

## COMSYS Holdings Corporation

### Consolidated Financial Results for the Third Quarter Ended December 31, 2011 Under Japanese GAAP

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 Stock Exchange Listings: First Section of Tokyo Stock Exchange and Osaka Securities Exchange (Securities code: 1721)  
 URL: <http://www.comsys-hd.co.jp>  
 Representative: Hajime Takashima, President and Representative Director  
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 Scheduled Filing of Quarterly Securities Report: February 14, 2012  
 Scheduled Commencement of Dividend Payment: —  
 Supplementary Materials on Quarterly Results: Attached  
 IR Presentation on Quarterly Results: Not scheduled

Amounts less than one million yen have been omitted.

#### 1. Consolidated Financial Results (for the nine months ended December 31, 2011)

##### (1) Consolidated Operating Results

(Millions of yen, except per share data and percentages)

	Net Sales		Operating Income		Recurring Profit		Net Income	
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)
Nine months ended December 31, 2011	¥194,713	0.4%	¥4,511	16.9%	¥4,919	17.7%	¥2,147	(57.7)%
Nine months ended December 31, 2010	193,862	3.8	3,860	(21.0)	4,179	(20.8)	5,073	92.8

Notes: 1. Comprehensive income: Nine months ended December 31, 2011: ¥2,497 million [(52.9)%] Nine months ended December 31, 2010: ¥5,299 million [—%]  
 2. Percentages indicate the percentage change from the corresponding period of the previous fiscal year.

	Net Income per Share	Net Income per Share (Diluted)
Nine months ended December 31, 2011	¥16.55	¥16.52
Nine months ended December 31, 2010	39.56	39.51

##### (2) Consolidated Financial Position

(Millions of yen, except percentages)

	Total Assets	Net Assets	Equity Ratio
As of December 31, 2011	¥208,373	¥160,236	76.4%
As of March 31, 2011	237,436	161,768	67.7

(Reference) Shareholders' Equity: As of December 31, 2011: ¥159,226 million As of March 31, 2011: ¥160,843 million

#### 2. Cash Dividends for Shareholders of Common Stock

(Yen)

	Cash Dividends per Share over the Fiscal Year				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-End	Annual
Year ended March 31, 2011	¥ —	¥10.00	¥ —	¥10.00	¥20.00
Year ending March 31, 2012	—	10.00	—		
Year ending March 31, 2012 (Forecast)				10.00	20.00

Note: Most recently announced revisions to dividend forecast: No

#### 3. Consolidated Earnings Forecast (for the fiscal year ending March 31, 2012)

(Millions of yen, except per share data and percentages)

	Net Sales		Operating Income		Recurring Profit		Net Income		Net Income per Share
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount
Year ending March 31, 2012	¥308,000	(2.4)%	¥12,300	4.4%	¥12,800	5.4%	¥7,300	(23.5)%	¥56.27

Notes: 1. Most recently announced revisions to consolidated earnings forecast: No  
 2. Percentages indicate the percentage change from the previous fiscal year.

#### 4. Other

(1) Changes in significant subsidiaries during the period under review (changes to subsidiaries that would alter the scope of consolidation): No

(2) Adoption of accounting methods specific to quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements due to error correction

a) Changes in accounting policies due to revisions of accounting standards: Yes

b) Changes in accounting policies due to other reasons: No

c) Changes in accounting estimates: No

d) Restatements of prior period financial statements due to error correction: No

#### (4) Number of shares issued (common stock)

	As of December 31, 2011	As of March 31, 2011
a) Number of shares issued (including treasury stock)	145,977,886 shares	145,977,886 shares
b) Number of treasury stock	17,962,469 shares	16,124,888 shares
	Nine months ended December 31, 2011	Nine months ended December 31, 2010
c) Average number of shares issued in the period	129,736,672 shares	128,270,779 shares

#### *\*Statement regarding the Implementation Status of Quarterly Review Procedures*

*This Consolidated Financial Results report is not subject to the quarterly review procedures prescribed under the Financial Instruments and Exchange Act. At the time of disclosing the quarterly consolidated financial results report, however, quarterly financial statement review procedures have not been completed.*

#### *\*Disclaimer concerning the Proper Use of Business Results Forecasts and Other Relevant Specific Items*

*Forward-looking statements including earnings forecasts contained in this document are based on certain reasonable assumptions and beliefs in light of information currently available to management. Readers are advised that actual results may differ materially from forecasts due to a variety of factors. With respect to the conditions that underpin earnings forecasts as well as cautionary statements regarding the proper use of earnings forecasts, please refer to "Qualitative Information Regarding Consolidated Earnings Forecast" of this Consolidated Financial Results report in the Accompanying Materials section on page 3.*

## ***Accompanying Materials***

### **1. Qualitative Information Regarding Consolidated Financial Results for the Period under Review**

#### ***(1) Qualitative Information Regarding Consolidated Operating Results***

During the third quarter (April 1, 2011 to December 31, 2011) of the fiscal year ending March 31, 2012, the Japanese economy remained shrouded in uncertainty. Despite signs of a moderate recovery in the Japanese economy, which continued to face difficult conditions from the impact of the Great East Japan earthquake, this uncertainty was largely attributable to such factors as concerns over a downturn in the overseas economy resulting from the European sovereign debt crisis and the fluctuating yen exchange rate.

In the information and telecommunication field, the COMSYS Group's principal area of activity, investment in the installation of high-speed and higher traffic volume-ready networks was advanced to address the sharp growth in telecommunications volume accompanying the rise in the number of smart phone users and to improve telecommunication quality. In addition to this, steps were taken to promote the repair and restoration of communication infrastructure in regions devastated by the Great East Japan Earthquake.

Under these circumstances, operating results for the third quarter of the fiscal year under review were mixed. On the one hand, orders received declined 2.2% compared with the corresponding period of the previous fiscal year to ¥217,931 million. This primarily reflected the drop in private-sector capital investment and the completion of a round of IRU construction work and terrestrial digital broadcasting-related activity. On the other hand, net sales were up 0.4% year on year to ¥194,713 million as the result of management integration with TSUKEN Corporation, as well as the impact of repair and restoration work due to the earthquake.

From a profit perspective, the COMSYS Group worked diligently to increase productivity and reduce operating expenses as a part of its structural reforms measures. Results were further bolstered by the positive effects of initiatives implemented during the fiscal year ended March 31, 2011 aimed at strengthening the Group's operating platform. As a result the COMSYS Group recorded operating income of ¥4,511 million, up 16.9% year on year, and net income for the period under review amounted to ¥2,147 million, down 57.7% year on year. The decline in net income was primarily due to the impact from the gain on negative goodwill accompanying the management integration, which was recorded as extraordinary income during the fiscal year ended March 2011.

#### ***(2) Qualitative Information Regarding Consolidated Financial Position***

Total assets as of December 31, 2011 stood at ¥208,373 million, a decrease of ¥29,062 million compared with the end of the previous fiscal year. This decline mainly reflected the drop in notes and accounts receivable – trade. Total liabilities contracted ¥27,531 million compared with the previous fiscal year-end to ¥48,136 million due largely to the drop in accounts payable – trade. Net assets as of December 31, 2011 stood at ¥160,236 million, down ¥1,531 million compared with March 31, 2011.

In accordance with each of the aforementioned factors, the equity ratio improved 8.7 percentage points compared with the end of the previous fiscal year to 76.4%.

#### ***(3) Qualitative Information Regarding Consolidated Earnings Forecast***

Turning to the consolidated earnings forecast for the full fiscal year ending March 31, 2012, there are no changes to data and information announced on May 11, 2011

## 2. Quarterly Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	Millions of yen	
	As of March 31, 2011	As of December 31, 2011
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	18,265	33,527
Notes and accounts receivable—trade	102,993	51,321
Inventories:		
Accumulated cost of construction in progress	14,539	27,088
Other	4,935	1,998
Other current assets	9,320	9,510
Less: Allowance for doubtful receivables	(194)	(146)
<b>Total current assets</b>	<b>149,858</b>	<b>123,299</b>
<b>Fixed assets:</b>		
<b>Property and equipment:</b>		
Buildings and structures, net	24,510	23,492
Land	33,126	32,923
Other, net	6,132	5,499
<b>Total property and equipment</b>	<b>63,769</b>	<b>61,915</b>
Intangible fixed assets	2,677	3,577
<b>Investments and other assets:</b>		
Investment securities	7,128	6,699
Other assets	16,137	14,834
Less: Allowance for doubtful receivables	(2,136)	(1,954)
<b>Total investments and other assets</b>	<b>21,129</b>	<b>19,580</b>
<b>Total fixed assets</b>	<b>87,577</b>	<b>85,073</b>
<b>Total assets</b>	<b>237,436</b>	<b>208,373</b>

	Millions of yen	
	As of March 31, 2011	As of December 31, 2011
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable—trade	46,716	26,897
Short-term bank loans	8,124	76
Income taxes payable	2,261	660
Advances received on construction in progress	1,228	3,702
Allowances	221	334
Other current liabilities	7,369	7,436
<b>Total current liabilities</b>	<b>65,921</b>	<b>39,108</b>
<b>Long-term liabilities:</b>		
Deferred tax liabilities for unrealized gains on land revaluation	1,865	1,662
Accrued severance indemnities	5,796	5,667
Allowance for directors' retirement benefits	302	236
Other long-term liabilities	1,781	1,461
<b>Total long-term liabilities</b>	<b>9,746</b>	<b>9,028</b>
<b>Total liabilities</b>	<b>75,667</b>	<b>48,136</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Common stock	10,000	10,000
Additional paid-in capital	55,346	55,336
Retained earnings	119,194	118,585
Treasury stock, at cost	(14,870)	(16,322)
<b>Total shareholders' equity</b>	<b>169,671</b>	<b>167,599</b>
<b>Accumulated other comprehensive income:</b>		
Unrealized gain (loss) on other securities	(374)	(283)
Unrealized gain (loss) on land revaluation	(8,453)	(8,090)
<b>Total accumulated other comprehensive income</b>	<b>(8,827)</b>	<b>(8,373)</b>
<b>Subscription rights to shares</b>	<b>364</b>	<b>397</b>
<b>Minority interests</b>	<b>560</b>	<b>613</b>
<b>Total net assets</b>	<b>161,768</b>	<b>160,236</b>
<b>Total liabilities and net assets</b>	<b>237,436</b>	<b>208,373</b>

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

	Millions of yen	
	Nine months ended December 31, 2010	Nine months ended December 31, 2011
<b>Net sales</b>	193,862	194,713
<b>Cost of sales</b>	175,985	176,208
<b>Gross profits</b>	17,876	18,504
<b>Selling, general and administrative expenses</b>	14,016	13,993
<b>Operating income</b>	3,860	4,511
<b>Other income:</b>		
Interest income	53	40
Dividend income	133	139
Rent income on noncurrent assets	100	97
Reversal of allowance for doubtful receivables	—	167
Other	113	141
<b>Total other income</b>	<b>400</b>	<b>586</b>
<b>Other expenses:</b>		
Interest expenses	9	27
Foreign exchange losses	55	96
Rent expenses	6	35
Other	10	18
<b>Total other expenses</b>	<b>81</b>	<b>178</b>
<b>Recurring profit</b>	<b>4,179</b>	<b>4,919</b>
<b>Extraordinary income:</b>		
Gain on sales of fixed assets	4	34
Reversal of allowance for doubtful receivables	174	—
Gain on payback of insurance payments	218	75
Gain on negative goodwill	7,372	—
Other	86	13
<b>Total extraordinary income</b>	<b>7,855</b>	<b>123</b>
<b>Extraordinary loss:</b>		
Write-down on investments in securities	466	483
Special payments on employees' retirement benefits	131	53
Loss on impairment of fixed assets	1,840	2
Write-down on software	3,643	—
Other	750	184
<b>Total extraordinary loss</b>	<b>6,832</b>	<b>724</b>
<b>Income before income taxes and other adjustments to net income</b>	<b>5,202</b>	<b>4,318</b>
<b>Income taxes:</b>		
Current	906	787
Deferred	(869)	1,327
<b>Total income taxes</b>	<b>36</b>	<b>2,114</b>
<b>Income before minority interests</b>	<b>5,166</b>	<b>2,204</b>
<b>Minority interests</b>	<b>92</b>	<b>56</b>
<b>Net income</b>	<b>5,073</b>	<b>2,147</b>

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Nine months ended December 31, 2010	Nine months ended December 31, 2011
<b>Income before minority interests</b>	5,166	2,204
<b>Other comprehensive income:</b>		
Unrealized gain (loss) on other securities	133	90
Unrealized gain (loss) on land revaluation	—	203
<b>Total other comprehensive income</b>	133	293
<b>Comprehensive income</b>	5,299	2,497
(Breakdown)		
Comprehensive income attributable to owners of the parent	5,209	2,442
Comprehensive income attributable to minority interests	90	55