

COMSYS WAY^a

Advance of structural reforms and top-line growth

Annual Report 2017

Fiscal Year Ended March 31, 2017

COMSYS Holdings Corporation

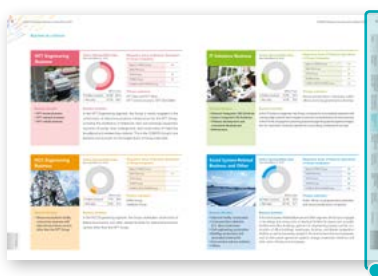
01	Profile
02	President's Message
04	Progress on Medium- to Long-Term Management Strategy
	"COMSYS WAY"^{a)}
05	Topics
06	Five Integrated Business Groups
08	Business at a Glance
10	Review of Operations and Outlook
10	NTT Engineering Business
10	NCC Engineering Business
11	IT Solutions Business
11	Social System-Related Business and Other
12	Corporate Governance
17	Corporate Social Responsibility (CSR)
18	Financial Statements*
18	Consolidated Balance Sheets
20	Consolidated Statements of Income
21	Consolidated Statements of Changes in Net Assets
23	Consolidated Statements of Cash Flows
24	Ten-Year Summary of Business Results and Financial Data
26	Information
26	COMSYS Holdings Information
28	Investor 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.

* Compiled based on the content of COMSYS Holdings' Annual Securities Report submitted in Japanese.

How to Use



Left-click tabs at the right-hand edge of the page to jump to the relevant section.

Profile

COMSYS Holdings Corporation (the “Company”) was established in September 2003 as a holding company through share transfers from three companies—Nippon COMSYS Corporation, SANWA ELEC Co., Ltd. (now SANWA COMSYS Engineering Corporation) and HIGASHI NIHON System Construction Co., Ltd. (now TOSYS Corporation). The COMSYS Group (the “Group”) consists of the Company and 44 subsidiaries and 5 affiliates, in addition to 5 core operating subsidiaries, specifically Nippon COMSYS Corporation, SANWA COMSYS Engineering Corporation, TOSYS Corporation, TSUKEN Corporation and COMSYS JOHO SYSTEM Corporation.

The COMSYS Group’s business territory goes beyond communications infrastructure construction, which is the carrier-related business, to encompass the construction of diverse infrastructure that is the foundation of social and economic activity. That includes the non-carrier related businesses of urban infrastructure development and ICT-related construction and renewable energy, which includes solar power.

COMSYS Group Management Philosophy



At the COMSYS Group, we are united as a Group and strive for strong partnership and collaboration with diverse external players in achieving our management philosophy.

- ▶ We will build a company that customers continue to choose through the construction of diverse infrastructure that carries our era forward.
- ▶ We will contribute to our country and local communities by building social infrastructure that supports affluent lifestyles.
- ▶ We will continue with unrelenting reform in our aim to further increase corporate value.

President's Message

We will evolve into an unrivaled Group as a dominant leader in telecommunications construction and a “comprehensive engineering enterprise” with strengths in telecommunications construction.

September 2017

Takashi Kagaya

Takashi Kagaya
President and Representative Director



I was appointed as President and Representative Director of COMSYS Holdings in June 2017.

To start, I will report on our performance in fiscal 2017.

COMSYS Group Performance in Fiscal 2017

In fiscal 2017, the COMSYS Group's net sales grew 4.2% year on year to ¥334.1 billion, buoyed by strong performance in the NTT fixed-line business. Operating income rose 5.0% year on year to ¥25.0 billion, mainly reflecting productivity improvement from structural reforms. Nevertheless, net income attributable to owners of parent declined 6.1% year on year to ¥14.4 billion, owing mainly to the posting of an extraordinary loss for the amortization of goodwill.

As for shareholder returns, we paid an annual dividend of ¥40 per share, consisting of an interim dividend of ¥20 per share and a year-end dividend of ¥20 per share, and acquired ¥8.0 billion in treasury stock during the fiscal year under review in line with our profit returns and capital policy.

My Role and Thoughts on Operations Looking Ahead

As a leading company in the telecommunications construction industry, the COMSYS Group has been playing a pivotal role in the construction of Japan's telecommunications infrastructure to support rapidly growing mobile and data traffic.

In recent years, the Group has also been taking steps to evolve into a “comprehensive engineering enterprise” handling a wide array of social infrastructure construction. In this respect, we have been working to meet demand for telecommunications infrastructure construction in the information and communications domain, which is becoming more diverse and sophisticated each day. At the same time, we have been actively engaging in M&As and taking on challenges in new business domains such as renewable energy and water supply and sewerage.

I believe that my role as the new president is to further accelerate the measures pushed forward under the former president Hajime Takashima's strong leadership to propel the COMSYS Group to the next stage of growth.

Firstly, we will work to ensure and enhance safety and quality. It goes without saying that safety and quality should be prioritized above all as the foundation for the COMSYS Group's business. To maintain and augment our relationships of trust with customers, we will remain committed to mobilizing the Group's collective strengths in the pursuit of safety and quality.

We will also continue to focus on maximizing our ability to win orders and generate earnings. Specifically, we will aggressively pursue M&As in the social systems and IT business fields with a view to top-line growth. At the same time, we will laterally link Group companies' strengths in sales, construction execution, and technology to harness the Group's overall power and bolster our capacity for securing orders to win out in tough competition across industries.

A further focus is to increase efficiency and productivity. By incorporating our current structural reform platforms even deeper into the COMSYS Group, we will take efficiency to the next level. In particular, we will implement work style reforms utilizing ICT to realize higher productivity and create ways to solve labor shortage issues and secure diverse personnel.

We will boost our corporate value through these measures and deliver returns to all of our shareholders in

the form of dividends. In fiscal 2018, we expect net sales to rise 13.7% year on year to ¥380.0 billion, supported by continued high volumes of work in progress carried forward, and operating income to grow 13.8% year on year to ¥28.5 billion, reflecting ongoing structural reforms and efforts to raise construction work efficiency and lower expenses. We plan to increase the annual dividend by ¥10 per share to ¥50 per share. In addition, COMSYS Holdings intends to acquire up to ¥5.0 billion of treasury stock.

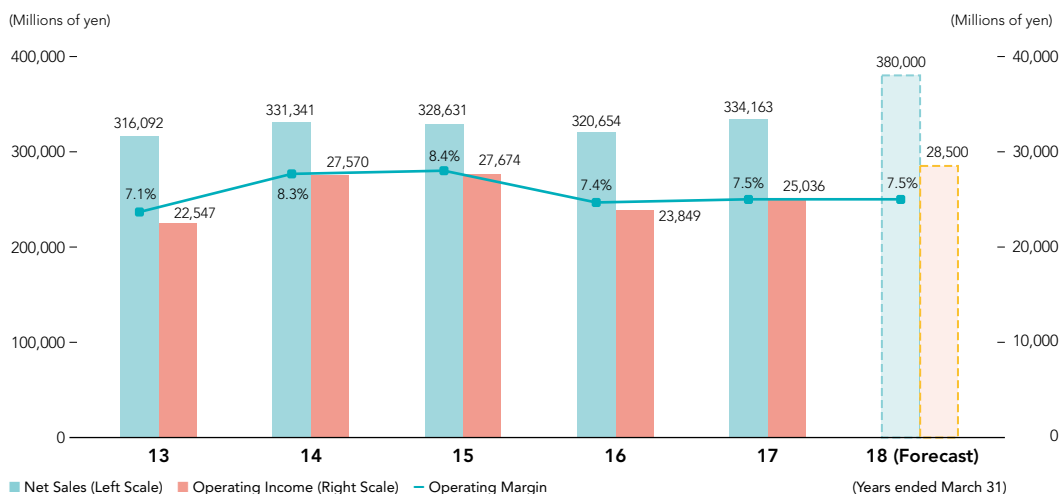
Heading for a New Growth Stage

COMSYS Holdings looks to achieve its current medium- to long-term targets ahead of time in 2020, and has started formulating a new roadmap with an eye to our vision for 2020 onward. We will keep striving to evolve into an unrivaled Group as a dominant leader in telecommunications construction and a "comprehensive engineering enterprise" with strengths in telecommunications construction.

We invite all our stakeholders to look forward to our initiatives at COMSYS Holdings.

* The figure for the consolidated earnings forecast for the fiscal year ending March 31, 2018 reflects the figure in the revised plan announced on August 4, 2017.

Operating Results by Year



Progress on Medium- to Long-Term Management Strategy "COMSYS WAY^a"

COMSYS WAY^a (advanced etc.)

The COMSYS Group has made further progress on its COMSYS WAY^a medium- to long-term management strategy centered on top-line growth and advancing structural reforms. More specifically, the Group is tackling the following issues.

Top-Line Growth

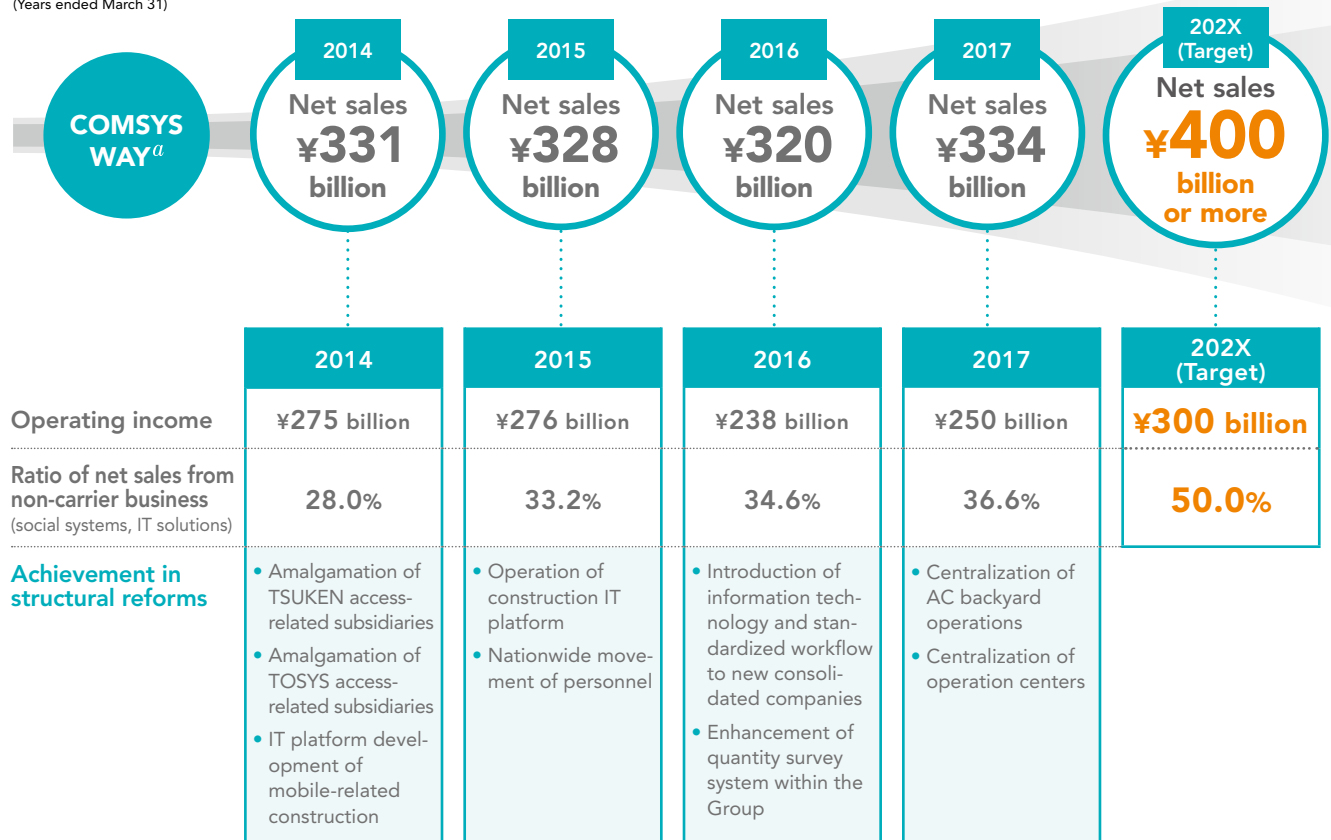
- 1 Actively increase orders received in response to higher public investment and investment in ICT
- 2 Actively expand the green innovation business, including the solar power business
- 3 Pioneer new business areas with a focus on the Smart Community
- 4 Seek out M&A opportunities and enhance business alliances

Promote Structural Reforms

- 1 Mobilize personnel for growth businesses
- 2 Maximize the use of human resources by fostering multi-skilled employees
- 3 Improve labor productivity through workstyle reforms
- 4 Strengthen integrated sales and project construction systems at Group companies
- 5 Utilize a construction IT platform that provides comprehensive management from receipt through to project management

Progress of COMSYS WAY^a

(Years ended March 31)



Topics

Conclusion of Share Exchange Agreement with Kando co., Ltd.

COMSYS Holdings decided at the Board of Directors meeting on March 23, 2017 to conduct a share exchange in which the Company was to become a wholly-owning parent company in share exchange and Kando co., Ltd. a wholly owned subsidiary company in share exchange, and entered into a share exchange agreement with Kando on the same date.

The share exchange took place on July 1, 2017, and Kando became a subsidiary of Nippon COMSYS Corporation on that date. As a designated construction company of Tokyo Gas Co., Ltd., Kando engages in a wide range of operations from the pipe laying business to the urban facility business. Kando has especially extensive expertise and experience in gas infrastructure construction and has earned strong trust from customers.

By having Kando and Nippon COMSYS Corporation's technological capabilities complement each other, we will seek to maximize synergies from personnel exchange and enhancement of our lineup of infrastructure construction services including telecommunications, electricity, water supply and sewerage, and gas as we push forward with our growth strategy as a Group.

Overview of Kando co., Ltd.

Name:	Kando co., Ltd.
Address:	Naitomachi, Shinjuku-ku, Tokyo
President and Representative Director:	Manabu Fukumoto
Paid-in capital:	¥448 million
Net sales:	¥35,819 million (fiscal 2016, consolidated)
Establishment:	April 14, 1948
Number of employees:	1,422 (as of March 31, 2016, consolidated)

Ongoing Operational Improvement via Construction Site Consolidation

The COMSYS Group is dramatically realigning its construction sites, aiming to further enhance construction quality and cut costs by strengthening its operating structure.

In the Chushin area of Nagano Prefecture, the TOSYS Matsumoto Building (Matsumoto City, Nagano Prefecture) has been completed. The new key base for the area consolidates five sites of six companies including Nippon COMSYS Corporation and TOSYS Corporation. It started operations on June 1, 2016.

Also, in the Kyushu area, Nippon COMSYS Corporation's Fukuoka Techno Station (Chikushino City, Fukuoka Prefecture) has been completed. It brings together four sites of four previously dispersed companies including Nippon COMSYS Corporation and SANWA COMSYS Engineering Corporation. Operations at the new site began on July 11, 2016.

Through such business site realignment, we will improve operations by centralizing administrative tasks to revise construction work systems, eliminating overlapping business processes to make operations more efficient, and maximizing resources to develop multi-skilled engineers.

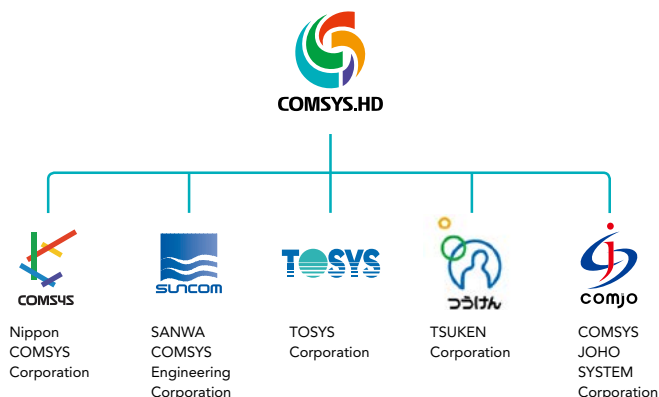


TOSYS Matsumoto Building



Fukuoka Techno Station

Five Integrated Business Groups



The main businesses of the COMSYS Group (COMSYS Holdings and its subsidiaries and affiliates) comprise the installation of electrical and telecommunications facilities and equipment, and the information processing-related business. As of March 2017, the Group included 55 companies.



COMSYS

Nippon COMSYS Corporation

Business Activities

With its primary customers consisting of the NTT Group, public offices, and private enterprises, the Nippon COMSYS Group is engaged in the installation of electrical and telecommunications facilities and equipment on a nationwide scale.

Address:

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

Establishment:

December 1951

Number of Employees:

Consolidated 5,164
Non-Consolidated 2,901

URL:

<http://www.comsys.co.jp/>
(Japanese only)

Number of Consolidated Subsidiaries:

19 companies



SANWA COMSYS Engineering Corporation

Business Activities

With its primary customers consisting of the KDDI Group and the SoftBank Group, the SANWA COMSYS Engineering Group is engaged in the installation of electrical and telecommunications facilities and equipment on a nationwide scale.

Address:

12-3, Koenji-Minami 2-chome, Suginami-ku,
Tokyo 166-0003, Japan

Establishment:

September 1947

Number of Employees:

Consolidated 1,450
Non-Consolidated 705

URL:

<http://www.sancom-eng.co.jp/>
(Japanese only)

Number of Consolidated Subsidiaries:

3 companies



TOSYS Corporation

Business Activities

With the NTT Group as its primary customer, the TOSYS Group is engaged in the installation of electrical and telecommunications facilities and equipment, mainly in Nagano and Niigata.

Address:

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

Establishment:

January 1960

Number of Employees:

Consolidated 1,076
Non-Consolidated 634

URL:

<http://www.tosys.co.jp/>
(Japanese only)

Number of Consolidated Subsidiaries:

4 companies



TSUKEN Corporation

Business Activities

With the NTT Group as its primary customer, the TSUKEN Group is engaged in the installation of electrical and telecommunications facilities and equipment, mainly in Hokkaido.

Address:

1-23, Kitashijounishi 15-chome, Chuo-ku Sapporo,
Hokkaido 060-0004, Japan

Establishment:

April 1951

Number of Employees:

Consolidated 1,791
Non-Consolidated 883

URL:

<http://www.tsuken.co.jp/>
(Japanese only)

Number of Consolidated Subsidiaries:

7 companies



COMSYS JOHO SYSTEM Corporation

Business Activities

With the NTT Group as its primary customer, the COMSYS JOHO SYSTEM Group is primarily engaged in the software development business, mainly in Tokyo.

Address:

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

Establishment:

April 2009

Number of Employees:

Consolidated 532
Non-Consolidated 376

URL:

<http://www.comjo.co.jp/>
(Japanese only)

Number of Consolidated Subsidiaries:

1 company

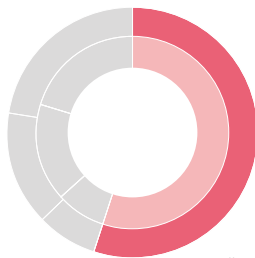
Business at a Glance

NTT Engineering Business



Business Domains

- NTT access business
- NTT network business
- NTT mobile business

Orders Received/Net Sales
(Year ended March 31, 2017)

(Billions of yen)

■ Orders received	55.0%	203.5
■ Net sales	55.2%	184.5

Respective Areas of Business Operations
of Group Companies

Nippon COMSYS Group	■
SANCOM Group	
TOSYS Group	■
TSUKEN Group	■
COMSYS JOHO SYSTEM Group	

Primary customers

NTT East and NTT West,
NTT Communications, NTT DOCOMO

Business Activities

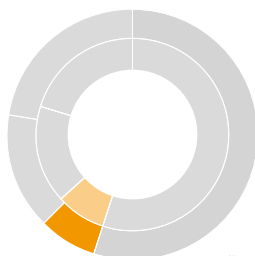
In the NTT Engineering segment, the Group is mainly engaged in the construction of telecommunications infrastructure for the NTT Group, including the installation of telephone lines and exchange equipment, transition of power lines underground, and construction of fixed-line broadband and wireless base stations. This is the COMSYS Group's core business and accounts for the largest share of Group-wide sales.

NCC Engineering Business



Business Domains

- Telecommunications facility construction business with telecommunications carriers other than the NTT Group

Orders Received/Net Sales
(Year ended March 31, 2017)

(Billions of yen)

■ Orders received	7.7%	28.4
■ Net sales	8.2%	27.4

Respective Areas of Business Operations
of Group Companies

Nippon COMSYS Group	
SANCOM Group	■
TOSYS Group	
TSUKEN Group	
COMSYS JOHO SYSTEM Group	

Primary customers

KDDI Group,
SoftBank Group

Business Activities

In the NCC Engineering segment, the Group undertakes construction of telecommunication and other related facilities for telecommunications carriers other than the NTT Group.

IT Solutions Business



Business Domains

- Network Integration (NI) Solutions
- System Integration (SI) Solutions
- Software development and contracted development
- Maintenance

Orders Received/Net Sales

(Year ended March 31, 2017)



(Billions of yen)

■ Orders received	14.9%	55.3
■ Net sales	16.5%	55.0

Respective Areas of Business Operations of Group Companies

Nippon COMSYS Group	■
SANCOM Group	■
TOSYS Group	■
TSUKEN Group	■
COMSYS JOHO SYSTEM Group	■

Primary customers

Various private-sector companies, public offices and local government authorities

Business Activities

In the IT Solutions segment, the Group combines its accumulated expertise with cutting-edge network technologies to provide comprehensive solutions services in the IT field, ranging from planning proposals regarding optimal systems integration for customers' business operations to providing maintenance services.

Social System-Related Business and Other

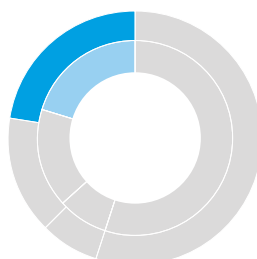


Business Domains

- Electrical facility construction
- Communication cable box (C.C. Box) construction
- Civil engineering construction
- Building construction and associated construction
- Environment and eco-solutions
- Others

Orders Received/Net Sales

(Year ended March 31, 2017)



(Billions of yen)

■ Orders received	22.4%	82.8
■ Net sales	20.1%	67.1

Respective Areas of Business Operations of Group Companies

Nippon COMSYS Group	■
SANCOM Group	■
TOSYS Group	■
TSUKEN Group	■
COMSYS JOHO SYSTEM Group	■

Primary customers

Public offices, local government authorities and various private-sector companies

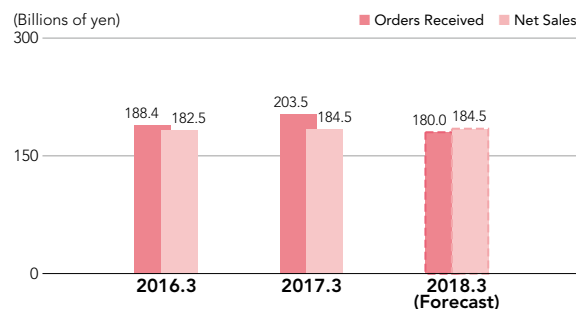
Business Activities

In the Social System-Related Business and Other segment, the Group is engaged in the design and construction of electrical facilities for places such as public facilities and office buildings; general civil engineering projects and the construction of office buildings, warehouses, factories, and disaster preparation facilities as well as businesses related to the environment and eco-businesses, such as solar power generation systems, energy conservation solutions, and other urban infrastructure businesses.

Review of Operations and Outlook

NTT Engineering Business

Orders Received / Net Sales



Fiscal 2017 Performance and Business Activities

In the NTT fixed-line business, access business orders received and net sales both rose. This was mainly due to an increase in user processes*¹ from strong growth in the Hikari Collaboration business*², and an increase in cable tunnel*³ repair and other maintenance undertaken by NTT as a measure to reduce the burden from such work in latter fiscal years.

In the NTT network business, net sales decreased due to delays in electrical construction progress.

In contrast, in the NTT mobile business, we received orders in advance for negotiation processes for 3.5 GHz band base station construction, and orders for wireless construction processes surged. However, net sales declined due to tardy construction progress owing mainly to accidents.

As a result, the Group posted net sales of ¥184.5 billion in the NTT Engineering segment in fiscal 2017, an increase of 1.1% from fiscal 2016.

*1 User processes refers to the laying of fiber optic cable at customers' places.

*2 Hikari Collaboration refers to wholesale fiber-optic broadband service provided by NTT East and NTT West

*3 Cable tunnel refers to tunnels through which communication cables have been laid down.

Outlook for Fiscal 2018

For fiscal 2018, the NTT Group has announced capital investment plans calling for reduction from the previous fiscal year. Despite those plans for reduced investment, there is strong growth for the Hikari Collaboration model, and NTT is expected to continue to take the measures to reduce burdens in latter fiscal years that it had been doing in fiscal 2017. In addition, we expect the business environment to stay brisk for the mobile business, with 3.5 GHz band and 700 MHz band base station construction work.

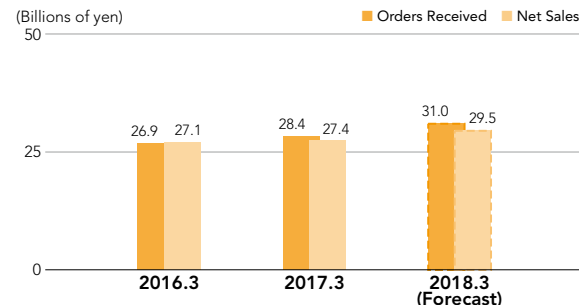
For fiscal 2018, the Group projects net sales of ¥184.5 billion in the NTT Engineering segment, on par with the previous fiscal year.

Future Outlook

In the NTT Engineering business, we anticipate the construction of telecommunications infrastructure ahead of the Tokyo Olympic and Paralympic Games, the moving of power lines underground being promoted by the Tokyo Metropolitan Government, and a shift to faster broadband for 4K and 8K broadcasts. In addition, we expect an expansion of services using the fifth-generation mobile communications platform including high-speed image processing, automated driving, and the Internet of Things.

NCC Engineering Business

Orders Received / Net Sales



Fiscal 2017 Performance and Business Activities

In the NCC Engineering business, orders received and net sales from KDDI (au) grew as orders for negotiations and wireless construction processes for 3.5 GHz band base station construction gained steam. However, orders received and net sales from the SoftBank Group declined, owing to ongoing but slightly reduced downward pressure on unit construction prices from reverse auctions.

As a result, the Group recorded net sales of ¥27.4 billion in the NCC Engineering segment in fiscal 2017, up 0.8% from fiscal 2016.

Outlook for Fiscal 2018

In fiscal 2018, we expect capital investment plans to grow year on year at the KDDI and SoftBank Groups.

KDDI (au) plans to bring 3.5 GHz band and 700 MHz band construction into full swing, while moving ahead with work to resolve interference with TV reception from use of the 700 MHz band.

In addition, the SoftBank Group plans 3.5 GHz band base station construction, and deployment of Massive MIMO with an eye to 5G*⁴.

For fiscal 2018, the Group projects net sales of ¥29.5 billion in the NCC Engineering business, an increase of 7.6% from the previous fiscal year.

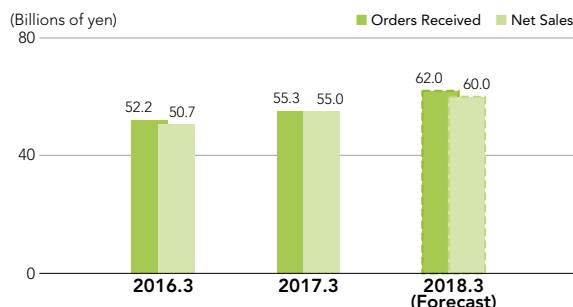
*4 5G refers to fifth generation mobile communications standards

Future Outlook

In the NCC Engineering business, we anticipate the construction of telecommunications infrastructure ahead of the Tokyo Olympic and Paralympic Games, to shift to high-speed broadband for 4K and 8K broadcasts among cable TV providers, and the expansion of services using fifth generation mobile communications platform including high-speed image processing, automated driving, and the Internet of Things.

IT Solutions Business

Orders Received / Net Sales



Fiscal 2017 Performance and Business Activities

In the IT Solutions business, orders received and net sales also increased, reflecting orders from telecommunications carriers for software development projects, solutions work for the public sector and corporations, and growth in alliance business.

As a result, the Group recorded net sales of ¥55.0 billion in the IT Solutions business in fiscal 2017, up 8.5% from fiscal 2016.

Outlook for Fiscal 2018

In fiscal 2018, we will keep expanding alliance business in the public sector as well as education and medical fields. Further, we will strive to grow orders for software development work from vendors and telecommunications carriers as well as solutions business from manufacturers.

For fiscal 2018, the Group projects net sales of ¥60.0 billion in the IT solutions business, an increase of 8.9% from the previous fiscal year.

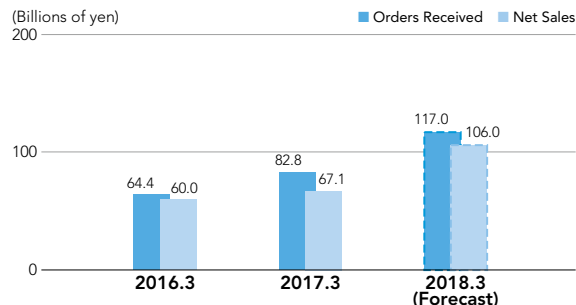
Future Outlook

In the IT Solutions business, the COMSYS Group aims to be a total service provider trusted by customers by leveraging its edge in network server and SDX technology over the medium to long term to create a business expansion cycle. We will also focus on expanding alliance domains based on the horizontal collaboration model.

Our ultimate goal is to be a one-stop solutions enterprise covering the entire spectrum from system design to maintenance and operations.

Social System-Related Business and Other

Orders Received / Net Sales



Fiscal 2017 Performance and Business Activities

In the Social System-Related Business and Other segment, orders received and net sales both grew. This reflects a boost from the new consolidation of TOKYO HOSOH KOGYO CO., LTD., which offset orders for expressway electrical construction failing to materialize, a decline in consumer solar construction projects, and orders for overseas projects not coming when we anticipated.

As a result, the COMSYS Group posted net sales of ¥67.1 billion in the Social System-Related Business and Other segment in fiscal 2017, growth of 11.7% compared with fiscal 2016.

Outlook for Fiscal 2018

In fiscal 2018, we anticipate growth in public and private sector demand, reflecting social infrastructure investment looking to the Tokyo Olympic and Paralympic Games and energy business as well as steps to strengthen national resilience. We will expand the scope of our environment and energy business beyond the solar power generation, electrical installation work including expressways, and water supply and sewerage-related civil engineering work we have undertaken so far.

Further, in the solar power sales business, we expect net sales and operating income to rise year on year due to the completion of solar power plants currently under construction.

For fiscal 2018, the Group forecasts net sales of ¥106.0 billion in the Social System-Related Business and Other segment, growth of 57.8% from the previous fiscal year.

Kando co., Ltd., which handles gas pipe facility construction and maintenance, became a subsidiary via an M&A in July 2017.

Future Outlook

In the Social System-Related Business and Other segment, we will keep working to expand existing businesses. We will also proactively engage in M&As where there are synergies with our businesses.

* The figure for the consolidated earnings forecast for the fiscal year ending March 31, 2018 reflects the figure in the revised plan announced on August 4, 2017.

Corporate Governance

Basic Corporate Governance Philosophy

The COMSYS Group recognizes that it is important to strengthen corporate governance in order to improve corporate value. By striving to achieve this, the COMSYS Group aims to be a company that possesses the ability to win the trust and admiration of all stakeholders through its actual performance.

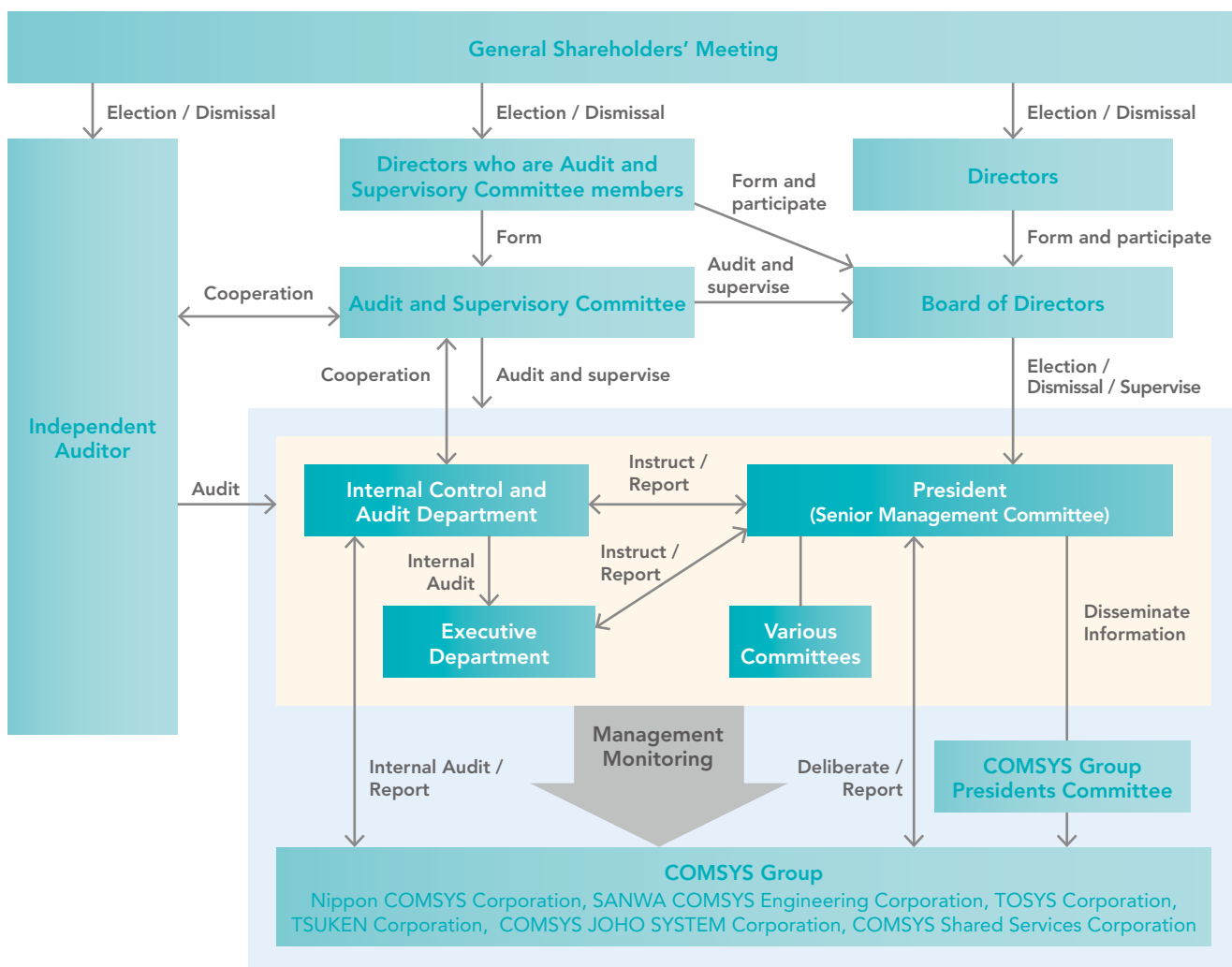
To do this, the COMSYS Group considers it is essential to establish the transparency and soundness of corporate management, and makes all possible efforts to entrench measures such as ensuring

appropriate information disclosure, promoting the observance of compliance, strengthening risk management, rigorously implementing the COMSYS Group's code of conduct, strengthening internal control, and contributing to society based on our business activities.

Organizational Structure

The Company transitioned to the company with audit and supervisory committee system as its corporate governance

Diagram of the COMSYS Group's Business Execution Framework, Management Monitoring and Internal Control System



system at the 14th General Shareholders’ Meeting, held on June 29, 2017. The system comprises a General Shareholders’ Meeting, Board of Directors, Audit and Supervisory Committee and other organizations.

The audit and supervisory committee system is characterized by strengthening the supervisory functions of the Board of Directors with a structure for conducting rapid decision-making. The Company aims to achieve these with the transition to this system, and to further increase its corporate value.

The Board of Directors comprises internal directors well versed in the Company’s operations and outside directors who monitor management from an independent standpoint, with the aim of enhancing management efficiency. Meanwhile, the Company has reinforced auditing functions with its Audit and Supervisory Committee’s members in order to ensure and enhance sound management.

The Company delegates important decisions on business execution to directors in accordance with the provisions of its Articles of Incorporation and by the resolution of the Board of Directors.

This system enables swift decision-making and nimble business execution, while allowing the Board of Directors to focus exclusively on supervision of business execution.

The Board of Directors comprises 10 directors and 6 of whom are Audit and Supervisory Committee members, including outside directors. The board holds regular meetings in accordance with the Board of Directors Rules, as well as ad hoc meetings as required. The meetings are used to make decisions on statutory matters as well as important matters related to management, and to carry out supervision of those executing business.

Every quarter, the directors responsible for each business segment report to the Board of Directors on progress with business execution based on policies determined by the Board. Also, each business segment conducts efficient operational management under the supervision of the responsible director.

The Senior Management Committee is made up of directors other than outside directors and the standing

Audit and Supervisory Committee members. In principle, this committee meets once a month to examine, discuss, and pass resolutions on issues related to key decisions, in an effort to improve the efficiency of business execution.

The heads of each operating department and certain other personnel attend meetings of the Senior Management Committee as observers, as necessary, to ensure that they fully understand the basis for all management decisions.

Status of the Internal Control System

The Company implements its internal control system based on a “Basic Policy on Establishing an Internal Control System” that was approved by resolution of the Board of Directors as follows.

Establishing a Compliance Structure

The Company has formulated its internal Compliance Program, has set forth Compliance Action Guidelines within this framework, and has established the Compliance Committee.

This committee, which is chaired by the president, is made up of representatives from the Company and each of the core operating subsidiaries, as well as all Audit and Supervisory Committee’s members. The committee oversees compliance throughout the COMSYS Group, and strives to increase the COMSYS Group’s awareness of compliance and establish an effective compliance structure through various discussions. All COMSYS Group companies have set up similar compliance committees of their own. These committees work to establish an effective compliance structure by implementing educational and training programs, as part of efforts to deepen employee understanding of the corporate philosophy and action guidelines of each respective COMSYS Group company.

Profile
President's Message
Progress on Medium- to Long-Term Management Strategy / Topics
Five Integrated Business Groups
Business at a Glance
Review of Operations and Outlook
Corporate Governance
Corporate Social Responsibility (CSR)
Financial Statements
Information
To Contents

Establishing a Risk Management Structure

In its efforts to maintain and enhance corporate value amid a rapidly changing business environment, the COMSYS Group is aware that it faces a variety of business risks which must be managed appropriately. Therefore, the Group has established a Risk Management Committee, chaired by the president and made up of directors from the Company and each of the core operating subsidiaries.

The Basic Policy on Risk Management was formulated in order to promote Group-wide risk management. Furthermore, similar risk management committees were established at each Group company. In this manner, efforts are being made to properly address the business risks faced by each Group company, and to minimize the materialization of each risk.

The Company has formulated Risk Management Guidelines and Crisis Management Guidelines and will strive to maintain sustainable operations and ensure steady growth at the Company and the COMSYS Group by practicing effective risk management.

For example, the COMSYS Group manages operational risk by ensuring that Group companies work in accordance with management systems such as ISO 9001, ISO 14001, ISO/IEC 27001, COHSMS (Construction Occupational Health and Safety Management System), and Privacy Mark certifications given the actual working environments at each Group company. As a result, the COMSYS Group acquires and maintains certification in these systems.

CSR Activities

The Company and the COMSYS Group have established the CSR Committee to coordinate Group-wide CSR activities with the aim of ensuring that the Group actively fulfills its economic and social responsibilities,

including social contribution activities, as a good corporate citizen.

The CSR Committee is engaged in CSR activities addressing various themes, such as compliance, corporate governance, risk management, information disclosure and protection, security countermeasures, social contributions and environmental issues.

Establishing an Information Management Structure

Important documents and records related to business activities and execution of directors' duties, including minutes of the Board of Directors and Senior Management Committee meetings and other reports, are stored and managed appropriately based on laws and regulations, as well as the Group's internal rules.

Furthermore, in order to improve the efficiency of operations and business execution, after ensuring an adequate level of information security, the Company is working to deploy various information systems to put in place a framework for sharing the latest management information.

Establishing a Group Management Structure

Business management of the core operating subsidiaries, which are the major subsidiaries of the COMSYS Group, is based on the "COMSYS Group Agreement." In addition, each core operating company conducts the management of the subsidiaries in which they have directly invested. As regards the business management to be conducted by the core operating subsidiaries, the Company possesses a Group operations system that provides guidance and advice as necessary.

Important management decisions within the COMSYS Group are reported to and discussed by the Senior

Management Committee and the Board of Directors in line with Group Operation Standards, which clarify decision-making and reporting rules for the COMSYS Group. In this manner, the Group management and monitoring framework is centered on the Company.

The Company has established internal reporting liaison contacts that cover the entire COMSYS Group, both inside the Company and at a law firm external to the Company. The Company works to prevent corporate impropriety by ascertaining reports from COMSYS Group employees and others about facts that may violate laws and regulations. The Company has also made efforts to prevent unfair treatment of whistleblowers by setting up appropriate systems in line with the Whistleblower Protection Act.

In order to ensure that all COMSYS Group operations are carried out appropriately, the directors of each core operating subsidiary also participate as members in the various Group committees established within the Company, including the CSR Committee, the Compliance Committee and the Risk Management Committee. In this way, the COMSYS Group ensures that all policies and decisions discussed by these groups are reported to and thoroughly understood by each Group company.

In addition, the Group has formed the COMSYS Group Presidents Committee, which is made up of the presidents of COMSYS Group companies. This committee meets regularly and works to ensure that management policies and activities are clearly understood by all members.

System to Eliminate Antisocial Forces

To fulfill our social responsibility as a company, the Company and the COMSYS Group have absolutely no relationship with any antisocial forces or groups that threaten the order and safety of civic society. Moreover, the Company and the COMSYS Group will maintain a

resolute and uncompromising attitude in the face of any attempts to form a coercive relationship.

The Company and the COMSYS Group have prepared an organizational framework that enables them to block the formation of a relationship with any antisocial forces or groups, and to maintain a resolute and uncompromising attitude while coordinating with lawyers, the police, and other relevant authorities.

The Audit and Supervisory Committee

The Company’s internal auditing organization consists of an Internal Audit Office and an Internal Control Office within the Internal Control and Audit Department.

The Internal Audit Office formulates internal auditing policies based on top management requirements, and conducts internal audits of the Company and all Group companies. These activities are intended to ensure that business execution is legal and appropriate, and that each business risk faced by the Group is minimized, while maximizing the quality of business operations.

The Internal Control Office formulates operational internal control policies as regards financial reporting, and provides leadership and evaluates the effectiveness of the internal control systems in the Company and the Group.

The Audit and Supervisory Committee comprises six members, four of whom are outside directors. To ensure the effectiveness of the Audit and Supervisory Committee’s activities, the Company has established a system by which the Audit and Supervisory Committee members mutually elect a standing Audit and Supervisory Committee member who will attend important internal meetings and committees such as the Senior Management Committee and the Compliance Committee as a regular member to ensure that the member can constantly check the status of business execution and provide opinions.

In addition, based on the rules governing the Audit

Profile
President's Message
Progress on Medium- to Long-Term Management Strategy / Topics
Five Integrated Business Groups
Business at a Glance
Review of Operations and Outlook
Corporate Governance
Corporate Social Responsibility (CSR)
Financial Statements
Information
To Contents

and Supervisory Committee, directors and employees of the Company and the Group are required to report on major business activities or issues that could affect the Company's operations or performance to the Audit and Supervisory Committee members.

Furthermore, under the system, the Audit and Supervisory Committee members may request the directors and employees of the Company and the Group to provide the above reports or other reports considered necessary at their discretion.

The Audit and Supervisory Committee members also hold regular meetings with the president to directly express their views on issues related to business execution and other topics.

The Audit and Supervisory Committee members of the Company constantly check whether business operations are executed appropriately and efficiently by maintaining close ties with the Group's independent auditor and the Internal Control and Audit Department. For example, the Audit and Supervisory Committee members accompany the independent auditor and others on on-site internal and financial audits as observers in accordance with the audit plans.

Furthermore, the Audit and Supervisory Committee members hold regular meetings with the corporate auditors of the main Group companies to share information, exchange opinions, and related activities to maintain close coordination within the Group and ensure the efficacy of audits.

If the Audit and Supervisory Committee requires assistants to assist with its duties, the Company discusses the committee's needs with the Audit and Supervisory Committee members and appoints organizations and assistants.

The personnel matters and transfers of the assistants are conducted after consultation with the Audit and Supervisory Committee members.

Outside Directors

The Company has four outside directors, all of whom are Audit and Supervisory Committee members.

In appointing outside directors, the Company considers the conditions for independence specified by the Companies Act and the Tokyo Stock Exchange, and emphasizes personnel who are able to advise and supervise the Company's management, having either of the following experiences or qualifications.

- (1) A person who has served as a corporate officer or management team member at another company, having a thorough knowledge of corporate management
- (2) A person with expert knowledge of laws, accounting, and so forth

All of the outside directors have either a wealth of knowledge and wide-ranging insight from their long experience in various industries and as corporate managers, or high-level of ability and insight into the law as attorneys. They are expected to provide appropriate advice from multiple perspectives.

Furthermore, the Company judges that the outside directors will carry out their audits and supervision from an objective standpoint, and contribute to strengthening the Company's corporate governance.

Corporate Social Responsibility (CSR)

Basic Approach to CSR

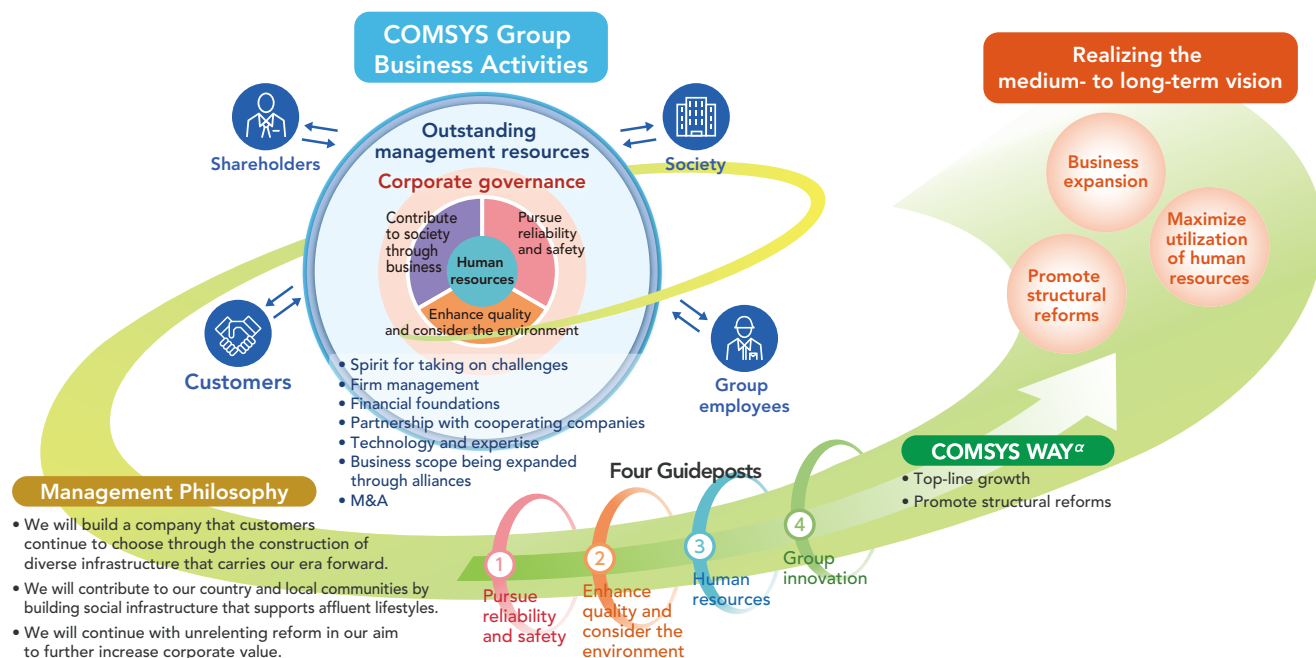
In this information-rich society, the role of the COMSYS Group is to build reliable, safe, and convenient networked society and support the networks that connect every corner of society like clockwork. We consider this our responsibility to society as a corporation.

The COMSYS Group promotes its CSR activities under the CSR concept that we are contributing to the creation of a society where telecommunications networks foster more meaningful relationships among people, and between people and their communities. We see our basic CSR activities as a social contribution made through business activities.

Moreover, the Group will consider the environment as it undertakes development of a wider infrastructure, and will help to create an information-rich society that coexists harmoniously with the global environment.

As a member of society, the COMSYS Group aims to become a corporate entity that is trusted and loved by many stakeholders, including customers, local communities, shareholders, and employees. We will also engage in CSR activities to achieve sustainable growth.

COMSYS Group Value Creation Process



For the COMSYS Group, CSR activities are an important element in supporting value creation.

With human resources as the core, the COMSYS Group engages in business activities with a strong awareness of our priority challenges, which are to "pursue reliability and safety," "enhance quality and consider the environment," and "contribute to society through business." We strive to strengthen governance, which is the management foundation that supports these activities.

In addition, with our management philosophy the Group aims to realize the business expansion, maximize utilization of human resources, and the promote structural reforms, as called for by our medium- to long-term vision.

By establishing the four guideposts, the COMSYS Group is moving through a short-term PDCA cycle for each goal, and boosting the realization of the medium- to long-term vision.

Financial Statements

Consolidated Balance Sheets

COMSYS Holdings Corporation and Consolidated Subsidiaries
As of March 31, 2016 and 2017

	Millions of yen	
	2016	2017
ASSETS		
Current assets:		
Cash and cash equivalents	¥ 28,930	¥ 20,961
Notes and accounts receivable—trade	102,559	114,322
Lease investment assets	2,662	2,572
Accumulated cost of construction in progress	15,261	19,617
Merchandise	112	77
Materials and supplies	390	518
Deferred income taxes	3,152	3,587
Other current assets	2,533	5,543
Less: Allowance for doubtful receivables	(51)	(34)
Total current assets	155,551	167,166
Fixed assets:		
Property and equipment:		
Buildings and structures	54,120	56,994
Less: Accumulated depreciation	(26,217)	(28,052)
Buildings and structures, net	27,902	28,942
Machinery, vehicles and equipment	18,636	30,355
Less: Accumulated depreciation	(14,034)	(16,934)
Machinery, vehicles and equipment, net	4,601	13,420
Land	39,265	40,186
Lease assets	565	523
Less: Accumulated depreciation	(224)	(270)
Lease assets, net	341	253
Construction in progress	767	4,166
Total property and equipment	72,878	86,968
Intangible assets:		
Goodwill	2,935	666
Other intangible assets	4,055	4,002
Total intangible assets	6,990	4,669
Investments and other assets:		
Investment securities	10,460	11,154
Long-term loans receivable	8,033	1,067
Deferred income taxes	319	333
Net defined benefit asset	9,094	10,082
Other assets	4,758	4,510
Less: Allowance for doubtful receivables	(2,020)	(1,585)
Total investments and other assets	30,645	25,563
Total fixed assets	110,514	117,201
Total assets	¥266,066	¥284,367

	Millions of yen	
	2016	2017
LIABILITIES		
Current liabilities:		
Accounts payable—trade	¥ 49,191	¥ 55,577
Short-term bank loans	114	113
Income taxes payable	3,296	2,088
Advances received on construction in progress	710	1,291
Allowance for warranty work on construction projects	202	206
Allowance for losses on construction contracts	—	297
Other current liabilities	7,711	11,712
Total current liabilities	61,225	71,289
Long-term liabilities:		
Deferred income taxes	2,186	3,084
Deferred tax liabilities for unrealized gains on land revaluation	1,428	1,369
Net defined benefit liability	3,726	4,355
Allowance for directors' retirement benefits	219	257
Other long-term liabilities	735	1,068
Total long-term liabilities	8,296	10,134
Total liabilities	69,522	81,423
NET ASSETS		
Shareholders' equity:		
Common stock	10,000	10,000
Additional paid-in capital	51,264	52,525
Retained earnings	176,847	186,195
Treasury stock, at cost	(36,008)	(41,028)
Total shareholders' equity	202,104	207,692
Accumulated other comprehensive income:		
Unrealized gain on other securities	2,350	2,666
Revaluation reserve for land	(7,856)	(7,990)
Remeasurements of defined benefit plans	(1,219)	(650)
Total accumulated other comprehensive income	(6,724)	(5,974)
Subscription rights to shares	542	578
Non-controlling interests	621	647
Total net assets	196,543	202,943
Total liabilities and net assets	¥266,066	¥284,367

Consolidated Statements of Income

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended March 31, 2016 and 2017

	Millions of yen	
	2016	2017
Net sales	¥320,654	¥334,163
Cost of sales	277,264	288,440
Gross profits	43,389	45,723
Selling, general and administrative expenses	19,540	20,686
Operating income	23,849	25,036
Other income:		
Interest income	62	15
Dividend income	168	179
Reversal of allowance for doubtful receivables	165	16
Rent income on noncurrent assets	93	91
Foreign exchange gains	—	13
Other	172	134
Total other income	662	451
Other expenses:		
Interest expenses	9	8
Foreign exchange losses	145	—
Commission for purchase of treasury stock	23	21
Depreciation of idle assets	25	35
Rent expenses	39	63
Other	45	18
Total other expenses	289	147
Recurring profit	24,223	25,341
Extraordinary income:		
Gain on sales of fixed assets	72	24
Gain on sales of investment securities	237	161
Reversal of allowance for doubtful receivables	—	328
Gain on exchange from business combination	—	84
Gain on negative goodwill	386	—
Other	13	49
Total extraordinary income	709	649
Extraordinary loss:		
Loss on disposal of fixed assets	98	114
Loss on impairment of fixed assets	470	391
Amortization of goodwill	—	2,273
Special payments on employees' retirement benefits	162	163
Other	162	239
Total extraordinary loss	893	3,183
Income before income taxes and other adjustments to net income	24,040	22,807
Income taxes:		
Current	7,417	8,958
Deferred	1,170	(663)
Total income taxes	8,588	8,295
Net income	15,451	14,512
Net income attributable to non-controlling interests	30	26
Net income attributable to owners of parent	¥ 15,420	¥ 14,485

Consolidated Statements of Changes in Net Assets

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended March 31, 2016 and 2017

	Millions of yen				
	Shareholders' equity				Total shareholders' equity
Year ended March 31, 2016	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	
Balance at the end of the previous period	¥10,000	¥56,615	¥164,836	¥(34,852)	¥196,599
Changes during the period:					
Cash dividends			(3,402)		(3,402)
Net income attributable to owners of parent			15,420		15,420
Repurchase of treasury stock				(8,002)	(8,002)
Disposal of treasury stock		273		1,067	1,341
Retirement of treasury stock		(5,778)		5,778	—
Purchase of treasury stock of subsidiaries		154			154
Changes of scope of consolidation			(6)		(6)
Increase by share exchanges					—
Reversal of revaluation reserve for land					—
Net changes during the period except for shareholders' equity					—
Total changes during the period	—	(5,350)	12,011	(1,155)	5,504
Balance at the end of the period	¥10,000	¥51,264	¥176,847	¥(36,008)	¥202,104

	Millions of yen						
	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
Year ended March 31, 2016	Unrealized gain (loss) on other securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the end of the previous period	¥2,638	¥(7,936)	¥1,473	¥(3,824)	¥500	¥762	¥194,038
Changes during the period:							
Cash dividends							(3,402)
Net income attributable to owners of parent							15,420
Repurchase of treasury stock							(8,002)
Disposal of treasury stock							1,341
Retirement of treasury stock							—
Purchase of treasury stock of subsidiaries							154
Changes of scope of consolidation							(6)
Increase by share exchanges							—
Reversal of revaluation reserve for land							—
Net changes during the period except for shareholders' equity	(288)	80	(2,692)	(2,900)	41	(141)	(2,999)
Total changes during the period	(288)	80	(2,692)	(2,900)	41	(141)	2,505
Balance at the end of the period	¥2,350	¥(7,856)	¥(1,219)	¥(6,724)	¥542	¥621	¥196,543

	Millions of yen				
	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Year ended March 31, 2017					
Balance at the end of the previous period	¥10,000	¥51,264	¥176,847	¥(36,008)	¥202,104
Changes during the period:					
Cash dividends			(4,435)		(4,435)
Net income attributable to owners of parent			14,485		14,485
Repurchase of treasury stock				(8,000)	(8,000)
Disposal of treasury stock		99		442	541
Retirement of treasury stock					—
Purchase of treasury stock of subsidiaries					—
Changes of scope of consolidation			(837)		(837)
Increase by share exchanges		1,161		2,538	3,700
Reversal of revaluation reserve for land			134		134
Net changes during the period except for shareholders' equity					—
Total changes during the period	—	1,260	9,347	(5,019)	5,588
Balance at the end of the period	¥10,000	¥52,525	¥186,195	¥(41,028)	¥207,692

	Millions of yen						
	Accumulated other comprehensive income						
	Unrealized gain (loss) on other securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	Total net assets
Year ended March 31, 2017							
Balance at the end of the previous period	¥2,350	¥(7,856)	¥(1,219)	¥(6,724)	¥542	¥621	¥196,543
Changes during the period:							
Cash dividends							(4,435)
Net income attributable to owners of parent							14,485
Repurchase of treasury stock							(8,000)
Disposal of treasury stock							541
Retirement of treasury stock							—
Purchase of treasury stock of subsidiaries							—
Changes of scope of consolidation							(837)
Increase by share exchanges							3,700
Reversal of revaluation reserve for land		(134)		(134)			—
Net changes during the period except for shareholders' equity	315		568	884	35	26	946
Total changes during the period	315	(134)	568	749	35	26	6,400
Balance at the end of the period	¥2,666	¥(7,990)	¥ (650)	¥(5,974)	¥578	¥647	¥202,943

Consolidated Statements of Cash Flows

COMSYS Holdings Corporation and Consolidated Subsidiaries
Years ended March 31, 2016 and 2017

	Millions of yen	
	2016	2017
Cash flows from operating activities:		
Income before income taxes and other adjustments to net income	¥ 24,040	¥ 22,807
Depreciation and amortization	5,009	5,723
Loss on impairment of fixed assets	470	391
Gain on negative goodwill	(386)	—
Amortization of goodwill	594	3,017
Decrease in allowance for doubtful receivables	(236)	(453)
(Decrease) increase in net defined benefit liability	(264)	24
Interest and dividends received	(230)	(195)
Interest expenses	9	7
Increase in receivables—trade	(8,377)	(7,694)
Decrease (increase) in inventories	653	(4,257)
Increase in payables—trade	2,955	801
Gain on sale of investment securities	(177)	(161)
Increase in other assets	(998)	(282)
(Decrease) increase in other liabilities	(2,506)	811
Other, net	146	168
	20,701	20,709
Cash and cash equivalents received on interest and dividend income	227	194
Cash and cash equivalents paid for interest expenses	(9)	(7)
Cash and cash equivalents paid for income taxes	(7,829)	(8,351)
Net cash provided by operating activities	13,089	12,545
Cash flows from investing activities:		
Decrease in time deposits, net	59	30
Payment for purchases of investment securities	(206)	(151)
Proceeds from sale of investment securities	1,156	242
Proceeds from redemption of investment securities	100	—
Proceeds from purchase of stocks of subsidiaries resulting in change in scope of consolidation	216	—
Purchase of investments in subsidiaries	(70)	(241)
Acquisitions of property and equipment	(4,639)	(8,864)
Acquisitions of intangible fixed assets	(1,664)	(1,171)
Proceeds from sale of property and equipment	863	101
Payments of loans receivable	(3,695)	(38)
Collection of loans receivable	511	151
Purchase of insurance funds	(16)	(96)
Proceeds from cancellation of insurance funds	235	258
Other, net	(152)	(160)
Net cash used in investing activities	(7,303)	(9,940)
Cash flows from financing activities:		
Decrease in short-term borrowings, net	(8)	56
Repayment of long-term debt	(16)	(9)
Acquisitions of treasury stock	(8,025)	(8,022)
Proceeds from sale of treasury stock	234	329
Purchase of treasury stocks of subsidiaries	(7)	—
Cash dividends paid	(3,402)	(4,435)
Cash dividends paid to non-controlling interests	(3)	(2)
Repayment of financial lease obligations	(78)	(94)
Net cash used in financing activities	(11,307)	(12,178)
Effect of exchange rate changes on cash and cash equivalents	(0)	(0)
Net decrease in cash and cash equivalents	(5,521)	(9,573)
Cash and cash equivalents at beginning of year	33,435	28,818
Increase in cash and cash equivalents resulting from change of scope of consolidation	883	282
Increase in cash and cash equivalents resulting from merger	21	96
Increase in cash and cash equivalents resulting from share exchange	—	1,255
Cash and cash equivalents at end of year	¥ 28,818	¥ 20,879

Profile

President's
MessageProgress on Medium- to
Long-Term Management
Strategy / TopicsFive Integrated
Business GroupsBusiness at a
GlanceReview of
Operations and
OutlookCorporate
GovernanceCorporate Social
Responsibility
(CSR)Financial
Statements

Information

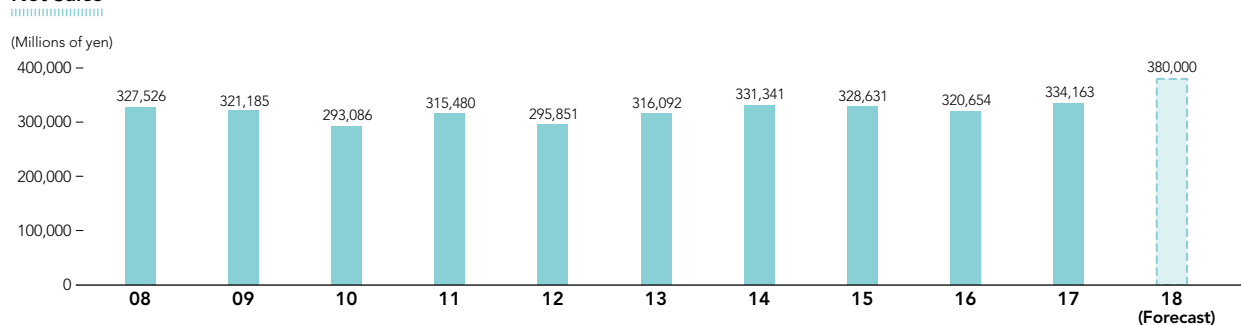
To Contents

Ten-Year Summary of Business Results and Financial Data

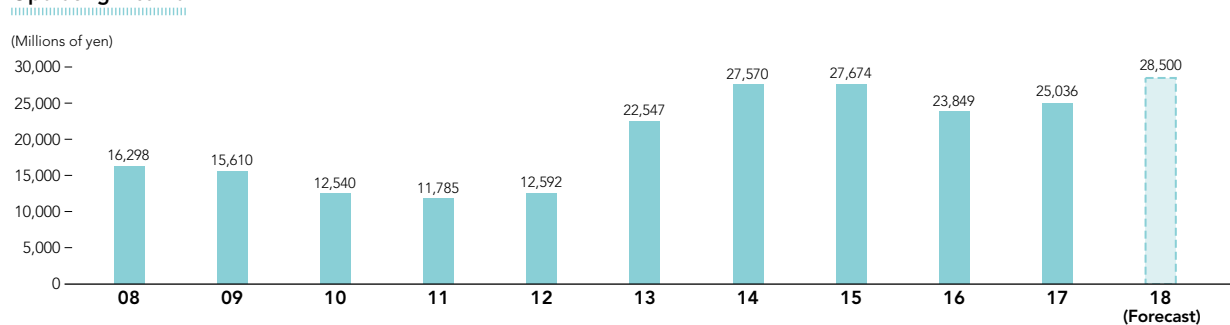
Years ended March 31

* The figure for the consolidated earnings forecast for the fiscal year ending March 31, 2018 reflects the figure in the revised plan announced on August 4, 2017.

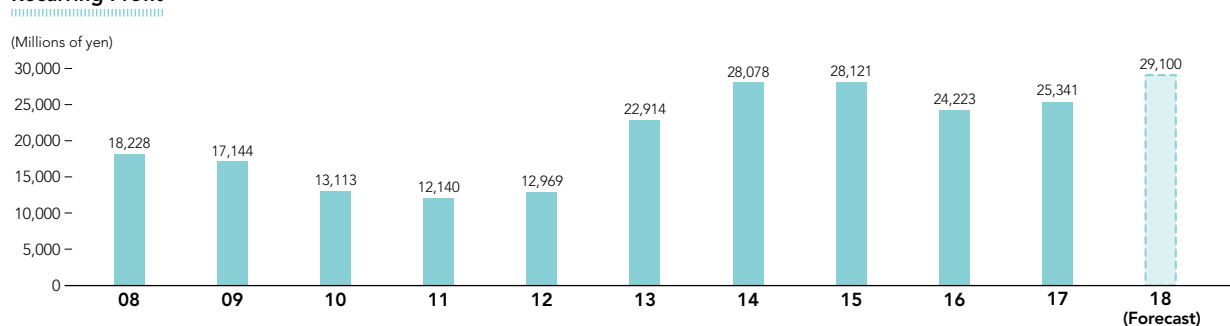
Net Sales



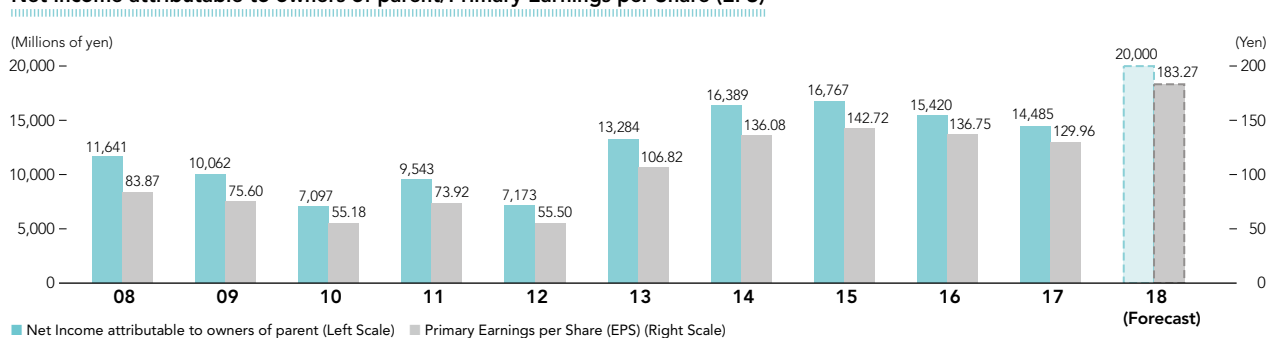
Operating Income



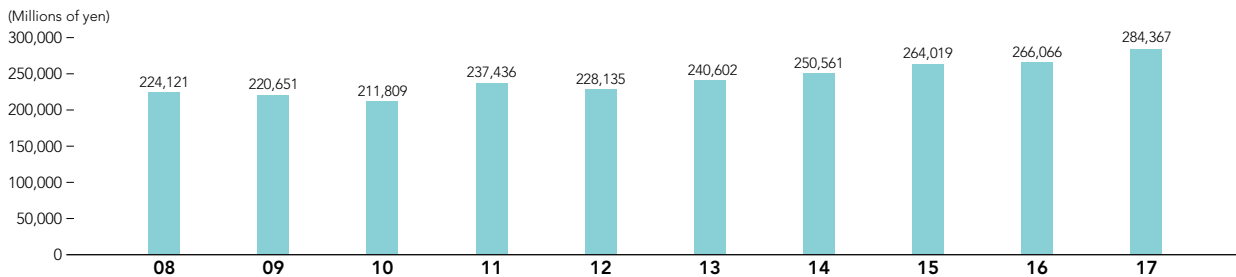
Recurring Profit



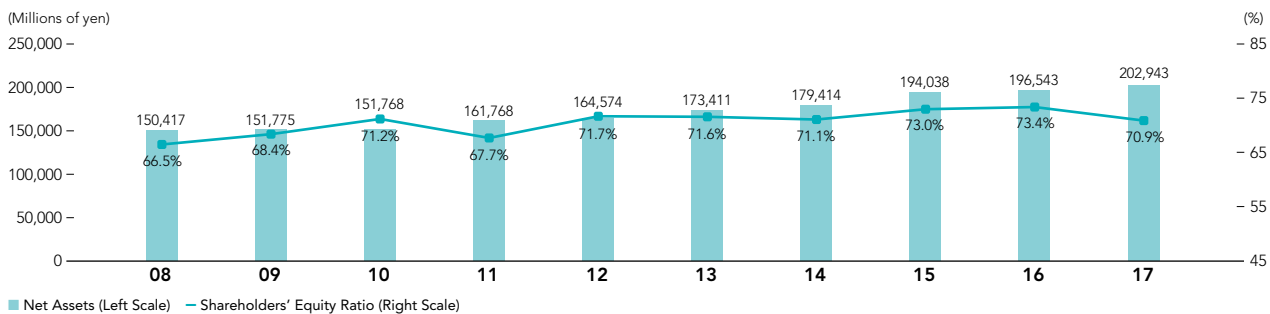
Net Income attributable to owners of parent/Primary Earnings per Share (EPS)



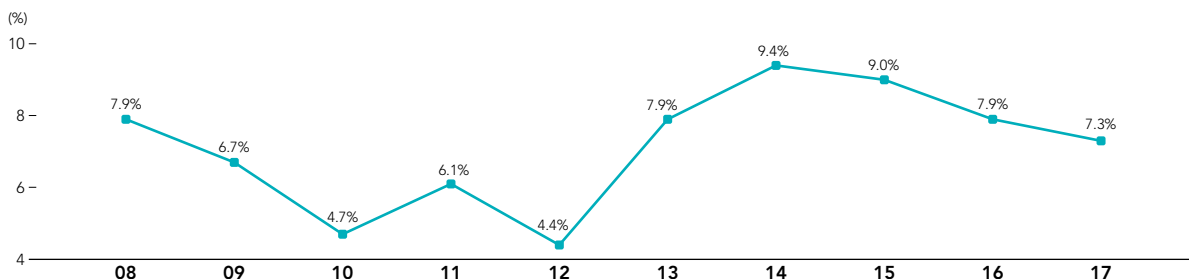
Total Assets



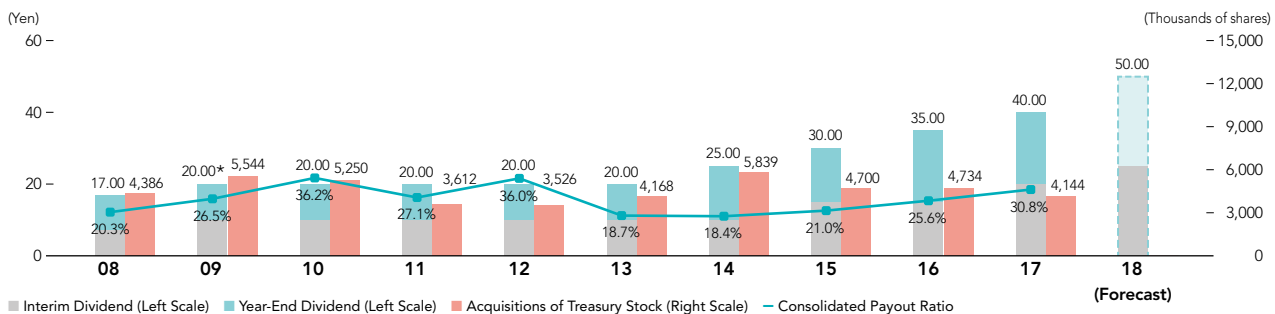
Net Assets/Shareholders' Equity Ratio



Return on Equity (ROE)



Dividends per Share/Acquisitions of Treasury Stock/Consolidated Payout Ratio



* Includes a special ¥3 dividend paid to reflect the benefits of the merger.

Information

COMSYS Holdings Information

Corporate Data

As of March 31, 2017

Name:

COMSYS Holdings Corporation

Head Office:

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

URL:

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

Date of Establishment:

September 29, 2003

Paid-In Capital:

¥10 billion

Number of Employees:

10,224 (Consolidated)

Directors and Audit and Supervisory Committee Members

As of June 29, 2017

President and Representative Director

Takashi Kagaya

(President and Representative Director of Nippon COMSYS Corporation)

Directors

Noriaki Ito

(Chairman and Representative Director of Nippon COMSYS Corporation)

Akio Ogawa

(President and Representative Director of TOSYS Corporation)

Yoshihisa Omura

(President and Representative Director of TSUKEN Corporation)

Shigemi Sakamoto

*(President and Representative Director of
SANWA COMSYS Engineering Corporation)*

Akihiko Aoyama

*(President and Representative Director of
COMSYS JOHO SYSTEM Corporation)*

Hitoshi Kumagai

Kenichi Sato

Hidehiko Ozaki

Norio Suda

Directors (Audit and Supervisory Committee Members)

Tsuyoshi Nishiyama

Koichiro Kamiwaki

Outside Directors
(Audit and Supervisory Committee Members)

Kenichi Narumiya

Masahiko Miyashita

Takaharu Saegusa

Kazuyoshi Onohara

(): Concurrent positions held

Corporate History

October 2010

Management integration of TSUKEN Corporation.

June 2009

Minimum share purchase unit reduced from 1,000 shares to 100 shares.

April 2009

The information systems business related to software development outsourcing was spun off from Nippon COMSYS Corporation to form COMSYS JOHO SYSTEM Corporation.

April 2007

COMSYS Holdings Corporation converted COMSYS Shared Services Corporation, previously a consolidated subsidiary of Nippon COMSYS Corporation, into a wholly owned subsidiary in order to clarify its role as a common provider of business process outsourcing services for the COMSYS Group.

October 2005

COMSYS Holdings Corporation converted Kokusai Densetsu Co., Ltd. (now COMSYS WING Corporation) into a wholly owned subsidiary through a stock exchange, and made Kokusai Densetsu a wholly owned subsidiary of Nippon COMSYS Corporation on the same day.

April 2005

SANWA ELEC Co., Ltd. was renamed SANWA COMSYS Engineering Corporation.

September 2003

COMSYS Holdings Corporation listed its shares on the first sections of the Tokyo Stock Exchange and Osaka Securities Exchange.

September 2003

Nippon COMSYS Corporation delisted its shares in line with the establishment of the holding company.

March 2002

Nippon COMSYS Corporation was selected as one of the 225 components of the Nikkei Stock Average.

December 2001

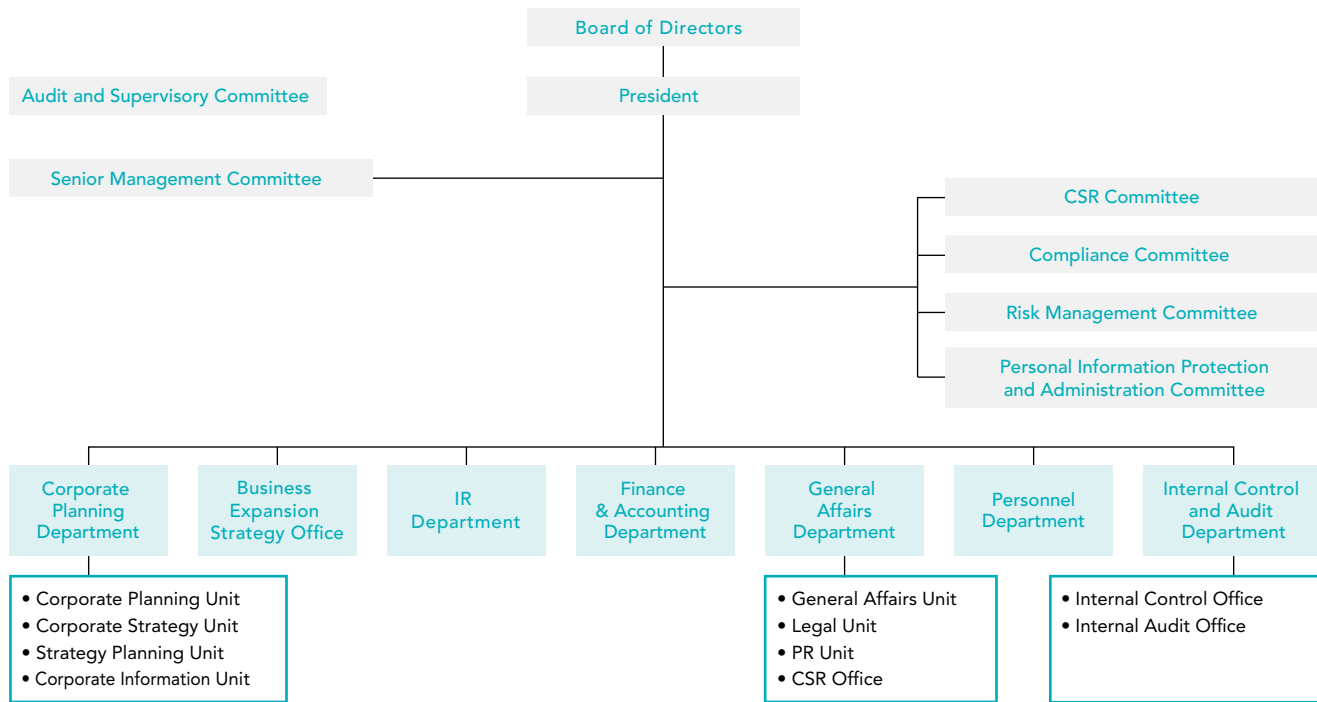
Nippon COMSYS Corporation celebrated its 50th founding anniversary.

July 1990

The Company was renamed Nippon COMSYS Corporation.

Organization Chart

As of July 1, 2017



Profile

President's
Message

Progress on Medium- to
Long-Term Management
Strategy / Topics

Five Integrated
Business Groups

Business at a
Glance

Review of
Operations and
Outlook

Corporate
Governance

Corporate Social
Responsibility
(CSR)

Financial
Statements

Information

To Contents

Investor Information

□ Fiscal Year-End:

March 31, 2017

□ Annual Shareholders' Meeting:

June 29, 2017

□ Common Stock:

Authorized: 580,000,000 shares

Issued: 141,000,000 shares

□ Number of Shareholders:

7,899

□ Date of Listing:

September 2003

□ Stock Exchange Listing:

First Section of the Tokyo Stock Exchange
(Securities code: 1721)

□ Transfer Agent:

Mitsubishi UFJ Trust and Banking Corporation
Securities Department
1-1, Nikko-cho, Fuchu-shi, Tokyo 183-0044, Japan

□ Auditor:

GYOSEI & CO.

□ For Further Information on this Annual Report, Please Contact:

IR Department
Tel: +81-3-3448-7000 (direct)
Fax: +81-3-3448-7001
E-Mail: chd-ir@comsys.co.jp

□ Major Shareholders:

As of March 31, 2017

Shareholders	Shares held (Thousands)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	19,364	13.73
Japan Trustee Services Bank, Ltd. (Trust Account)	12,808	9.08
Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Trust Bank, Limited Retrust Account, Sumitomo Electric Industries, Ltd. Employee Pension Trust Account)	5,166	3.66
Trust & Custody Services Bank, Ltd. (Investment Trust Account)	3,262	2.31
Nippon Life Insurance Company	2,590	1.83
Goldman Sachs Japan Co., Ltd.	2,000	1.41
BNP Paribas Securities (Japan) Limited	1,668	1.18
Japan Trustee Services Bank, Ltd. (Trust Account No.5)	1,609	1.14
Meiji Yasuda Life Insurance Company	1,554	1.10
NEC Corporation	1,408	0.99

□ Composition of Shareholders:

As of March 31, 2017



□ Stock Price Range / Monthly Trading Volume

