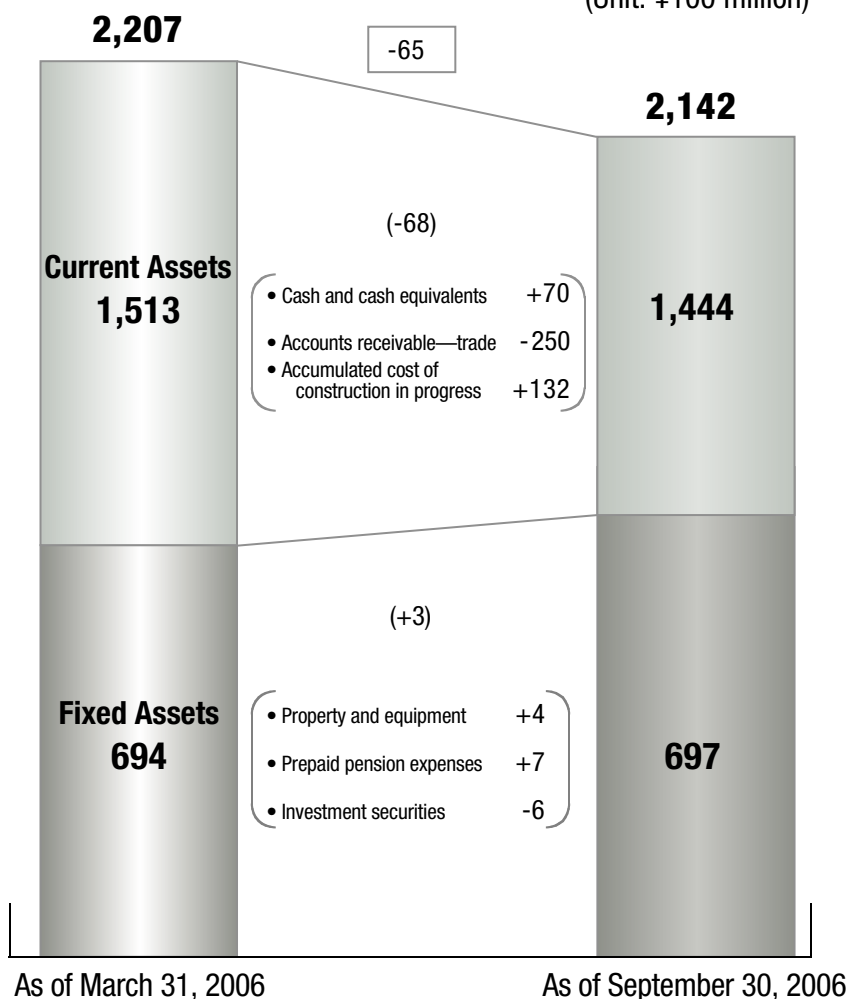
(Unit: ¥100 million)

Item	COMSYS-G			SANCOM-G			TOSYS-G		
	Initial plans	Performance this year	Difference	Initial plans	Performance this year	Difference	Initial plans	Performance this year	Difference
Net Sales	1,087	1,146	59	198	227	29	127	122	-5
Cost of Sales	947	999	52	179	206	27	112	110	-2
Gross Profits	140	147	7	18	21	3	14	11	-3
(Gross Profit Margin)	(12.9%)	(12.9%)	—	(9.3%)	(9.6%)	—	(11.4%)	(9.7%)	—
Selling, General and Administrative Expenses	74	75	1	17	16	-1	13	10	-3
Operating Income	66	71	5	1	4	3	1	1	0
(Operating Margin)	(6.1%)	(6.3%)	—	(0.5%)	(2.1%)	—	(0.8%)	(1.0%)	—
Other Income	10	10	0	0	0	0	0	0	0
Other Expenses	0	0	0	0	0	0	0	0	0
Recurring Profit	76	81	5	0	4	4	1	1	0
(Recurring Profit Margin)	(7.0%)	(7.1%)	—	(0.4%)	(2.1%)	—	(1.0%)	(1.5%)	—
Extraordinary Profit	0	8	8	8	8	0	0	0	0
Extraordinary Loss	5	5	0	0	0	0	0	0	0
Net Income	43	52	9	6	8	2	0	1	1
(Net Profit Margin)	(4.0%)	(4.6%)	—	(3.3%)	(3.9%)	—	(0.4%)	(0.9%)	—

5. Interim Consolidated Balance Sheets

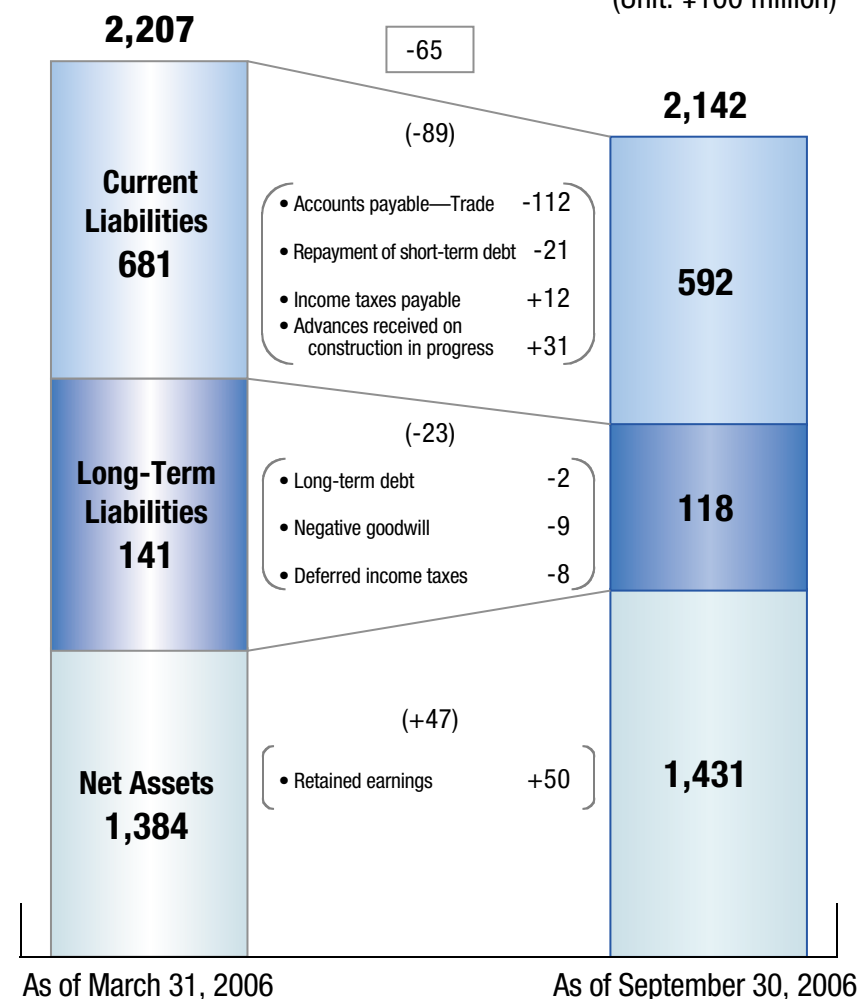
ASSETS

(Unit: ¥100 million)



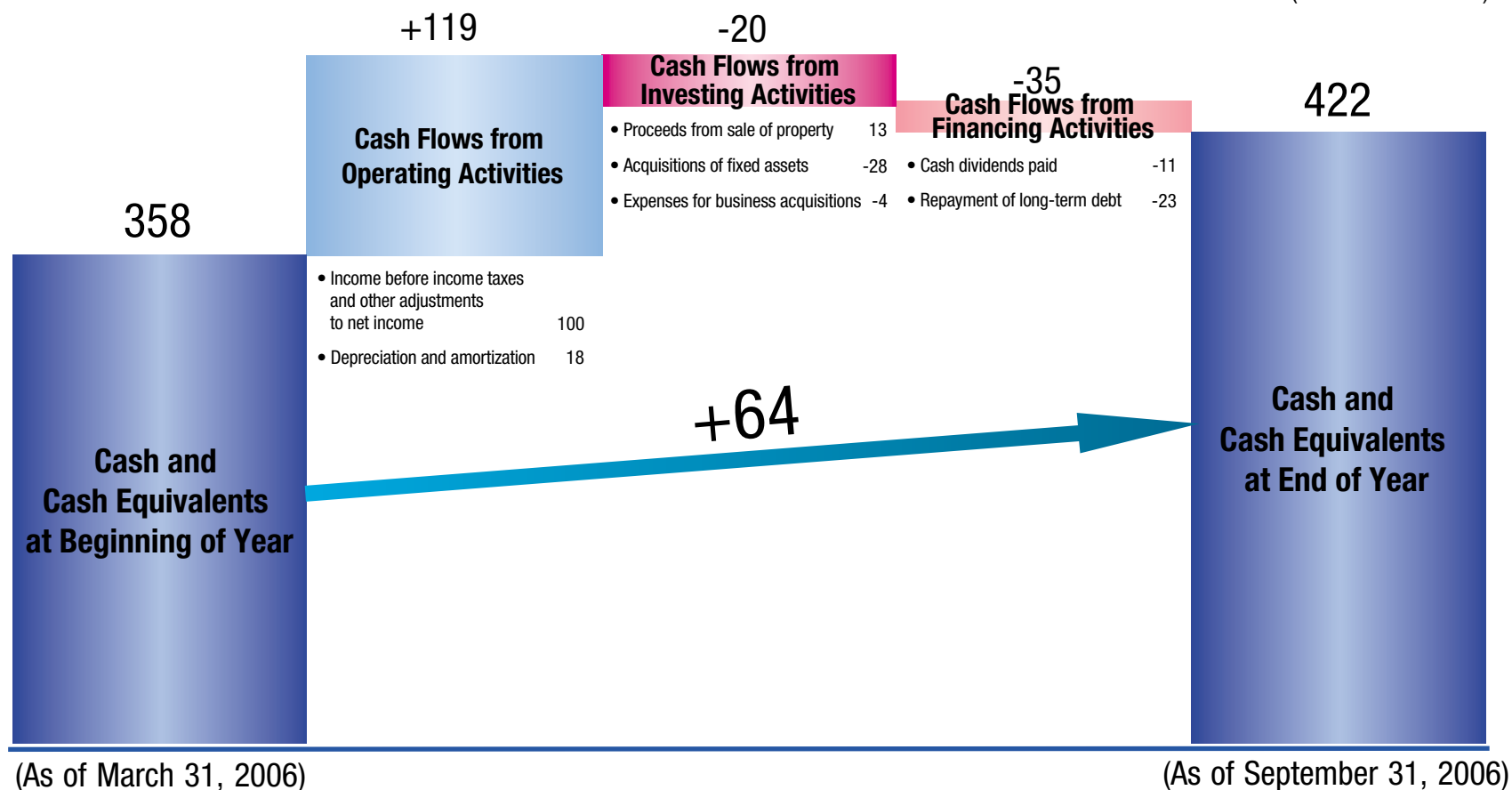
LIABILITIES AND NET ASSETS

(Unit: ¥100 million)



6. Interim Consolidated Cash Flows

(Unit: ¥100 million)



- **Cash flow indicators**
- Free cash flows: 9.9 billion
 - Years to redemption of liabilities (years): 0.1
 - Interest coverage ratio (times): 299.1

7. Cost Reductions from Management Improvement Measures including Management Integration (Interim)

(Unit: ¥ billion)

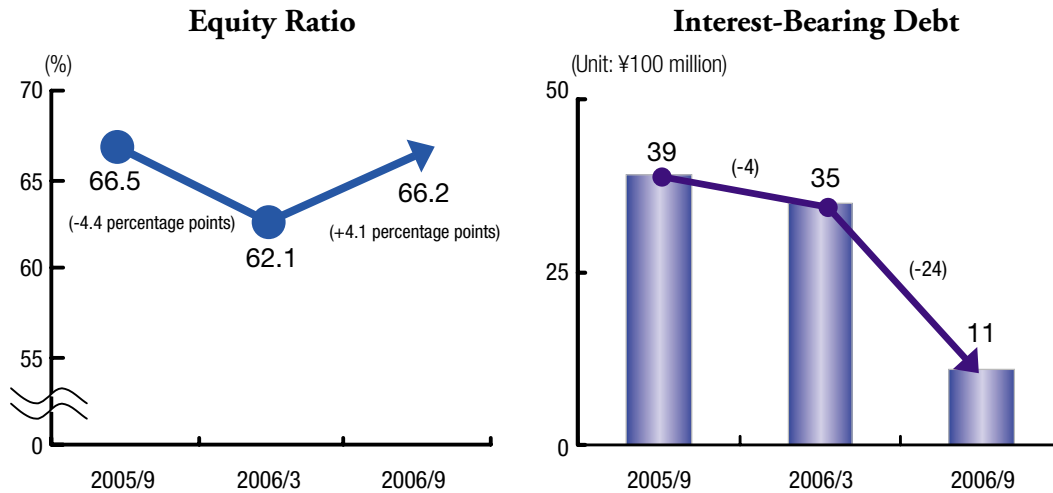
Item	Amount of reduction and progress ratio (Progress ratio)		Annual target	Principal measures	(Reference) Cumulative total value three years after management integration
	50%	100%			
Personnel costs	-¥0.1 billion [-¥0 billion]	(50%)	-0.2 [-0.1]	Promotion of early retirement through a transition-support system	-4.0 [-0.6]
Materials costs	-¥0.1 billion [-¥0.1 billion]	(33%)	-0.3 [-0.3]	Reduction of materials costs through expanding the purview of centralized purchasing Enhancement of price negotiation supervisors' capacity, strict standards for selection of suppliers	-2.3 [-2.3]
Subcontracting costs	-¥0.2 billion [-¥0.1 billion]	(50%)	-0.4 [-0.2]	Re-examination of division of business responsibilities with subcontractors	-4.0 [-0.6]
Operating costs, etc.	-¥0.2 billion [-¥0.1 billion]	(66%)	-0.3 [-0.2]	Reduction of operating costs through expanded outsourcing of joint operations Reduction of interest-bearing liabilities through CMS	-3.1 [-1.4]
Total	-¥0.6 billion [-¥0.3 billion]	(50%)	-1.2 [-0.8]	—	-13.4 [-4.9]

**Figures in brackets represent the reposting of the monetary effects of operational integration through management integration and other measures
Figures in parentheses represent progress in terms of the percentage of targets already achieved*

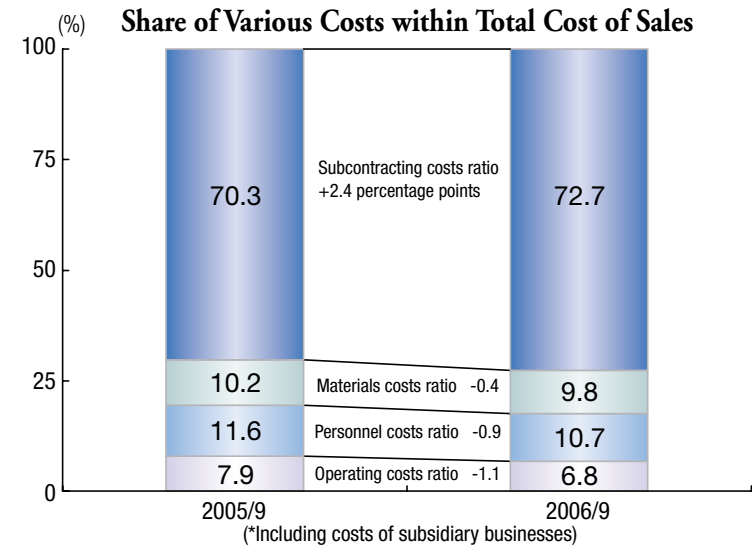
8. Trends in Important Financial Indicators (COMSYS HD and COMSYS Non-Consolidated)



STABILITY (COMSYS HD)



COST EFFICIENCY (COMSYS Non-Consolidated)



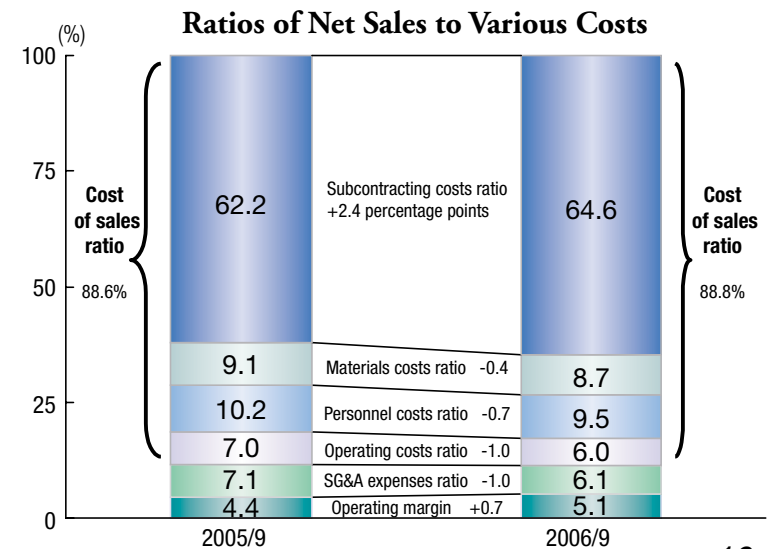
STOCK-RELATED INDICATORS (COMSYS HD)

$$\text{PER} \downarrow \times \text{ESP} \uparrow = \text{PBR} \downarrow \times \text{BSP} \uparrow \times \text{Common Stock Price} \times \text{Ratio of Foreign Shareholders}$$

(Price/Earnings Ratio) (Primary Earnings per Share) (Price/Book Value Ratio) (Book Value per Share)

Period	PER	ESP	PBR	BSP	Common Stock Price	Ratio of Foreign Shareholders
2007/3 First Half	15.3 times	¥85 (¥74)	1.3 times	¥999	¥1,296	26.1%
2006/3	24.1 times	¥70 (¥58)	1.7 times	¥965	¥1,681 (March 31)	28.9% (March 31)

<Forecasts for this period> <Forecasts for this period>



Note: Figures in parentheses are exclusive of negative goodwill (consolidation adjustment).

9. Revised Consolidated Performance Plans for the Fiscal Year (Comparisons with Initial Plans)



(Unit: ¥100 million)

Item	Initial plans	Current plan	Difference	Percentage difference	Main reasons for increase/decrease
Net Sales	3,150	3,250	100	3.2%	<ul style="list-style-type: none"> • Increase in NTT business as a result of a slight increase in work for NTT and a major increase in DoCoMo business (including engineering) +50 NCC +20, FTTH +20, Other +10
Cost of Sales	2,760	2,850	90	3.3%	<ul style="list-style-type: none"> • Cost of sales ratio (From 87.6% to 87.7%; up 0.1 percentage point)
Gross Profits	390	400	10	2.6%	<ul style="list-style-type: none"> • Reflection of net sales increase +10
Selling, General and Administrative Expenses	220	220	0	—	<ul style="list-style-type: none"> • In line with targets set at the beginning of the fiscal year
Operating Income	170	180	10	5.9%	<ul style="list-style-type: none"> • Reflection of net sales increase +10
Other Income	22	21	-1	-4.5%	<ul style="list-style-type: none"> • Land rent, etc. -1
Other Expenses	2	1	-1	-50.0%	<ul style="list-style-type: none"> • Decrease in interest expenses, etc. -1
Recurring Profit	190	200	10	5.3%	<ul style="list-style-type: none"> • Reflection of net sales increase +10
Extraordinary Profit	8	17	9	112.5%	<ul style="list-style-type: none"> • Gain on sale of investment in securities (Daido, Ishimatsu, etc.) +6 Unrealized gain on investment association +3
Extraordinary Loss	10	19	9	90.0%	<ul style="list-style-type: none"> • Withdrawal from Densetsu Welfare Pension Fund +7.5 Write-down of investments in securities +1.5
Net Income	110	120	10	9.1%	<ul style="list-style-type: none"> • *Gain on sales of investment in securities of Daido and Ishimatsu, applied to taxation on deemed dividend

10. Revised Consolidated Performance Plans for the Fiscal Year (Comparisons with the Previous Fiscal Year)



(Unit: ¥100 million)

Item	Performance in previous year	Current plan	Difference	Percentage difference	Main reasons for increase/decrease
Net Sales	3,074	3,250	176	5.7%	<ul style="list-style-type: none"> • NTT business +59[Access +60, Network -47, DoCoMo business (including engineering) +46] • Non-NTT business +117[Of which, NCC +50, FTTH +20, IT solutions, etc. +47]
Cost of Sales	2,706	2,850	144	5.3%	
Gross Profits	368	400	32	8.7%	<ul style="list-style-type: none"> • Net sales growth +20, Effects of selective contracting and <i>kaizen</i> +12
Selling, General and Administrative Expenses	205	220	15	7.3%	<ul style="list-style-type: none"> • Special investments +9 (CM and systems investment) • Increase in sales force upon expansion of scope of operations +5 • Growth due to consolidation of Kokusai Densetsu + 1 (for half the fiscal year)
Operating Income	163	180	17	10.4%	
Other Income	25	21	-4	-16.0%	<ul style="list-style-type: none"> • Consolidation adjustment (Kokusai Densetsu) -2 • Other exchange gains on foreign currency transactions -2
Other Expenses	1	1	0	—	
Recurring Profit	187	200	13	7.0%	
Extraordinary Profit	8	17	9	112.5%	<ul style="list-style-type: none"> • Gain on sales of fixed assets of SANCOM +8 • Gain on sales of investment in securities +4 (Daido and Ishimatsu +6, value for last fiscal year -2) • Unrealized gain on investment association +3, Insurance repayment -2 • Reversal of the accrued severance indemnities, etc. -4
Extraordinary Loss	31	19	-12	-38.7%	
Net Income	100	120	20	20.0%	