

## COMSYS Holdings Corporation

### Consolidated Financial Results for the Second Quarter Ended September 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: November 14, 2012  
 Scheduled Commencement of Dividend Payment: December 5, 2012  
 Supplementary Materials on Quarterly Results: Attached  
 IR Presentation on Quarterly Results: Scheduled (For Institutional Investors and Analysts)

Amounts less than one million yen have been omitted.

#### 1. Consolidated Financial Results (for the six months ended September 30, 2012)

##### (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 (%)
Six months ended September 30, 2012	¥132,203	5.6%	¥6,775	228.9%	¥7,090	202.7%	¥3,818	375.9%
Six months ended September 30, 2011	125,150	4.3	2,059	23.3	2,342	27.5	802	—

Notes: 1. Comprehensive income (loss): Six months ended September 30, 2012: ¥3,867 million [272.8%] Six months ended September 30, 2011: ¥1,037 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)
Six months ended September 30, 2012	¥30.41	¥30.32
Six months ended September 30, 2011	6.18	6.17

##### (2) Consolidated Financial Position

(Millions of yen, except percentages)

	Total Assets	Net Assets	Equity Ratio
As of September 30, 2012	¥218,451	¥164,148	74.7%
As of March 31, 2012	228,135	164,574	71.7

(Reference) Shareholders' Equity: As of September 30, 2012: ¥163,127 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	—	10.00			
Year ending March 31, 2013 (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, 2013)

(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, 2013	¥306,000	3.4%	¥19,000	50.9%	¥19,500	50.4%	¥11,000	53.3%	¥87.60

Notes: 1. Most recently announced revisions to consolidated earnings forecast: Yes\*

2. For fiscal-year figures, percentages indicate the percentage change from the previous fiscal year.

\*Refer to the Japanese press release, [Announcement of Revisions to Earnings Forecasts] published on November 9, 2012.

**\*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)

	<u>As of September 30, 2012</u>	<u>As of March 31, 2012</u>
a) Number of shares issued (including treasury stock)	145,977,886 shares	145,977,886 shares
b) Number of treasury stock	22,345,384 shares	19,186,339 shares
	<u>Six months ended September 30, 2012</u>	<u>Six months ended September 30, 2011</u>
c) Average number of shares issued in the period	125,567,008 shares	129,878,855 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 half (April 1, 2012 to September 30, 2012) of the fiscal year ending March 31, 2013, some sectors of the Japanese economy showed signs of moderate recovery. However, the trend toward economic recovery remained uncertain due to the combination of the European sovereign debt crisis, the economic slowdown in China, and the impact from the prolonged appreciation of the yen.

In the information and communications field, the COMSYS Group's principal area of activity, there was rapid progress in network construction and installation, including an expansion in service areas for the Long-Term Evolution (LTE) next-generation mobile phone communication standard, Wi-Fi, and Softbank's Platinum Band, accompanying the growth of smartphones and tablets. There was also even more intense competition for customers between telecommunications carriers, which included a fall in usage fees accompanying the slowdown of net growth in the number of optic-fiber access services and discounting based on bundled sales of mobile and optic-fiber services.

Under these circumstances, orders received in the first half of the current fiscal year rose 13.7% year-on-year to ¥164,461 million, primarily due to a substantial increase in telecommunications infrastructure-related projects. Net sales grew 5.6% year-on-year to ¥132,203 million.

From a profit perspective, the COMSYS Group experienced greater efficiency in conjunction with the growth in the volume of projects as well as the benefits from the COMSYS WAY structural reforms that it has implemented to date. As a result, operating income rose 228.9% year-on-year to ¥6,775 million, and net income climbed by 375.9% to ¥3,818 million.

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

Total assets as of September 30, 2012 amounted to ¥218,451 million, down ¥9,683 million compared with the end of the previous fiscal year. This was mainly attributable to a decrease in notes and accounts receivable – trade. Liabilities decreased ¥9,257 million compared with the end of the previous fiscal year to ¥54,302 million. This was largely attributable to a decrease in accounts payable – trade. Net assets stood at ¥164,148 million, which was a decrease of ¥425 million compared with the end of the previous fiscal year.

In accordance with each of the aforementioned factors, the equity ratio improved 3.0 percentage points compared with the end of the previous fiscal year to 74.7%.

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

Refer to the Japanese press release, [Announcement of Revisions to Earnings Forecasts] published on November 9, 2012 for the consolidated earnings forecasts for the full fiscal year ending March 31, 2013.

## 2. Quarterly Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	Millions of yen	
	As of March 31, 2012	As of September 30, 2012
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	33,489	30,688
Notes and accounts receivable—trade	81,853	60,001
Inventories:		
Accumulated cost of construction in progress	15,087	26,980
Other	2,023	1,854
Other current assets	9,330	9,323
Less: Allowance for doubtful receivables	(137)	(71)
<b>Total current assets</b>	<b>141,646</b>	<b>128,776</b>
<b>Fixed assets:</b>		
<b>Property and equipment:</b>		
Buildings and structures, net	23,085	24,137
Land	34,391	37,868
Other, net	6,099	5,154
<b>Total property and equipment</b>	<b>63,575</b>	<b>67,160</b>
Intangible fixed assets	3,802	3,950
<b>Investments and other assets:</b>		
Investment securities	7,228	7,178
Other assets	13,937	13,381
Less: Allowance for doubtful receivables	(2,055)	(1,996)
<b>Total investments and other assets</b>	<b>19,110</b>	<b>18,564</b>
<b>Total fixed assets</b>	<b>86,488</b>	<b>89,675</b>
<b>Total assets</b>	<b>228,135</b>	<b>218,451</b>

	Millions of yen	
	As of March 31, 2012	As of September 30, 2012
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable—trade	39,891	32,958
Short-term bank loans	1,520	507
Income taxes payable	3,795	911
Advances received on construction in progress	1,448	2,351
Allowances	1,189	276
Other current liabilities	7,637	9,232
<b>Total current liabilities</b>	<b>55,482</b>	<b>46,238</b>
<b>Long-term liabilities:</b>		
Deferred tax liabilities for unrealized gains on land revaluation	1,662	1,662
Accrued severance indemnities	5,426	5,503
Allowance for directors' retirement benefits	266	197
Other long-term liabilities	722	700
<b>Total long-term liabilities</b>	<b>8,078</b>	<b>8,064</b>
<b>Total liabilities</b>	<b>63,560</b>	<b>54,302</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Common stock	10,000	10,000
Additional paid-in capital	55,374	55,369
Retained earnings	123,611	126,161
Treasury stock, at cost	(17,504)	(20,458)
<b>Total shareholders' equity</b>	<b>171,481</b>	<b>171,072</b>
<b>Accumulated other comprehensive income:</b>		
Unrealized gain (loss) on other securities	115	145
Unrealized gain (loss) on land revaluation	(8,090)	(8,090)
<b>Total accumulated other comprehensive income</b>	<b>(7,974)</b>	<b>(7,944)</b>
<b>Subscription rights to shares</b>	<b>430</b>	<b>455</b>
<b>Minority interests</b>	<b>637</b>	<b>565</b>
<b>Total net assets</b>	<b>164,574</b>	<b>164,148</b>
<b>Total liabilities and net assets</b>	<b>228,135</b>	<b>218,451</b>

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

	Millions of yen	
	Six months ended September 30, 2011	Six months ended September 30, 2012
<b>Net sales</b>	125,150	132,203
<b>Cost of sales</b>	113,619	116,095
<b>Gross profits</b>	11,530	16,108
<b>Selling, general and administrative expenses</b>	9,470	9,332
<b>Operating income</b>	2,059	6,775
<b>Other income:</b>		
Interest income	29	24
Dividend income	95	124
Reversal of allowance for doubtful receivables	165	124
Other	144	136
<b>Total other income</b>	434	410
<b>Other expenses:</b>		
Interest expenses	10	2
Foreign exchange losses	94	54
Rent expenses	29	21
Other	16	17
<b>Total other expenses</b>	151	95
<b>Recurring profit</b>	2,342	7,090
<b>Extraordinary income:</b>		
Gain on negative goodwill	—	752
Other	87	71
<b>Total extraordinary income</b>	87	823
<b>Extraordinary loss:</b>		
Special payments on employees' retirement benefits	32	1,719
Other	568	402
<b>Total extraordinary loss</b>	601	2,122
<b>Income before income taxes and other adjustments to net income</b>	1,829	5,791
<b>Income taxes:</b>		
Current	423	1,252
Deferred	598	702
<b>Total income taxes</b>	1,022	1,955
<b>Income before minority interests</b>	806	3,836
<b>Minority interests</b>	4	18
<b>Net income</b>	802	3,818

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Six months ended September 30, 2011	Six months ended September 30, 2012
<b>Income before minority interests</b>	806	3,836
<b>Other comprehensive income:</b>		
Unrealized gain (loss) on other securities	230	30
Total other comprehensive income	230	30
<b>Comprehensive income</b>	1,037	3,867
(Breakdown)		
Comprehensive income attributable to owners of the parent	1,033	3,848
Comprehensive income attributable to minority interests	3	18