

Annual Report 2006
Fiscal Year Ended March 31, 2006

COMSYS Holdings Corporation



PROFILE

COMSYS Holdings Corporation (the "Company") was established as a holding company as a result of share transfers from Nippon COMSYS Corporation, SANWA ELEC Co., Ltd. (now SANWA COMSYS Engineering Corporation) and TOSYS Corporation on 29th September, 2003. The COMSYS Group comprises COMSYS Holdings (the holding company), the above 3 companies, 42 subsidiaries and 16 affiliates. The COMSYS Group's main businesses comprise electrical and telecommunications infrastructure construction services centered on telecommunications infrastructure and electrical facilities, and other businesses, including the IT solutions business.

CONTENTS

1	CONSOLIDATED FINANCIAL HIGHLIGHTS
2	LETTER TO OUR SHAREHOLDERS
4	INTERVIEW WITH THE PRESIDENT
10	BUSINESS AT A GLANCE
12	REVIEW OF OPERATIONS
12	NTT INFORMATION TELECOMMUNICATION ENGINEERING BUSINESS
14	ELECTRICAL COMMUNICATIONS ENGINEERING BUSINESS
16	IT SOLUTIONS BUSINESS
18	SOCIAL SYSTEM-RELATED BUSINESS AND OTHER
20	CORPORATE GOVERNANCE
24	CORPORATE SOCIAL RESPONSIBILITY (CSR)
25	RESEARCH AND DEVELOPMENT
26	OPERATING COMPANIES
26	Nippon COMSYS Group
28	SANCOM Group
30	TOSYS Group
32	ORGANIZATIONAL STRUCTURE OF THE COMSYS GROUP
33	FINANCIAL SECTION
51	FACT SHEET
82	CORPORATE DIRECTORY
84	COMSYS Holdings INFORMATION

CAUTIONARY STATEMENT WITH RESPECT TO FORWARD-LOOKING STATEMENTS

Statements made in this annual report with respect to COMSYS Holdings' plans and benefits as well as other statements that are not historical facts are forward-looking statements, which involve risks and uncertainties. Potential risks and uncertainties include, without limitation, general economic conditions in COMSYS Holdings' markets, exchange rates, and COMSYS Holdings' ability to continue to win customers' acceptance of its products, which are offered in highly competitive markets characterized by continual new product introductions and rapid developments in technology.

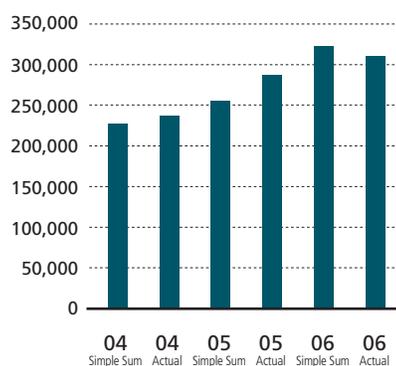
CONSOLIDATED FINANCIAL HIGHLIGHTS

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended 31st March, 2005 and 2006

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
For the Year:			
New orders received during the year	¥ 287,376	¥ 310,005	\$ 2,639,014
Net sales	293,681	307,485	2,617,562
Operating income	15,062	16,319	138,921
Net income	8,349	10,031	85,392
Cash flows from operating activities	14,735	9,128	77,705
Cash flows from investing activities	(4,831)	(5,139)	(43,747)
Cash flows from financing activities	(7,426)	(3,631)	(30,910)
At Year-end:			
Total assets	¥ 208,681	¥ 220,786	\$ 1,879,510
Shareholders' equity	128,063	137,161	1,167,626
Interest-bearing debt	4,692	3,608	30,714
	Yen		U.S. Dollars (Note 1)
Per Share of Common Stock:			
Net income			
—Basic	¥ 58.42	¥ 69.65	\$ 0.59
—Diluted	—	69.62	0.59
Cash dividends	15.00	15.00	0.13
Shareholders' equity	906.92	964.70	8.21
Number of employees	6,746	7,081	

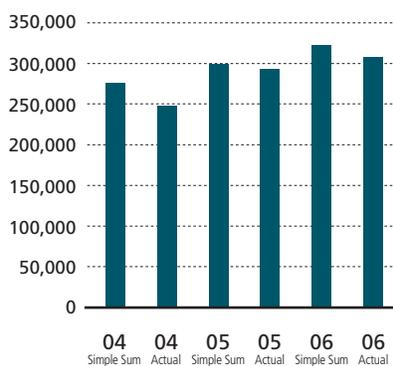
NEW ORDERS RECEIVED

(Millions of yen)



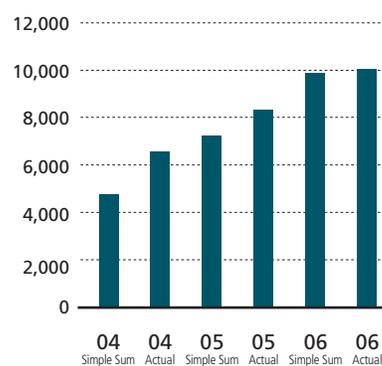
NET SALES

(Millions of yen)



NET INCOME

(Millions of yen)



- Notes: 1. For convenience only, the accompanying Japanese yen figures for 2006 have been translated into U.S. dollars at the rate of ¥117.47 to \$1, the rate prevailing on 31st March, 2006.
2. The above figures represent the the simple sum of the consolidated figures of Nippon COMSYS, SANCOM and TOSYS.
3. Consolidated results for fiscal 2005 include 15 months of operating results at a Nippon COMSYS consolidated subsidiary due to a change in fiscal year-end (from 31st December to 31st March).
4. The Company's consolidated results for the fiscal year ended March 2004 include the consolidated results of Nippon COMSYS for the fiscal year from 1st April, 2003 to 31st March, 2004 and the consolidated results of both SANCOM and TOSYS for the half-year period from 1st October, 2003 to 31st March, 2004 (1st October, 2003 being the deemed date of acquisition).

LETTER TO OUR SHAREHOLDERS



In the fiscal year ending 31st March, 2006, the third year since its establishment following the merger, COMSYS Holdings Corporation was able to achieve continuous growth in terms of revenues and profits that exceeded both results for the previous term as well as projections. Consolidated net sales rose 4.7% to ¥307,485 million, operating income increased 8.3% to ¥16,319 million, and net income jumped 20.1% to ¥10,031 million.

Sales growth was predominately due to an increase in broadband access and mobile telecommunications carriers



related construction in the NTT Information Telecommunication Engineering Business, as well as brisk construction for carriers in the Electrical Communications Engineering Business. Operating income rose as we started to see benefits of efforts to capture post-integration synergies and reform management.

We paid an interim dividend of ¥7.00 per share and a year-end dividend of ¥8.00. As a result, the year dividend amounted to ¥15.00.

The coming fiscal year, ending 31st March, 2007, will see the establishment of COMSYS Holdings as a pure holding company as the Group enters its fourth year since the merger. While we are reaping some benefits from the post-integration synergies, it will be a crucial year in which COMSYS Holdings realizes management efficiency leveraging its operating framework as a pure holding company. The COMSYS Group aims to adapt swiftly and dynamically to changes in the rapidly shifting market

environment, redouble efforts in such management vision-inspired measures as selection and concentration of businesses, expansion of the IT solutions business, promotion of management reforms and development of internal control systems, and finally optimize Group and shareholder value by further leveraging synergies through management integration. Concurrently, we will contribute to local communities using operational capabilities exclusive to COMSYS to bolster corporate social responsibility (CSR).

We ask for your unwavering support and encouragement in the fiscal year ahead.

Hirofumi Shimada

Hirofumi Shimada
President

INTERVIEW WITH THE PRESIDENT



Hirofumi Shimada
President

Q *Could you describe the management environment and operational results for the fiscal year under review?*

In the fiscal year under review, the Japanese economy continued on its way toward a full recovery. In the telecommunications infrastructure construction industry, information and communication technologies (ICT) is rapidly taking hold as a bedrock of society in achieving the Japanese government's goal of realizing an ubiquitous network society as spelled out in its "u-Japan Policy" and "IT New Reform Strategy." Communications and broadcasting services continue to be integrated amid rapidly expanding demand for broadband services chiefly in optical access services, the arrival of number portability services in the mobile communications field and the entry of new communications carriers, while competition among electrical communications companies grows ever fiercer to acquire customers.

Against this backdrop, on a consolidated basis, COMSYS Holdings was able to achieve new orders received, net sales and income that all exceeded the previous term as well as initial projections, and achieve continuous growth in revenues and profits since its establishment. New orders received rose 7.9% to ¥310,005 million, on par with our initial goal. Net sales expanded 4.7% to ¥307,485 million, which exceeded the targeted goal of ¥300,000 million. In terms of income, operating income increased 8.3% to ¥16,319 million, clearing the ¥16,000 million target, while net income also rose 20.1% to ¥10,031 million.

Q *To what is this strong performance attributable?*

New orders received were favorable in broadband access construction and mobile telecommunications carrier construction in the NTT Information Telecommunication Engineering Business, as well as in the New Common Carriers (NCC) business of the Electrical Communications Engineering Business. Amid such robust new orders received, the COMSYS Group maximized the synergistic effects of the merger through actively implementing selection and concentration of businesses. We will continue to work toward business restructuring and strengthening the construction structure within the Group as well as partner companies through utilizing COMSYS-style *kaizen* (improvement).

Q *In what ways is the COMSYS Group addressing management issues?*

In order to realize the COMSYS Group's management vision of becoming the top brand in the provision of one-stop solutions, being regarded by all stakeholders as the "best choice" in the field and achieving continuous growth in revenues and profits, we aggressively undertook organizational reforms centered around such measures as selection and concentration of businesses, expansion of the IT solutions business and promotion of management reforms. Specifically, three reforms were implemented. The first reform—maximizing the synergistic effects of the merger through selection and concentration of businesses—was pursued through such organizational restructuring as the reallocation of employees following the revision of business fields among integrated business companies. The second reform—expansion of the IT solutions business—was undertaken by expanding into the Internet protocol (IP) related field through the establishment of such COMSYS brands as the IP telephony system *Comsip*, as well as by developing a group of highly skilled engineers who can rapidly address the needs of a diverse array of customers. The third reform—the promotion of management reforms—was pursued Groupwide by reducing materials and personnel costs through greater concentration and efficiencies employing such measures as centralized purchasing and joint operations, as well as by revising outsourced costs through clarification of roles and responsibilities in relationship to partner companies, including the revision of fundamental work duties as spelled out in COMSYS-style *kaizen* (improvement).

Q What are the basic policies of the 2006 Medium-Term Management Plan, and what are the business strategies for the fiscal year ending 31st March, 2007?

The COMSYS Group drafted the 2006 Medium-Term Management Plan to be implemented through to the fiscal year ending 31st March, 2009 as the basic policy that entails becoming the leading company of various types of infrastructure construction, becoming a systems integrator for telecommunications construction and maximizing the effects of integrated management. The key targets for the 2006 Medium-Term Management Plan include net sales of ¥345.0 billion, share of total sales of non-NTT businesses of 46.4% and an operating income margin of 5.8%. As a means of addressing rapid changes in the operating environment, we annually reevaluate the numerical targets of our management plan for each fiscal year.

The most recently drafted Medium-Term Management Plan aims to achieve growth centered on established revenue sources of the COMSYS Group by optimally capitalizing on the solid performance by NTT and DoCoMo Related business. In non-NTT business, we will focus on accelerating the growth of NCC-related businesses and solidifying our dominant position in the market, while in IT solutions, we will work to achieve strong sales growth and raise profitability.

For the fiscal year ending 31st March, 2007, we aim to thoroughly adapt to rising demand by optimizing construction capacity, in particular, while continuously undertaking efforts to raise profitability through COMSYS-style *kaizen* (improvement).

MEDIUM-TERM TARGETS

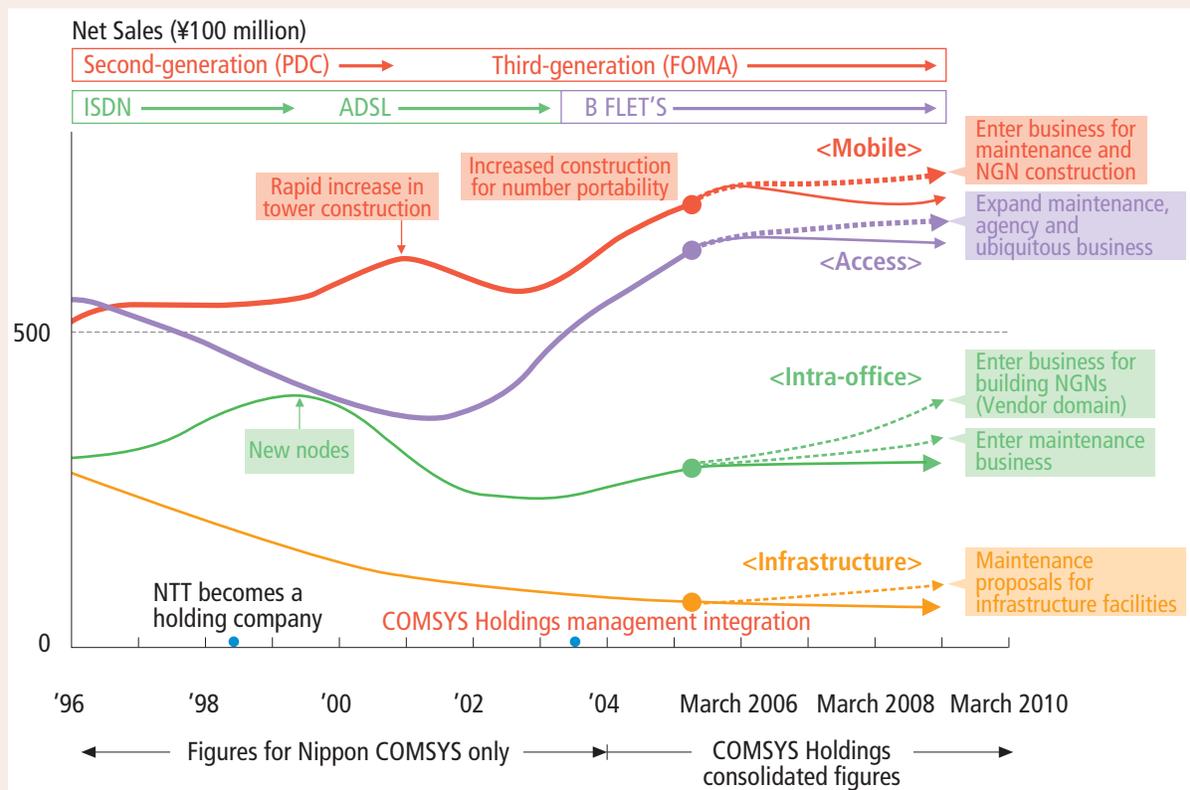
Fiscal year to 31st March

	2006 (actual)	2009 (target)	Change
Net sales	¥307.5 billion	¥345.0 billion	12.2%
Share of total sales of non-NTT business	40.1%	46.4%	+6 points
Share of total sales of solution-related business	9.9%	17.4%	+7 points
Operating income margin	5.3%	5.8%	+0.5 points

Q What is your medium-term plan for mainstay NTT and DoCoMo Related business?

NTT is striving to provide optical network services to 30 million customers by 2010, and is studying the expansion of subscriber-type optical access systems. The NTT DoCoMo engineering-related businesses expect to see growth in construction geared toward expanding the service area and improving the quality of services for number portability, which will be implemented in 2006. The COMSYS Group plans on developing a construction structure that can adapt rapidly to increased demand as well as addressing conditions once such demand diminishes. In particular, we will develop a maintenance structure for existing facilities, enter into the business of next-generation network (NGN) construction and establish new businesses in such fields as Fixed Mobile Convergence (FMC).

CURRENT TRENDS BY BUSINESS IN NTT AND DoCoMo RELATED BUSINESS AND FUTURE DEVELOPMENT



Q What exactly does COMSYS-style kaizen (improvement) entail?

The COMSYS Group aims to leverage over 50 years of experience and expertise to become the preeminent company in the telecommunications infrastructure construction industry. The core of COMSYS-style *kaizen* (improvement) entails introducing the type of *kaizen* (improvement) mentality used in globalized Japanese manufacturing companies to our construction operations and raising productivity. Specifically, we will unify management of operations to create transparency in every stage of construction through the use of IT systems. Doing so will enable us share information and reduce redundancy and waste in operations at the companies responsible for construction. Moreover, construction managers and work groups at sites can share information in real time to accelerate the sharing of a wide range of information and rapid implementation of management directives.

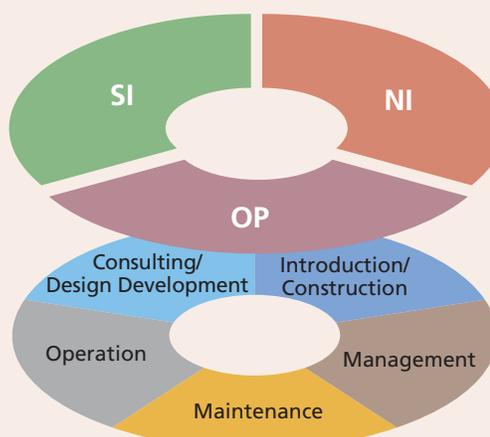
Q How is the IT solutions business being developed?

We believe we can provide solutions to customer problems arising from computer networks through the Internet. We have been able to enter the IT solutions business using our accumulated integrated network technologies underpinned by the traffic theory*. Specific examples of our achievements include the IP telephony solution *Comsip* fully launched in 2005, which won the Best of Show Award in the People's Choice category at Interop Tokyo 2005 held at Makuhari Messe in July 2005 as a result of its strong reputation for capabilities for softphone and mobile Centrex. In addition, the regional data collection system *GeoPic* also was awarded the Best of Show Award at Interop Tokyo 2006 held at Makuhari Messe in June 2006 for Network Solutions in the Solutions category. It was chosen as the best and most suitable for the year's theme from among the over 350 products and solutions nominated. In addition, we are forming business tie-ups with electrical communications equipment manufacturers to expand into new business fields that integrate our solutions, products and technologies.

*Traffic theory: The application of mathematical modeling to explain the traffic-performance relation linking network capacity, traffic demand and realized performance.

ONE-STOP SOLUTION PROVIDER

PROVIDE TOTAL OPERATIONAL SUPPORT FOR DESIGN, CONSTRUCTION, MAINTENANCE OF NETWORK INTEGRATION (NI) AND SYSTEM INTEGRATION (SI)



Q What other management issues are you addressing?

COMSYS Holdings is working to bolster corporate governance, promote corporate social responsibility (CSR), ensure thorough compliance and strengthen risk management. In April 2006, the Advisory Board, which was initially established at Nippon COMSYS, was moved to COMSYS Holdings, so that we could receive advice and recommendations from outside experts regarding the aforementioned issues and implement them in operational management. Based on the Basic Policies for Building an Internal Control System drafted in compliance with the Corporate Law implemented on 1st May, 2006, we will endeavor to develop an internal control system that adapts to changes in the internal and external environment, with paramount emphasis on raising efficacy and efficiency in operations, reliability in financial reporting, compliance with relevant laws and protection of assets.

RESPONDING TO VARIOUS ISSUES IN COMSYS HOLDINGS' OPERATING ENVIRONMENT

ESTABLISHED ADVISORY BOARD AND UNDERTAKING OPERATIONS UTILIZING HOLDING COMPANY FRAMEWORK
(Implemented from April 2006)



BUSINESS AT A GLANCE

BUSINESS SEGMENT

NTT INFORMATION TELECOMMUNICATION ENGINEERING BUSINESS

This segment includes the laying and installation of telephone communication lines and installation of exchange equipment, construction of wireless base stations and other telecommunications infrastructure business for all sectors of NTT and the NTT Group. As a core business, this segment is the largest of all COMSYS Group segments in terms of sales.

ELECTRICAL COMMUNICATIONS ENGINEERING BUSINESS

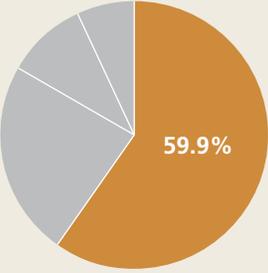
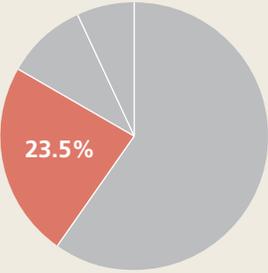
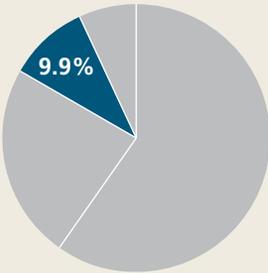
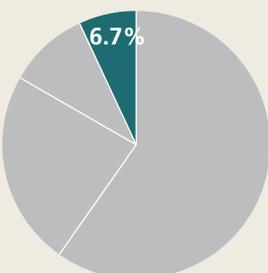
This segment includes laying telecommunications lines and construction of information and communications facilities for communication carriers other than the NTT Group, so-called New Common Carriers (NCCs), as well as design and construction of electrical facilities for commercial and public facilities, manufacturing plants, condominiums and single-family homes, in addition to office buildings.

IT SOLUTIONS BUSINESS

Our IT Solutions Business integrates know-how and experience we have built up over the years with state-of-the art network technologies to provide a total solutions service, spanning all stages from the development of an optimal system integration plan to maintenance.

SOCIAL SYSTEM-RELATED BUSINESS AND OTHER

The Social System-Related Business and Other includes building and public facility construction, civil engineering works, security systems and construction of eco systems, such as wind power generation systems and co-generation systems. We are also heavily involved in expressway construction and air traffic control.

	Respective Areas of Business Operations of Group Companies			Business Domains
	Nippon COMSYS Group	SANCOM Group	TOSYS Group	
<p>SEGMENT NET SALES</p>  <p>¥184,117 million (+10.5%) Share of Net Sales: 59.9%</p>	●		●	<ul style="list-style-type: none"> •Cable works •Civil engineering works •Switching works •Transmission wireless works •Mobile communications works
<p>SEGMENT NET SALES</p>  <p>¥72,169 million (-1.8%) Share of Net Sales: 23.5%</p>	●	●	●	<ul style="list-style-type: none"> •Telecommunications facilities for NCC •Mobile communications works for NCC •General electrical facilities works •Construction of multi-use underground cable conduit facilities (C·C·BOX)
<p>SEGMENT NET SALES</p>  <p>¥30,701 million (+11.2%) Share of Net Sales: 9.9%</p>	●	●	●	<ul style="list-style-type: none"> •Network integration-related solutions •System integration-related solutions •Development and commissioning of all types of software •Maintenance integration
<p>SEGMENT NET SALES</p>  <p>¥20,496 million (-20.8%) Share of Net Sales: 6.7%</p>	●	●	●	<ul style="list-style-type: none"> •General civil engineering works •Building construction and ancillary facilities works •Environmental solutions



REVIEW OF OPERATIONS: NTT INFORMATION TELECOMMUNICATION ENGINEERING BUSINESS

Mobile communications system tower

Net sales in this segment rose **10.5%** to
¥184,117 million,
and the share of net sales was **59.9%**.



Communication construction work in progress (installation of fiber optic cables)

MARKET ENVIRONMENT AND MEASURES

In the fiscal year under review, in the NTT business, demand expanded dramatically for communications fiber optics-related construction such as *B FLET'S*, while in the NTT DoCoMo business, construction expanded for improvement in the quality of FOMA-related base stations to adapt to the introduction of number portability*. The Nippon COMSYS Group responded with a fully developed construction structure that includes partner companies. The TOSYS Group hired and trained a dramatically larger pool of optical engineers and augmented facilities and equipment to address the rapid expansion in demand for *B FLET'S*, as well as reinforced the personnel structure in preparation for further growth.

* A structure and system in which mobile phone users can retain their mobile phone number even when switching to a new carrier.

RESULTS OF OPERATIONS

Net sales in the NTT Information Telecommunication Engineering Business rose 10.5% to ¥184,117 million. The share of net sales increased 3.1 percentage points to 59.9%.

Regarding figures for the previous fiscal year, the accounting period for consolidated subsidiary Nippon COMSYS Corporation is 15 months due to the effect of changing its settlement date. Net sales for this segment that assume a 12-month accounting period resulted in an increase of 12.0%.

OUTLOOK

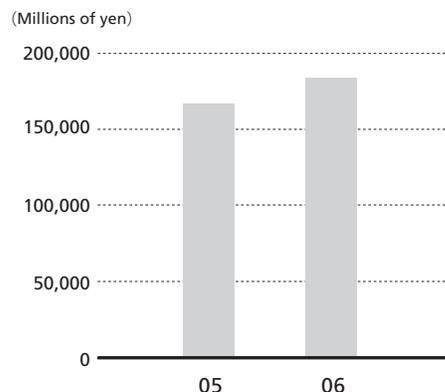
The market for both NTT and NTT DoCoMo businesses is expected to increase minimally for the fiscal year ending 31st March, 2007. In addition, capital investment for both businesses in subsequent fiscal years will likely remain unchanged or dip slightly.

NTT aims to construct 30 million new optical cable lines to customer residences by 2010. With regard to optical-related installation in residential homes, the COMSYS Group is working to secure both orders as well as a structure that offers rapid installation dates for new lines. Nippon COMSYS spun off Kokusai Densetsu Co., Ltd. and Shoji Tsushin Co., Ltd. into wholly owned subsidiaries in October 2005, and worked to raise efficiency in the external construction structure and bolster cost competitiveness in the Tokyo metropolitan area. As the Group enters an era of full-scale Internet protocol (IP) network proliferation, the training of IP engineers in order to enter the next-generation network construction technology field will be crucial. For this reason, plans call for increasing the number of CCIE-certified* engineers from the current 11 to 80 by the fiscal year ending March 2009.

To address declining capital investment by NTT and NTT DoCoMo from 2007, we will develop a maintenance structure that attracts the maintenance business of NTT in line with the retirement of a large number of the NTT's maintenance staff. In addition, plans call for bolstering capabilities for handling new businesses by integrating fixed and mobile communications, as targeted by NTT DoCoMo, and pursuing greater market share via aggressive entry into the distributor business

* CCIE: Cisco Certified Internetwork Expert, considered worldwide to be equivalent to a doctorate in networking
Cisco Systems is a leading manufacturer of routers and other network equipment.

NET SALES



TOPICS



Nippon COMSYS was selected as a Tm@Partner Gold Company by NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION in fiscal 2006.



REVIEW OF OPERATIONS: ELECTRICAL COMMUNICATIONS ENGINEERING BUSINESS

Construction of information management system for disaster prevention inside a tunnel

Net sales in this segment edged down **1.8%** to **¥72,169 million**, and the share of net sales was **23.5%**.



Construction of Road Monitoring System during heavy snow

MARKET ENVIRONMENT AND MEASURES

The market environment for the fiscal year under review was characterized by continued expansion in demand in the New Common Carriers (NCC) related business within the electrical communication field amid societal demand for ever greater speed in telecommunications infrastructure as we enter the broadband era. Competition is intensifying in preparation for the scheduled introduction of the number portability system in 2006. Against this backdrop, the COMSYS Group established branches in the Chugoku, Shikoku and Okinawa regions in Japan and constructed a new sales and construction structure to expand volume in the carrier business and grow nationwide. In the electrical facilities business, we worked to uncover demand within building renovations for electrical and data integration construction for the private sector. Moreover, *COMFORCE*, the front-end operations support system developed and operated by Nippon COMSYS, was installed in two core companies. Concurrently, we are working to accelerate management and construction management, raise construction quality and raise efficiency in site operations and support operations.

RESULTS OF OPERATIONS

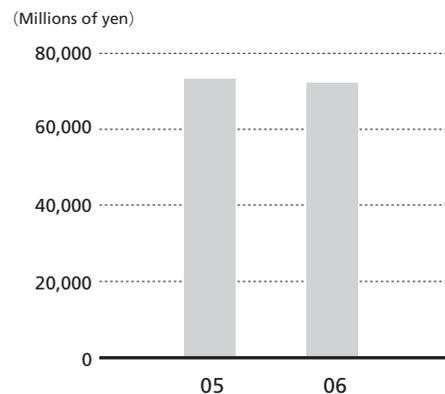
In the fiscal year under review, net sales in the Electrical Communications Engineering Business edged down 1.8% to ¥72,169 million. The share of net sales decreased 1.5 percentage points to 23.5%.

Regarding figures for the previous fiscal year, the accounting period for consolidated subsidiary Nippon COMSYS is 15 months due to the effect of changing its settlement date. Net sales for this segment that assume a 12-month accounting period resulted in a decline of 1.0%.

OUTLOOK

We will continue to raise on-site capabilities for the construction of telecommunications and electrical facilities through COMSYS-style *kaizen* (improvement), tie greater cost competitiveness to increased orders, expand market share in the NCC-related business and improve profitability. Roughly 153 employees seconded from Nippon COMSYS for assignments in the carrier-related business were transferred to SANWA COMSYS Engineering Corporation on 1st April, 2006. Accordingly, we are working to bolster the structure for carrier-related businesses and expand the business content of the COMSYS Group.

NET SALES



TOPICS



TOSYS was responsible for constructing an educational facility electrical system designed around the surrounding natural environment.



REVIEW OF OPERATIONS: IT SOLUTIONS BUSINESS

Various IT solutions of the COMSYS Group on display at the COMSYS IT Gallery on the 1st Floor of the Head Office

Net sales in this segment rose **11.2%** to **¥30,701 million**, and the share of net sales was **9.9%**.



Nippon COMSYS booth at Interop Tokyo 2006

MARKET ENVIRONMENT AND MEASURES

Recent years have seen demand for comprehensive solutions that merge software and telecommunications technologies ranging from network solutions for IP telephony, video monitoring, security and similar areas to system solutions for constructing optimal enterprise resource planning (ERP) and developing mobile operational support systems. The COMSYS Group aims to expand the IT Solutions Business by expanding business into the IP-related field by firmly establishing the COMSYS brand via promotion of *Comsip* IP telephony and other solutions, as well as through the training of highly skilled engineers who can respond rapidly to increasingly sophisticated and diverse customer needs. In April 2005, we augmented the sales structure through the establishment of the IT Business Division as a unified organization that will provide one-stop solutions to customers.

RESULTS OF OPERATIONS

Net sales for the IT Solutions Business rose 11.2% to ¥30,701 million. The share of net sales edged up 0.5 percentage point to 9.9%.

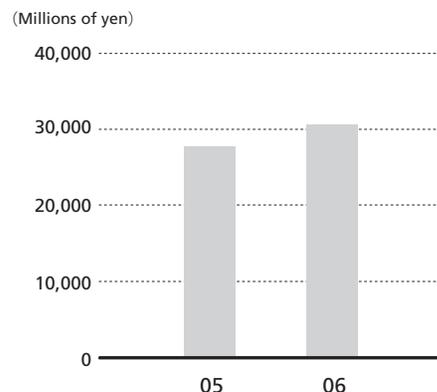
Regarding figures for the previous fiscal year, the accounting period for consolidated subsidiary Nippon COMSYS is 15 months due to the effect of changing its settlement date. Net sales for this segment that assume a 12-month accounting period resulted in an increase of 11.5%.

OUTLOOK

At Nippon COMSYS, the IP telephony solution *Comsip* won the Best of Show Award in the People's Choice category at Interop Tokyo 2005 held at Makuhari Messe in July 2005 as a result of its strong reputation for capabilities for softphone and mobile Centrex. The regional data collection system *GeoPic* also was awarded the Best of Show Award 2006 for Network Solutions in the Solutions category at Interop Tokyo 2006 held at Makuhari Messe in June 2006. In the future, we will work to expand business by developing original new products that merge network and computer technologies. In November 2005 and January 2006, we also formed business tie-ups with electrical communications manufacturers SAXA, Inc. and Nakayo Telecommunications, Inc., with the aim of expanding into new business fields that merge our solutions, products and technologies.

Similarly, the TOSYS Group aims to expand sales to a wide range of government agencies and general companies by bolstering capabilities in such products as *School Office*, which is an operational reform software developed for classrooms, as well as such systems as an identity verification system, which is an Application Service Provider (ASP) service that can verify the user of a mobile phone in the event of a disaster or other circumstances.

NET SALES



TOPICS



Nippon COMSYS' *GeoPic* was awarded the Best of Show Award at Interop Tokyo 2006.



REVIEW OF OPERATIONS: SOCIAL SYSTEM-RELATED BUSINESS AND OTHER

Construction of solar power generation system

Net sales for this segment declined
20.8% to **¥20,496 million**,
and the share of net sales was **6.7%**.



Construction of wind power generation system

MARKET ENVIRONMENT AND MEASURES

The Social System-Related Business and Other includes building and public facility construction, civil engineering works, security systems and construction of environmental systems, such as wind power generation systems and co-generation systems. We are also heavily involved in expressway construction and air traffic control. The number of alternatives that could lead to business opportunities continues to increase for the COMSYS Group, which has long supported the construction of an electrical communications network in Japan. Along these lines, specific endeavors included projects to move overhead power lines underground as promoted by the Japanese Ministry of Land, Infrastructure and Transport and local government entities, as well as the information project to link the entire nation via fiber optic cable.

RESULTS OF OPERATIONS

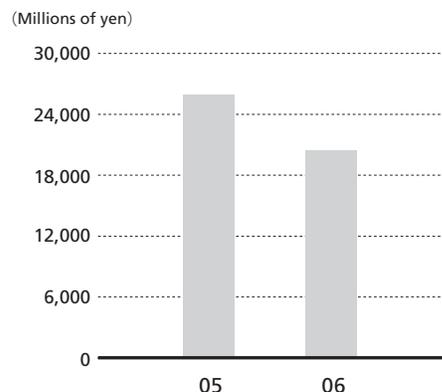
In the fiscal year under review, this business recorded a 20.8% decline in net sales to ¥20,496 million. The share of net sales declined 2.1 percentage points to 6.7%.

Regarding figures for the previous fiscal year, the accounting period for consolidated subsidiary Nippon COMSYS is 15 months due to the effect of changing its settlement date. Net sales for this segment that assume a 12-month accounting period resulted in a decrease of 16.9%.

OUTLOOK

The COMSYS Group will implement new methods and research and development to address today's needs, including expanding networks and promoting communications technologies. The Group is working to expand businesses by realizing "one-stop solutions," in which activities can be integrated in everything from broadband infrastructure construction and such network systems as Fiber to the Home (FTTH) and all types of digital subscriber lines (xDSL), to the design, construction, testing, operation and maintenance of infrastructure networks amid the proliferation of IP.

NET SALES



TOPICS



SANWA COMSYS Engineering received a joint order with NEC Corporation to construct a water management control facility.

CORPORATE GOVERNANCE

One management vision of the COMSYS Group is to be seen as the “best choice” company by all stakeholders. To achieve that goal, the Group built a framework for strengthening corporate social responsibility (CSR) and Group governance through the establishment of an internal control system in April 2006 for the purposes of adapting readily to changes in the Group operating environment and raising corporate value.

BASIC PHILOSOPHY REGARDING CORPORATE GOVERNANCE

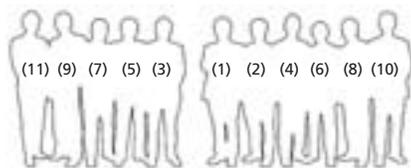
The COMSYS Group is building an organization and fair management system capable of responding quickly and flexibly to changes in the operating environment. This includes ensuring appropriate and timely information disclosure and transparency as well as the establishment of internal systems. In this way, we are determined to fulfill our CSR obligations.

IMPLEMENTATION OF CORPORATE GOVERNANCE INITIATIVES

COMSYS Holdings employs an auditor system. The Board of Directors, made up of 11 executive officers, meets regularly once a month, and as required. No outside directors sit on the Board. The Board makes decisions on items stipulated by laws and regulations and important management issues. The five corporate auditors, including two outside corporate auditors, ordinarily attend these meetings and express opinions on issues related to execution of business operations. They also audit the performance of duties by directors.

DIRECTORS AND OFFICERS

(As of 30th June, 2006)



- (1) Hirofumi Shimada
President and Representative Director
(President and Representative Director of
Nippon COMSYS Corporation)
 - (2) Hajime Takashima
Director
 - (3) Kaoru Noda
Director
(President and Representative Director of
SANWA COMSYS Engineering Corporation)
 - (4) Joichi Magara
Director
(President and Representative Director of
TOSYS Corporation)
 - (5) Chusei Sonta
Director
 - (6) Kunio Ushioda
Director
 - (7) Etsuo Shibata
Director
 - (8) Syuichi Tominaga
Director
 - (9) Yoshiaki Miyawaki
Director
 - (10) Akiyoshi Sekiguchi
Director
 - (11) Yoshihiro Mimata
Director
- CORPORATE AUDITORS
Standing Auditor
Masahide Kajiyama
- Auditors
Takeo Mizoguchi
Takashi Kakimi*
Kunihiko Gotoh*
Ken Gotoh*



*Corporate auditors Takashi Kakimi, Kunihiko Gotoh and Ken Gotoh are outside auditors.

DEVELOPMENT OF AN INTERNAL CONTROL SYSTEM

I. Basic Policies on the Development of an Internal Control System

With the implementation of the Corporate Law as of 1st May, 2006, COMSYS Holdings drafted the Basic Policies for Building an Internal Control System at the Board of Directors Meeting held on 12th May, 2006, as follows, with paramount emphasis on raising efficacy and efficiency in operations, reliability in financial reporting, compliance with pertinent laws and protection of assets.

1. Basic Policies on Management
2. Structure to ensure that the execution of duties by directors and hired experts is in keeping with corporate law and the articles of incorporation
3. Structure for the protection and management of information pertaining to the execution of duties by directors
4. Structure for regulations pertaining to risk management for loss and other issues
5. Structure for ensuring that the execution of duties by directors is conducted efficiently
6. Structure for ensuring that business is conducted properly within COMSYS Holdings and the Group
7. Structure for ensuring that the execution of duties by auditors is conducted efficiently



II. Compliance Initiatives

To assure compliance, the Group has established a Corporate Compliance Committee, chaired by the director responsible for compliance. This committee meets four times a year. Through discussions among committee members selected from COMSYS Holdings' three core companies, the committee works to promote observance of corporate ethics and disseminate awareness of compliance issues throughout the Group.

In addition, the Group has established an Advisory Board, comprising four external experts (a professor, a lawyer, a vice chairman of a major IT company and the president of a consulting company) and Board directors to receive advice and recommendations regarding corporate governance and other issues and reflect such suggestions in operational management. The Advisory Board meets quarterly.

A COMSYS Group Presidents Committee composed of Group company presidents meets regularly to disseminate management policies and measures. COMSYS Holdings also applies the Group Company Management Standards to all Group companies and manager and monitors their activities through mandatory meetings and reports.

III. Risk Management Structure

Amid sweeping changes in the operating environment, the COMSYS Group is cognizant of the importance of properly managing the numerous risks it faces in order to preserve and further raise corporate value.

From the end of the current consolidated fiscal year, COMSYS Holdings built a foundation for promoting Groupwide risk management through the establishment of the Risk Management Committee, which oversees the management of risk for all entities of the COMSYS Group, as well as through the drafting of the Basic Policies on Risk Management.

The Group also worked to minimize risks through the creation of similar committees in each of the Group companies for the purpose of handling their particular operational risks when necessary. For example, the committees handle operational risks through such measures as ensuring that Group companies implement, acquire certification and maintain certification for management systems tailored to their operations, including ISO 9001, ISO 14001 and Construction Occupational Health and Safety Management Systems (COHSMS).

IV. Information Disclosure

The COMSYS Group conducts proper disclosure of crucial management information in a timely manner in order to promote understanding and goodwill among such stakeholders as shareholders and investors.

The COMSYS Group discloses information on new orders received, net sales and contract backlog on a monthly basis, as well as financial results on a quarterly basis. At Company briefings, COMSYS announces its quarterly results and clearly explains in detail both performance and future prospects. Moreover, the Group holds individual and small group meetings with investors and analysts.

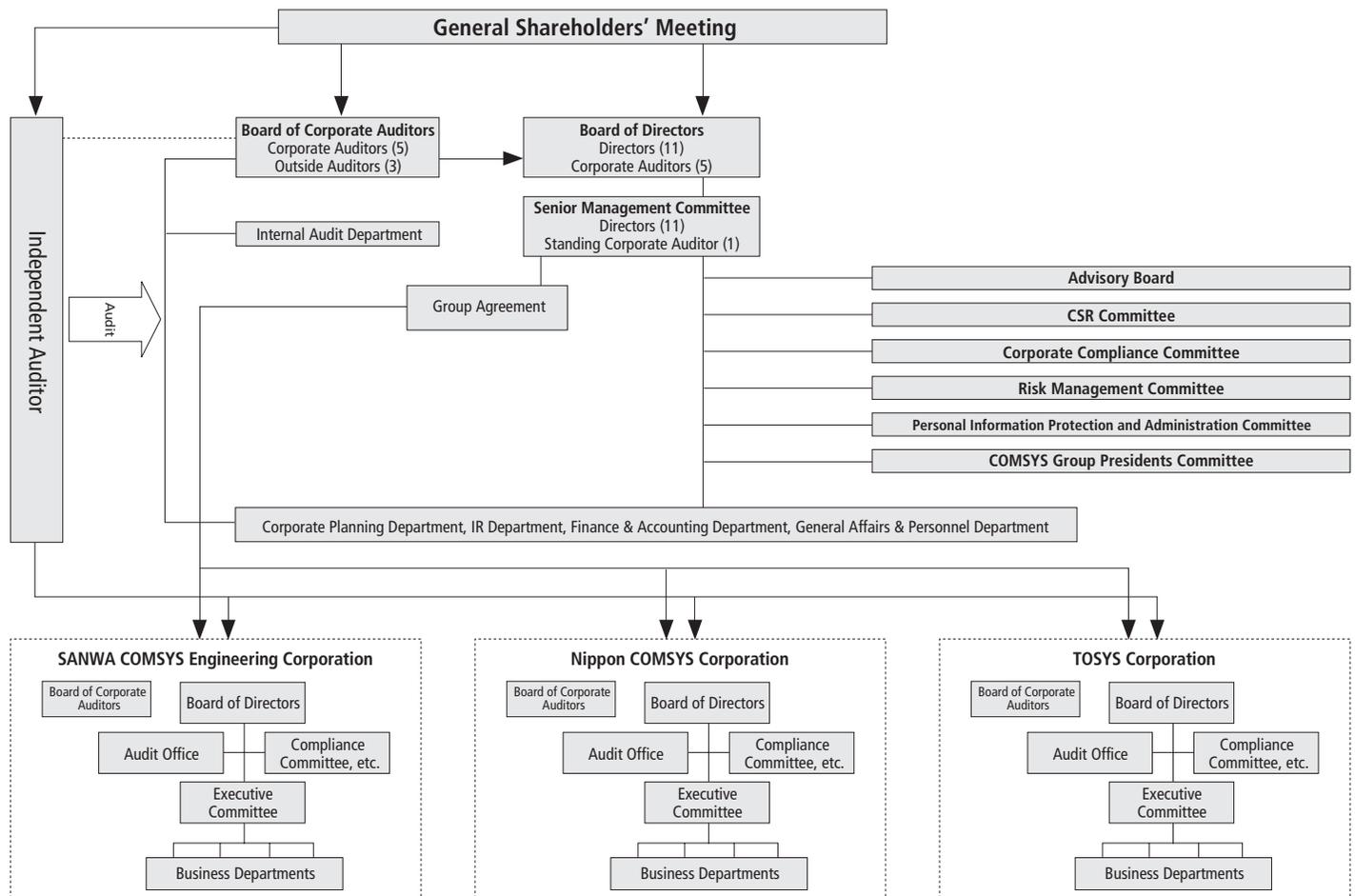
COMSYS offers a full array of information on its investor relations website and works to post presentation materials, news releases and similar materials in a timely and easy-to-understand format.

V. Personal Information Protection

Cognizant of the importance of protecting and managing personal and other information properly in order to gain the trust of customers and society, COMSYS established the Personal Information Protection and Administration Committee to oversee activities throughout the Group. Concurrently, the Company drafted the Personal Information Protection Policy and other policies within a framework to ensure that information security management is conducted in a prudent manner within all Group companies. Every COMSYS Group company is working diligently to protect personal information by establishing similar committees and measures, promoting information security by obtaining Information Security Management System (ISMS) and Privacy Mark certification, as well as acquiring and maintaining other relevant certification.

CORPORATE GOVERNANCE STRUCTURE

OVERVIEW OF GROUP OPERATIONAL STRUCTURE AND OPERATIONAL OVERSIGHT AND INTERNAL CONTROL STRUCTURE



CORPORATE SOCIAL RESPONSIBILITY (CSR)

BASIC STANCE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a comprehensive telecommunications and electrical systems engineering services company, the COMSYS Group's corporate philosophy is to contribute to the development of a productive, highly advanced, information-oriented society. Guided by this philosophy, measures include ensuring the observance of compliance regulations and that adequate internal control systems are in place. In this way, we aim to remain a company that is trusted and respected by all stakeholders.

CSR IMPLEMENTATION STRUCTURE

From the fiscal year ended 31st March, 2006, in order to actively fulfill its economic and social responsibilities as a member of society, including contributing to society, the COMSYS Group established the CSR Committee to oversee CSR on a Groupwide basis. The CSR Committee undertakes activities pertaining to compliance, corporate governance, risk management, information protection, security measures, social contribution and the environment.

The COMSYS Group's CSR activities are outlined below.

ENVIRONMENTAL INITIATIVES

The COMSYS Group is developing businesses that can make a direct contribution to reducing the environmental impact of human activity. These businesses include the construction of wind power generation and other new energy systems, air conditioning duct cleaning systems that raise building heating efficiency, energy conservation-related services and industrial waste recycling.

The COMSYS Group also makes strenuous efforts to reduce the

environmental footprint of its business activities. Initiatives extend from lowering electricity use and adopting low-emission vehicles to working to recycle 100% of waste generated by construction sites. In design and construction projects, we execute a program that sets goals and timetables for the proposal of facilities with low environmental impact and new energy systems, including wind and solar power generation systems.

SOCIAL CONTRIBUTION INITIATIVES

The COMSYS Group contributes directly to society through its business activities, including constructing social infrastructure and establishing and improving social environments. At the same time, however, we are also engaged in activities to give back to the community. Examples include sponsoring the Japan Barrier-Free Association, a non-profit organization; supporting concerts that discover amateur musicians with disabilities; and patronizing the Basic Human Needs (BHN) Association, a non-profit organization that carries out activities to promote the spread of telecommunications in emerging nations in Asia and elsewhere in the world. The BHN Association provides humanitarian aid in developing countries and emergency aid for major natural disasters using telecommunications. It also helps train people to equip them with the skills needed to work as electrical and telecommunications technicians. Also in the fiscal year, the Group contributed disaster relief aid to the earthquake-devastated region of northern Pakistan via the Nippon Keidanren, and contributed to the resource recovery fund with regard to the illegal dumping of industrial waste.

TECHNICAL COOPERATION FOR LIVE BROADCAST OF ELECTRIC WHEELCHAIR FOOTBALL

The COMSYS Group endeavors to contribute to society in numerous ways by offering its expertise in IT. For example, Nippon COMSYS offered technical aid for the live broadcast of the 11th Japan Electric Wheelchair Football Championship Tournament held in Yokohama on 24th and 25th September, 2005. Nippon COMSYS provided fiber-optic cables and other infrastructure; *Gatten-kun*, which is a mobile video relay system that instantaneously relays photos taken with camera-equipped mobile phones; and wireless LAN handsfree cameras for highly mobile footage of the event. With these technologies in place, supporters who could not attend the event due to wheelchair and other access restrictions could watch the tournament live with crisp video quality from the convenience of their own homes by accessing a tournament website.



Live broadcast of the 11th Japan Electric Wheelchair Football Championship Tournament



RESEARCH AND DEVELOPMENT

As society rapidly transitions from the telephone era to the Internet protocol (IP) broadband era, the COMSYS Group is pursuing research and development that critically stresses the development of technologies in new fields tailored to market development strategies as well as systems for streamlining operations. As such, all endeavors are based on R&D directed toward achieving efficiency and safety in our mainstay of business of electrical and telecommunications infrastructure construction.

R&D expenditures for the fiscal year under review were ¥242 million.

The key results of R&D carried out at Nippon COMSYS' Technology Research & Development Center and TOSYS Corporation's Technology Research Center are outlined below.

MOBILE COMMUNICATION AREA TESTING USING MOTORCYCLE-MOUNTED ELECTROMAGNETIC WAVE MEASURING DEVICE

This is a system for raising efficiency in the preliminary and mandatory measurement of electromagnetic waves at the mobile communications antenna facility. While area tests were originally conducted using a measuring device mounted in automobiles, COMSYS has reduced costs via greater operating efficiency through the development of a specialized motorcycle for use in area testing.

Key features of this motorcycle include:

- 1) can make small adjustment to shorten measurement time,
- 2) improves the quality of measurement by being able to access narrow streets inaccessible to automobiles,
- 3) the ability to distinguish between unmeasured and measured routes with an on-board navigation system, and
- 4) can alleviate the pollution of the global environment through reduced fuel consumption.



Mobile communication area testing using motorcycle-mounted electromagnetic wave measuring device

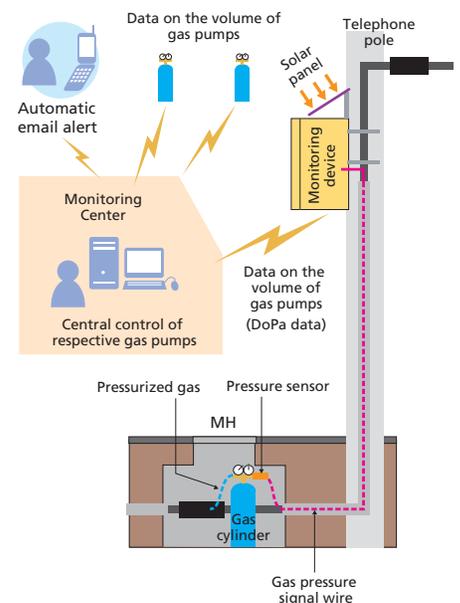
GAS PUMP PRESSURE MONITORING AND ALARM SYSTEM

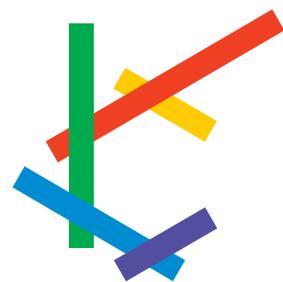
The metal cables used by NTT in underground installation employ a gas pump that sends pressurized gas through the cable to prevent breaching by water due to deterioration in the material or punctures until the cable can be properly repaired. Originally, employees would make regular inspections to check gas pump volume verification and perform replacements. However, this method is plagued with problems, such as the difficulty in rapidly troubleshooting when there is a dramatic drop in volume, or other emergencies, which cost both time and money to visit and inspect given the vast number of facilities. In order to resolve such problems while reducing costs through greater operating efficiency, Nippon COMSYS has developed a system that offers 24-hour remote monitoring of the volume of gas pumps and automatically emits an alert when pressure falls below a designated level.

Key features of the system are as follows:

1. A monitoring device on each pump for the purpose of relaying data (pressure, etc.) on the pump to a monitoring center
2. Ability to collate and graph data at the monitoring center and centrally manage pumps
3. More efficient replacement via forecasting of replacement of pumps and malfunction alarms
4. Troubleshooting capabilities during nighttime hours through automatic email alert function
5. External energy source unnecessary due to reliance on solar panel and internal battery

GAS PUMP PRESSURE MONITORING AND ALARM SYSTEM





COMSYS

CORPORATE PROFILE OF Nippon COMSYS

Nippon COMSYS Corporation was established as a private construction company in accordance with the demand to promote the rebuilding of inadequate telecommunication facilities after WWII. Since it was one of the largest public projects to rebuild the lifeline telecommunication base of Japan, leaders in Japanese economic society and major corporations at the time gathered to found our company as The Nippon Telecommunications Construction Co., Ltd. in 1951.

OVERVIEW

In the NTT Information Telecommunication Engineering Business, the Nippon COMSYS Group has relied on a superlative construction structure, which includes partner companies, in order to handle an increase in broadband access construction chiefly for *B FLET'S*, as well as handle an increase in mobile telecommunications carrier construction, particularly in FOMA-related base station construction. In the IT Solutions Business, the IP telephony solution *Comsip* won the Best of Show Award in the People's Choice category at Interop Tokyo 2005 held at Makuhari Messe in July 2005 as a result of its strong reputation for capabilities for softphone and mobile Centrex. The regional data collection system *GeoPic* also was awarded the Best of Show Award 2006 for Network Solutions in the Solutions category at Interop Tokyo 2006 held at Makuhari Messe in June 2006. It was chosen as the best and most suitable for the year's theme from among the over 350 products and solutions nominated. In addition, in November 2005 and January 2006, we also formed business tie-ups with electrical communications manufacturers SAXA, Inc. and Nakayo Telecommunications, Inc. in order to pursue such aggressive management activities as expanding into new business fields that merge our solutions, products and technologies.

We undertook organizational reforms in April 2005 in order to expand business and further bolster the



President
Hirofumi Shimada

efficiency of business operations, and established the IT Business Division as a unified organization that can employ one-stop solutions to handle customers' needs in system proposals, construction and operation in order to achieve a full-scale expansion in the solutions business. As a consequence, we worked to expand business through the pursuit of management strategy based on customer and market data and the development of solutions, while concurrently refining and augmenting branch support and other structures. In addition, we established the Next-Generation Network Division in September 2005 in order to construct and expand next-generation Internet protocol (IP) networks and further reinforced its structure in order to quickly adapt to sophisticated and diverse user needs. We spun off Kokusai Densetsu Co., Ltd. and Shoji Tsushin Co., Ltd. into wholly owned subsidiaries in October 2005, and worked to raise efficiency in the external construction structure and bolster cost competitiveness in the Tokyo metropolitan area.

RESULTS OF OPERATIONS

New orders received rose 5.2% to ¥238,046 million due to continued briskness in orders for *B FLET'S*-related construction and number portability service-related construction. Net sales increased 3.8% to ¥236,177 million owing to an increase in completed construction in *B FLET'S*-related construction on the back of brisk new orders. Net income declined 2.6% to ¥9,053 million as a result of the recording of an extraordinary loss of ¥2,688 million, which included a special retirement allowance following business reorganization amounting to ¥1,067 million.

Regarding figures for the previous fiscal year, the accounting period for consolidated subsidiary Nippon COMSYS is 15 months due to the effect of changing its settlement date. Net sales for this segment that assume a 12-month accounting period resulted in an increase in net income of 4.6%.



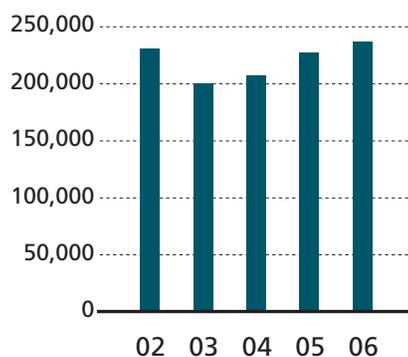
Winning team of the gold medal at the Optical Communications Construction Technology Competition in the Optical Fiber Connection competition



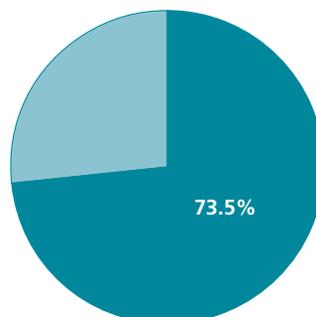
Presentation of a new corporate philosophy and code of conduct centered around the Value 2010—Committee to Promote Innovation in Corporate Culture

Net Sales

(Millions of yen)



Share of Net Sales





OVERVIEW

The SANWA COMSYS Engineering (SANCOM) Group strengthened our market analysis through sales strategy meetings and pursued monthly income statement management for every business in order to further expand business and dramatically augment efficiency in business operations chiefly in the carrier-related business in the Electrical Communications Engineering Business. In addition, we promoted improved efficiency through the introduction of the Groupwide front-office support system *COMFORCE*, which was developed to optimize every area of operations from sales activities to bookkeeping, orders, construction and management.

In terms of sales activities, we developed a new sales and construction structure through the establishment of branches in the Chugoku, Shikoku and Okinawa regions.

Roughly 153 employees seconded from Nippon COMSYS for assignments in the carrier-related business were transferred to SANWA COMSYS Engineering Corporation on 1st April, 2006. Accordingly, we are working to bolster the structure for carrier-related businesses and expand the business content of the COMSYS Group.



President
Kaoru Noda

RESULTS OF OPERATIONS

New orders jumped 40.2% to ¥56,638 million on the back of strong performance in the carrier-related business, while net sales increased 29.0% to ¥57,029 million. With regard to income, while we recorded an extraordinary loss of ¥342 million in the form of a transfer to allowance for bad debt for Heisei Denden Co., Ltd., net income was ¥598 million, partly as a result of the recording of extraordinary income of ¥143 million from a gain on sale of investment securities.



Installation of antennas for mobile phone bases stations



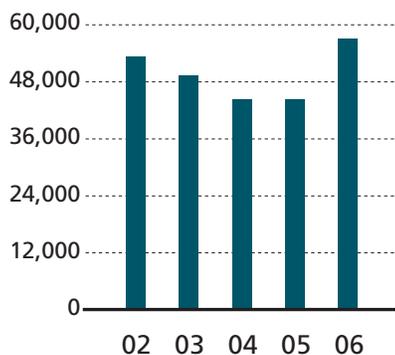
Installation of power supply equipment for mobile phone base stations



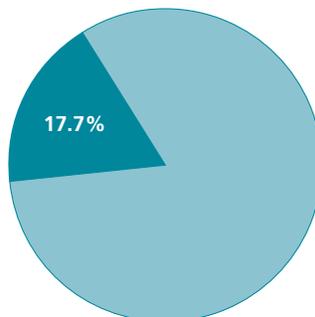
Electrical and infrastructure construction for TOKYO INTERNATIONAL FORUM

Net Sales

(Millions of yen)



Share of Net Sales





OVERVIEW

Based on its core policy of "From customer satisfaction to customer passion," the TOSYS Group worked aggressively in such efforts as bolstering the construction structure to maintain and improve quality, and provided services designed from the customer's perspective that accurately respond to the demands of increasingly diverse and sophisticated customers. In particular, in the NTT Information Telecommunication Engineering Business, the TOSYS Group hired and trained a dramatically larger pool of optical engineers and augmented facilities and equipment to address the rapid expansion in demand for *B FLET'S*.

In the IT Solutions Business, the TOSYS Group worked to expand sales to a wide range of government agencies and general companies by bolstering capabilities in such products as *School Office*, which is an operational reform software developed for classrooms, as well as such systems as an identity verification system, which is an Application Service Provider (ASP) service that can verify the user of a mobile phone in the event of a disaster or other circumstances.

To adapt to the NTT Group's Medium-Term Management Strategy, we undertook a fundamental overhaul of all levels of the engineering structure, which included strengthening the structures of partner companies, while restructuring the organization toward improving profits for the IT Solutions Business in April 2006. Consequently, we will endeavor to augment the structure to be able to achieve the COMSYS Group's management vision.



President
Joichi Magara

RESULTS OF OPERATIONS

New orders rose 2.7% to ¥29,128 million owing to increased demand for *B FLET'S*. Net sales edged up 1.7% to ¥28,347 million. Net income declined 56.3% to ¥226 million due to temporarily worsening profitability stemming from the need to invest funds in strengthening the structure to adapt to rapid growth in demand for *B FLET'S* in the NTT Information Telecommunication Engineering Business.



Communications line construction (laying of optical cables for *B FLET'S*)



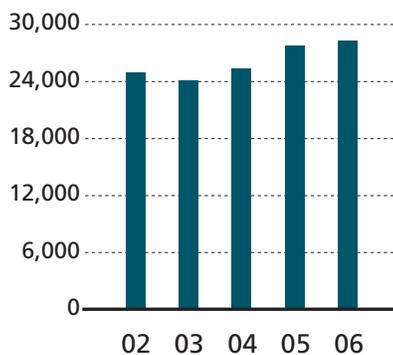
Underground installation of fiber optic cable



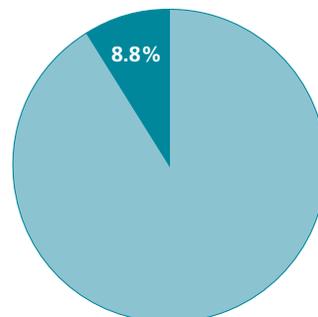
Installation of solar power generation systems

Net Sales

(Millions of yen)



Share of Net Sales



ORGANIZATIONAL STRUCTURE OF THE COMSYS GROUP

The COMSYS Group's (COMSYS Holdings and subsidiaries and affiliates) main businesses comprise electrical and telecommunications infrastructure construction services centered on telecommunications infrastructure and electrical facilities, and other businesses, including the IT solutions business. As of March 2006, the Group comprises 31 consolidated subsidiaries.



Nippon COMSYS Corporation

Address:

23-14, Takanawa 3-chome,
Minato-ku, Tokyo 108-0074, Japan

Establishment: December 1951

Number of Employees:

Consolidated 4,810
Non-consolidated 3,187

URL: <http://www.comsys.co.jp/>

Number of Consolidated Subsidiaries:

15 companies



SANWA COMSYS Engineering Corporation

Address:

6-17, Aobadai 3-chome,
Meguro-ku, Tokyo 153-0042, Japan

Establishment: September 1947

Number of Employees:

Consolidated 1,200
Non-consolidated 640

URL: <http://www.sancom-eng.co.jp/>

Number of Consolidated Subsidiaries:

6 companies



TOSYS Corporation

Address:

1108-5, Higashiyama Aza, Watauchi,
Wakaho, Nagano, Nagano 381-0193, Japan

Establishment: January 1960

Number of Employees:

Consolidated 1,047
Non-consolidated 403

URL: <http://www.tosys.co.jp/>

Number of Consolidated Subsidiaries:

7 companies

Consolidated Subsidiaries:

Tokyo Tsuken Co., Ltd.
Nitto Tsuken Co., Ltd.
OT Engineering Co., Ltd.
Chuo. C Co., Ltd.
Kokusai Densetsu Co., Ltd.
SANNETCOM Co., Ltd.
COMSYS Net Corporation
COMSYS Business Service Co., Ltd.
COMSYS Techno Co., Ltd.
COMSYS Tsusan Co., Ltd.
COMSYS Shared Service Co., Ltd.
Taiei Seisakusho Co., Ltd.
COMSYS Tohoku Techno Co., Ltd.
COMSYS Kansai Engineering Co., Ltd.
COMSYS Kyusyu Engineering Co., Ltd.

Consolidated Subsidiaries:

SANWA Denshi Inc.
SEC Hi Tec Co., Ltd.
SANWA Support Engineering Co., Ltd.
Road-Techno Co., Ltd.
SEM Co., Ltd.
Sannect Co., Ltd.

Consolidated Subsidiaries:

TOSYS Nagano Co., Ltd.
Alstar Co., Ltd.
TOSYS Niigata Co., Ltd.
TOSYS Actis Co., Ltd.
Tulip Keibi Co., Ltd.
Tulip Life Co., Ltd.
Yoshimoto Kensetsu Co., Ltd.

1. On 1st April, 2005, SANWA ELEC Co., Ltd. was renamed SANWA COMSYS Engineering Corporation.
2. Kokusai Densetsu Co., Ltd. became a wholly owned subsidiary of Nippon COMSYS on 1st October, 2005.
3. TOSYS Niigata Co., Ltd. and TOSYS Ryokuka Co., Ltd. merged into TOSYS Niigata Co., Ltd. on 1st October, 2005.

FINANCIAL SECTION

CONTENTS

Management Discussion and Analysis	34
Selected Financial and Operating Data	39
Consolidated Balance Sheets	40
Consolidated Statements of Income	42
Consolidated Statements of Shareholders' Equity	42
Consolidated Statements of Cash Flows	43
Notes to the Consolidated Financial Statements	44
Report of Independent Certified Public Accountants	50

MANAGEMENT DISCUSSION AND ANALYSIS

PROFILE OF COMSYS GROUP

COMSYS Holdings Corporation (the "Company") was established as a holding company as the result of share transfers from Nippon COMSYS Corporation, SANWA ELEC Co., Ltd. (now SANWA COMSYS Engineering corporation) and TOSYS Corporation on 29th September, 2003. The COMSYS Group comprises COMSYS Holdings (the holding company), the above 3 companies, 42 subsidiaries and 16 affiliates. The COMSYS Group's main businesses comprise electrical and telecommunications infrastructure construction services centered on telecommunications infrastructure and electrical facilities, and other businesses, including the IT solutions business.

The consolidated financial statements of COMSYS Holdings for the fiscal year ended 31st March, 2006 include the accounts of 31 consolidated subsidiaries (30 in the fiscal year ended 31st March, 2005). COMSYS Holdings did not have any affiliates accounted for by the equity method in the fiscal year ended 31st March, 2005 (there were no equity-

method affiliates in the fiscal year ended 31st March, 2004). The increase in the number of consolidated subsidiaries compared with the previous fiscal year was due to the reorganization of subsidiaries through mergers.

Consolidated Business Results: Fiscal Years Ended 31st March, 2005 and 2006

Certain consolidated subsidiaries of Nippon COMSYS changed their balance sheet dates from 31st December to the consolidated balance sheet date of 31st March from the fiscal year ended 31st March, 2005. The consolidated financial statements of the COMSYS Group for the fiscal year ended 31st March, 2004 include the financial statements of these consolidated subsidiaries as of 31st December. However, the COMSYS Group's consolidated financial statements for the fiscal year ended 31st March, 2005 include these consolidated subsidiaries' profit and loss for a period of 15 months, including the three-month period from 1st January, 2005 to 31st March, 2005. This factor should be considered when comparing consolidated operating results for the years ended 31st March, 2005 and 2006.

OVERVIEW

In the fiscal year under review, the Japanese economy remained on a path to recovery despite such destabilizing factors as soaring raw materials prices, including crude oil and metals. The key factors were an increase in capital spending following an upturn in corporate profits in a wide range of industries, as well as an expansion in consumer spending amid a robust stock market and a rebound in consumer sentiment.

In the telecommunications infrastructure construction industry, information and communication technologies (ICT) is rapidly taking hold as a bedrock of society as evidenced by such trends as increased telecommuting via communications networks, remote medical treatment, e-government services as well as remote surveillance for disaster prevention, which is all in keeping with the Japanese government's goal of realizing a ubiquitous network society as spelled out in its "u-Japan Policy" and "IT New Reform Strategy." Communications and broadcasting services continue to be integrated amid rapidly expanding demand for broadband services chiefly in optical access services, the arrival of number portability services in the mobile communications field and the entry of new communications carriers, while competition among electrical communications companies grows ever fiercer to acquire customers with more sophisticated and differentiated services.

Against this backdrop, the Group implemented three reforms. The first reform—maximizing the synergistic effects of the merger through selection and concentration of businesses—was pursued through such organizational restructuring as the reallocation of employees following the revision of business fields among integrated business companies. The second reform—expansion of the IT solutions business—was undertaken by expanding into the Internet protocol (IP) related field through the establishment of such COMSYS brands as the IP telephony system *Comsip*, as well as by developing a group of highly skilled engineers who can rapidly address the needs of a diverse array of customers. The third reform—the promotion of management reforms—was pursued Groupwide by reducing materials and personnel costs through greater concentration and efficiencies employing such measures as centralized purchasing and joint operations, as well as by revising outsourced costs through clarification of roles and responsibilities in relationship to partner companies, including the revision of fundamental work duties as spelled out in COMSYS-style *kaizen* (improvement).

NEW ORDERS RECEIVED

New orders received in the fiscal year under review increased 7.9% to ¥310,005 million on the back of strong orders in the NTT Information Telecommunication Engineering Business segment for to *B FLET'S* and

number portability related construction, as well as in mobile telecommunications carrier-related construction in the NTT Information Telecommunication Engineering Business.

RESULTS OF OPERATIONS

Amid such robust new orders received, net sales rose 4.7% to ¥307,485 million from the effects of reallocating personnel among integrated businesses via business restructuring as well as strengthening the construction structure within the Group and partner companies. NTT Group-related projects represented 59.9% of net sales. The cost of sales rose 5.0% to ¥270,602 million as a result of intensifying competition and a decrease in the scale of construction, while the cost of sales ratio improved 0.2 percentage point to 88.0%. Selling, general and administrative expenses declined 1.3% to ¥20,564 million as a result of promotion of COMSYS-style *kaizen* (improvement), clarification of roles and responsibilities in relationship to partner companies and concentration

of operations. Selling, general and administrative expenses as a percentage of net sales edged down 0.4 percentage point to 6.7%. As a consequence, operating income rose 8.3% to ¥16,319 million, while the operating income to net sales ratio improved 0.2 percentage point to 5.3%. In addition, while an extraordinary loss of ¥3,134 million was recorded from the impact of an allowance for doubtful receivables for Heisei Denden Co., Ltd., special payment on employees' retirement for business restructuring and others, net income jumped 20.1% to ¥10,031 million due to the recording of extraordinary income of ¥803 million mainly from gain on sales of investment securities. The ratio of net income to net sales improved 0.5 percentage point from 2.8% to 3.3%.

Note: The effect of the inclusion of the accounts of certain consolidated subsidiaries for a period of 15 months due to a change in their fiscal year-end in the previous term (Results of operations for the period from 1st January, 2005 to 31st March, 2005) resulted in new orders received of ¥2,988 million, net sales of ¥4,068 million, operating income of ¥1,121 million and net income of ¥642 million.

NEW ORDERS RECEIVED AND NET SALES BY OPERATING SEGMENT

New orders received and net sales based on reclassified operating segments are as follows:

	Millions of yen	
	New orders received	Net sales
NTT Information Telecommunication Engineering Business	187,977	184,117
Electrical Communications Engineering Business	70,281	72,169
IT Solutions Business	33,019	30,701
Social System-Related Business and Other	18,727	20,496
Total	310,005	307,485

RESULTS OF OPERATIONS OF THE THREE CORE COMPANIES

Nippon COMSYS Group

New orders received increased 5.2% to ¥238,046 million on the back of strong orders for *B FLET'S* related construction and number portability service related construction. Net sales rose 3.8% to ¥236,177 million due to an increase in completed *B FLET'S* construction following brisk orders. Operating income increased 6.6% to ¥14,423 million owing to the effects of promotion of COMSYS-style *kaizen* (improvement), clarification of roles and responsibilities in relationship to partner companies and reduction of costs through concentration of operations. Moreover, net income declined 2.6% to ¥9,053 million as a result of special payments on employees' retirement of ¥1,067 million for use in business restructuring.

Regarding figures for the previous fiscal year, the accounting period for consolidated subsidiary Nippon COMSYS is 15 months due to the effect of changing its settlement date. Net sales for the 12-month period rose 4.6%.

Nippon COMSYS Group

		Millions of yen
		Amount
New orders received	238,046	(+5.2%)
Net sales	236,177	(+3.8%)
Operating income	14,423	(+6.6%)
Net income	9,053	(-2.6%)

Note 1: Internal transactions have not been eliminated.

Note 2: Figures in parenthesis indicate percentage change.

SANCOM Group

In the NTT Information Telecommunication Engineering Business segment, new orders received rose 40.2% to ¥56,638 million and net sales were up 29.0% to ¥57,029 million amid brisk telecommunications carrier-related construction. Operating income jumped 265.1% to ¥1,317 million from the impact of dramatically increased sales and efforts to promote profit management and reduce costs. An extraordinary loss of ¥342 million was recorded from an allowance for doubtful receivables for Heisei Denden, while extraordinary income of ¥143 million was recorded from gain on sales of investment securities, the aggregate of which contributed to net income of ¥598 million, compared with a net loss of ¥2,583 million in the previous term.

SANCOM Group

		Millions of yen
		Amount
New orders received	56,638	(+40.2%)
Net sales	57,029	(+29.0%)
Operating income	1,317	(+265.1%)
Net income	598	(—)

Note 1: Internal transactions have not been eliminated.

Note 2: Figures in parenthesis indicate percentage change.

TOSYS Group

New orders received rose 2.7% to ¥29,128 million amid increased demand for *B FLET'S*, while net sales edged up 1.7% to ¥28,347 million. Operating income fell 42.9% to ¥554 million and net income dropped 56.3% to ¥226 million. The key factor for this decline was a temporary worsening in profitability given the need to assume costs associated with reinforcing the operating structure to address the rapidly expanding demand for *B FLET'S* in the NTT Information Telecommunication Engineering Business segment.

TOSYS Group

		Millions of yen
		Amount
New orders received	29,128	(+2.7%)
Net sales	28,347	(+1.7%)
Operating income	554	(-42.9%)
Net income	226	(-56.3%)

Note 1: Internal transactions have not been eliminated.

Note 2: Figures in parenthesis indicate percentage change.

FINANCIAL POSITION

ASSETS

Total assets as of 31st March, 2006, were ¥220,786 million, an increase of ¥12,105 million. This was attributed to increases in notes and accounts receivable—trade and accumulated cost of construction in progress, as well as a rise in and property and equipment. Total current assets increased ¥9,287 million to ¥151,357 million mainly due to the effects of increases in notes and accounts receivable—trade and accumulated cost of construction in progress. Investment and other assets increased ¥2,364 million to ¥22,012 million. The key factor was an increase in investment securities from the acquisition of stock. Property and equipment rose ¥454 million to ¥47,417 million chiefly owing to an increase in machinery and equipment in preparation for construction work.

LIABILITIES AND SHAREHOLDERS' EQUITY

Total liabilities increased ¥2,853 million to ¥82,357 million. The key factor was an increase in accounts payable—trade and advances received on construction in progress. Interest-bearing debt declined ¥1,084 million to ¥3,608 million.

Shareholders' equity increased ¥9,098 million to ¥137,161 million primarily as a result of an increase in retained earnings, reflecting higher net income.

Consequently, the equity ratio rose from 61.4% to 62.1%.

REMUNERATION FOR DIRECTORS AND CORPORATE AUDITORS

Remuneration paid to 10 directors, including three directors who assumed the posts on 29th June, 2005, totaled ¥50 million, while remuneration paid to five auditors, including one auditor who assumed the post on 29th June, 2005, totaled ¥19 million, for a total remuneration of ¥69 million. Directors' retirement allowance of ¥12 million, which comprised ¥11 million

CASH FLOWS

Net cash provided by operating activities declined ¥5,607 million to ¥9,128 million. The key factor for the decline was an increase in receivables—trade.

Net cash used in investing activities rose ¥308 million to ¥5,139 million due to an increase in investment securities, net and acquisitions of property and equipment.

As a result of the above, free cash flows decreased ¥5,915 million to ¥3,989 million.

Net cash used in financing activities decreased ¥3,795 million to ¥3,631 million. Cash was mainly used for the repayment of long-term debt and cash dividends paid.

Cash and cash equivalents at the end of the fiscal year under review increased ¥358 million to ¥35,814 million, which included an additional ¥169 million in cash and cash equivalents arising from the addition of subsidiaries in the scope of consolidation.

to directors and ¥1 million to auditors, was paid pursuant to a resolution approved at the Second Annual General Meeting of the Shareholders on 29th June, 2005.

Fees paid to the COMSYS Group's auditor, Certified Public Accountants O-Yu Kyodo Office, were ¥39 million for audit certification work.

BUSINESS RISKS

The COMSYS Group believes its performance and financial position (including share price) are exposed to the following main risks. Moreover, forward-looking statements in the sections below are assessments made by the Group at the fiscal year-end.

(1) Risk from Dependency on a Specific Customer

Since the NTT Group is the key customer of the COMSYS Group's electrical and telecommunications infrastructure construction services, accounting for more than 50% of business, a risk to the performance of the Group is possible due to changes in the scale and framework of capital investment within the NTT Group.

(2) Risk to Safety and Quality

With the goal of eradicating accidents involving both personnel and facilities based on the motto of "Prioritizing Safety in Everything," the COMSYS Group is working to manage safety and quality in construction by implementing employee training and other measures within the Group and among partner companies. Nevertheless, a risk to the performance of the Group is possible when an accident occurs that results in the loss of trust among business customers, a loss of potential orders due to a temporary suspension of operations and the assumption of responsibility for defective construction and buildings.

Regarding the management of information entrusted by business customers, including personal information, the Group is employing an Information Security Management System (ISMS) as well as acquiring certification for the Privacy Mark to take all possible measures in ensuring the protection of information within the Group. Nevertheless, a risk to the performance of the Group is possible when information is leaked via such channels as outsourcing partners, where information is handled and managed, or via a crime involving illegal access from outside, which results in the loss of trust among business partners or the assumption of responsibility for damages due to accusations of mismanagement.

(3) Risk from Changes in Seasonal Business Patterns

In the Group's mainstay business area of electrical and telecommunications infrastructure construction services, because of a tendency to focus on the month of March, when year-end performance of orders and sales is recorded, there is a possibility for performance between the first half and the second half of the fiscal year to differ significantly.

(4) Risk Involved in Holding Assets

Since the COMSYS Group holds real estate, investment securities and pension assets when needed in the course of business, a risk to the performance of the Group is possible when their market value changes.

(5) Credit Risk of Business Customers

The COMSYS Group conducts stringent credit management with regard to its business customers by relying on outside research agencies, while also constructing a reliable structure to avoid credit risk by screening contracts through the Legal Department. Nevertheless, a risk to the performance of the Group is possible if the credit of business customers fails, resulting in an inability to recover construction costs in the case of an individual customer or in the delay of construction in the case of a contractor.

SELECTED FINANCIAL AND OPERATING DATA

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended 31st March, 2005 and 2006

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Results of Operations:			
New orders received during the year	¥ 287,376	¥ 310,005	\$ 2,639,014
Net sales	293,681	307,485	2,617,562
Operating income	15,062	16,319	138,921
Income before income taxes and other adjustments to net income	14,170	16,423	139,806
Net income	8,349	10,031	85,392
Capital expenditure	3,260	4,823	41,057
Research and development expenditure	326	242	2,060
Financial Position:			
Total assets	¥ 208,681	¥ 220,786	\$ 1,879,510
Property and equipment	46,963	47,417	403,652
Long-term debt	2,768	314	2,673
Shareholders' equity	128,063	137,161	1,167,626
Interest-bearing debt	4,692	3,608	30,714
Modified working capital	65,609	67,995	578,829
Per Share of Common Stock (in yen and U.S. dollars):			
Net income (not diluted)	¥ 58.42	¥ 69.65	\$ 0.59
Cash dividends	15.00	15.00	0.13
Shareholders' equity	906.92	964.70	8.21
Financial Ratios:			
Operating income to net sales (%)	5.1	5.3	
Net income to net sales (%)	2.8	3.3	
R&D expenses to net sales (%)	0.1	0.08	
SG&A expenses to net sales (%)	7.1	6.7	
Equity ratio (%)	61.4	62.1	
Return on equity (%)	6.7	7.6	
Return on total assets (%)	4.0	4.7	
Interest coverage (times)	91.00	175.59	
Debt/equity ratio (%)	0.04	0.03	
Other Statistics:			
Number of employees at fiscal year-end (persons)	6,746	7,081	
Common stock issued (thousand shares)	145,977	145,977	
Common stock price range			
High	1,010	1,796	
Low	683	857	

Notes: 1. For convenience only, the accompanying Japanese yen figures for 2006 have been translated into U.S. dollars at the rate of ¥117.47 to \$1, the rate prevailing on 31st March, 2006.
2. Consolidated results for fiscal 2005 include 15 months of operating results at a Nippon COMSYS Corporation consolidated subsidiary due to a change in fiscal year-end (from 31st December to 31st March).

CONSOLIDATED BALANCE SHEETS

COMSYS Holdings Corporation and Consolidated Subsidiaries
As of 31st March, 2005 and 2006

ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Current Assets:			
Cash and cash equivalents	¥ 35,287	¥ 35,814	\$ 304,878
Short-term investments (Notes 3 and 4)	2,288	2,442	20,788
Notes and accounts receivable—trade	80,045	83,738	712,846
Inventories:			
Accumulated cost of construction in progress	19,375	21,973	187,052
Deferred income taxes (Note 7)	2,884	3,262	27,769
Other current assets	2,411	4,346	36,997
Less: Allowance for doubtful receivables	(220)	(218)	(1,856)
Total current assets	142,070	151,357	1,288,474
Investments and Other Assets:			
Investment securities:			
Unconsolidated subsidiaries and affiliates	663	1,067	9,083
Other (Notes 3)	5,338	6,921	58,917
Long-term loans receivable	3,678	4,233	36,035
Deferred income taxes (Note 7)	3,108	2,420	20,601
Other assets	9,163	10,484	89,248
Less: Allowance for doubtful receivables	(2,302)	(3,113)	(26,500)
Total investments and other assets	19,648	22,012	187,384
Property and Equipment:			
Land (Note 4)	26,091	26,769	227,879
Buildings and structures (Note 4)	29,351	29,018	247,025
Machinery and equipment	18,166	18,958	161,386
Construction in progress	11	3	26
Less: Accumulated depreciation	(26,656)	(27,331)	(232,664)
Total property and equipment	46,963	47,417	403,652
Total assets	¥ 208,681	¥ 220,786	\$ 1,879,510

See Notes to the Consolidated Financial Statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Current Liabilities:			
Short-term bank loans (Note 4)	¥ 1,924	¥ 3,294	\$ 28,041
Accounts payable—trade	44,299	49,773	423,708
Advances received on construction in progress	4,754	6,779	57,709
Income taxes payable	3,924	1,742	14,830
Other current liabilities	6,939	6,580	56,014
Total current liabilities	61,840	68,168	580,302
Long-term Liabilities:			
Long-term debt (Note 4)	2,768	314	2,673
Accrued severance indemnities (Note 5)	5,633	4,889	41,619
Deferred income taxes (Note 7)	1,258	2,417	20,576
Deferred tax liabilities for unrealized gains on land revaluation (Note 10)	2,366	2,366	20,141
Consolidation adjustments account	5,585	3,961	33,719
Other long-term liabilities	54	242	2,060
Total long-term liabilities	17,664	14,189	120,788
Minority Interests	1,114	1,268	10,794
Contingent Liabilities (Note 6)			
Shareholders' Equity (Note 9):			
Common stock, par value ¥51 per share:			
Authorized—580,000 thousand shares			
Issued—145,978 thousand shares	10,000	10,000	85,128
Additional paid-in capital	56,613	56,942	484,737
Retained earnings	72,904	80,394	684,379
Unrealized loss on land revaluation (Note 10)	(7,923)	(7,897)	(67,226)
Unrealized gain (loss) on securities	366	850	7,236
	131,960	140,289	1,194,254
Treasury stock, at cost	(3,897)	(3,128)	(26,628)
Total shareholders' equity	128,063	137,161	1,167,626
Total liabilities and shareholders' equity	¥ 208,681	¥ 220,786	\$ 1,879,510

CONSOLIDATED STATEMENTS OF INCOME

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended 31st March, 2005 and 2006

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Net Sales	¥ 293,681	¥ 307,485	\$ 2,617,562
Cost of Sales	257,792	270,602	2,303,584
Gross profits	35,889	36,883	313,978
Selling, General and Administrative Expenses	20,827	20,564	175,057
Operating income	15,062	16,319	138,921
Other Income (Expenses):			
Interest and dividend income	265	244	2,077
Interest expenses	(168)	(94)	(800)
Other, net (Note 11)	(989)	(46)	(392)
	(892)	104	885
Income before income taxes and other adjustments to net income	14,170	16,423	139,806
Income Taxes (Note 7):			
Current	6,752	5,167	43,986
Deferred	(795)	1,099	9,355
	5,957	6,266	53,341
Minority Interests	(136)	126	1,073
Net Income	¥ 8,349	¥ 10,031	\$ 85,392

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Amounts per Share:			
Net income			
—Basic	¥ 58.42	¥ 69.65	\$ 0.59
—Diluted	—	69.62	0.59
Cash dividends	15.00	15.00	0.13
Weighted average number of shares (in thousands)	145,977	145,977	

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended 31st March, 2005 and 2006

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Common Stock:			
Balance at beginning of the year	¥ 10,000	¥ 10,000	\$ 85,128
Balance at End of the Year	10,000	10,000	85,128
Additional paid-in capital:			
Balance at beginning of the year	56,613	56,613	481,936
Increases arising from business combination	—	480	4,086
Decreases arising from business combination	—	(151)	(1,285)
Balance at End of the Year	56,613	56,942	484,737
Retained Earnings:			
Balance at beginning of the year	66,845	72,904	620,618
Net income	8,349	10,031	85,392
Increase by elimination of a consolidated subsidiary	128	—	—
Decreases due to change in consolidation	—	(14)	(119)
Cash dividends	(1,693)	(2,397)	(20,405)
Bonuses to directors	(134)	(104)	(886)
Decrease arising from a reversal of unrealized loss on land revaluation	(591)	(26)	(221)
Balance at End of the Year	¥ 72,904	¥ 80,394	\$ 684,379

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended 31st March, 2005 and 2006

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2006	2006
Cash Flows from Operating Activities:			
Income before income taxes and other adjustments to net income	¥ 14,170	¥ 16,423	\$ 139,806
Depreciation and amortization	4,287	3,794	32,298
Gain on sales of fixed assets	(438)	(48)	(409)
Write-down of investments in securities and other assets	481	8	68
Loss on impairment of fixed assets	423	—	—
Increase in allowance for doubtful receivables	21	804	6,844
Decrease in accrued severance indemnities	(1,344)	(680)	(5,789)
Interest and dividends received	(265)	(244)	(2,077)
Interest expenses	168	94	800
Loss on disposal of property and equipment	125	579	4,929
Decrease (increase) in receivables—trade	1,611	(3,296)	(28,058)
Decrease (increase) in inventories	4,038	(2,481)	(21,120)
Increase in payables—trade	3,187	4,076	34,698
Increase in other assets	(63)	(2,529)	(21,529)
Increase (decrease) in other liabilities	(2,157)	2,268	19,307
Directors' bonuses paid	(143)	(113)	(962)
Amortization of consolidation adjustments	(1,628)	(1,838)	(15,646)
Other, net	(302)	(244)	(2,077)
	22,171	16,573	141,083
Cash and cash equivalents received on interest and dividends income	265	244	2,077
Cash and cash equivalents paid for interest expenses	(173)	(94)	(800)
Cash and cash equivalents paid for income taxes	(7,528)	(7,595)	(64,655)
Net cash provided by operating activities	14,735	9,128	77,705
Cash Flows from Investing Activities:			
Increase in short-term investments, net	(1,930)	(154)	(1,311)
Decrease (increase) in investment securities, net	77	(868)	(7,389)
Acquisitions of property and equipment	(2,753)	(4,159)	(35,405)
Acquisitions of other assets	(519)	(610)	(5,193)
Proceeds from sale of property	2,123	296	2,520
Increase in long-term loans	(1,078)	(1,169)	(9,951)
Collection of long-term loans	496	633	5,389
Other	(1,247)	892	7,593
Net cash used in investing activities	(4,831)	(5,139)	(43,747)
Cash Flows from Financing Activities:			
Decrease in short-term borrowings, net	(1,186)	(372)	(3,167)
Repayment of long-term debt	(3,200)	(762)	(6,487)
Proceeds from long-term debt	27	—	—
Redemption of bonds at maturity	(1,300)	—	—
Acquisitions of treasury stock	(70)	(94)	(800)
Cash dividends paid	(1,697)	(2,403)	(20,456)
Net cash used in financing activities	(7,426)	(3,631)	(30,910)
Net Increase in Cash and Cash Equivalents	2,478	358	3,048
Cash and Cash Equivalents at Beginning of Year	32,889	35,287	300,391
Increase Due to Business Combination	—	169	1,439
Decrease Due to Elimination of a Consolidated Subsidiary	(80)	—	—
Cash and Cash Equivalents at the End of Year	¥ 35,287	¥ 35,814	\$ 304,878

See Notes to the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

COMSYS Holdings Corporation and Consolidated Subsidiaries

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

COMSYS Holdings Corporation (the “Company”) and its subsidiaries (together, the “Companies”) maintain their accounting records and prepare their financial statements in conformity with accounting principles and practices generally accepted in Japan (the “GAAP of Japan”), which differ in certain respects as to application and disclosure requirements from International Accounting Standards. The accompanying consolidated financial statements have been compiled from the consolidated financial statements filed with the Financial Services Agency as required by the Securities and Exchange Laws of Japan. Certain reclassifications of account balances have been made so as to present the consolidated financial statements in a form that is more familiar to readers outside Japan.

The Company is a holding company established on 29th September, 2003 as a business combination by the transfer of shares of Nippon COMSYS Corporation

(“Nippon COMSYS”), SANWA COMSYS Engineering Corporation (“SANCOM”) and TOSYS Corporation (“TOSYS”) as stipulated in Article 364 of the Commercial Code of Japan (the “Commercial Code”). All of the three subsidiaries are mainly engaged in construction of telecommunications infrastructure.

The accounts and records of the Companies are maintained in Japanese yen. The accompanying consolidated financial statements have been presented in Japanese yen and have also been presented in U.S. dollars by translating all Japanese yen amounts using the rate of ¥117.47 to US\$1. The presentation of such dollar amounts is solely for the convenience of the reader and is not intended to imply that yen amounts have been or could be converted, realized or settled in dollars at that or at any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Company and 31 subsidiaries (see “Corporate Directory” at the last page of this annual report) over which the Company exerts substantial control either through majority ownership of voting shares and/or by other means. For the purposes of preparing the consolidated financial statements, all significant inter-company transactions, account balances and unrealized profits among the Companies have been eliminated.

The accounts of other subsidiaries and affiliates were not consolidated, since their aggregate sales, total assets, net income and retained earnings have little effect upon the total consolidated results of operations and assets. Also, investments in unconsolidated subsidiaries and affiliates are carried at cost due to their immateriality.

COMSYS Shared Service Corporation became a consolidated subsidiary due to its materiality acquired. KOKUSAI DENSETSU Co., Ltd. became a consolidated subsidiary, since it was acquired by Nippon COMSYS on 1st October, 2005. TOSYS Ryokuka Co., Ltd. (a consolidated subsidiary) was merged into TOSYS Niigata Co., Ltd. (a consolidated subsidiary) on 1st October, 2005.

All of the subsidiaries were consolidated on the basis of fiscal periods ending 31st March, while certain subsidiaries changed their fiscal year-end from 31st December to 31st March in 2005. Accordingly, these subsidiaries were consolidated using their financial statements for the 15-month period ended 31st March, 2005.

In the consolidation of Nippon COMSYS, SANCOM and TOSYS, the Company comprehensively applied the pooling-of-interest method to Nippon COMSYS and its subsidiaries as the acquiring group and the purchase method to SANCOM and TOSYS and their subsidiaries as the acquired group, after considering the ratio of the transfer of shares of each company as well as other factors in accordance with “Accounting for the Consolidation of the Holding Company Established by Exchange or Transfer of Shares” (JICPA Accounting Committee Research Report No.6).

Goodwill arising from the aforementioned business combination is amortized at the incurrence; while others are mainly amortized over a period of 5 years using the straight-line method.

(b) Use of estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare the accompanying consolidated financial statements in conformity with the GAAP of Japan. Actual results could differ from these estimates.

(c) Point of sales—construction contracts

Construction contracts of the Companies are accounted for by the completed-contract method. The accumulated cost of uncompleted construction is shown as

“Accumulated cost of construction in progress” and the related billings (advances received) on uncompleted construction contracts are shown as “Advances received on construction in progress” in the accompanying balance sheets.

(d) Cash and cash equivalents

Cash and cash equivalents include all highly liquid investments, generally with original maturities of three months or less, those are readily convertible to known amounts of cash and are so near maturity that they present insignificant risk of changes in value because of changes in interest rates.

(e) Short-term investments and investment securities

The GAAP of Japan requires the classification of short-term investments and investment securities (except for “unconsolidated subsidiaries and affiliates”) of the Companies into three categories as follows:

- i) Debt securities that are expected to be held-to-maturity: carried at accumulated cost using straight-line method
- ii) Other securities whose fair values are readily determinable: carried at fair value with unrealized gains or losses included in Stockholders’ Equity as “Unrealized gain (loss) on securities,” net of applicable income taxes
- iii) Other securities whose fair values are not readily determinable: carried at cost using moving-average method

With respect to investments in unconsolidated subsidiaries and affiliates, the Companies are carrying their amounts at cost, determined by the moving-average cost.

(f) Derivative financial instruments

A certain subsidiary uses financial instruments to manage exposures of interest rates and foreign currency exchange rates incurred in the ordinary course of business. Hedging instruments include interest rate options contracts, interest rate swap contracts and forward foreign exchange contracts.

Derivatives are recorded at fair value.

(g) Accumulated cost of construction in progress

In connection with (c) above, “Accumulated cost of construction in progress” is stated at cost based on an individual project basis.

(h) Property and equipment

Property and equipment are stated at cost. Depreciation is computed primarily by the declining-balance method; while the straight-line method is applied to building acquired after 1st April, 1998, both using estimated useful lives of assets principally as follows:

Buildings and structures 2 to 50 years

(i) Intangible assets and deferred charges

Intangible assets including software are carried at cost and amortized by the straight-

line method over the estimated useful lives of assets. The useful life of software utilized in the Companies is estimated to be 5 years. Research and development costs are charged to income as incurred.

(j) Leases

Financial leases that do not transfer ownership of the property to lessee are accounted for as rent transactions. Under the GAAP of Japan, financial leases in which ownership of the property is deemed to be transferred to the lessee are treated as capital leases; while it is permitted to treat others as operating leases if certain "as if capitalized" information is disclosed in the notes to the lessee's financial statements.

(k) Impairment of long-lived assets

Accounting standards for impairment of fixed assets were adopted by the Companies from the year ended 31st March, 2005.

(l) Income taxes

Deferred tax assets and liabilities arising from temporary differences between financial and tax reporting are measured using the enacted tax rates and laws which will be in effect when the differences are expected to reverse. In the preparation of the

consolidated financial statements, deferred tax assets and liabilities also arose from the elimination of unrealized profits among the Companies and the adjustment of the allowance for doubtful receivables caused by the offsetting of inter-company receivables and payables.

(m) Appropriations of retained earnings

Appropriations of retained earnings of the Company at each year-end are reflected in the consolidated financial statements for the following year upon shareholders' approval (See Note 12).

(n) Net income and cash dividends per share

The computations of basic net income per share are based on the weighted average number of shares outstanding during each year. The GAAP of Japan requires deductions of the amounts with which stockholders of common stock are not vested (e.g. bonus paid to directors and corporate auditors) from net income when computing net income per share.

Cash dividends per share are based on the cash dividends applicable to the respective years, including dividends to be paid after the end of the year.

3. SHORT-TERM INVESTMENTS AND INVESTMENT SECURITIES-OTHER

Information that is required to be disclosed in the Notes to the consolidated financial statements by the regulations and rules on disclosures under the Securities and Exchange Laws of Japan, as amended to conform to certain reclassifications of

account balances made to present the consolidated financial statements, consists of the following.

(a) Debt securities that are expected to be held-to-maturity whose fair value was readily determinable as at 31st March, 2005 and 2006, were as follows:

	Millions of yen				Thousands of U.S. dollars	
	31st March, 2005		31st March, 2006		Book value	Fair Value
	Book value	Fair Value	Book value	Fair Value		
Japanese government bonds	¥ 10	¥ 10	¥ 10	¥ 10	\$ 85	\$ 85

(b) Other securities whose fair value was readily determinable as at 31st March, 2005 and 2006, were as follows:

Classification	Millions of yen								Thousands of U.S. dollars			
	31st March, 2005				31st March, 2006				Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value				
Stocks	¥ 1,164	¥ 714	¥ 50	¥ 1,828	¥ 1,743	¥ 1,613	¥ 148	¥ 3,208	\$ 14,838	\$ 13,731	\$ 1,260	\$ 27,309
Bonds and debentures	58	0	—	58	538	1	34	505	4,580	8	289	4,299
Others	1,578	131	98	1,611	1,154	430	42	1,542	9,824	3,661	358	13,127
Total	¥ 2,800	¥ 845	¥ 148	¥ 3,497	¥ 3,435	¥ 2,044	¥ 224	¥ 5,255	\$ 29,242	\$ 17,400	\$ 1,907	\$ 44,735

(c) Proceeds from sales of other securities and realized gains/losses on such sales, cost of the sales being determined by moving-average method, for the year ended 31st March, 2005 and 2006, were as follows:

	Millions of yen		Thousands of U.S. dollars
	For the year ended 31st March		For the year ended 31st March
	2005	2006	2006
Proceeds from sales	¥ 248	¥ 599	\$ 5,099
Realized gains	75	169	1,439
Realized losses	1	23	196

(d) Other securities whose fair value was not readily determinable as at 31st March, 2005 and 2006 mainly consisted of unlisted stocks that amounted to ¥1,907 million and ¥1,802 million (US\$15,340 thousand), respectively.

(e) Debt securities that are expected to be held-to-maturity and other securities with maturity dates as at 31st March, 2006 consisted of the following:

31st March, 2006	Millions of yen				Book value				Thousands of U.S. dollars			
	Due: Within 1 yr.	Within 5 yr.	Within 10 yr.	After 10 yr.	Due: Within 1 yr.	Within 5 yr.	Within 10 yr.	After 10 yr.	Due: Within 1 yr.	Within 5 yr.	Within 10 yr.	After 10 yr.
Bonds and debentures:	¥ —	¥ 10	¥ —	¥ —	\$ —	\$ 85	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Japanese government bonds	—	—	—	400	—	—	—	—	—	—	—	3,405
Others	50	88	10	—	426	749	85	—	—	—	—	—
Total	¥ 50	¥ 98	¥ 10	¥ 400	\$ 426	\$ 834	\$ 85	\$ —	\$ —	\$ —	\$ —	\$ 3,405

For the years ended 31st March, 2005, the Companies made a write-down of investment securities, whose fair value was readily determinable, amounting to ¥128 million, following an accounting policy of the Companies which requires a write-down

of investment securities whose fair value at the fiscal year's end declined to an amount not more than 50% of the book value.

4. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

The weighted average interest rates of short-term and long-term bank loans as at the year ended 31st March, 2006, were approximately 1.62 per cent. and 2.35 per cent., respectively.

At 31st March, 2006, consolidated subsidiaries' short-term bank loans

amounting to ¥2,443 million (US\$20,797 thousand) and long-term bank loans amounting to ¥237 million (US\$2,018 thousand) were secured. A summary of assets pledged as collateral consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2006	2006	2006	2006
Buildings and structures, net of accumulated depreciation	¥ 1,919	—	\$ 16,336	—
Land	3,050	—	25,964	—
Short-term investments (time deposits)	20	—	170	—
Total	¥ 4,989	—	\$ 42,470	—

At 31st March, 2006, long-term debt consisted of the following:

	Millions of yen		Thousands of U.S. dollars	
	2006	2006	2006	2006
Loans from banks	¥ 2,768	—	\$ 23,563	—
Less: Current portion	2,454	—	20,890	—
Total	¥ 314	—	\$ 2,673	—

5. ACCRUED SEVERANCE INDEMNITIES

Employees of the Companies are usually entitled to lump-sum severance indemnities determined by reference to their current basic rate of pay, length of service and conditions under which the termination occurs. With respect to directors and corporate auditors of the Companies, lump-sum severance indemnities are calculated using a similar formula and are normally paid subject to the approval at the shareholders' meeting of each of the Companies.

Nippon COMSYS has a contributory and funded defined benefit pension plan, which is pursuant to the Welfare Pension Insurance Law of Japan. As qualified and allowed under the GAAP of Japan, the plan assets include an employee retirement

benefit trust to which Nippon COMSYS, SANCOM and TOSYS contributed certain marketable equity securities.

Other consolidated subsidiaries provide for severance indemnities based on the liability if all eligible employees were to voluntarily terminate employment on the balance sheet date. In addition, certain subsidiaries have funds for tax qualified defined benefit pension plans and a few subsidiaries have non-contributory and funded defined benefit pension plans.

"Accrued severance indemnities" recognized in the consolidated balance sheet as at 31st March, 2005 and 2006 were as follows:

	Millions of yen		Thousands of U.S. dollars	
	2005	2006	2006	2006
Projected benefit obligation	¥ (43,913)	¥ (44,049)	\$ (374,981)	\$ (374,981)
Fair value of plan assets	37,232	44,523	379,016	379,016
Unfunded benefit obligation	(6,681)	474	4,035	4,035
Unrecognized actuarial difference	7,778	2,041	17,374	17,374
Unrecognized prior service cost	(22)	(4,587)	(39,048)	(39,048)
Unrecognized plan assets	(4,912)	—	—	—
Net amount recognized	(3,837)	(2,072)	(17,639)	(17,639)
Prepaid pension cost	1,042	2,087	17,766	17,766
Accrued severance indemnities	¥ (4,879)	¥ (4,159)	\$ (35,405)	\$ (35,405)

“Accrued severance indemnities” in the consolidated balance sheet as at 31st March, 2005 and 2006 include the provision for accrued severance indemnities for directors and corporate auditors of the Companies amounted to ¥754 million and

¥730 million (US\$6,214 thousand), respectively.

Net pension cost of the plans included in the consolidated statements of income for the years ended 31st March, 2005 and 2006 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Service cost	¥ 2,554	¥ 2,145	\$ 18,260
Interest cost	1,086	991	8,436
Expected return of plan assets	(730)	(675)	(5,746)
Amortization of unrecognized actuarial difference	866	687	5,848
Amortization of unrecognized prior service costs (negative)	(231)	(376)	(3,201)
Other	55	93	792
Net pension cost	¥ 3,600	¥ 2,865	\$ 24,389

Unrecognized prior service costs are amortized and charged to income using the straight-line method over the average remaining years of service of employees at the incurrence. Unrecognized actuarial differences are amortized and charged to income using the straight-line method from the succeeding year of the incurrence over the average remaining years of service of employees at the incurrence.

From the year ended 31st March, 2006, the Companies can recognize the amount of plan assets exceeding projected benefit obligation due to the incurrence of prior service costs and actuarial differences as “prepaid pension cost,” in accordance with Accounting Standard Board of Japan Statement No.3, “Partial Revision of Accounting Standard for Retirement Benefits,” whereas it was prohibited for the preceding years. On adopting this accounting standard, Nippon COMSYS changed the accounting policy for unrecognized prior service costs from a method of amortizing and charging to income at the incurrence to the method as mentioned

above, considering the harmonization of the accounting policy towards unrecognized actuarial differences as well as presenting periodic results of operations more appropriately and financial position more conservatively. The result of this accounting change was to decrease both “income before income taxes and other adjustments to net income” and “prepaid pension cost” by ¥4,598 million (US\$39,142 thousand).

Significant assumptions used to calculate the above-mentioned amount for the year ended 31st March, 2006 were as follows:

- Allocation method of benefit obligation Straight-line method
- Discount rate 2.5%
- Expected rate of return on plan assets 2.2% (mainly)
- Unrecognized prior service cost is amortized over mainly 15 years.
- Unrecognized actuarial difference is amortized over mainly 15 years from the succeeding fiscal year of the incurrence.

6. CONTINGENT LIABILITIES

At 31st March, 2005 and 2006, contingent liabilities consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Guarantees of loans borrowed by:			
COMSYS Thailand Co., Ltd.	¥ 1,024	¥ —	\$ —
Other	40	31	264
Total	¥ 1,064	¥ 31	\$ 264

7. INCOME TAXES

The Companies are subject to corporate (national), inhabitant and enterprise (local) taxes based upon taxable income, which resulted in statutory tax rates of approximately 40%, in aggregate, both for the year ended 31st March, 2005 and 2006. The effective tax rate reflected in the accompanying consolidated statements of income and retained earnings differs from the statutory tax rate primarily due to such items as permanently non-deductible expenses and timing differences in recognizing certain income and expense items for financial and tax reporting purposes.

The difference between the statutory tax rate and effective tax rate reflected in the consolidated statements of income for the year ended 31st March, 2005 and 2006, were both less than 2%.

Deferred tax assets and liabilities of the Companies, except for that relating to land revaluation of COMSYS mentioned in Note 10, as of 31st March, 2005 and 2006, primarily consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Deferred tax assets:			
Accrued expenses and enterprise taxes	¥ 2,436	¥ 2,540	\$ 21,622
Accrued severance indemnities	2,826	2,350	20,005
Allowance for doubtful receivables	856	1,115	9,492
Revaluation of land owned by consolidated subsidiaries	1,003	1,022	8,700
Write-down of investments in unconsolidated subsidiaries	857	782	6,657
Net operation loss carried forward	1,070	399	3,396
Others	994	912	7,764
	10,042	9,120	77,636
Less: Valuation allowance	(2,950)	(3,039)	(25,870)
Deferred tax liabilities:	7,092	6,081	51,766
Deferred gain on exchange of lands	(156)	(150)	(1,277)
Revaluation of land owned by consolidated subsidiaries	(1,871)	(1,907)	(16,234)
Others	(331)	(778)	(6,623)
	(2,358)	(2,835)	(24,134)
Net deferred tax assets	¥ 4,734	¥ 3,246	\$ 27,632

8. LEASES

(As a Lessee)

The Companies lease mainly machinery and equipment by financial leases. Pro forma amounts of the acquisition costs (including the interest portion thereon), accumulated depreciation (depreciation expenses of the leased property were computed by the

straight-line method over the respective lease terms) and net book value of leased property as of 31st March, 2005 and 2006, which would have been reflected in the consolidated balance sheets if capitalized, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Acquisition costs	¥ 928	¥ 1,158	\$ 9,858
Accumulated depreciation	342	443	3,771
Net book value	¥ 586	¥ 715	\$ 6,087

Lease payments relating to financial leases accounted for as rent transactions amounted to ¥180 million and ¥184 million (US\$1,566 thousand) for the years ended 31st March, 2005 and 2006, respectively.

Obligation (including the interest portion thereon) under financial leases at 31st March, 2006, were as follows:

	Millions of yen	Thousands of U.S. dollars
	2006	2006
Due within one year	¥ 192	\$ 1,635
Due after one year	523	4,452
Total	¥ 715	\$ 6,087

(As a Lessor)

One of the Companies leases mainly machinery and equipment by financial leases. Future lease receipts, inclusive of interest, at 31st March, 2006 were as follows:

	Millions of yen	Thousands of U.S. dollars
	2006	2006
Due within one year	¥ 304	\$ 2,588
Due after one year	491	4,180
Total	¥ 795	\$ 6,768

Lease fees received and depreciation charges for the years ended 31st March, 2005 and 2006 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Lease fees received	¥ 561	¥ 376	\$ 3,201
Depreciation	464	271	2,307

9. SHAREHOLDERS' EQUITY

Under the Corporation Act of Japan, the additional paid-in capital may be, by the resolution of the shareholders' meeting, transferred to stated capital or used to reduce a deficit, but is not available for dividend payment. On condition that the aggregate amount of additional paid-in capital remains equal to or exceeds 25 per cent of the amount of stated capital, it is available for distribution by the resolution of

the shareholders' meeting within a certain limit. The amount of the additional paid-in capital of the Company included in "Additional paid-in capital" and "Retained earnings" of the accompanying consolidated balance sheets as at 31st March, 2006, was ¥58,816 million (US\$500,690 thousand).

10. REVALUATION OF LAND FOR BUSINESS

At 31st March, 2002, land owned by Nippon COMSYS was revalued under the Land Revaluation Law and related regulations. Net unrealized gains and losses resulting from the revaluation were debited directly to shareholders' equity as a negative revaluation surplus after adding the related deferred tax liabilities as mentioned below. The negative revaluation surplus will be credited as a gain or loss when a

part of the land is sold.

The book value before and after revaluation and unrealized gains and losses resulting from the revaluation at 31st March, 2002 and the respective remaining balances as at 31st March, 2005 and 31st March, 2006, in the aggregate, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Book value:			
Before revaluation	¥ 22,995	¥ 21,592	\$ 183,808
After revaluation	16,847	16,061	136,724
Unrealized—			
Gains	5,915	5,915	50,353
Losses	(12,063)	(11,446)	(97,437)
Net loss	¥ (6,148)	¥ (5,531)	\$ (47,084)

The fair value for the revalued land mentioned above as of 31st March, 2006 has been reduced by ¥1,752 million (US\$14,914 thousand) in the aggregate, but the book value has not been restated, as allowed by the GAAP of Japan.

Deferred tax assets and liabilities relating to revaluation of land of the Company as of 31st March, 2006 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2006		2006
Deferred tax assets:			
Relating to unrealized losses	¥ 4,578		\$ 38,972
Less: Valuation allowance	(4,578)		(38,972)
		—	—
Deferred tax assets:			
Relating to unrealized gains		2,366	20,141
Net: Deferred tax liabilities	¥ 2,366		\$ 20,141

11. OTHER INCOME AND EXPENSES

"Other, net" in "Other Income (Expenses)" for the years ended 31st March, 2005 and 2006 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2005	2006	2006
Gain on transfer of substitutional portion of contributory pension plan	¥ 1,628	¥ 1,838	\$ 15,647
Amortization of consolidation adjustments arising from business combination	(1,148)	(1,060)	(9,024)
Amortization of other consolidation adjustments	(611)	(1,073)	(9,134)
Write-down of investments in securities	(125)	(579)	(4,929)
Allowance for doubtful receivables	75	169	1,439
Special payments on employees' retirement	438	48	408
Foreign exchange losses	—	230	1,958
Amortization of business start-up expenditures	73	215	1,830
Gain on sales of fixed assets	(481)	(8)	(68)
Loss on impairment of fixed assets	(423)	—	—
Special reserves for business restructuring	(189)	—	—
Other	(226)	174	1,481
	¥ (989)	¥ (46)	\$ (392)

12. SUBSEQUENT EVENT

On 29th June, 2006, the shareholders of the Company approved the following appropriations of retained earnings:

	Millions of yen		Thousands of U.S. dollars
Cash dividends		¥ 1,138	\$ 9,688

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

COMSYS Holdings Corporation and Consolidated Subsidiaries

O-Yu Kyodo Office

CERTIFIED PUBLIC ACCOUNTANTS

公認会計士桜友共同事務所

To the Board of Directors,
COMSYS Holdings Corporation

We have audited the accompanying consolidated balance sheets of COMSYS Holdings Corporation (the "Company") and its consolidated subsidiaries as of 31st March, 2005 and 2006, and the related consolidated statements of income, shareholders' equity and cash flows for each of the two years ended 31st March, 2005 and 2006, all expressed in Japanese yen. Preparing these financial statements is the responsibility of the Company's management. Our responsibility is limited to express an independent opinion on these financial statements based on our audits.

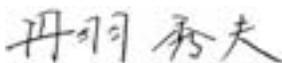
We conducted our audits in accordance with auditing standards, procedures and practices generally accepted and applied in Japan, which require that we plan and perform the audits to obtain reasonable assurance that the financial statements are free of material misstatement. Our audits include examining evidence supporting the amounts and disclosures of the financial statements on a test basis, and also include assessing the accounting policies and significant estimates adopted and applied by the Company's management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of COMSYS Holdings Corporation and its consolidated subsidiaries as of 31st March, 2005 and 2006, and the consolidated results of their operations and cash flows for each of the two years ended 31st March, 2005 and 2006, in conformity with accounting principles and practices generally accepted in Japan as described in Note 1 to the consolidated financial statements.

Without qualifying our opinion, we draw attention to the following:

As described in Note 5 to the consolidated financial statements, Nippon COMSYS changed its accounting policy for unrecognized prior service costs from a method of amortizing at the incurrence to a method of amortizing over the average remaining years of service of employees at the incurrence (15 years) by the straight-line method.

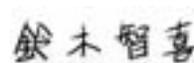
The U.S. dollar amounts, presented solely for the convenience of the readers, have been translated on the basis as described in Note 1 to the consolidated financial statements.



Hideo Niwa



Takashi Saitou



Tomoyoshi Suzuki

Certified Public Accountants of Japan

Tokyo, Japan
29th June, 2006

ファクトシート

FACT SHEET

目次

CONTENTS

連結財務ハイライト	
Consolidated Financial Highlights	52
コムシスホールディングスの連結財務データ	
COMSYS Holdings Consolidated Financial Information	54
日本コムシスグループ（連結財務データファイル）	
Nippon COMSYS Group Consolidated Financial Data	55
サンコムグループ*（連結財務データファイル）	
SANCOM Group* Consolidated Financial Data	63
TOSYSグループ（連結財務データファイル）	
TOSYS Group Consolidated Financial Data	71
ご参考	
Reference Data	
NTT 工事部門	
NTT Construction	79
業界他社比較（連結ベース）	
Comparison of Three Major Telecommunications Construction Companies in Japan (Consolidated Basis)	80

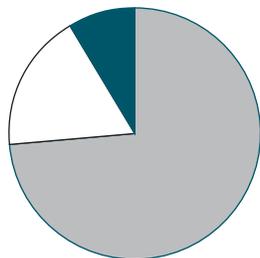
*株式会社三和エレクトリックは、2005年4月1日にサンワコムシスエンジニアリングに
商号変更している。

*On 1st April, 2005, SANWA ELEC Co., was renamed SANWA COMSYS
Engineering Corporation.

連結財務ハイライト

CONSOLIDATED FINANCIAL HIGHLIGHTS

グループ別売上構成 (実績) Composition of Sales (Actual)

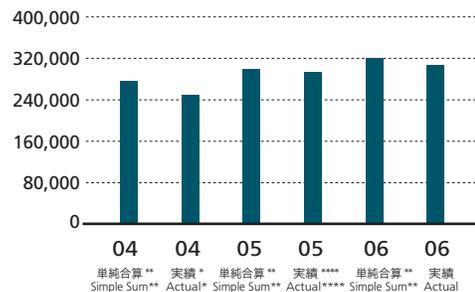


2006年3月期 Year Ended 31st March, 2006

- 日本コムシスグループ Nippon COMSYS Group
- サンコムグループ SANCOM Group
- TOSYSグループ TOSYS Group

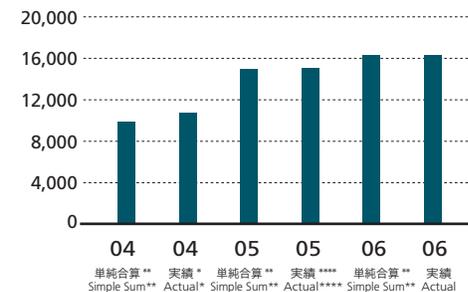
売上高 Net Sales

(百万円 Millions of yen)



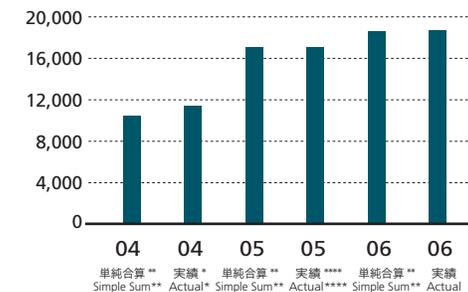
営業利益 Operating Income

(百万円 Millions of yen)



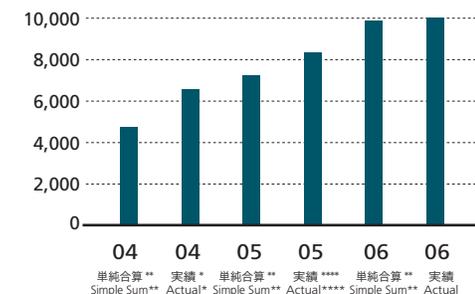
経常利益 Recurring Profit

(百万円 Millions of yen)



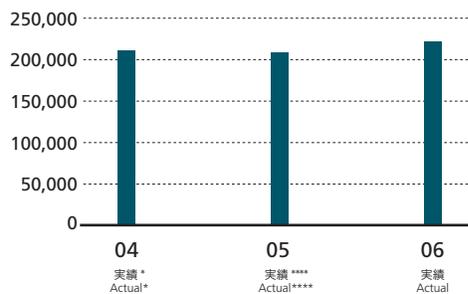
当期純利益 Net Income

(百万円 Millions of yen)



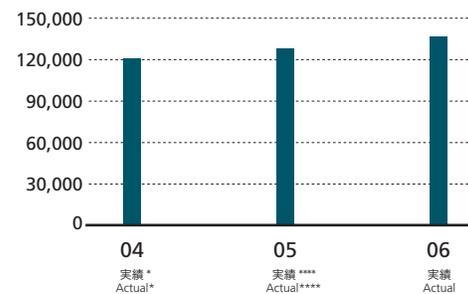
総資産 Total Assets

(百万円 Millions of yen)



自己資本 Shareholders' Equity

(百万円 Millions of yen)



* 当社の2004年3月期の連結業績は、日本コムシスの2003年4月1日から2004年3月31日までの1年間の連結業績と、サンワコムシスエンジニアリング及び東日本システム建設の両社(2003年10月1日がみなし取得日である)における2003年10月1日から2004年3月31日まで半年間の連結業績を対象期間としています。
 ** 上記数値は日本コムシス、サンワコムシスエンジニアリング、東日本システム建設の連結計数を単純合算して表示しています。
 *** サンワコムシスエンジニアリング株式会社は2004年3月期及び2005年3月期の連結ベースの受注高について開示していません。
 **** 当社の2005年3月期の連結業績の数値につきましては、日本コムシス(株)の連結子会社の決算変更(2004年12月期を2005年3月期)により、会計期間が15ヶ月となっております。

* The Company's consolidated results for the fiscal year ended March 2004 include the consolidated results of Nippon COMSYS for the fiscal year from 1st April, 2003 to 31st March, 2004 and the consolidated results of both SANCOM and TOSYS for the half-year period from 1st October, 2003 to 31st March, 2004 (1st October, 2003 being the deemed date of acquisition).
 ** The above figures represent the simple sum of the consolidated figures of Nippon COMSYS, SANCOM, and TOSYS.
 *** SANWA COMSYS Engineering Corporation does not disclose New Orders Received on a consolidated basis for the two years ended March 2004 and March 2005.
 **** Consolidated results for fiscal 2005 include 15 months of operating results at a Nippon COMSYS Corporation consolidated subsidiary due to a change in fiscal year-end (from 31st December to 31st March).

日本コムシス株式会社 Nippon COMSYS Corporation

(百万円 Millions of yen)		2004/3	2005/3	2006/3
受注高	New Orders Received during the Year	202,560	226,225	238,046
売上高	Net Sales	206,517	227,548	236,177
営業利益	Operating Income	7,983	13,535	14,423
経常利益	Recurring Profit	8,863	15,631	16,694
当期純利益	Net Income	4,585	9,299	9,053
総資産	Total Assets	177,140	184,145	194,934
自己資本	Shareholders' Equity	116,624	124,240	131,520

サンワコムシスエンジニアリング株式会社 SANWA COMSYS Engineering Corporation

(百万円 Millions of yen)		2004/3	2005/3	2006/3
受注高***	New Orders Received during the Year***	—	—	56,638
売上高	Net Sales	44,318	44,220	57,029
営業利益	Operating Income	942	497	1,317
経常利益	Recurring Profit	631	423	1,331
当期純利益 (純損失)	Net Income (Loss)	(166)	(2,583)	598
総資産	Total Assets	28,267	24,441	31,634
自己資本	Shareholders' Equity	3,350	5,197	5,612

東日本システム建設株式会社 TOSYS Corporation

(百万円 Millions of yen)		2004/3	2005/3	2006/3
受注高	New Orders Received during the Year	25,834	28,373	29,128
売上高	Net Sales	25,380	27,874	28,347
営業利益	Operating Income	947	970	554
経常利益	Recurring Profit	977	1,085	635
当期純利益	Net Income	360	517	226
総資産	Total Assets	15,091	16,772	15,483
自己資本	Shareholders' Equity	7,363	7,769	7,904

コムシスホールディングスの連結財務データ

COMSYS Holdings CONSOLIDATED FINANCIAL INFORMATION

		実績 (注1) Actual (Note 1)		
		2004/3	2005/3	2006/3
経営成績 (百万円)	Operating Results (Millions of yen)			
受注高	New Orders Received during the Year	235,747	287,376	310,005
売上高	Net Sales	248,961	293,681	307,485
期末手持高	Contract Backlog at End of Fiscal Year	76,660	70,354	72,874
売上総利益	Gross Profits	28,924	35,889	36,883
営業利益	Operating Income	10,786	15,062	16,319
経常利益	Recurring Profit	11,401	17,145	18,754
税金等調整前当期純利益	Income before Income Taxes and Other Adjustments to Net Income	11,255	14,170	16,423
当期純利益	Net Income	6,592	8,349	10,031
財政状態 (百万円)	Financial Position (Millions of yen)			
総資産	Total Assets	211,718	208,681	220,786
自己資本	Shareholders' Equity	121,326	128,063	137,161
運転資本	Modified Working Capital	58,205	65,609	67,995
有利子負債残高	Interest-Bearing Debt	11,484	4,692	3,608
収益性の指標 (%)	Profitability (%)			
総利益率	Gross Profit Margin	11.62	12.22	11.99
売上高営業利益率	Operating Margin	4.33	5.13	5.31
売上高経常利益率	Recurring Profit Margin	4.58	5.84	6.10
売上高税引前当期純利益率	Pre-Tax Profit Margin	4.52	4.83	5.34
売上高当期純利益率	Net Profit Margin	2.65	2.84	3.26
自己資本当期純利益率	Return on Equity (ROE)	5.73	6.70	7.56
総資産当期純利益率	Return on Total Assets (ROA)	4.10	3.97	4.67
安全性の指標 (%)	Stability (% , except where noted)			
自己資本比率	Equity Ratio	57.31	61.37	62.12
流動比率	Current Ratio	195.95	214.93	210.76
当座比率	Quick Ratio	187.75	206.04	198.72
固定比率	Fixed Assets-to-Equity Capital Ratio	57.22	52.01	50.62
固定長期適合率	Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities	48.51	45.71	45.87
負債・自己資本比率	Debt/Equity Ratio	0.09	0.04	0.03
インタレスト・カバレッジ (倍)	Interest Coverage (times)	73.58	91.00	175.59
投資指標 (円)	Per Share Data (Yen, except where noted)			
一株当たり当期純利益	Primary Earnings per Share (EPS) (not diluted)	45.96	58.42	69.65
一株当たり自己資本	Book Value per Share (BPS)	859.24	906.92	964.70
一株当たり配当金	Cash Dividends per Share	7.00	15.00	15.00
配当性向 (%)	Payout Ratio (%)	15.23	25.68	21.54
発行済株式数 (千株)	Common Stock Issued (thousand shares)	145,977	145,997	145,997
従業員一人当たり指標 (千円)	Per Employee Data (Thousands of yen, except where noted)			
従業員一人当たり売上高	Net Sales per Employee	35,109	43,534	43,424
従業員一人当たり営業利益	Operating Income per Employee	1,521	2,233	2,305
従業員一人当たり経常利益	Recurring Profit per Employee	1,607	2,541	2,648
従業員一人当たり 税引前当期純利益	Pre-Tax Profit per Employee	1,587	2,101	2,319
従業員一人当たり当期純利益	Net Income per Employee	929	1,238	1,417
期末従業員数 (名)	Number of Employees at Fiscal Year-End (persons)	7,091	6,746	7,081
その他指標 (百万円)	Other Data (Millions of yen, except where noted)			
設備投資額	Capital Expenditure	2,950	3,260	4,823
研究開発費	Research and Development Expenditure	385	326	242
外国人持株比率 (%)	Percentage of Stock Held by Foreigners (%)	16.92	26.85	28.97

注 (1) 当社の2004年3月期の連結業績は、日本コムシスの2003年4月1日から2004年3月31日までの1年間の連結業績と、サンワコムシスエンジニアリング及び東日本システム建設の両社 (2003年10月1日がみなし取得日である) における2003年10月1日から2004年3月31日まで半年間の連結業績を対象期間としています。

Note: 1. The Company's consolidated results for the fiscal year ended March 2004 include the consolidated results of Nippon COMSYS for the fiscal year from 1st April 1, 2003 to 31st March, 2004 and the consolidated results of both SANCOM and TOSYS for the half-year period from 1st October, 2003 to 31st March, 2004 (1st October, 2003 being the deemed date of acquisition).

日本コムシスグループ (連結財務データファイル)

Nippon COMSYS Group CONSOLIDATED FINANCIAL DATA

当社の2005年3月期の連結業績の数値につきましては、日本コムシス(株)の連結子会社の決算変更(2004年12月期を2005年3月期)により、会計期間が15ヶ月となっております。

Consolidated results for fiscal 2005 include 15 months of operating results at a Nippon COMSYS Corporation consolidated subsidiary due to a change in fiscal year-end (from 31st December to 31st March).

経営成績 (連結ベース)

OPERATING RESULTS (CONSOLIDATED BASIS)

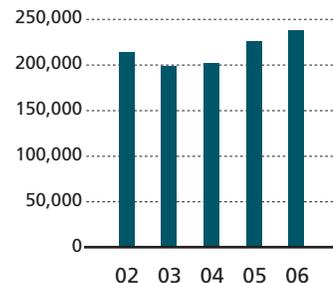
経営成績 (連結ベース) Operating Results (Consolidated Basis)

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
受注高	New Orders Received during the Year	213,986	199,495	202,560	226,225	238,046
売上高	Net Sales	231,351	200,610	206,517	227,548	236,177
売上総利益	Gross Profits	27,262	21,991	23,737	29,086	29,216
営業利益	Operating Income	10,500	6,490	7,983	13,535	14,423
経常利益	Recurring Profit	11,555	6,760	8,863	15,631	16,694
税金等調整前当期純利益	Income before Income Taxes and Other Adjustments to Net Income	8,913	5,579	8,312	14,415	14,558
当期純利益	Net Income	4,107	2,468	4,585	9,299	9,053

受注高

New Orders Received during the Year

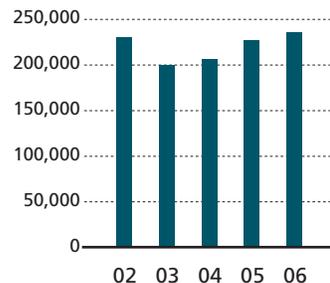
(百万円 Millions of yen)



売上高

Net Sales

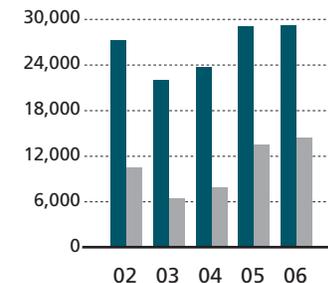
(百万円 Millions of yen)



売上総利益/営業利益

Gross Profits / Operating Income

(百万円 Millions of yen)



経営利益

Recurring Profit

(百万円 Millions of yen)

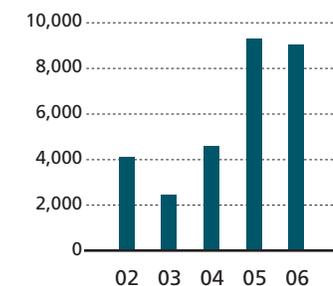


■ 売上総利益 Gross Profits
■ 営業利益 Operating Income

当期純利益

Net Income

(百万円 Millions of yen)



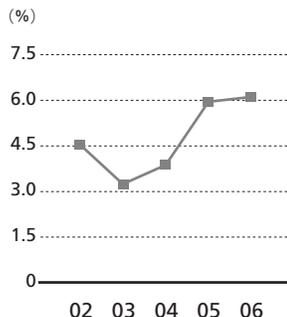
収益性の指標 (連結ベース)

PROFITABILITY (CONSOLIDATED BASIS)

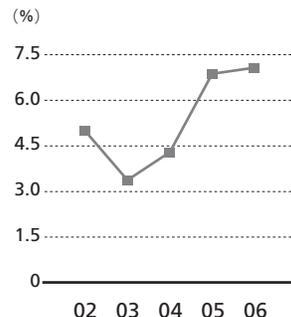
収益性の指標 (連結ベース) Profitability (Consolidated Basis)

(%)		2002/3	2003/3	2004/3	2005/3	2006/3
売上高営業利益率	Operating Margin	4.54	3.24	3.87	5.95	6.11
売上高経常利益率	Recurring Profit Margin	4.99	3.37	4.29	6.87	7.07
売上高税引前利益率	Pre-Tax Profit Margin	3.85	2.78	4.02	6.34	6.16
売上高当期純利益率	Net Profit Margin	1.78	1.23	2.22	4.09	3.83
自己資本当期純利益率	Return on Equity (ROE)	3.57	2.21	4.01	7.72	7.08
総資産当期純利益率	Return on Total Assets (ROA)	2.17	1.38	2.67	5.15	4.78

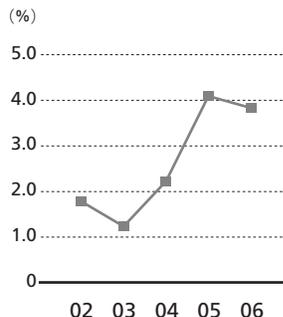
売上高営業利益率 Operating Margin



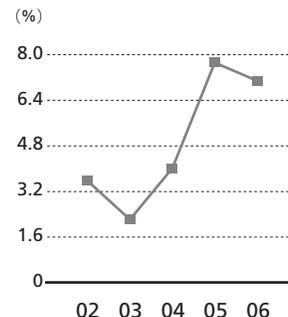
売上高経常利益率 Recurring Profit Margin



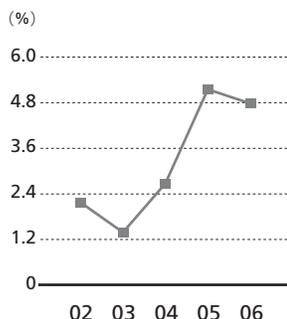
売上高当期純利益率 Net Profit Margin



自己資本当期純利益率 Return on Equity (ROE)



総資産当期純利益率 Return on Total Assets (ROA)



$$\text{自己資本当期純利益率 [ROE]} = \frac{\text{当期純利益}}{\text{自己資本 (2期末平均)}} \times 100$$

$$\text{Return on Equity (ROE)} = \frac{\text{Net Income}}{\text{Shareholders' Equity (Average of two year-ends)}} \times 100$$

$$\text{総資産当期純利益率 [ROA]} = \frac{\text{当期純利益}}{\text{総資産 (2期末平均)}} \times 100$$

$$\text{Return on Total Assets (ROA)} = \frac{\text{Net Income}}{\text{Total Assets (Average of two year-ends)}} \times 100$$

成長性／効率性の指標（連結ベース）

EFFICIENCY (CONSOLIDATED BASIS)

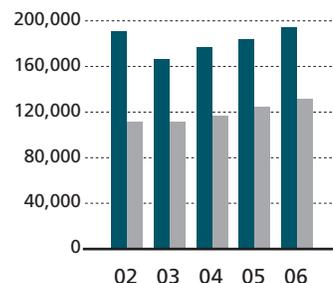
成長性／効率性の指標（連結ベース） Efficiency (Consolidated Basis)

(百万円 Millions of yen, except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
総資産	Total Assets	190,576	166,528	177,140	184,145	194,934
自己資本	Shareholders' Equity	111,919	111,724	116,624	124,240	131,520
運転資本	Modified Working Capital	55,886	54,673	60,777	70,819	73,874
総資産回転率（回）	Turnover of Total Assets (times)	1.22	1.12	1.20	1.26	1.25
有形固定資産回転率（回）	Turnover of Property and Equipment (times)	5.95	5.09	5.29	6.14	6.50

総資産／自己資本

Total Assets / Shareholders' Equity

(百万円 Millions of yen)

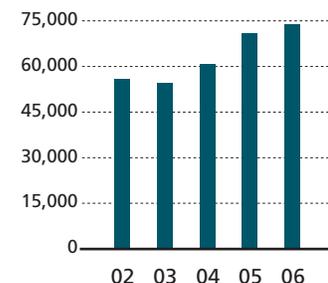


■ 総資産 Total Assets
■ 自己資本 Shareholders E equity

運転資本

Modified Working Capital

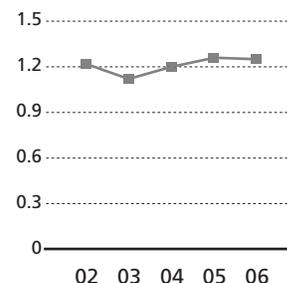
(百万円 Millions of yen)



総資産回転率

Turnover of Total Assets

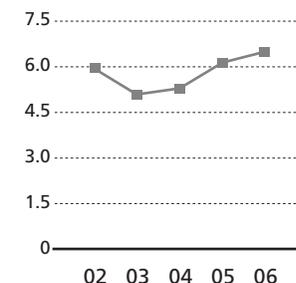
(回 Times)



有形固定資産回転率

Turnover of Property and Equipment

(回 Times)



運転資本 = (流動資産 - 未成工事支出金) - (流動負債 - 未成工事受入金)

Modified Working Capital = (Current Assets - Accumulated Cost of Construction in Progress) - (Current Liabilities - Advances Received on Construction in Progress)

総資産回転率 = $\frac{\text{売上高}}{\text{総資産 (2期末平均)}}$

Turnover of Total Assets = $\frac{\text{Net Sales}}{\text{Total Assets (Average of two year-ends)}}$

有形固定資産回転率 = $\frac{\text{売上高}}{\text{有形固定資産 (2期末平均)}}$

Turnover of Property and Equipment = $\frac{\text{Net Sales}}{\text{Property and Equipment (Average of two year-ends)}}$

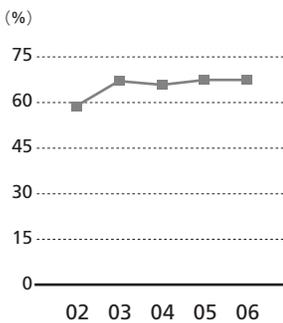
安全性の指標 (連結ベース)

STABILITY (CONSOLIDATED BASIS)

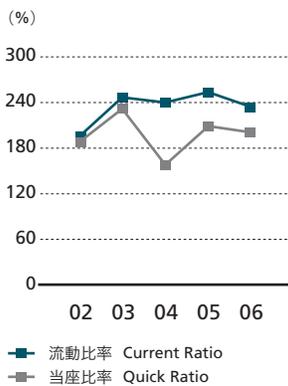
安全性の指標 (連結ベース) Stability (Consolidated Basis)

(% except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
自己資本比率	Equity Ratio	58.73	67.09	65.84	67.47	67.47
流動比率	Current Ratio	195.07	246.67	239.88	253.55	235.06
当座比率	Quick Ratio	187.56	231.76	157.92	208.93	200.59
固定比率	Fixed Assets-to-Equity Capital Ratio	53.80	52.34	46.85	42.21	42.30
固定長期適合率	Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities	49.93	48.47	42.53	39.08	39.71
負債・自己資本比率 (倍)	Debt/Equity Ratio (times)	0.11	0.00	0.03	0.02	0.03
有利子負債残高 (百万円)	Interest-Bearing Debt (millions of yen)	12,769	145	3,133	3,092	4,577
インタレスト・カバレッジ (倍)	Interest Coverage (times)	199.78	196.94	2,043.25	1,619.70	1,232.33

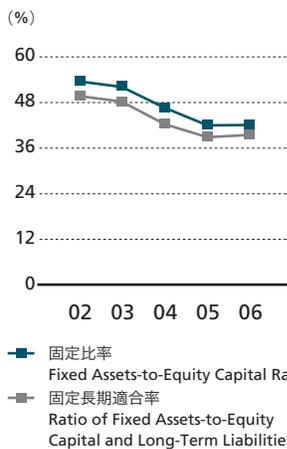
自己資本比率 Equity Ratio



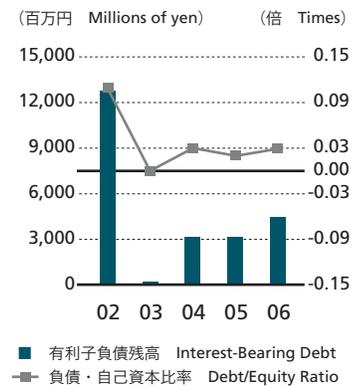
流動比率／当座比率 Current Ratio / Quick Ratio



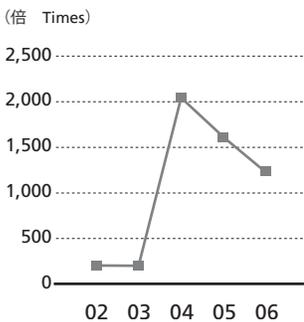
固定比率／固定長期適合率 Fixed Assets-to-Equity Capital Ratio / Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities



有利子負債残高／ 負債・自己資本比率 Interest-Bearing Debt / Debt/Equity Ratio



インタレスト・カバレッジ Interest Coverage



$$\text{流動比率} = \frac{\text{流動資産} - \text{未成工事支出金}}{\text{流動負債} - \text{未成工事受入金}} \times 100$$

$$\text{当座比率} = \frac{\text{現金、預金、有価証券、完成工事未収入金等}}{\text{流動負債} - \text{未成工事受入金}} \times 100$$

$$\text{固定比率} = \frac{\text{固定資産}}{\text{自己資本}} \times 100$$

$$\text{固定長期適合率} = \frac{\text{固定資産}}{\text{自己資本} + \text{固定負債}} \times 100$$

$$\text{負債・自己資本比率} = \frac{\text{有利子負債}}{\text{自己資本}}$$

$$\text{インタレスト・カバレッジ} = \frac{\text{営業利益} + \text{受取利息および配当金}}{\text{支払利息}}$$

$$\text{Current Ratio} = \frac{\text{Current Assets} - \text{Accumulated Cost of Construction in Progress}}{\text{Current Liabilities} - \text{Advances Received on Construction in Progress}} \times 100$$

$$\text{Quick Ratio} = \frac{\text{Cash, Time Deposits, Marketable Securities and Trade Accounts Receivable}}{\text{Current Liabilities} - \text{Advances Received on Construction in Progress}} \times 100$$

$$\text{Fixed Assets-to-Equity Capital Ratio} = \frac{\text{Property, Equipment, Investments and Other Assets}}{\text{Shareholders' Equity}} \times 100$$

$$\text{Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities} = \frac{\text{Property, Equipment, Investments and Other Assets}}{\text{Shareholders' Equity} + \text{Long-Term Liabilities}} \times 100$$

$$\text{Debt/Equity Ratio} = \frac{\text{Interest-Bearing Debt}}{\text{Shareholders' Equity}}$$

$$\text{Interest Coverage} = \frac{\text{Operating Income} + \text{Interest and Dividend Income}}{\text{Interest Expenses}}$$

連結貸借対照表 (5年間)

CONSOLIDATED BALANCE SHEETS (5 YEARS)

		(百万円 Millions of yen)				
資産の部	ASSETS	2002/3	2003/3	2004/3	2005/3	2006/3
流動資産：	Current Assets:					
現金預金*	Cash and cash equivalents	43,036	25,411	2,540	33,223	30,265
有価証券	Short-term investments	1,132	297	4,076	151	522
受取手形・完成工事未収入金・売掛金	Notes and accounts receivable—trade	64,888	58,899	62,001	62,985	66,023
棚卸資産：	Inventories:					
未成工事支出金	Accumulated cost of construction in progress	16,328	16,845	18,273	14,768	17,159
その他棚卸資産	Other	611	1,159	—	—	—
繰延税金資産	Deferred income taxes	1,542	830	1,665	2,445	2,211
関係会社預け金	Short-term loans to subsidiaries	—	—	32,017	16,768	19,840
その他流動資産	Other current assets	2,948	4,733	2,124	1,578	3,462
貸倒引当金	Less: Allowance for doubtful receivables	(127)	(121)	(197)	(211)	(186)
流動資産合計	Total current assets	130,358	108,053	122,499	131,707	139,296
投資及びその他の資産：	Investments and Other Assets:					
投資有価証券：	Investment securities:					
関係会社株式	Unconsolidated subsidiaries and affiliates	630	450	549	626	997
その他	Other	4,806	4,904	3,930	4,236	5,396
長期貸付金	Long-term loans receivable	3,716	3,413	2,891	2,704	3,255
繰延税金資産	Deferred income taxes	4,636	3,349	2,776	2,867	2,308
その他資産	Other assets	8,599	8,330	8,166	8,216	9,230
貸倒引当金	Less: Allowance for doubtful receivables	(1,347)	(1,655)	(1,994)	(1,998)	(2,482)
投資及びその他資産合計	Total investments and other assets	21,040	18,791	16,318	16,651	18,704
有形固定資産：	Property and Equipment:					
土地	Land	18,629	19,884	19,884	19,077	19,965
建物・構築物	Buildings and structures	23,713	23,857	23,883	22,639	22,593
機械装置・運搬具及び工具器具備品	Machinery and equipment	14,867	14,995	15,255	14,854	15,832
建設仮勘定	Construction in progress	0	—	—	4	3
減価償却累計額	Less: Accumulated depreciation	(18,031)	(19,052)	(20,699)	(20,787)	(21,459)
有形固定資産合計	Total property and equipment	39,178	39,684	38,323	35,787	36,934
資産合計	Total assets	190,576	166,528	177,140	184,145	194,934

* 現金預金は現金及び現金同等物の金額に組み替えています。

		(百万円 Millions of yen)				
負債・資本の部	LIABILITIES AND SHAREHOLDERS' EQUITY	2002/3	2003/3	2004/3	2005/3	2006/3
流動負債：	Current Liabilities:					
短期借入金	Short-term bank loans	3,457	145	422	85	47
一年以内償還予定の転換社債	Current portion of convertible bonds	9,312	—	—	—	—
関係会社預り金	Deposits received from subsidiaries	—	—	2,711	2,737	4,417
工事未払金・買掛金	Accounts payable—trade	36,607	31,344	32,397	34,606	37,416
未成工事受入金	Advances received on construction in progress	4,327	3,945	4,212	3,231	5,787
未払法人税等	Income taxes payable	3,538	277	3,903	3,567	1,454
その他流動負債	Other current liabilities	5,230	4,769	4,016	5,125	4,929
流動負債合計	Total current liabilities	62,471	40,480	47,661	49,351	54,050
固定負債：	Long-Term Liabilities:					
長期借入金	Long-term debt	—	—	—	270	113
退職給付引当金／退職給与引当金	Accrued severance indemnities	3,640	2,194	1,249	1,092	1,247
繰延税金負債	Deferred tax liabilities	—	—	—	587	894
債務保証等損失引当金	Allowance for losses arising from guarantees of loans	1,680	—	—	—	—
再評価に係る繰延税金負債	Deferred tax liabilities for unrealized gains on land revaluation	2,484	2,366	2,366	2,366	2,366
連結調整勘定	Consolidation adjustments account	—	2,821	6,974	5,585	3,962
その他固定負債	Other long-term liabilities	888	1,536	1,273	25	6
固定負債合計	Total long-term liabilities	8,692	8,917	11,862	9,925	8,588
少数株主持分	Minority Interests	7,494	5,407	993	629	776
自己資本：	Shareholders' Equity:					
資本金	Common stock	31,141	31,141	31,141	31,141	31,141
資本剰余金	Additional paid-in capital	30,736	30,736	30,736	30,736	30,736
利益剰余金	Retained earnings	60,725	61,158	63,005	69,977	76,693
土地再評価差額金	Unrealized loss on land revaluation	(8,633)	(8,514)	(8,514)	(7,923)	(7,897)
その他有価証券評価差額金	Unrealized gain (loss) on securities	(173)	(206)	256	309	847
自己株式	Treasury stock, at cost	113,796	114,315	116,624	124,240	131,520
		(1,877)	(2,591)	—	—	—
自己資本合計	Total shareholders' equity	111,919	111,724	116,624	124,240	131,520
負債、少数株主持分及び資本合計	Total liabilities and shareholders' equity	190,576	166,528	177,140	184,145	194,934

連結損益計算書 (5年間)

CONSOLIDATED STATEMENTS OF INCOME (5 YEARS)

		(百万円 Millions of yen)				
		2002/3	2003/3	2004/3	2005/3	2006/3
売上高：	Net Sales:					
完成工事高*	Construction contracts*	216,575	186,547	192,939	211,422	219,675
その他*	Other*	14,776	14,063	13,578	16,126	16,502
		231,351	200,610	206,517	227,548	236,177
売上原価：	Cost of Sales:					
完成工事原価*	Construction contracts*	190,924	167,034	170,403	183,470	191,279
その他*	Other*	13,165	11,585	12,377	14,992	15,682
		204,089	178,619	182,780	198,462	206,961
売上総利益	Gross profits	27,262	21,991	23,737	29,086	29,216
販売費及び一般管理費	Selling, General and Administrative Expenses	16,762	15,501	15,754	15,551	14,793
営業利益	Operating income	10,500	6,490	7,983	13,535	14,423
営業外収益（費用）：	Other Income (Expenses):					
受取利息配当金	Interest and dividend income	289	207	191	302	210
支払利息	Interest expenses	(54)	(34)	(4)	(9)	(12)
その他	Other, net	(1,822)	(1,084)	142	587	(63)
		(1,587)	(911)	329	880	135
税金等調整前当期純利益	Income before income taxes and other adjustments to net income	8,913	5,579	8,312	14,415	14,558
法人税等：	Income Taxes:					
法人税、住民税及び事業税	Current	5,521	756	4,234	6,156	4,747
法人税等調整額	Deferred	(1,293)	1,972	(718)	(802)	693
		4,228	2,728	3,516	5,354	5,440
少数株主利益	Minority Interests in Subsidiary	578	383	211	(238)	65
当期純利益	Net Income	4,107	2,468	4,585	9,299	9,053

* 2002年3月期の金額は、2003年3月期から変更されたセグメントの方法に合わせて修正されています。

* The figures of FY March 2002 were restated, so as to conform with the method of segmentation which was changed and applied from FY March 2003.

部門別受注高／売上高／売上構成（単独ベース）

PERFORMANCE BY BUSINESS CATEGORY (NON-CONSOLIDATED BASIS)

部門別受注高 Orders Received by Business Category

(百万円 Millions of yen)				2004/3	2005/3	2006/3
NTT情報通信エンジニアリング事業	NTT Information Telecommunication Engineering	アクセス	Access	47,431	52,607	68,064
		ネットワーク	Network	21,294	24,618	23,938
		モバイル	Mobile	55,516	61,698	73,391
		小計	Subtotal	124,241	138,923	165,393
電気通信エンジニアリング事業	Electrical Communications Engineering	エンジニアリング	Engineering	25,451	30,228	16,368
		モバイル	Mobile	1,823	4,752	521
		電気設備	Electrical Facilities	2,101	2,832	1,986
		小計	Subtotal	29,375	37,812	18,875
ITソリューション事業	IT Solutions	NI系ソリューション	NI-related Solutions	5,303	4,887	10,646
		SI系ソリューション	SI-related Solutions	9,098	10,483	11,290
		保守	Maintenance	5,452	6,795	5,837
		小計	Subtotal	19,853	22,165	27,773
社会システム関連事業等	Social System-Related and Other		14,791	11,658	8,214	
合計	Total		188,260	210,558	220,255	

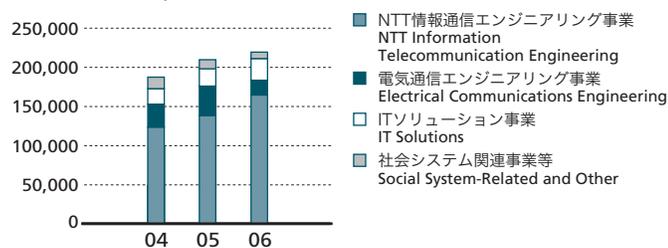
部門別売上高 Net Sales by Business Category

(百万円 Millions of yen)				2004/3	2005/3	2006/3
NTT情報通信エンジニアリング事業	NTT Information Telecommunication Engineering	アクセス	Access	47,341	52,941	65,669
		ネットワーク	Network	20,988	23,694	24,934
		モバイル	Mobile	52,499	59,332	70,956
		小計	Subtotal	120,828	135,967	161,559
電気通信エンジニアリング事業	Electrical Communications Engineering	エンジニアリング	Engineering	27,265	31,508	18,900
		モバイル	Mobile	2,748	5,425	634
		電気設備	Electrical Facilities	3,195	2,139	1,908
		小計	Subtotal	33,208	39,072	21,442
ITソリューション事業	IT Solutions	NI系ソリューション	NI-related Solutions	5,638	4,862	8,591
		SI系ソリューション	SI-related Solutions	9,068	10,568	11,022
		保守	Maintenance	6,574	6,148	5,902
		小計	Subtotal	21,280	21,578	25,515
社会システム関連事業等	Social System-Related and Other		18,604	13,317	9,264	
合計	Total		193,920	209,934	217,780	

部門別受注高

Orders Received by Business Category

(百万円 Millions of yen)



事業部門別受注高構成

Composition of Orders Received by Business Category

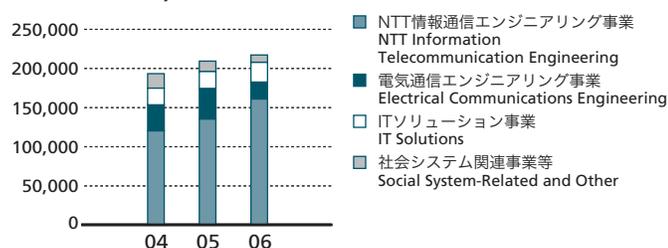
2006年3月期 Year Ended 31st March, 2006



部門別売上高

Net Sales by Business Category

(百万円 Millions of yen)



事業部門別売上高構成

Composition of Sales by Business Category

2006年3月期 Year Ended 31st March, 2006



**サンコムグループ
(連結財務データファイル)**

**SANCOM Group
CONSOLIDATED FINANCIAL DATA**

経営成績（連結ベース）

OPERATING RESULTS (CONSOLIDATED BASIS)

経営成績（連結ベース） Operating Results (Consolidated Basis)

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
受注高*	New Orders Received during the Year*	—	—	—	—	56,638
売上高	Net Sales	53,291	49,456	44,318	44,220	57,029
売上総利益	Gross Profits	5,177	4,433	4,045	3,571	4,858
営業利益	Operating Income	1,241	881	942	497	1,317
経常利益	Recurring Profit	814	525	631	423	1,331
税金等調整前当期純利（損失）	Income before Income Taxes and Other Adjustments to Net Income (Loss)	655	397	(326)	(2,743)	1,109
当期純利益（損失）	Net Income (Loss)	232	55	(166)	(2,583)	598

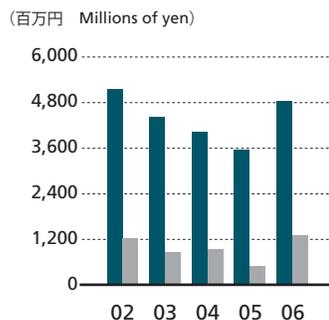
* サンワコムシスエンジニアリング株式会社は2005年3月期以前の連結ベースの受注高について開示していません。

* SANWA COMSYS Engineering Corporation does not disclose New Orders Received on a consolidated basis for the fiscal years prior to the fiscal year ended March 2005.

売上高 Net Sales



売上総利益／営業利益 Gross Profits / Operating Income



■ 売上総利益 Gross Profits
■ 営業利益 Operating Income

経営利益 Recurring Profit



当期純利益（損失） Net Income (Loss)



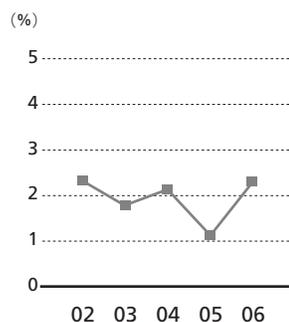
収益性の指標 (連結ベース)

PROFITABILITY (CONSOLIDATED BASIS)

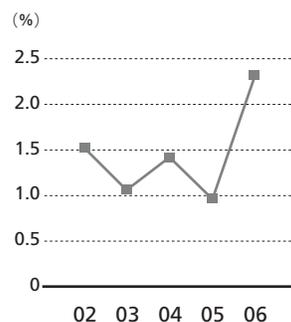
収益性の指標 (連結ベース) Profitability (Consolidated Basis)

(%)		2002/3	2003/3	2004/3	2005/3	2006/3
売上高営業利益率	Operating Margin	2.33	1.78	2.13	1.12	2.31
売上高経常利益率	Recurring Profit Margin	1.53	1.06	1.42	0.96	2.33
売上高税引前利益率	Pre-Tax Profit Margin	1.23	0.80	(0.74)	(6.20)	1.94
売上高当期純利益率	Net Profit Margin	0.44	0.11	(0.37)	(5.84)	1.05
自己資本当期純利益率	Return on Equity (ROE)	6.86	1.66	(5.05)	(60.45)	11.07
総資産当期純利益率	Return on Total Assets (ROA)	0.57	0.16	(0.54)	(9.80)	2.13

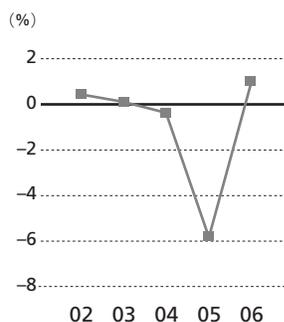
売上高営業利益率 Operating Margin



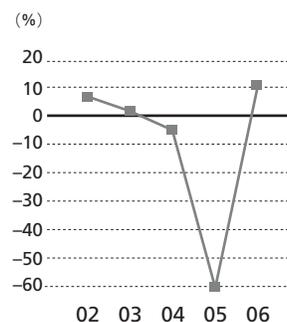
売上高経常利益率 Recurring Profit Margin



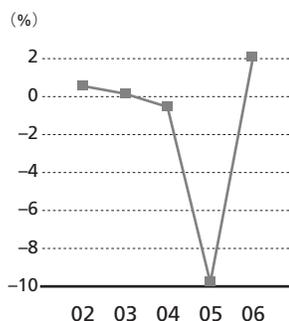
売上高当期純利益率 Net Profit Margin



自己資本当期純利益率 Return on Equity (ROE)



総資産当期純利益率 Return on Total Assets (ROA)



$$\text{自己資本当期純利益率 [ROE]} = \frac{\text{当期純利益}}{\text{自己資本 (2期末平均)}} \times 100$$

$$\text{Return on Equity (ROE)} = \frac{\text{Net Income}}{\text{Shareholders' Equity (Average of two year-ends)}} \times 100$$

$$\text{総資産当期純利益率 [ROA]} = \frac{\text{当期純利益}}{\text{総資産 (2期末平均)}} \times 100$$

$$\text{Return on Total Assets (ROA)} = \frac{\text{Net Income}}{\text{Total Assets (Average of two year-ends)}} \times 100$$

成長性／効率性の指標（連結ベース）

EFFICIENCY (CONSOLIDATED BASIS)

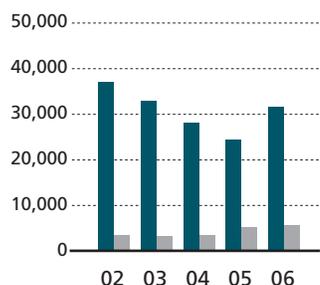
成長性／効率性の指標（連結ベース） Efficiency (Consolidated Basis)

(百万円 Millions of yen, except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
総資産	Total Assets	37,265	32,944	28,267	24,441	31,634
自己資本	Shareholders' Equity	3,397	3,210	3,350	5,196	5,612
運転資本	Modified Working Capital	(821)	(2,014)	(2,381)	663	(1,131)
総資産回転率（回）	Turnover of Total Assets (times)	1.31	1.41	1.45	1.68	2.03
有形固定資産回転率（回）	Turnover of Property and Equipment (times)	6.55	6.21	5.85	6.98	11.61

総資産／自己資本

Total Assets / Shareholders' Equity

(百万円 Millions of yen)

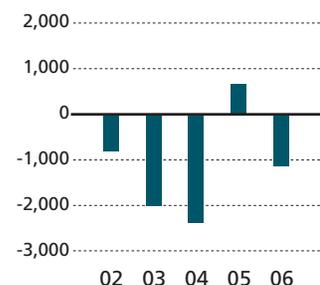


■ 総資産 Total Assets
■ 自己資本 Shareholders' Equity

運転資本

Modified Working Capital

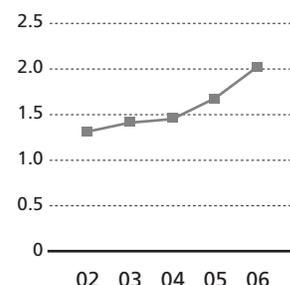
(百万円 Millions of yen)



総資産回転率

Turnover of Total Assets

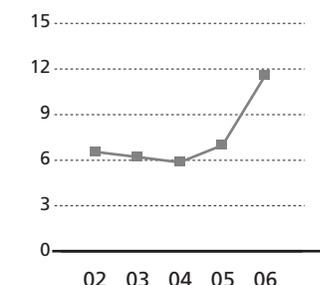
(回 Times)



有形固定資産回転率

Turnover of Property and Equipment

(回 Times)



運転資本 = (流動資産 - 未成工事支出金) - (流動負債 - 未成工事受入金)

Modified Working Capital = (Current Assets - Accumulated Cost of Construction in Progress) - (Current Liabilities - Advances Received on Construction in Progress)

総資産回転率 = $\frac{\text{売上高}}{\text{総資産 (2期末平均)}}$

Turnover of Total Assets = $\frac{\text{Net Sales}}{\text{Total Assets (Average of two year-ends)}}$

有形固定資産回転率 = $\frac{\text{売上高}}{\text{有形固定資産 (2期末平均)}}$

Turnover of Property and Equipment = $\frac{\text{Net Sales}}{\text{Property and Equipment (Average of two year-ends)}}$

安全性の指標 (連結ベース)

STABILITY (CONSOLIDATED BASIS)

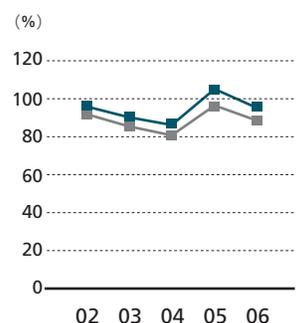
安全性の指標 (連結ベース) Stability (Consolidated Basis)

(% except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
自己資本比率	Equity Ratio	9.12	9.74	11.85	21.26	17.74
流動比率	Current Ratio	96.04	90.27	86.20	105.13	95.08
当座比率	Quick Ratio	91.99	85.48	80.75	96.50	88.41
固定比率	Fixed Assets-to-Equity Capital Ratio	309.72	324.82	285.82	159.13	116.67
固定長期適合率	Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities	80.94	98.59	105.88	80.85	81.20
負債・自己資本比率 (倍)	Debt/Equity Ratio (times)	4.72	4.73	3.37	1.22	1.38
有利子負債残高 (百万円)	Interest-Bearing Debt (millions of yen)	16,049	15,197	11,290	6,343	7,744
インタレスト・カバレッジ (倍)	Interest Coverage (times)	3.10	2.95	3.40	3.35	13.84

自己資本比率 Equity Ratio

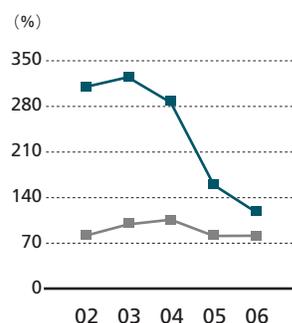


流動比率／当座比率 Current Ratio / Quick Ratio



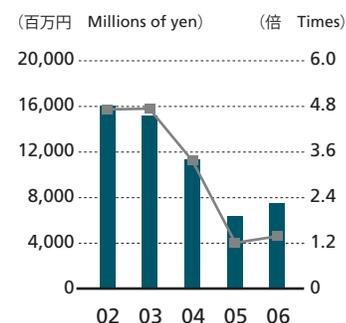
— 流動比率 Current Ratio
- - 当座比率 Quick Ratio

固定比率／固定長期適合率 Fixed Assets-to-Equity Capital Ratio / Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities



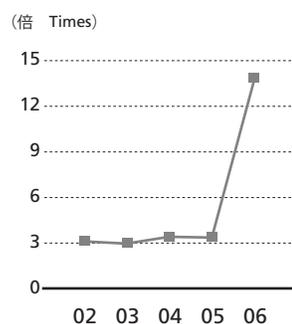
— 固定比率
Fixed Assets-to-Equity Capital Ratio
- - 固定長期適合率
Ratio of Fixed Assets-to-Equity
Capital and Long-Term Liabilities

有利子負債残高／ 負債・自己資本比率 Interest-Bearing Debt / Debt/Equity Ratio



■ 有利子負債残高 Interest-Bearing Debt
- - 負債・自己資本比率 Debt/Equity Ratio

インタレスト・カバレッジ Interest Coverage



$$\text{流動比率} = \frac{\text{流動資産} - \text{未成工事支出金}}{\text{流動負債} - \text{未成工事受入金}} \times 100$$

$$\text{Current Ratio} = \frac{\text{Current Assets} - \text{Accumulated Cost of Construction in Progress}}{\text{Current Liabilities} - \text{Advances Received on Construction in Progress}} \times 100$$

$$\text{当座比率} = \frac{\text{現金、預金、有価証券、完成工事未収入金等}}{\text{流動負債} - \text{未成工事受入金}} \times 100$$

$$\text{Quick Ratio} = \frac{\text{Cash, Time Deposits, Marketable Securities and Trade Accounts Receivable}}{\text{Current Liabilities} - \text{Advances Received on Construction in Progress}} \times 100$$

$$\text{固定比率} = \frac{\text{固定資産}}{\text{自己資本}} \times 100$$

$$\text{Fixed Assets-to-Equity Capital Ratio} = \frac{\text{Property, Equipment, Investments and Other Assets}}{\text{Shareholders' Equity}} \times 100$$

$$\text{固定長期適合率} = \frac{\text{固定資産}}{\text{自己資本} + \text{固定負債}} \times 100$$

$$\text{Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities} = \frac{\text{Property, Equipment, Investments and Other Assets}}{\text{Shareholders' Equity} + \text{Long-Term Liabilities}} \times 100$$

$$\text{負債／自己資本比率} = \frac{\text{有利子負債}}{\text{自己資本}}$$

$$\text{Debt/Equity Ratio} = \frac{\text{Interest-Bearing Debt}}{\text{Shareholders' Equity}}$$

$$\text{インタレスト・カバレッジ} = \frac{\text{営業利益} + \text{受取利息および配当金}}{\text{支払利息}}$$

$$\text{Interest Coverage} = \frac{\text{Operating Income} + \text{Interest and Dividend Income}}{\text{Interest Expenses}}$$

連結貸借対照表 (5年間)

CONSOLIDATED BALANCE SHEETS (5 YEARS)

		(百万円 Millions of yen)				
資産の部	ASSETS	2002/3	2003/3	2004/3	2005/3	2006/3
流動資産：	Current Assets:					
現金預金*	Cash and cash equivalents	4,988	3,823	924	867	4,576
有価証券	Short-term investments	—	—	32	—	—
受取手形・完成工事未収入金・売掛金	Notes and accounts receivable—trade	13,822	13,499	12,808	11,606	15,737
棚卸資産：	Inventories:					
未成工事支出金	Accumulated cost of construction in progress	6,842	3,829	3,821	2,584	3,242
その他棚卸資産	Other	84	196	204	166	130
関連会社短期貸付金	Short-term loans to subsidiaries	173	173	187	183	26
繰延税金資産	Deferred income taxes	140	136	325	355	949
その他流動資産	Other current assets	701	879	444	459	489
貸倒引当金	Less: Allowance for doubtful receivables	(7)	(17)	(54)	(48)	(62)
流動資産合計	Total current assets	26,743	22,518	18,691	16,172	25,087
投資及びその他の資産：	Investments and Other Assets:					
投資有価証券：	Investment securities:					
関係会社株式	Unconsolidated subsidiaries and affiliates	37	20	35	56	35
その他	Other	665	803	607	544	584
長期貸付金	Long-term loans receivable	395	319	274	971	973
繰延税金資産	Deferred income taxes	787	1,093	925	1,277	277
その他資産	Other assets	556	506	564	384	723
貸倒引当金	Less: Allowance for doubtful receivables	(85)	(84)	(212)	(244)	(588)
投資及びその他資産合計	Total investments and other assets	2,355	2,657	2,193	2,988	2,004
有形固定資産：	Property and Equipment:					
土地	Land	4,925	4,687	4,493	3,049	2,634
建物・構築物	Buildings and structures	4,065	3,959	3,706	3,321	3,166
機械装置・運搬具及び工具器具備品	Machinery and equipment	2,138	2,066	1,798	1,149	844
建設仮勘定	Construction in progress	5	—	2	—	—
減価償却累計額	Less: Accumulated depreciation	(2,966)	(2,943)	(2,616)	(2,238)	(2,101)
有形固定資産合計	Total property and equipment	8,167	7,769	7,383	5,281	4,543
資産合計	Total assets	37,265	32,944	28,267	24,441	31,634

* 現金預金は現金及び現金同等物の金額に組み替えています。

		(百万円 Millions of yen)				
負債・資本の部	LIABILITIES AND SHAREHOLDERS' EQUITY	2002/3	2003/3	2004/3	2005/3	2006/3
流動負債：	Current Liabilities:					
短期借入金	Short-term bank loans	8,441	10,192	5,321	1,631	3,079
一年以内償還予定の社債	Current portion of bonds	—	—	800	—	—
関係会社預り金	Short-term loans from subsidiaries	—	—	1,526	2,151	4,257
支払手形・工事未払金等	Accounts payable—trade	10,151	8,174	8,123	7,334	14,000
未成工事受入金	Advances received on construction in progress	3,335	1,446	1,937	1,252	555
未払税金	Taxes payable	703	804	434	324	492
その他流動負債	Other current liabilities	1,427	1,533	1,047	1,485	1,148
流動負債合計	Total current liabilities	24,057	22,149	19,188	14,177	23,531
固定負債：	Long-Term Liabilities:					
社債	Bonds	800	800	—	—	—
長期借入金	Long-term borrowings	6,808	4,205	3,643	2,561	108
関係会社長期預り金	Long-term deposits received from affiliated companies	—	—	—	—	300
退職給付引当金／退職給与引当金	Accrued severance indemnities	1,948	2,324	2,030	2,451	1,813
連結調整勘定	Consolidation adjustments account	30	20	—	—	—
その他固定負債	Other long-term liabilities	16	16	21	20	231
固定負債合計	Total long-term liabilities	9,602	7,365	5,694	5,032	2,452
少数株主持分	Minority Interests	209	220	35	36	39
自己資本：	Shareholders' Equity:					
資本金	Common stock	1,375	1,375	1,375	3,625	3,625
資本剰余金	Additional paid-in capital	660	660	660	2,910	653
利益剰余金	Retained earnings	1,549	1,529	1,297	(1,333)	1,248
その他有価証券評価差額金	Unrealized gain (loss) on securities	(133)	(309)	66	35	122
為替換算調整勘定	Translation adjustments	(53)	(45)	(48)	(41)	(36)
自己株式	Treasury stock, at cost	3,398	3,210	3,350	5,196	5,612
自己資本合計	Total shareholders' equity	(1)	(0)	—	—	—
負債、少数株主持分及び資本合計	Total liabilities and shareholders' equity	3,397	3,210	3,350	5,196	5,612
負債、少数株主持分及び資本合計	Total liabilities and shareholders' equity	37,265	32,944	28,267	24,441	31,634

連結損益計算書 (5年間)

CONSOLIDATED STATEMENTS OF INCOME (5 YEARS)

		(百万円 Millions of yen)				
		2002/3	2003/3	2004/3	2005/3	2006/3
売上高(完成工事高):	Net Sales—Construction contracts:	53,291	49,456	44,318	44,220	57,029
売上原価(完成工事原価):	Cost of Sales—Construction contracts:	48,114	45,023	40,273	40,649	52,171
売上総利益	Gross profits	5,177	4,433	4,045	3,571	4,858
販売費及び一般管理費	Selling, General and Administrative Expenses	3,936	3,552	3,103	3,074	3,541
営業利益	Operating income	1,241	881	942	497	1,317
営業外収益(費用):	Other Income (Expenses):					
受取利息配当金	Interest and dividend income	14	15	11	16	60
支払利息	Interest expenses	(405)	(303)	(280)	(153)	(99)
その他	Other, net	(195)	(196)	(999)	(3,103)	(169)
		(586)	(484)	(1,268)	(3,240)	(208)
税金等調整前当期純利益	Income before income taxes and other adjustments to net income	655	397	(326)	(2,743)	1,109
法人税等:	Income Taxes:					
法人税、住民税及び事業税	Current	443	513	147	200	163
法人税等調整額	Deferred	(31)	(189)	(288)	(365)	343
		412	324	(141)	(165)	506
少数株主利益(損失)	Minority Interests in Subsidiary (Loss)	11	18	(19)	5	5
当期純利益(損失)	Net Income (Loss)	232	55	(166)	(2,583)	598

部門別受注高／売上高／売上構成（単独ベース）

PERFORMANCE BY BUSINESS CATEGORY (NON-CONSOLIDATED BASIS)

部門別受注高 Orders Received by Business Category

		2004/3	2005/3	2006/3
(百万円 Millions of yen)				
NTT情報通信エンジニアリング事業	NTT Information Telecommunication Engineering	11,940	9,494	2,017
電気通信エンジニアリング事業	Electrical Engineering	8,883	8,818	8,301
	Communications Engineering	3,040	2,039	26,809
	電設	8,319	9,508	8,678
	小計	20,242	20,365	43,788
ITソリューション事業	IT Solutions	—	—	348
社会システム関連事業等	Social System-Related and Other	3,036	2,164	3,046
合計	Total	35,218	32,023	49,199

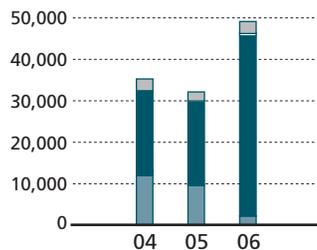
部門別売上高 Net Sales by Business Category

		2004/3	2005/3	2006/3
(百万円 Millions of yen)				
NTT情報通信エンジニアリング事業	NTT Information Telecommunication Engineering	11,907	10,174	2,057
電気通信エンジニアリング事業	Electrical Engineering	9,238	9,043	8,102
	Communications Engineering	3,614	2,368	25,934
	電設	9,592	11,817	10,189
	小計	22,444	23,228	44,225
ITソリューション事業	IT Solutions	—	—	174
社会システム関連事業等	Social System-Related and Other	3,376	2,624	3,248
合計	Total	37,727	36,026	49,704

部門別受注高

Orders Received by Business Category

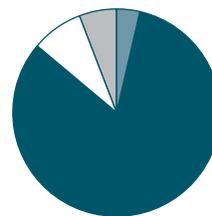
(百万円 Millions of yen)



- NTT情報通信エンジニアリング事業 NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業 Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等 Social System-Related and Other

事業部門別受注高構成

Composition of Orders Received by Business Category



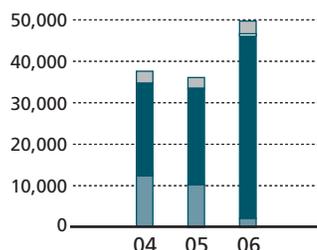
2006年3月期 Year Ended 31st March, 2006

- NTT情報通信エンジニアリング事業
NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業
Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等
Social System-Related and Other

部門別売上高

Net Sales by Business Category

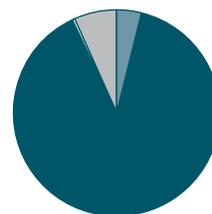
(百万円 Millions of yen)



- NTT情報通信エンジニアリング事業 NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業 Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等 Social System-Related and Other

事業部門別売上高構成

Composition of Sales by Business Category



2006年3月期 Year Ended 31st March, 2006

- NTT情報通信エンジニアリング事業
NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業
Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等
Social System-Related and Other

TOSYSグループ
(連結財務データファイル)

TOSYS Group
CONSOLIDATED FINANCIAL DATA

経営成績（連結ベース）

OPERATING RESULTS (CONSOLIDATED BASIS)

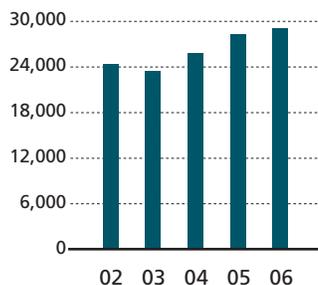
経営成績（連結ベース） Operating Results (Consolidated Basis)

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
受注高	New Orders Received during the Year	24,482	23,472	25,834	28,373	29,128
売上高	Net Sales	25,008	24,131	25,380	27,874	28,347
売上総利益	Gross Profits	2,962	2,948	3,255	3,328	3,049
営業利益	Operating Income	507	699	947	970	554
経常利益	Recurring Profit	529	772	977	1,085	635
税金等調整前当期純利益	Income before Income Taxes and Other Adjustments to Net Income	415	646	902	1,034	471
当期純利益	Net Income	205	312	360	517	226

受注高

New Orders Received during the Year

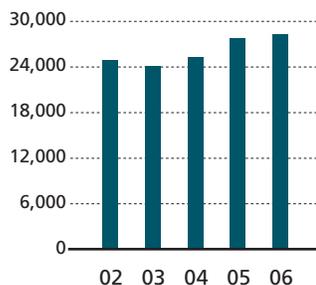
(百万円 Millions of yen)



売上高

Net Sales

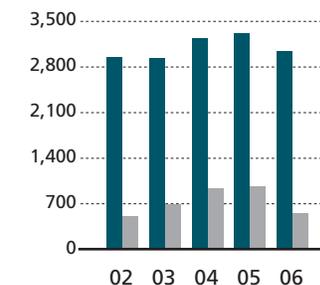
(百万円 Millions of yen)



売上総利益／営業利益

Gross Profits / Operating Income

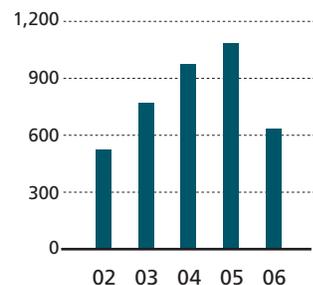
(百万円 Millions of yen)



経営利益

Recurring Profit

(百万円 Millions of yen)

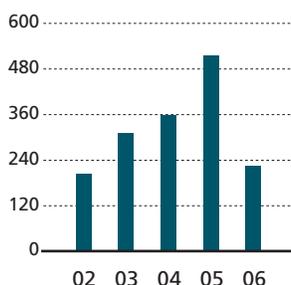


■ 売上総利益 Gross Profits
■ 営業利益 Operating Income

当期純利益

Net Income

(百万円 Millions of yen)



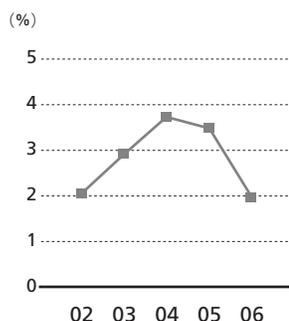
収益性の指標 (連結ベース)

PROFITABILITY (CONSOLIDATED BASIS)

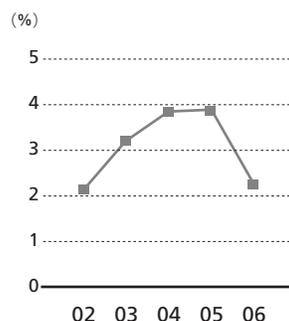
収益性の指標 (連結ベース) Profitability (Consolidated Basis)

(%)		2002/3	2003/3	2004/3	2005/3	2006/3
売上高営業利益率	Operating Margin	2.03	2.90	3.73	3.48	1.95
売上高経常利益率	Recurring Profit Margin	2.11	3.20	3.85	3.89	2.24
売上高税引前利益率	Pre-Tax Profit Margin	1.66	2.68	3.55	3.71	1.66
売上高当期純利益率	Net Profit Margin	0.82	1.29	1.42	1.86	0.80
自己資本当期純利益率	Return on Equity (ROE)	2.71	4.03	4.75	6.86	2.88
総資産当期純利益率	Return on Total Assets (ROA)	1.29	2.06	2.44	3.25	1.40

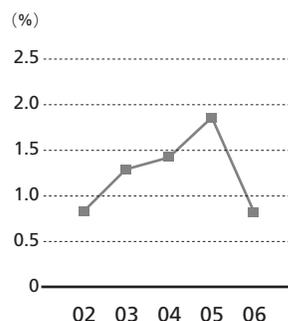
売上高営業利益率 Operating Margin



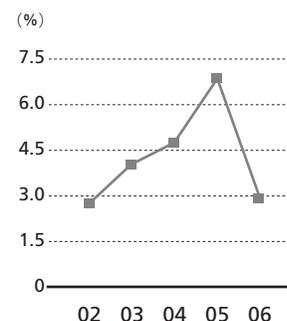
売上高経常利益率 Recurring Profit Margin



売上高当期純利益率 Net Profit Margin

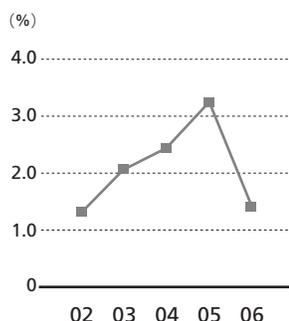


自己資本当期純利益率 Return on Equity (ROE)



総資産当期純利益率

Return on Total Assets (ROA)



$$\text{自己資本当期純利益率 [ROE]} = \frac{\text{当期純利益}}{\text{自己資本 (2期末平均)}} \times 100$$

$$\text{Return on Equity (ROE)} = \frac{\text{Net Income}}{\text{Shareholders' Equity (Average of two year-ends)}} \times 100$$

$$\text{総資産当期純利益率 [ROA]} = \frac{\text{当期純利益}}{\text{総資産 (2期末平均)}} \times 100$$

$$\text{Return on Total Assets (ROA)} = \frac{\text{Net Income}}{\text{Total Assets (Average of two year-ends)}} \times 100$$

成長性／効率性の指標（連結ベース）

EFFICIENCY (CONSOLIDATED BASIS)

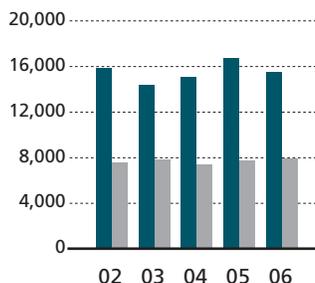
成長性／効率性の指標（連結ベース） Efficiency (Consolidated Basis)

(百万円 Millions of yen, except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
総資産	Total Assets	15,846	14,373	15,091	16,772	15,483
自己資本	Shareholders' Equity	7,614	7,856	7,363	7,769	7,904
運転資本	Modified Working Capital	3,394	3,910	3,681	3,049	3,817
総資産回転率（回）	Turnover of Total Assets (times)	1.57	1.60	1.72	1.75	1.76
有形固定資産回転率（回）	Turnover of Property and Equipment (times)	5.74	5.67	6.08	6.65	6.95

総資産／自己資本

Total Assets / Shareholders' Equity

(百万円 Millions of yen)

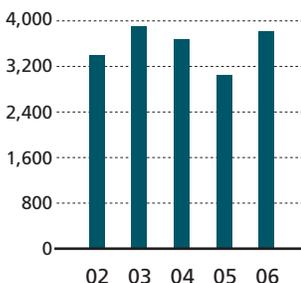


■ 総資産 Total Assets
■ 自己資本 Shareholders' Equity

運転資本

Modified Working Capital

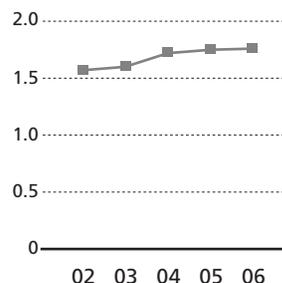
(百万円 Millions of yen)



総資産回転率

Turnover of Total Assets

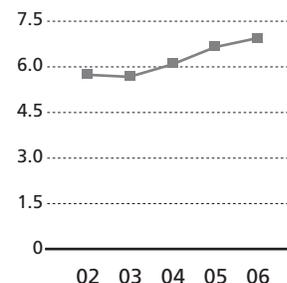
(回 Times)



有形固定資産回転率

Turnover of Property and Equipment

(回 Times)



運転資本 = (流動資産 - 未成工事支出金) - (流動負債 - 未成工事受入金)

Modified Working Capital = (Current Assets - Accumulated Cost of Construction in Progress) - (Current Liabilities - Advances Received on Construction in Progress)

総資産回転率 = $\frac{\text{売上高}}{\text{総資産 (2期末平均)}}$

Turnover of Total Assets = $\frac{\text{Net Sales}}{\text{Total Assets (Average of two year-ends)}}$

有形固定資産回転率 = $\frac{\text{売上高}}{\text{有形固定資産 (2期末平均)}}$

Turnover of Property and Equipment = $\frac{\text{Net Sales}}{\text{Property and Equipment (Average of two year-ends)}}$

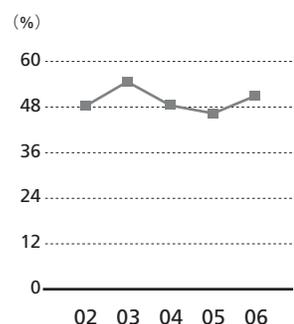
安全性の指標 (連結ベース)

STABILITY (CONSOLIDATED BASIS)

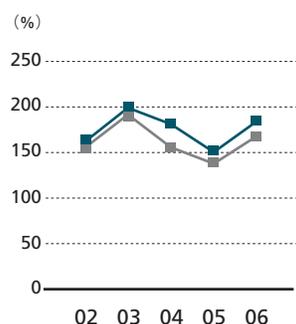
安全性の指標 (連結ベース) Stability (Consolidated Basis)

(% except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
自己資本比率	Equity Ratio	48.05	54.66	48.42	46.32	51.05
流動比率	Current Ratio	161.97	199.13	181.20	150.46	184.21
当座比率	Quick Ratio	155.47	191.64	155.75	138.63	168.01
固定比率	Fixed Assets-to-Equity Capital Ratio	73.24	68.67	80.10	76.20	71.82
固定長期適合率	Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities	59.51	57.93	60.58	60.48	58.02
負債・自己資本比率 (倍)	Debt/Equity Ratio (times)	0.35	0.26	0.15	0.20	0.13
有利子負債残高 (百万円)	Interest-Bearing Debt (millions of yen)	2,674	2,067	1,123	1,532	1,034
インタレスト・カバレッジ (倍)	Interest Coverage (times)	8.74	16.92	29.92	57.69	67.42

自己資本比率 Equity Ratio

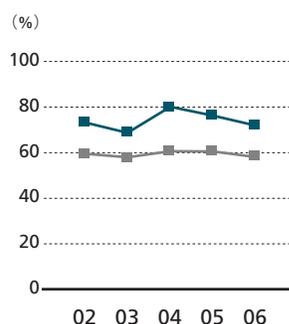


流動比率／当座比率 Current Ratio / Quick Ratio



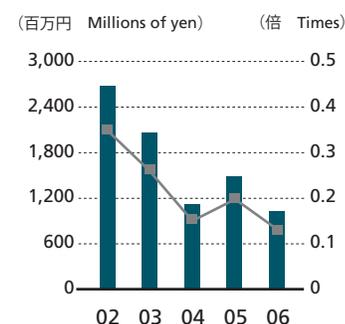
■ 流動比率 Current Ratio
■ 当座比率 Quick Ratio

固定比率／固定長期適合率 Fixed Assets-to-Equity Capital Ratio / Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities



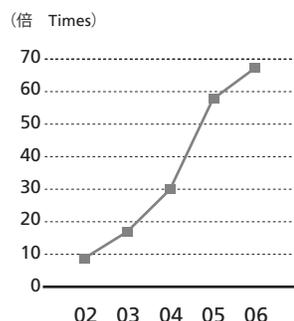
■ 固定比率
Fixed Assets-to-Equity Capital Ratio
■ 固定長期適合率
Ratio of Fixed Assets-to-Equity
Capital and Long-Term Liabilities

有利子負債残高／ 負債・自己資本比率 Interest-Bearing Debt / Debt/Equity Ratio



■ 有利子負債残高 Interest-Bearing Debt
■ 負債・自己資本比率 Debt/Equity Ratio

インタレスト・カバレッジ Interest Coverage



$$\text{流動比率} = \frac{\text{流動資産} - \text{未成工事支出金}}{\text{流動負債} - \text{未成工事受入金}} \times 100$$

$$\text{当座比率} = \frac{\text{現金、預金、有価証券、完成工事未収入金等}}{\text{流動負債} - \text{未成工事受入金}} \times 100$$

$$\text{固定比率} = \frac{\text{固定資産}}{\text{自己資本}} \times 100$$

$$\text{固定長期適合率} = \frac{\text{固定資産}}{\text{自己資本} + \text{固定負債}} \times 100$$

$$\text{負債／自己資本比率} = \frac{\text{有利子負債}}{\text{自己資本}}$$

$$\text{インタレスト・カバレッジ} = \frac{\text{営業利益} + \text{受取利息および配当金}}{\text{支払利息}}$$

$$\text{Current Ratio} = \frac{\text{Current Assets} - \text{Accumulated Cost of Construction in Progress}}{\text{Current Liabilities} - \text{Advances Received on Construction in Progress}} \times 100$$

$$\text{Quick Ratio} = \frac{\text{Cash, Time Deposits, Marketable Securities and Trade Accounts Receivable}}{\text{Current Liabilities} - \text{Advances Received on Construction in Progress}} \times 100$$

$$\text{Fixed Assets-to-Equity Capital Ratio} = \frac{\text{Property, Equipment, Investments and Other Assets}}{\text{Shareholders' Equity}} \times 100$$

$$\text{Ratio of Fixed Assets-to-Equity Capital and Long-Term Liabilities} = \frac{\text{Property, Equipment, Investments and Other Assets}}{\text{Shareholders' Equity} + \text{Long-Term Liabilities}} \times 100$$

$$\text{Debt/Equity Ratio} = \frac{\text{Interest-Bearing Debt}}{\text{Shareholders' Equity}}$$

$$\text{Interest Coverage} = \frac{\text{Operating Income} + \text{Interest and Dividend Income}}{\text{Interest Expenses}}$$

連結貸借対照表 (5年間)

CONSOLIDATED BALANCE SHEETS (5 YEARS)

		(百万円 Millions of yen)				
資産の部	ASSETS	2002/3	2003/3	2004/3	2005/3	2006/3
流動資産：	Current Assets:					
現金預金	Cash and cash equivalents	1,457	1,345	801	1,192	962
受取手形・完成工事 未収入金・売掛金	Notes and accounts receivable—trade	5,997	5,218	6,007	7,182	6,655
棚卸資産：	Inventories:					
未成工事支出金	Accumulated cost of construction in progress	1,397	1,123	1,023	1,763	1,455
その他棚卸資産	Other	92	70	91	156	134
繰延税金資産	Deferred income taxes	99	121	189	168	166
短期貸付金	Short-term loans	—	25	759	18	17
その他流動資産	Other current assets	1,241	1,079	376	380	429
貸倒引当金	Less: Allowance for doubtful receivables	(14)	(3)	(8)	(7)	(12)
流動資産合計	Total current assets	10,269	8,978	9,238	10,852	9,806
投資及びその他の資産：	Investments and Other Assets:					
投資有価証券	Investment securities	544	596	607	592	672
長期貸付金	Long-term loans receivable	5	4	4	3	4
繰延税金資産	Deferred income taxes	132	139	675	634	591
その他資産	Other assets	623	539	461	536	507
貸倒引当金	Less: Allowance for doubtful receivables	(55)	(64)	(60)	(60)	(43)
投資及びその他資産合計	Total investments and other assets	1,249	1,214	1,687	1,705	1,731
有形固定資産：	Property and Equipment:					
土地	Land	2,209	2,211	2,259	2,285	2,168
建物・構築物	Buildings and structures	3,244	3,248	3,223	3,391	3,279
機械装置・運搬具 及び工具器具備品	Machinery and equipment	2,328	2,085	2,077	2,164	2,282
建設仮勘定	Construction in progress	—	—	—	6	—
減価償却累計額	Less: Accumulated depreciation	(3,453)	(3,363)	(3,393)	(3,631)	(3,783)
有形固定資産合計	Total property and equipment	4,328	4,181	4,166	4,215	3,946
繰延資産：	Deferred Charges:					
社債発行差金	Discount on bonds payable	0	0	0	—	—
資産合計	Total assets	15,846	14,373	15,091	16,772	15,483

		(百万円 Millions of yen)				
負債・資本の部	LIABILITIES AND SHAREHOLDERS' EQUITY	2002/3	2003/3	2004/3	2005/3	2006/3
流動負債：	Current Liabilities:					
短期借入金	Short-term bank loans	1,019	875	186	60	70
関係会社預り金	Deposits received from subsidiaries	—	—	—	1,134	774
一年以内償還予定の社債	Current portion of straight bonds	—	—	500	—	—
一年以内返済予定 長期借入金	Current portion of long-term debt	460	243	105	148	98
支払手形・工事未払金等 未成工事受入金	Accounts payable—trade Advances received on construction in progress	3,036	1,985	2,600	3,603	3,045
未払法人税等	Income taxes payable	499	584	338	288	493
その他流動負債	Other current liabilities	196	206	351	186	79
流動負債合計	Total current liabilities	767	636	792	909	468
流動負債合計	Total current liabilities	5,977	4,529	4,872	6,328	5,027
固定負債：	Long-Term Liabilities:					
社債	Bonds	500	500	—	—	—
長期借入金	Long-term debt	695	449	332	190	92
退職給付引当金／ 退職給与引当金	Accrued severance indemnities	495	462	1,883	1,815	1,781
連結調整勘定	Consolidation adjustments account	45	31	129	5	—
繰延税金負債	Deferred income taxes	14	7	0	—	—
その他固定負債	Other long-term liabilities	8	7	9	9	8
固定負債合計	Total long-term liabilities	1,757	1,456	2,353	2,019	1,881
少数株主持分	Minority Interests	498	532	503	656	671
自己資本：	Shareholders' Equity:					
資本金	Common stock	360	360	360	360	360
資本剰余金	Additional paid-in capital	99	99	99	99	99
利益剰余金	Retained earnings	7,144	7,391	6,845	7,250	7,337
その他有価証券評価差額金	Unrealized gain on securities	11	6	59	60	108
自己資本合計	Total shareholders' equity	7,614	7,856	7,363	7,769	7,904
負債、少数株主持分及び資本合計	Total liabilities and Shareholders' equity	15,846	14,373	15,091	16,772	15,483

連結損益計算書 (5年間)

CONSOLIDATED STATEMENTS OF INCOME (5 YEARS)

		(百万円 Millions of yen)				
		2002/3	2003/3	2004/3	2005/3	2006/3
売上高:	Net Sales	25,008	24,131	25,380	27,874	28,347
売上原価:	Cost of Sales	22,046	21,183	22,125	24,546	25,298
売上総利益	Gross profits	2,962	2,948	3,255	3,328	3,049
販売費及び一般管理費	Selling, General and Administrative Expenses	2,455	2,249	2,308	2,358	2,495
営業利益	Operating income	507	699	947	970	554
営業外収益(費用):	Other Income (Expenses):					
受取利息配当金	Interest and dividend income	10	8	10	26	10
支払利息	Interest expenses	(59)	(42)	(32)	(17)	(8)
その他	Other, net	(43)	(19)	(23)	55	(85)
		(92)	(53)	(45)	64	(83)
税金等調整前当期純利益	Income before income taxes and other adjustments to net income	415	646	902	1,034	471
法人税等:	Income Taxes:					
法人税、住民税及び事業税	Current	243	322	502	367	205
法人税等調整額	Deferred	(73)	(32)	(116)	59	12
		170	290	386	426	217
少数株主利益	Minority Interests in Subsidiary	40	44	156	91	28
当期純利益	Net Income	205	312	360	517	226

部門別受注高／売上高／売上構成（単独ベース）

PERFORMANCE BY BUSINESS CATEGORY (NON-CONSOLIDATED BASIS)

部門別受注高 Orders Received by Business Category

		2004/3	2005/3	2006/3
(百万円 Millions of yen)				
NTT情報通信エンジニアリング事業 NTT Information Telecommunication Engineering	アクセス Access	12,608	13,369	14,268
	ネットワーク Network	626	807	658
	モバイル Mobile	352	484	282
	小計 Subtotal	13,586	14,660	15,208
電気通信エンジニアリング事業 Electrical Communications Engineering		2,774	3,100	4,211
ITソリューション事業 IT Solutions		3,919	3,329	3,191
社会システム関連事業等 Social System-Related and Other		724	1,494	621
合計 Total		21,003	22,583	23,231

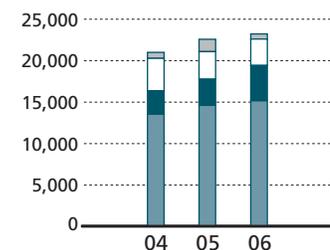
部門別売上高 Net Sales by Business Category

		2004/3	2005/3	2006/3
(百万円 Millions of yen)				
NTT情報通信エンジニアリング事業 NTT Information Telecommunication Engineering	アクセス Access	12,533	12,809	14,387
	ネットワーク Network	618	713	706
	モバイル Mobile	398	387	292
	小計 Subtotal	13,549	13,909	15,385
電気通信エンジニアリング事業 Electrical Communications Engineering		2,884	2,952	3,520
ITソリューション事業 IT Solutions		4,023	3,448	3,062
社会システム関連事業等 Social System-Related and Other		407	1,489	723
合計 Total		20,863	21,798	22,690

部門別受注高

Orders Received by Business Category

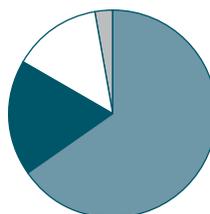
(百万円 Millions of yen)



- NTT情報通信エンジニアリング事業 NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業 Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等 Social System-Related and Other

事業部門別受注高構成

Composition of Orders Received by Business Category



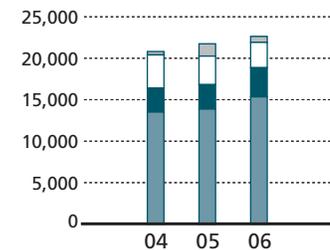
2006年3月期 Year Ended 31st March, 2006

- NTT情報通信エンジニアリング事業
NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業
Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等
Social System-Related and Other

部門別売上高

Net Sales by Business Category

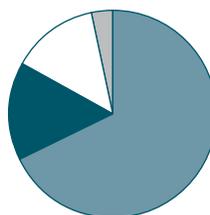
(百万円 Millions of yen)



- NTT情報通信エンジニアリング事業 NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業 Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等 Social System-Related and Other

事業部門別売上高構成

Composition of Sales by Business Category



2006年3月期 Year Ended 31st March, 2006

- NTT情報通信エンジニアリング事業
NTT Information Telecommunication Engineering
- 電気通信エンジニアリング事業
Electrical Communications Engineering
- ITソリューション事業 IT Solutions
- 社会システム関連事業等
Social System-Related and Other

ご参考

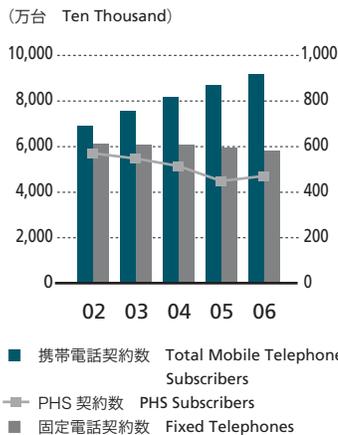
REFERENCE DATA

NTT工事部門 NTT Construction

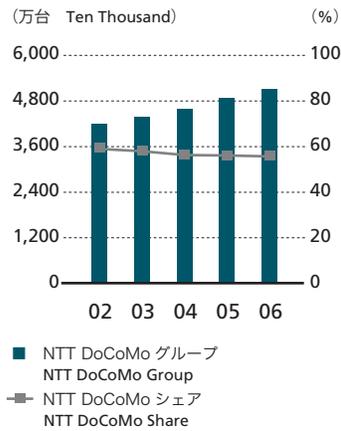
(万台 Ten thousand, except where noted)		2002/3	2003/3	2004/3	2005/3	2006/3
携帯電話契約数	Total Subscribers of Mobile Telephones	6,912	7,565	8,151	8,699	9,179
NTT DoCoMoグループ	NTT DoCoMo Group	4,078	4,386	4,592	4,882	5,114
NTT DoCoMoシェア (%)	Share of NTT DoCoMo (%)	59.0	58.0	56.3	56.1	55.7
PHS契約数	PHS Subscribers	569	546	513	447	469
固定電話契約数	Fixed Telephones	6,132	6,077	6,021	5,960	5,807

(億円 100 millions of yen, except where noted)		2003/3	2004/3	2005/3	2006/3	2007/3 (予想/Forecast)
NTT建設計画	Planned Construction	8,008	9,002	9,405	10,307	9,200
光ケーブルカバー率 (%)	Completion of Optical Fiber Cable Installation (%)					
東日本	East Japan	76.0	81.0	84.0	86.0	88.0
西日本	West Japan	67.0	80.0	83.0	86.0	87.0
光ケーブル投資額	Investment in Optical Fiber Cable	2,370	3,330	2,830	3,490	3,500

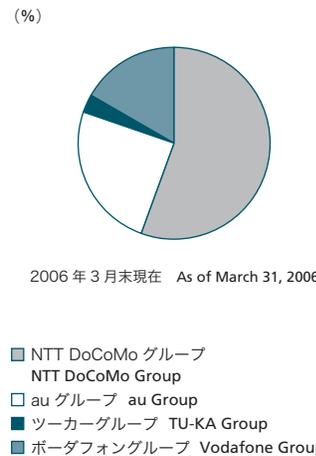
携帯電話/PHS/固定電話契約数
Total Subscribers of Mobile Telephones,
PHS and Fixed Telephones



携帯電話における
NTT DoCoMo契約数
NTT DoCoMo Group Subscribers



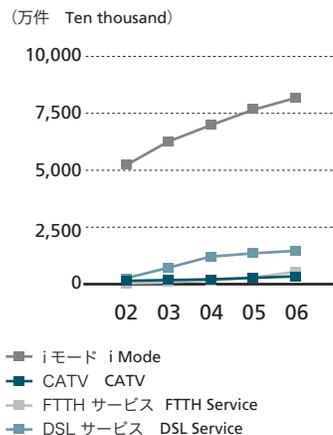
携帯電話事業者別契約者数
Number of Subscribers by Carriers



NTT事業計画
Projected NTT Operations



ブロードバンド利用者数
Number of Broadband Users



業界他社比較 (連結ベース)

COMPARISON OF THREE MAJOR TELECOMMUNICATIONS CONSTRUCTION COMPANIES IN JAPAN (CONSOLIDATED BASIS)

売上高 Net Sales

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	248,961	293,681	307,485
日本コムシス**	Nippon COMSYS**	231,351	200,610	206,517	227,548	236,177
協和エクシオ	KYOWA EXEO	203,336	186,334	203,930	247,687	278,869
大明	DAIMEI TELECOM ENGINEERING	98,587	83,602	91,228	101,110	108,556

営業利益 Operating Income

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	10,786	15,062	16,319
日本コムシス**	Nippon COMSYS**	10,500	6,490	7,983	13,535	14,423
協和エクシオ	KYOWA EXEO	8,308	4,541	9,108	11,988	14,537
大明	DAIMEI TELECOM ENGINEERING	3,880	3,652	4,822	6,199	6,363

経常利益 Recurring Profit

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	11,400	17,145	18,754
日本コムシス**	Nippon COMSYS**	11,555	6,760	8,863	15,631	16,694
協和エクシオ	KYOWA EXEO	9,062	4,741	9,104	12,377	15,278
大明	DAIMEI TELECOM ENGINEERING	3,620	3,185	4,758	6,164	6,380

当期純利益 Net Income

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	6,592	8,349	10,031
日本コムシス**	Nippon COMSYS**	4,107	2,468	4,585	9,299	9,053
協和エクシオ	KYOWA EXEO	2,989	1,661	3,407	6,423	9,174
大明	DAIMEI TELECOM ENGINEERING	232	977	1,852	2,978	3,215

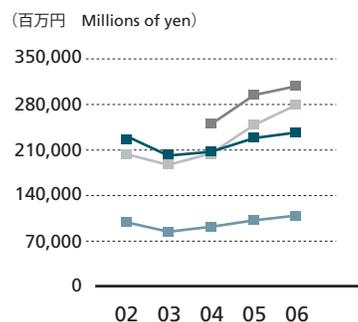
* 当社の2004年3月期の連結業績は、日本コムシスの2003年4月1日から2004年3月31日までの1年間の連結業績と、サンワコムシスエンジニアリング及び東日本システム建設の両社（2003年10月1日がみなし取得日である）における2003年10月1日から2004年3月31日まで半年間の連結業績を対象期間としています。（出典：有価証券報告書）

** 当社の2005年3月期の連結業績の数値につきましては、日本コムシス（株）の連結子会社の決算変更（2004年12月期を2005年3月期）により、会計期間が15ヶ月となっております。

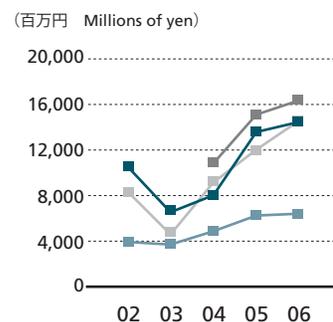
* The Company's consolidated results for the fiscal year ended March 2004 include the consolidated results of Nippon COMSYS for the fiscal year from 1st April, 2003 to 31st March, 2004 and the consolidated results of both SANCOM and TOSYS for the half-year period from 1st October, 2003 to 31st March, 2004 (1st October, 2003 being the deemed date of acquisition). (Source: Company business reports)

** Consolidated results for fiscal 2005 include 15 months of operating results at a Nippon COMSYS Corporation consolidated subsidiary due to a change in fiscal year-end (from 31st December to 31st March).

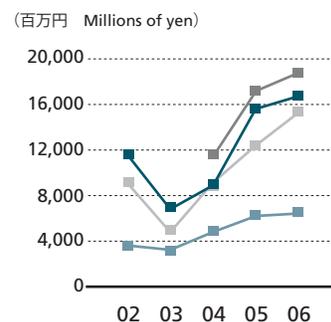
売上高 Net Sales



営業利益 Operating Income



経常利益 Recurring Profit



当期純利益 Net Income



■ コムシスホールディングス
COMSYS Holdings

■ 協和エクシオ
KYOWA EXEO

■ 日本コムシス
Nippon COMSYS

■ 大明
DAIMEI TELECOM ENGINEERING

総資産 Total Assets

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	211,718	208,681	220,786
日本コムシス**	Nippon COMSYS**	190,576	166,528	177,140	184,145	194,934
協和エクシオ	KYOWA EXEO	136,575	130,779	131,791	154,280	162,640
大明	DAIMEI TELECOM ENGINEERING	70,041	68,144	69,483	69,911	73,893

自己資本 Shareholders' Equity

(百万円 Millions of yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	121,326	128,063	137,161
日本コムシス**	Nippon COMSYS**	111,919	111,724	116,624	124,240	131,520
協和エクシオ	KYOWA EXEO	63,314	60,653	63,606	67,119	75,575
大明	DAIMEI TELECOM ENGINEERING	27,168	27,654	29,792	32,460	35,883

一株当たり当期純利益 Net Income per Share

(円 Yen)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	45.96	58.42	69.65
日本コムシス**	Nippon COMSYS**	30.29	18.34	—	—	—
協和エクシオ	KYOWA EXEO	25.56	14.00	29.51	56.59	81.94
大明	DAIMEI TELECOM ENGINEERING	5.58	23.67	45.17	72.66	77.12

自己資本当期純利益率 Return on Equity (ROE)

(%)		2002/3	2003/3	2004/3	2005/3	2006/3
コムシスホールディングス**	COMSYS Holdings**	—	—	5.7	6.7	7.6
日本コムシス**	Nippon COMSYS**	3.6	2.2	4.0	7.7	7.1
協和エクシオ	KYOWA EXEO	5.1	2.7	5.5	9.8	12.9
大明	DAIMEI TELECOM ENGINEERING	0.8	3.6	6.4	9.6	9.4

* 当社の2004年3月期の連結業績は、日本コムシスの2003年4月1日から2004年3月31日までの1年間の連結業績と、サンワコムシスエンジニアリング及び東日本システム建設の両社（2003年10月1日がみなし取得日である）における2003年10月1日から2004年3月31日まで半年間の連結業績を対象期間としています。（出典：有価証券報告書）

** 当社の2005年3月期の連結業績の数値につきましては、日本コムシス（株）の連結子会社の決算変更（2004年12月期を2005年3月期）により、会計期間が15ヶ月となっております。

* The Company's consolidated results for the fiscal year ended March 2004 include the consolidated results of Nippon COMSYS for the fiscal year from 1st April, 2003 to 31st March, 2004 and the consolidated results of both SANCOM and TOSYS for the half-year period from 1st October, 2003 to 31st March, 2004 (1st October, 2003 being the deemed date of acquisition). (Source: Company business reports)

** Consolidated results for fiscal 2005 include 15 months of operating results at a Nippon COMSYS Corporation consolidated subsidiary due to a change in fiscal year-end (from 31st December to 31st March).

総資産

Total Assets



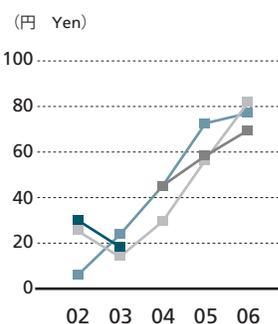
自己資本

Shareholders' Equity



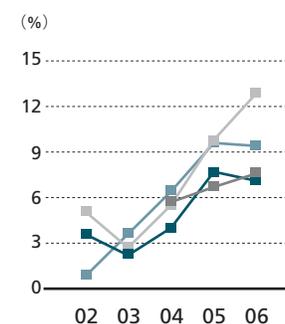
一株当たり当期純利益

Net Income per Share



自己資本当期純利益率

Return on Equity (ROE)



■ コムシスホールディングス
COMSYS Holdings
■ 日本コムシス Nippon COMSYS

■ 協和エクシオ KYOWA EXEO
■ 大明 DAIMEI TELECOM ENGINEERING

CORPORATE DIRECTORY

As of 31st March, 2006

Nippon COMSYS GROUP

Company Name	Location	Principal Business	Paid-in Capital	Percentage Owned (%)
Consolidated Subsidiaries and Affiliates				
Nippon COMSYS Corporation	Tokyo, Japan	Telecommunications engineering and electrical engineering	¥ 31,140 million	100.0
Tokyo Tsuken Co., Ltd.	Tokyo, Japan	NTT internal projects	¥ 54 million	100.0
Nitto Tsuken Co., Ltd.	Tokyo, Japan	NTT internal projects	¥ 60 million	95.0
OT Engineering Co., Ltd.	Tokyo, Japan	NTT external projects	¥ 80 million	99.7
Chuo. C Co., Ltd.	Tokyo, Japan	NTT external projects	¥ 80 million	100.0
Kokusai Densetsu Co., Ltd.	Osaka, Japan	NTT external projects	¥ 157 million	100.0
SANNETCOM Co., Ltd.	Osaka, Japan	NTT external projects	¥ 50 million	100.0
COMSYS Net Corporation	Tokyo, Japan	NTT internal projects	¥ 50 million	100.0
COMSYS Business Service Co., Ltd.	Tokyo, Japan	NTT internal projects and maintenance	¥ 304 million	100.0
COMSYS Techno Co., Ltd.	Tokyo, Japan	Software development	¥ 50 million	100.0
COMSYS Tsusan Co., Ltd.	Tokyo, Japan	Sales and leasing of telecommunications equipment	¥ 60 million	100.0
COMSYS Shared Services Co., Ltd.		Intra-Group joint operations outsourcing and others	¥ 75 million	100.0
Taiei Seisakusho Co., Ltd.	Tokyo, Japan	Design, manufacturing and sales of telecommunications equipment	¥ 60 million	49.7
COMSYS Tohoku Techno Co., Ltd.	Miyagi, Japan	Software development	¥ 50 million	100.0
COMSYS Kansai Engineering Co., Ltd.	Osaka, Japan	NTT external projects	¥ 50 million	100.0
COMSYS Kyushu Engineering Co., Ltd.	Fukuoka, Japan	NTT external projects	¥ 50 million	100.0
Overseas Affiliates				
COMSYS Thailand Co., Ltd.	Bangkok, Thailand	Technological consulting and engineering services	B 15,000 thousand	48.0
Thai COMSYS & Jackson Co., Ltd.	Bangkok, Thailand	Technological consulting and engineering services	B 2,000 thousand	49.0
COMSYS Philippines, Inc.	Manila, Philippines	Technological consulting and engineering services	P 12,500 thousand	40.0

Note: Kokusai Densetsu Co., Ltd., SANNETCOM Co., Ltd. and COMSYS Shared Services Co., Ltd. are newly consolidated subsidiaries.

SANCOM GROUP

Company Name	Location	Principal Business	Paid-in Capital	Percentage Owned (%)
Consolidated Subsidiaries and Affiliates				
SANWA COMSYS ENGINEERING Co., Ltd.	Tokyo, Japan	Telecommunications engineering and electrical engineering	¥ 3,624 million	100.0
SANWA Denshi Inc.	Tokyo, Japan	Telecommunications engineering and electrical engineering	¥ 90 million	99.3
SEC Hi Tec Co., Ltd.	Tokyo, Japan	Software and hardware design and development	¥ 30 million	100.0
SANWA Support Engineering Co., Ltd.	Tokyo, Japan	Telecommunications engineering and electrical engineering	¥ 20 million	100.0
Road-Techno Co., Ltd.	Tokyo, Japan	Electrical engineering	¥ 50 million	100.0
SEM Co., Ltd.	Tokyo, Japan	Manufacture of automotive parts	¥ 35 million	69.2
Sannect Co., Ltd.	Tokyo, Japan	Sales and maintenance of airspace system equipment	¥ 10 million	60.0
Overseas Affiliate				
P.T. Sarana Ekacitra Indonesia	Jakarta, Indonesia	Construction of telecommunications facilities	Rp 1,884 million	40.0

Note: SANNETCOM Co., Ltd. became a consolidated subsidiary of the Nippon COMSYS Group as of fiscal year ending March 2006.

TOSYS GROUP

Company Name	Location	Principal Business	Paid-in Capital	Percentage Owned (%)
Consolidated Subsidiaries and Affiliates				
TOSYS Corporation	Nagano, Japan	Telecommunications engineering and electrical engineering	¥ 364 million	100.0
TOSYS Nagano Co., Ltd.	Nagano, Japan	Construction of telecommunications and electric facilities	¥ 22 million	71.7
Alstar Co., Ltd.	Nagano, Japan	Telecommunications engineering and electrical engineering	¥ 40 million	100.0
TOSYS Niigata Co., Ltd.	Niigata, Japan	Construction of telecommunications and electric facilities	¥ 42 million	63.5
TOSYS Actis Co., Ltd.	Niigata, Japan	Construction of telecommunications and electric facilities	¥ 50 million	52.5
Tulip Keibi Co., Ltd.	Niigata, Japan	Security engineering	¥ 30 million	100.0
Tulip Life Co., Ltd.	Niigata, Japan	Repair and sales of automobiles	¥ 40 million	100.0
Yoshimoto Kensetsu Co., Ltd.	Nagano, Japan	General construction	¥ 45 million	100.0

Notes: The percentage of ownership for Alstar Co., Ltd. is 22.5% held by COMSYS Holdings Corporation and 77.5% held by TOSYS Corporation.
On 1st October, 2005, TOSYS Ryokuka Co., Ltd. was absorbed into TOSYS Niigata Co., Ltd.

COMSYS Holdings INFORMATION

CORPORATE DATA

As of 31st March, 2006

Name:

COMSYS Holdings Corporation

Head Office:

17-1, Higashigotanda 2-chome, Shinagawa-ku,
Tokyo 141-8647, Japan

URL:

<http://www.comsys-hd.co.jp/>

Date of Establishment:

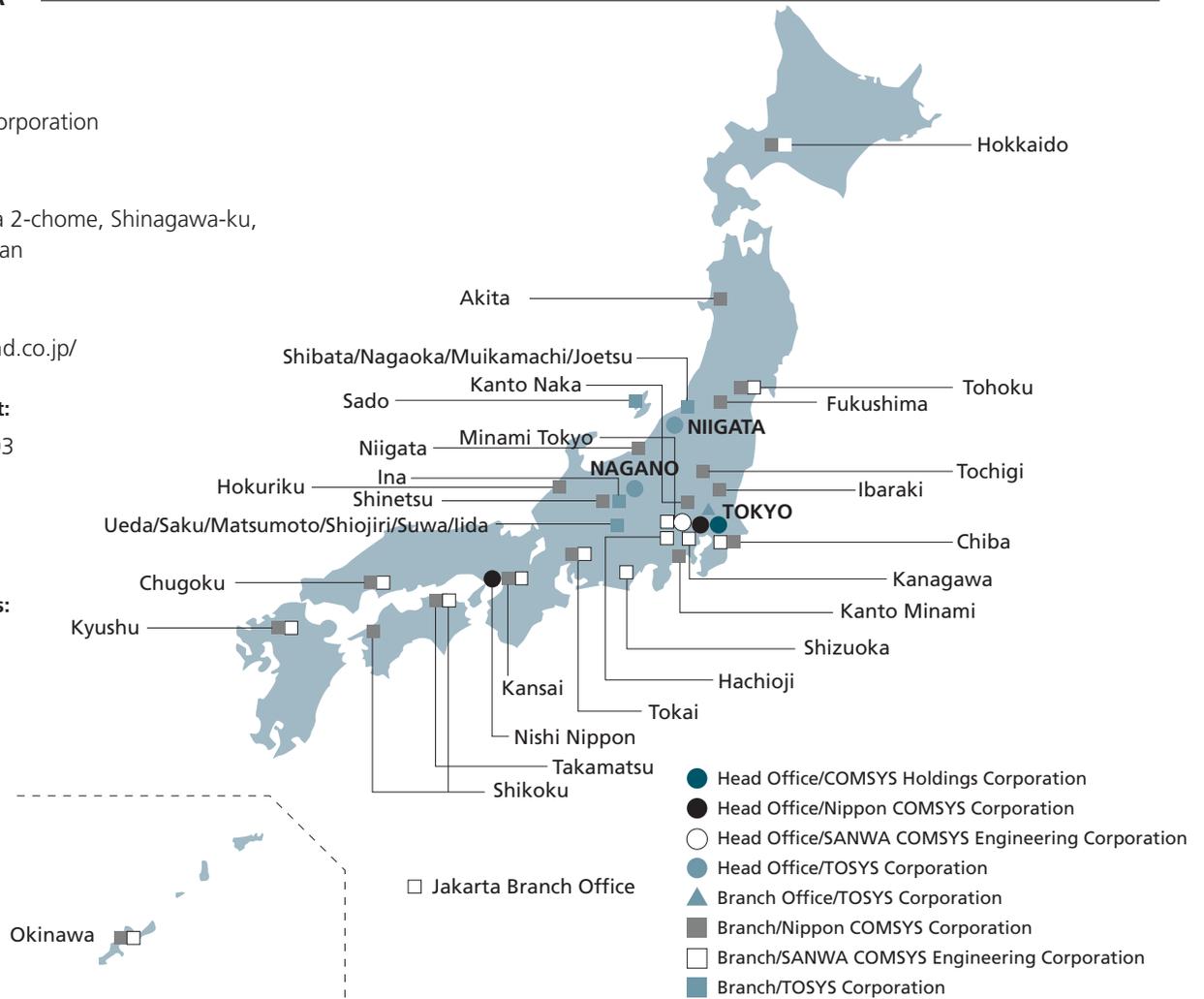
29th September, 2003

Paid in Capital:

¥10 billion

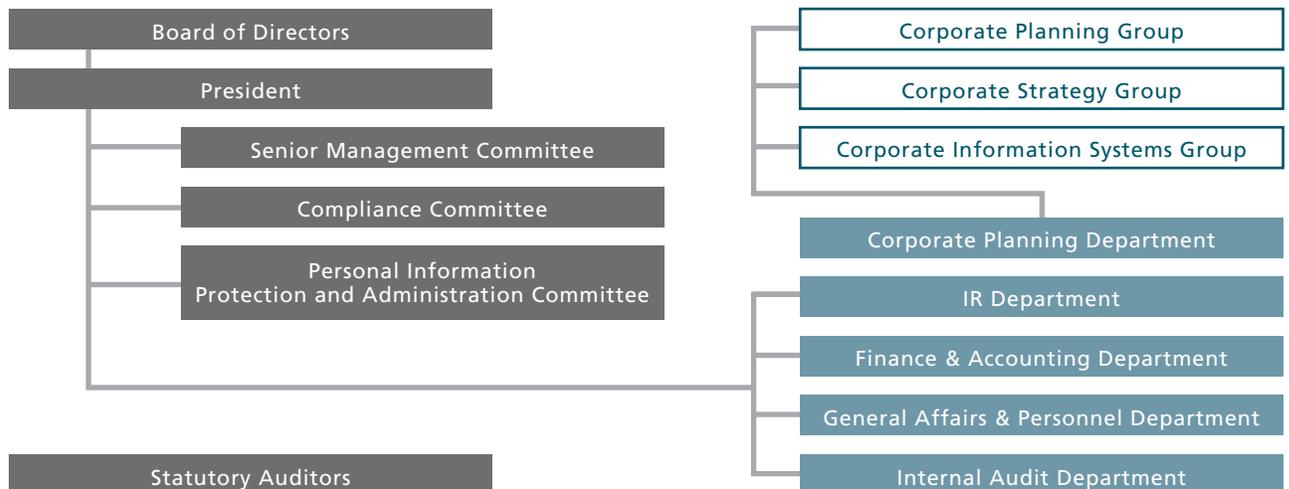
Number of Employees:

7,081 (Consolidated)



ORGANIZATION CHART

As of 1st July, 2006



INVESTOR INFORMATION

As of 31st March, 2006

Fiscal Year-End:

31st March, 2006

Annual Shareholders' Meeting:

29th June, 2006

Common Stock:

Authorized: 580,000,000 shares

Issued: 145,977,886 shares

Number of Shareholders:

9,036

Date of Listing:

September 2003

Stock Exchange Listings:

First Section of Tokyo Stock Exchange

and Osaka Securities Exchange

(Securities code: 1721)

Transfer Agent:

Mitsubishi UFJ Trust and Banking Corporation

Securities Department

4-5, Marunouchi 1-chome

Chiyoda-ku, Tokyo 100-8212

Auditor:

Certified Public Accountants of Japan

O-Yu Kyodo Office

For further information and additional copies of this Annual Report, please contact

IR Department

Tel: +81-3-3448-7000 (direct)

Fax: +81-3-3448-7001

E-Mail: chd-ir@comsys-hd.co.jp

Major Shareholders:

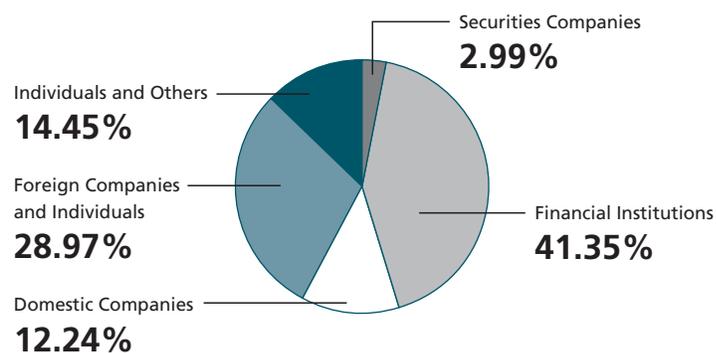
As of 31st March, 2006

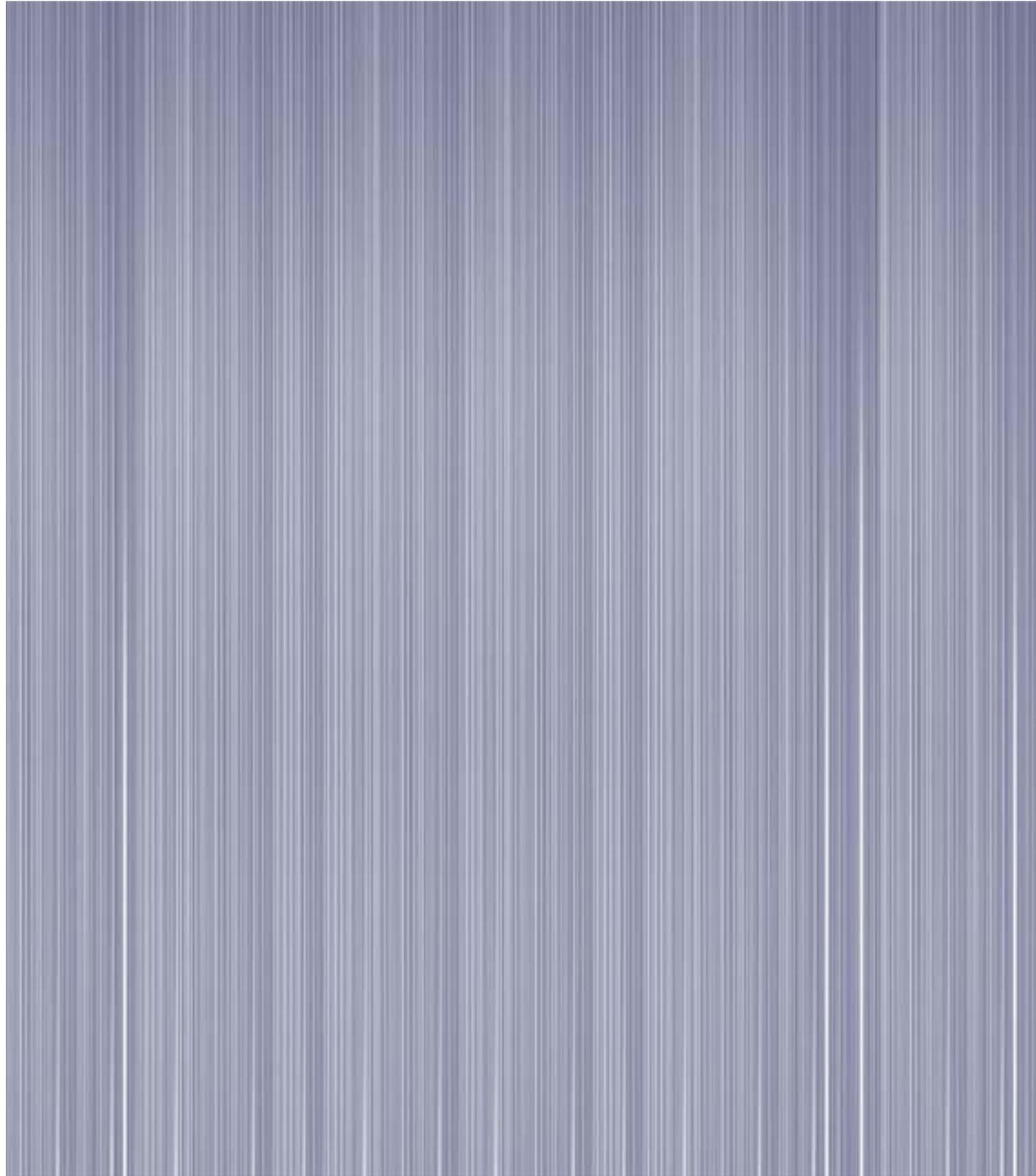
Shareholders	Shares Held (Thousands)	Percentage of Total (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	14,495	9.92
The Master Trust Bank of Japan, Ltd. (Trust Account)	12,929	8.85
Japan Trustee Services Bank, Ltd. (Mitsui Asset Trust and Banking Company Retruster Portion, Fujikura Ltd. Employee Pension Trust)	6,834	4.68
Sumitomo Electric Industries, Ltd.	5,166	3.53
The Furukawa Electric Co., Ltd.	5,166	3.53
Nippon Life Insurance Company	2,683	1.83
Nippon Life Insurance Company (Special pension account)	2,494	1.70
Fujitsu Limited	2,413	1.65
BNP PARIBAS Securities (Japan) Limited (BNP PARIBAS Securities)	2,167	1.48
Calyon DMA OTC (Standing proxy in Japan: Tokyo Branch, Calyon Securities)	2,032	1.39

The Company held 3,745,510 shares of treasury stock (representing a shareholding of 2.57%) as of 31st March, 2006. This shareholding has been excluded from the list of major shareholders.

Composition of Shareholders:

As of 31st March, 2006





COMSYS Holdings Corporation

17-1, Higashigotanda 2-chome, Shinagawa-ku, Tokyo 141-8647, Japan
Tel: 81-3-3448-7100
<http://www.comsys-hd.co.jp/>

