

COMSYS Holdings Corporation

Consolidated Financial Results for the First Quarter Ended June 30, 2012 Under Japanese GAAP

Head Office: 17-1, Higashigotanda 2-chome, Shinagawa-ku, Tokyo 141-8647, Japan
 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
 For Inquiry: Yoshihiro Mimata, Director and General Manager of Finance & Accounting Department (Telephone:81-3-3448-7000)
 Scheduled Filing of Quarterly Securities Report: August 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 three months ended June 30, 2012)

(1) Consolidated Operating Results

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

| | Net Sales | | Operating Income | | Recurring Profit | | Net Income | |
|----------------------------------|-----------|-------|------------------|----|------------------|----|------------|----|
| Three months ended June 30, 2012 | ¥57,032 | 1.1% | ¥1,634 | —% | ¥1,873 | —% | ¥1,057 | —% |
| Three months ended June 30, 2011 | 56,429 | 10.1% | (454) | —% | (267) | —% | (335) | —% |

Notes: 1. Comprehensive income (loss): Three months ended June 30, 2012: ¥908 million [—%] Three months ended June 30, 2011: ¥(396) 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) |
|----------------------------------|----------------------|--------------------------------|
| Three months ended June 30, 2012 | ¥8.37 | ¥8.34 |
| Three months ended June 30, 2011 | (2.59) | — |

(2) Consolidated Financial Position

(Millions of yen, except percentages)

| | Total Assets | Net Assets | Equity Ratio |
|----------------------|--------------|------------|--------------|
| As of June 30, 2012 | ¥211,657 | ¥162,741 | 76.4% |
| As of March 31, 2012 | 228,135 | 164,574 | 71.7 |

(Reference) Shareholders' Equity: As of June 30, 2012: ¥161,660 million As of March 31, 2012: ¥163,506 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, 2012 | ¥ — | ¥10.00 | ¥ — | ¥10.00 | ¥20.00 |
| Year ending March 31, 2013 | — | | | | |
| Year ending March 31, 2013 (Forecast) | | 10.00 | — | 10.00 | 20.00 |

Note: Most recently announced revisions to dividend forecast: No

3. Consolidated Earnings Forecast (for the fiscal year ending March 31, 2013)

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

| | Net Sales | | Operating Income | | Recurring Profit | | Net Income | | Net Income per Share |
|--------------------------------------|-----------|------|------------------|-------|------------------|-------|------------|-------|----------------------|
| Six months ending September 30, 2012 | ¥126,000 | 0.7% | ¥ 2,800 | 35.9% | ¥ 3,000 | 28.1% | ¥1,400 | 74.5% | ¥11.08 |
| Year ending March 31, 2013 | 300,000 | 1.4 | 14,000 | 11.2 | 14,400 | 11.0 | 8,500 | 18.5 | 67.28 |

Notes: 1. Most recently announced revisions to consolidated earnings forecast: No

2. For fiscal-year figures, percentages indicate the percentage change from the previous fiscal year. For first-half figures, percentages indicate the percentage change from the corresponding half of the previous fiscal year.

***Notes:**

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

(4) Number of shares issued (common stock)

| | As of June 30, 2012 | As of March 31, 2012 |
|---|----------------------------------|----------------------------------|
| a) Number of shares issued (including treasury stock) | 145,977,886 shares | 145,977,886 shares |
| b) Number of treasury stock | 20,930,451 shares | 19,186,339 shares |
| | Three months ended June 30, 2012 | Three months ended June 30, 2011 |
| c) Average number of shares issued in the period | 126,345,752 shares | 129,855,017 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 first quarter (April 1, 2012 to June 30, 2012) of the fiscal year ending March 31, 2013, the Japanese experienced moderate recovery backed by factors such as demand for reconstruction following the Great East Japan Earthquake. Nevertheless, the uncertainty also persisted because of the an economic downswing overseas caused by the European sovereign debt crisis, the prolonged appreciation of the yen and concerns about power shortages in Japan during the summer.

In the information and telecommunications field, the COMSYS Group's principal areas of activity, steps were taken to promote the repair and restoration of communications infrastructure in regions devastated by the Great East Japan Earthquake. On the other hand, competition between telecommunications carriers for customers intensified, and the business environment became even more difficult due to requests made to the communications construction industry for reductions in prices and reductions in the size of projects.

Under these circumstances, the COMSYS Group promoted the acceleration of Long-Term Evolution (LTE) and platinum band installation, while assuming there would be a leveling off in orders for fixed line and mobile construction work. As a result, orders received rose 34.7% compared with the previous fiscal year to ¥85,295 million, while net sales increased 1.1% to ¥57,032 million.

From a profit perspective, productivity rose under the COMSYS WAY structural reform measures that the COMSYS Group has implemented to date with the aim of building a corporate group that is capable of adapting to changes in the environment. As a result, the Group posted operating income of ¥1,634 million, compared with an operating loss of ¥454 million recorded in the same period of the previous fiscal year, and net income of ¥1,057 million, compared with a net loss of ¥335 million.

(2) Qualitative Information Regarding Consolidated Financial Position

Total assets as of June 30, 2012 stood at ¥211,657 million, down ¥16,478 million compared with the end of the previous fiscal year. This was mainly attributable to a decrease in notes and accounts receivable—trade. Total liabilities stood at ¥48,915 million, down ¥14,645 million compared with the previous fiscal year-end. This was mainly attributable to a decrease in notes and accounts payable—trade. Net assets stood at ¥162,741 million, a decrease of ¥1,832 million compared with the end of the previous fiscal year.

In accordance with each of the aforementioned factors, the equity ratio improved 4.7 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, 2013, there are no changes to data and information announced on May 10, 2012

2. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

| | Millions of yen | |
|--|----------------------|---------------------|
| | As of March 31, 2012 | As of June 30, 2012 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | 33,489 | 39,206 |
| Notes and accounts receivable—trade | 81,853 | 49,884 |
| Inventories: | | |
| Accumulated cost of construction in progress | 15,087 | 22,999 |
| Other | 2,023 | 1,871 |
| Other current assets | 9,330 | 9,333 |
| Less: Allowance for doubtful receivables | (137) | (94) |
| Total current assets | 141,646 | 123,199 |
| Fixed assets: | | |
| Property and equipment: | | |
| Buildings and structures, net | 23,085 | 22,757 |
| Land | 34,391 | 37,693 |
| Other, net | 6,099 | 5,533 |
| Total property and equipment | 63,575 | 65,984 |
| Intangible fixed assets | 3,802 | 3,719 |
| Investments and other assets: | | |
| Investment securities | 7,228 | 6,984 |
| Other assets | 13,937 | 13,693 |
| Less: Allowance for doubtful receivables | (2,055) | (1,925) |
| Total investments and other assets | 19,110 | 18,753 |
| Total fixed assets | 86,488 | 88,457 |
| Total assets | 228,135 | 211,657 |

| | Millions of yen | |
|---|----------------------|---------------------|
| | As of March 31, 2012 | As of June 30, 2012 |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable—trade | 39,891 | 28,220 |
| Short-term bank loans | 1,520 | 14 |
| Income taxes payable | 3,795 | 500 |
| Advances received on construction in progress | 1,448 | 2,596 |
| Allowances | 1,189 | 1,253 |
| Other current liabilities | 7,637 | 8,190 |
| Total current liabilities | 55,482 | 40,775 |
| Long-term liabilities: | | |
| Deferred tax liabilities for unrealized gains on land revaluation | 1,662 | 1,662 |
| Accrued severance indemnities | 5,426 | 5,526 |
| Allowance for directors' retirement benefits | 266 | 212 |
| Other long-term liabilities | 722 | 739 |
| Total long-term liabilities | 8,078 | 8,140 |
| Total liabilities | 63,560 | 48,915 |
| NET ASSETS | | |
| Shareholders' equity: | | |
| Common stock | 10,000 | 10,000 |
| Additional paid-in capital | 55,374 | 55,367 |
| Retained earnings | 123,611 | 123,400 |
| Treasury stock, at cost | (17,504) | (18,980) |
| Total shareholders' equity | 171,481 | 169,787 |
| Accumulated other comprehensive income (loss): | | |
| Unrealized gain (loss) on other securities | 115 | (36) |
| Unrealized gain (loss) on land revaluation | (8,090) | (8,090) |
| Total accumulated other comprehensive income (loss) | (7,974) | (8,126) |
| Subscription rights to shares | 430 | 445 |
| Minority interests | 637 | 635 |
| Total net assets | 164,574 | 162,741 |
| Total liabilities and net assets | 228,135 | 211,657 |

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

| | Millions of yen | |
|---|-------------------------------------|-------------------------------------|
| | Three months ended June 30, 2011 | Three months ended June 30, 2012 |
| Net sales | 56,429 | 57,032 |
| Cost of sales | 52,005 | 50,638 |
| Gross profits | 4,424 | 6,393 |
| Selling, general and administrative expenses | 4,878 | 4,759 |
| Operating income (loss) | (454) | 1,634 |
| Other income: | | |
| Interest income | 11 | 7 |
| Dividend income | 88 | 116 |
| Reversal of allowance for doubtful receivables | 83 | 121 |
| Other | 68 | 75 |
| Total other income | 250 | 321 |
| Other expenses: | | |
| Interest expenses | 7 | 1 |
| Foreign exchange losses | 42 | 58 |
| Other | 13 | 21 |
| Total other expenses | 64 | 81 |
| Recurring profit (loss) | (267) | 1,873 |
| Extraordinary income: | | |
| Gain on payback of insurance payments | 48 | 39 |
| Other | 2 | 1 |
| Total extraordinary income | 50 | 41 |
| Extraordinary loss: | | |
| Loss on disposal of fixed assets | 10 | 4 |
| Special payments on employees' retirement benefits | 17 | 58 |
| Other | 23 | 17 |
| Total extraordinary loss | 51 | 80 |
| Income (loss) before income taxes and other adjustments to net income | (268) | 1,834 |
| Income taxes: | | |
| Current | 347 | 951 |
| Deferred | (281) | (178) |
| Total income taxes | 66 | 772 |
| Income (loss) before minority interests | (334) | 1,061 |
| Minority interests | 0 | 4 |
| Net income (loss) | (335) | 1,057 |

Consolidated Statements of Comprehensive Income

| | Millions of yen | |
|--|-------------------------------------|-------------------------------------|
| | Three months ended June 30, 2011 | Three months ended June 30, 2012 |
| Income (loss) before minority interests | (334) | 1,061 |
| Other comprehensive income (loss): | | |
| Unrealized gain (loss) on other securities | (62) | (153) |
| Total other comprehensive income (loss) | (62) | (153) |
| Comprehensive income (loss) | (396) | 908 |
| (Breakdown) | | |
| Comprehensive income (loss) attributable to owners of the parent | (397) | 904 |
| Comprehensive income attributable to minority interests | 0 | 3 |