

# Detailed Financial Results for Fiscal Year Ended March 31, 2005

May 25, 2005

**COMSYS Holdings Corporation**

**Yoshihiro Mimata**

*Director, General Manager of Finance & Accounting Department*

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# 1. Consolidated Financial Results for Fiscal Year Ended March 31, 2005

## (1) Effect of Change in Settlement Period for Consolidated Subsidiaries of Nippon COMSYS ([December → March] ⇒ 15-month Accounting Period)

Year Ended March 31, 2005

(Unit: ¥100 million)

Figures in Financial Results	Category	Net Sales		Operating Income		Recurring Profit		Net Income	
		Effect of three months of financial results for subsidiaries (included in figures for 15 month)		40		11		10	
	Figures for 15 months	2,936		150		171		83	
	Figures for 12 months	2,896		138		160		77	
	(Reference) Simple totals for Each Company (12 months)	2,953	(Offset difference)	138		160		88	(Gain on sale of COMSYS Holdings shares by Nippon COMSYS)

For comparison with forecast for fiscal year ending March 31, 2006

## (2) Figures in Financial Results and Simple Totals for Each Company for Fiscal Year Ended March 31, 2004 (Figures in financial results do not include first half figures for SANWA group and TOSYS group.)

(Unit: ¥100 million)

Year Ended March 31, 2004	Category	Net Sales		Operating Income		Recurring Profit		Net Income	
		Figures in Financial Results	2,489		107		114		65
	First half figures for two companies (included in simple totals for each company)		262		-6		-7		-8
	Simple totals for Each Company	2,762	(Offset difference)	98		104		47	

For comparison with year-on-year figures

(Consolidation adjustment difference at time of integration)

### (3) Effect from Reorganizing NTT Business

(Inter-company Effect on Net Sales for Fiscal Year Ended March 31, 2005)

	Nippon COMSYS	SANWA ELEC	TOSYS
NTT Business	← Transfer	→	
	+¥1.8 billion	-¥1.8 billion	
	→		←
	-¥0.1 billion		+¥0.1 billion
<b>Total Effect</b>	<b>¥1.7 billion</b>	<b>-¥1.8 billion</b>	<b>¥0.1 billion</b>

(Reference: Inter-company Effect on Forecast Net Sales for Fiscal Year Ending March 31, 2006)

	Nippon COMSYS	SANWA COMSYS (formerly SANWA ELEC)	TOSYS
NTT Business	←	→	
	+¥8.5 billion	-¥8.5 billion	
	→		←
	-¥1.4 billion		+¥1.4 billion
NCC business	→	←	
	-¥12.5 billion	+¥12.5 billion	
Non-NTT business	→		←
	-¥0.5 billion		+¥0.5 billion
<b>Total Effect</b>	<b>-¥5.9 billion</b>	<b>¥4.0 billion</b>	<b>¥1.9 billion</b>

## 2. Consolidated Statements of Income\* (Year-on-year, simple total)

\* 12 months for consolidated subsidiaries of Nippon COMSYS

\* Previous fiscal year's results for SANWA group and TOSYS group include first half results



COMSYS.HD

(Unit: ¥100 million)

Item	Simple totals for FY3/04 and FY3/05			Main reasons for increase/decrease
	FY3/04 Results	FY3/05 Results	Change	
Net Sales	2,762	<b>2,953</b>	191	<ul style="list-style-type: none"> <li>• COMSYS group (167) TOSYS group (25)</li> <li>• NTT (B Flet's), DoCoMo (FOMA), Non-NTT (NCC) all increased</li> </ul>
Cost of Sales	2,451	<b>2,610</b>	159	<ul style="list-style-type: none"> <li>• Cost of sales ratio (88.8% → 88.4%)</li> </ul>
Gross Profits	310	<b>343</b>	33	<ul style="list-style-type: none"> <li>• Gross profit margin (11.2% → 11.6%)</li> </ul>
Selling, General and Administrative Expenses	211	<b>204</b>	-7	<ul style="list-style-type: none"> <li>• Cost cutting, reduction of overtime, and reduction in retirement benefit expenses</li> </ul>
Operating Income	98	<b>138</b>	40	<ul style="list-style-type: none"> <li>• Operating margin (3.6% → 4.7%)</li> </ul>
Other Income	13	<b>24</b>	11	<ul style="list-style-type: none"> <li>• Amortization of other consolidation adjustments (10 Tokyo Tsuken Corporation, Nitto Tsuken Inc., etc.)</li> </ul>
Other Expenses	8	<b>3</b>	-5	<ul style="list-style-type: none"> <li>• Foreign exchange losses (-2), Amortization of business start-up expenditures (-2)</li> </ul>
Recurring Profit	104	<b>160</b>	56	<ul style="list-style-type: none"> <li>• Recurring profit margin (3.8% → 5.4%)</li> </ul>
Extraordinary Profit	16	<b>15</b>	-1	<ul style="list-style-type: none"> <li>• FY3/04: Gain on transfer of substitutional portion of contributory pension plan (11), FY3/05: Gain on sale of COMSYS Holdings shares, etc. (13)</li> </ul>
Extraordinary Loss	32	<b>36</b>	4	<ul style="list-style-type: none"> <li>• Allowance for doubtful receivables (6), Special payments on employees' retirement (3), Write-down of investments in securities (-6)</li> </ul>
Income before Income Taxes	88	<b>139</b>	51	<ul style="list-style-type: none"> <li>• Pre-tax profit margin (3.2% → 4.7%)</li> </ul>
Income Taxes	41	<b>51</b>	10	—
Net Income	47	<b>88</b>	41	<ul style="list-style-type: none"> <li>• Net profit margin (1.7% → 3.0%)</li> </ul>

# (Reference) Consolidated Statements of Income by Company\*

\* 12 months for consolidated subsidiaries of Nippon COMSYS

\* Previous fiscal year's results for SANWA group and TOSYS group include first half results



COMSYS.HD

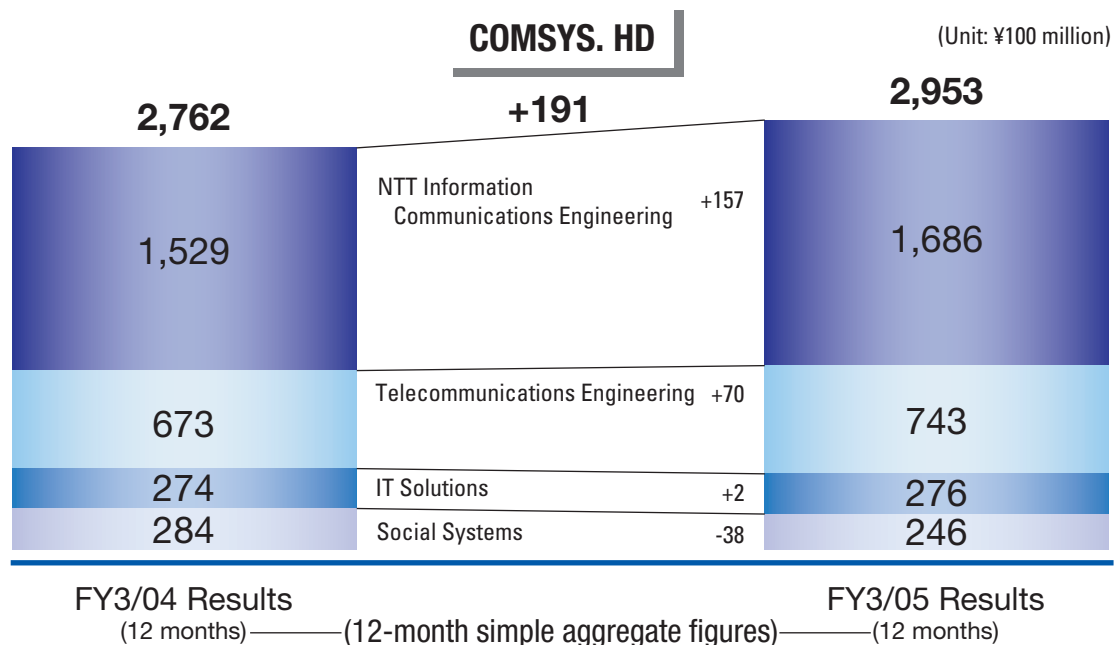
(Unit: ¥100 million)

Item	COMSYS group (12 months)			SANWA group			TOSYS group		
	FY3/04 Results	<b>FY3/05 Results</b>	Change	FY3/04 Results	<b>FY3/05 Results</b>	Change	FY3/04 Results	<b>FY3/05 Results</b>	Change
Net Sales	2,065	<b>2,232</b>	167	443	<b>442</b>	-1	253	<b>278</b>	25
Cost of Sales	1,827	<b>1,958</b>	131	402	<b>406</b>	4	221	<b>245</b>	24
Gross Profits	237	<b>274</b>	37	40	<b>35</b>	-5	32	<b>33</b>	1
Selling, General and Administrative Expenses	157	<b>150</b>	-7	31	<b>30</b>	-1	23	<b>23</b>	0
Operating Income	79	<b>124</b>	45	9	<b>4</b>	-5	9	<b>9</b>	0
Other Income	11	<b>21</b>	10	2	<b>1</b>	-1	0	<b>1</b>	1
Other Expenses	2	<b>0</b>	-2	5	<b>2</b>	-3	0	<b>0</b>	0
Recurring Profit	88	<b>145</b>	57	6	<b>4</b>	-2	9	<b>10</b>	1
Extraordinary Profit	13	<b>14</b>	1	2	<b>0</b>	-2	0	<b>0</b>	-0
Extraordinary Loss	19	<b>27</b>	8	12	<b>8</b>	-4	0	<b>0</b>	-0
Income (Loss) before Income Taxes	83	<b>132</b>	49	-3	<b>-3</b>	-0	9	<b>10</b>	1
Income Taxes	37	<b>46</b>	9	-1	<b>-0</b>	1	5	<b>5</b>	-0
Net Income (Loss)	45	<b>86</b>	41	-1	<b>-3</b>	-2	3	<b>5</b>	2

### 3. Breakdown of Net Sales by Company and Business Category\* (Year-on-year, simple total)



\* 12 months for consolidated subsidiaries of Nippon COMSYS  
\* Previous fiscal year's results for SANWA group and TOSYS group include first half results



By Company, by Business Category	COMSYS group		SANWA group		TOSYS group	
	FY3/05 Results	Year-on-year	FY3/05 Results	Year-on-year	FY3/05 Results	Year-on-year
NTT Information Communications Engineering	1,411	+140	117	-4	158	+22
Telecommunications Engineering	413	+69	272	+10	57	-9
IT Solutions	225	+3	17	+1	34	-1
Social Systems	183	-43	34	-8	28	+13
<b>Total</b>	<b>2,232</b>	<b>+167</b>	<b>442</b>	<b>-1</b>	<b>278</b>	<b>+25</b>

## 4. Effect of Management Improvement Measures and Business Integration Measures

(Unit: ¥ billion)

Category Measures	1. Results of past management improvement measures		Plan	2. Result of business integration measures		Plan	Total (1 + 2)		
	50%	(Achievement rate) 100%		50%	(Achievement rate) 100%		Plan	Actual	Achievement rate
Personnel rationalization	¥1.1 billion	(92%)	1.2	¥0.4 billion	(67%)	0.6	1.8	1.5	83%
Material cost rationalization	—		0.0	¥0.6 billion	(120%)	0.5	0.5	0.6	120%
Outsourcing cost rationalization	¥1.5 billion	(94%)	1.6	¥0.1 billion	(50%)	0.2	1.8	1.6	89%
Other cost rationalization	¥0.3 billion	(100%)	0.3	¥0.8 billion	(4 times)	0.2	0.5	1.1	220%
<b>Total</b>	<b>¥2.9 billion</b>	<b>(94%)</b>	<b>3.1</b>	<b>¥1.9 billion</b>	<b>(127%)</b>	<b>1.5</b>	<b>4.6</b>	<b>4.8</b>	<b>104%</b>

Note: Figures in parentheses indicate rate of achievement of plan.

## 5. Main Non-operating and Extraordinary Accounts (Consolidated)

### Non-operating Accounts

(Unit: ¥100 million)

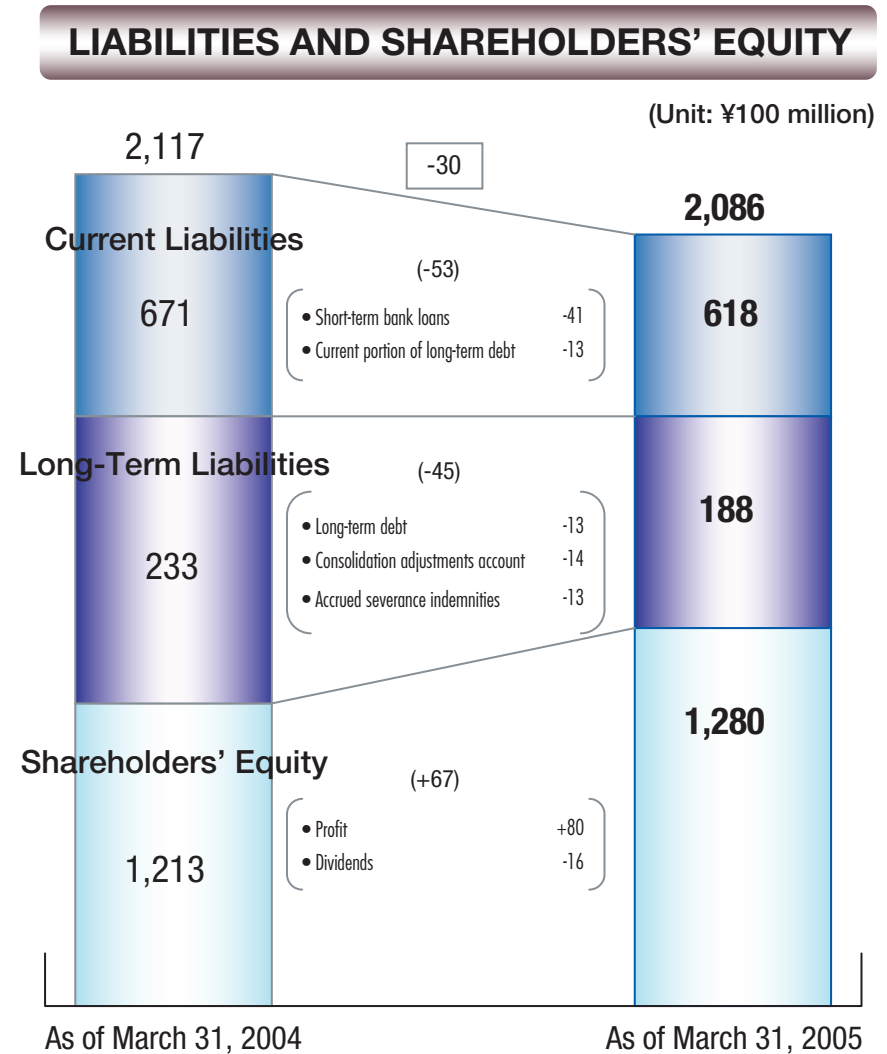
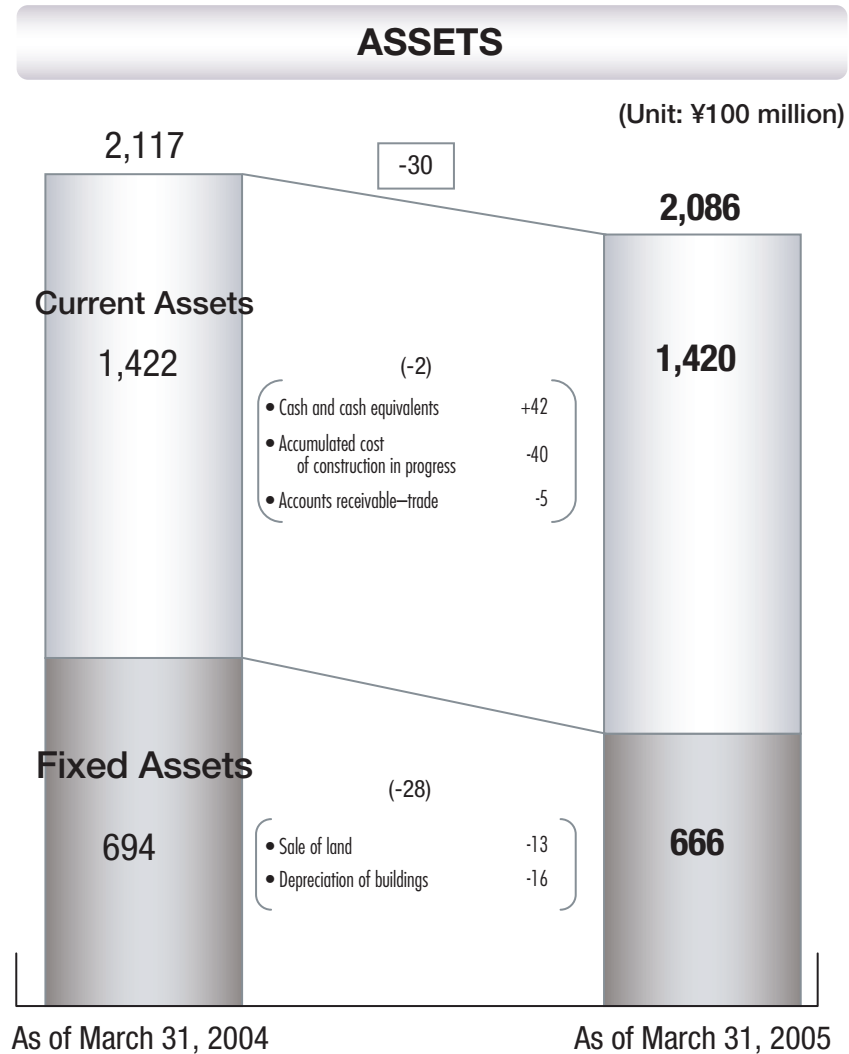
	Breakdown of main items	FY3/04 Results	FY3/05 Results
Other Income	Interest and dividend income	1.9	2.6
	Amortization of other consolidation adjustments (Tokyo Tsuken Corporation, Nitto Tsuken Inc., etc.)	5.9	16.2
Other Expenses	Foreign exchange losses	1.7	—
	Interest expenses	1.4	1.6

### Extraordinary Accounts

(Unit: ¥100 million)

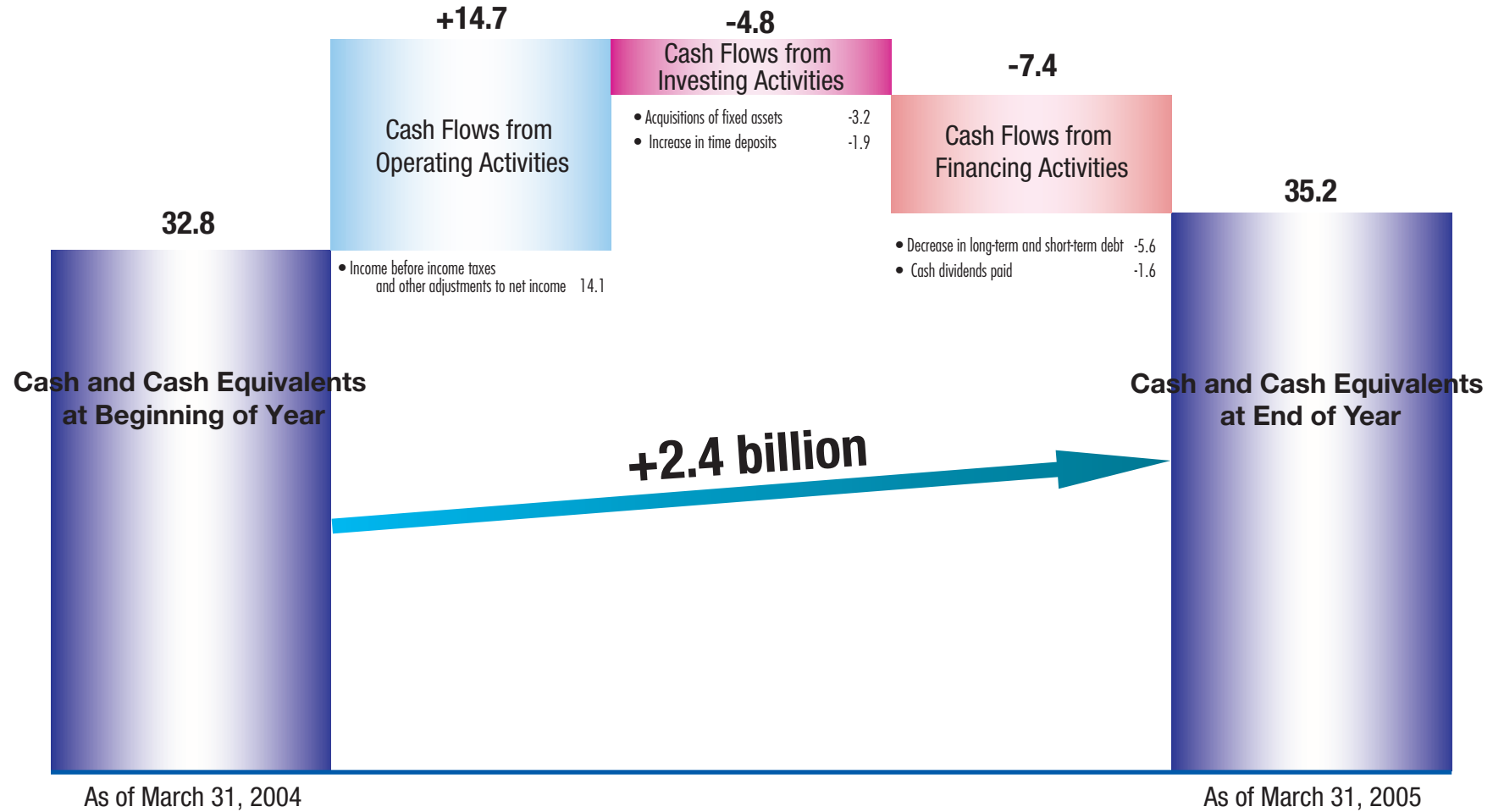
	Breakdown of main items	FY3/04 Results	FY3/05 Results
Extraordinary Profit	Gain on transfer of substitutional portion of contributory pension plan	11.0	—
	Amortization of other consolidation adjustments (Business integration)	8.8	—
	Gain on sales of property, plant and equipment	—	4.3
Extraordinary Loss	Write-down of investments in securities	10.7	4.8
	Impairment loss (impairment of loan assets)	—	4.2
	Allowance for doubtful receivables (Mainly overseas losses)	5.4	11.4
	Special payments on employees' retirement (Transfer and reassignment lump sums)	2.8	6.1
	Allowance for structural reforms (Shinetsu region, reassignment lump sums)	—	1.8

## 6. Consolidated Balance Sheets



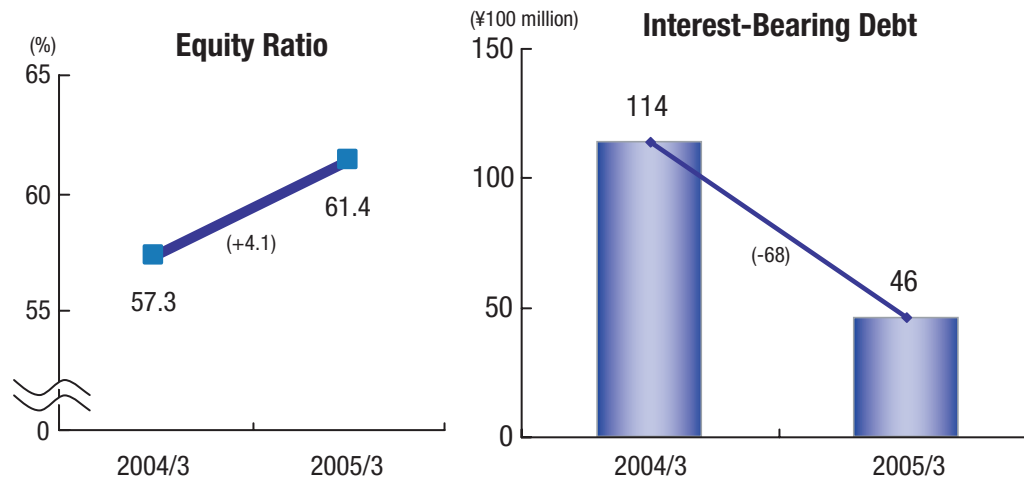
# 7. Consolidated Cash Flows

(Unit: ¥ billion)

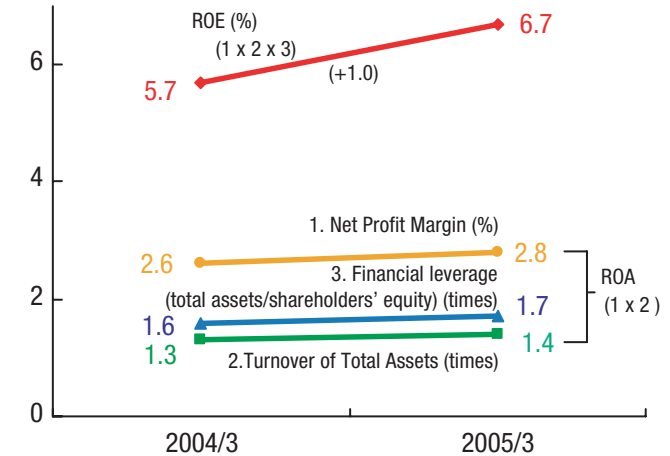


# 8-1. Changes in Main Financial Indicators (COMSYS Holdings)

## Stability [COMSYS. HD]



## ROE [COMSYS. HD]

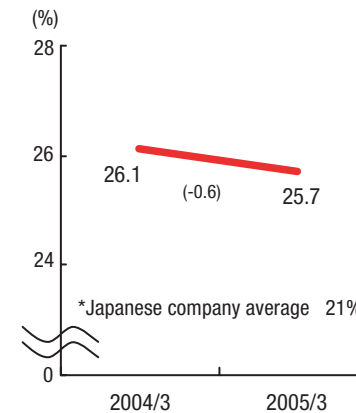


## Stock-related Indicators [COMSYS. HD]

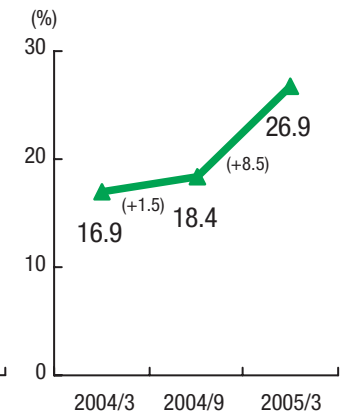
$$\begin{array}{c} \text{PER} \downarrow \\ \text{(Price/Earnings Ratio)} \end{array} \times \begin{array}{c} \text{EPS} \uparrow \\ \text{(Primary Earnings per Share)} \end{array} = \begin{array}{c} \text{PBR} \rightarrow \\ \text{(Price/Book Value Ratio)} \end{array}$$

	PER	EPS	PBR	BPS	Common Stock Price (March 31)	Dividend Yield (March 31)
[2005/3]	15.4 times	¥58 (¥48)*	1.0 times	¥907	¥899	1.67%
[2004/3]	18.6 times	¥46 (¥36)*	1.0 times	¥859	¥855	1.40%

## Consolidated Dividend Payout Ratio [COMSYS. HD]



## Percentage of Stock Held by Foreigners [COMSYS. HD]

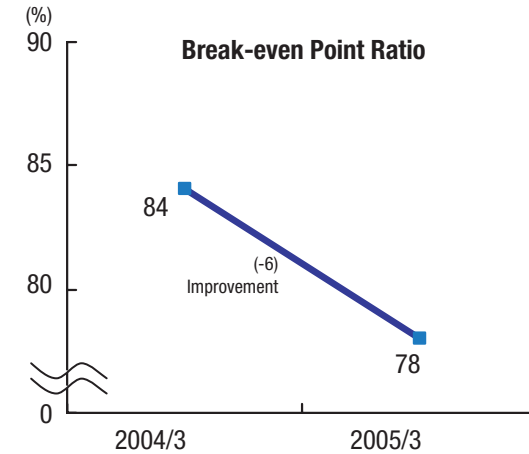
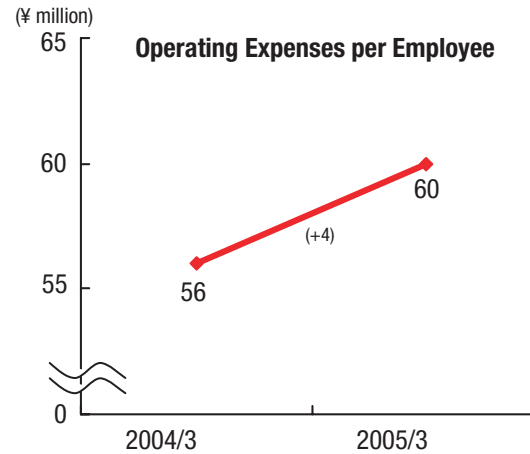
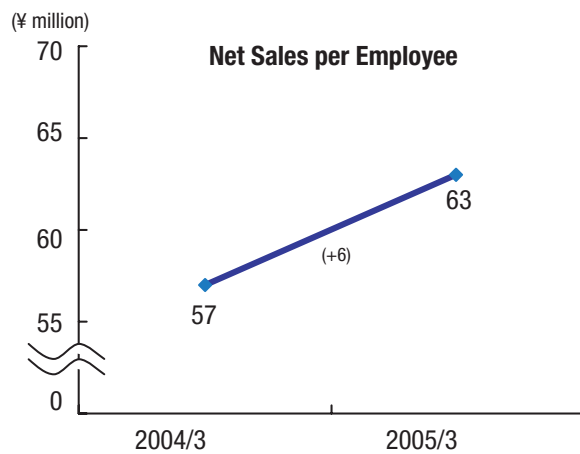


\*Figures in parentheses exclude consolidation adjustment account.

## 8-2. Changes in Main Financial Indicators (Nippon COMSYS Non-consolidated)

### Productivity and Profitability

[Nippon COMSYS Non-consolidated]



### Cost Efficiency

[Nippon COMSYS Non-consolidated]

\*Year-on-year (Net sales growth rate 8.3%) (Cost of sales growth rate 7.5%)

