

August 14, 2013

Command Security Corporation Reports Results for First Quarter of Fiscal 2014

HERNDON, Va.-- Command [Security](#) Corporation (NYSE MKT: MOC) announced today its financial results for its first fiscal quarter of 2014 ended June 30, 2013.

For the three months ended June 30, 2013, revenues increased 6.5% to \$37,961,495, compared with revenues of \$35,641,679 in the same period of the prior year. Operating income for the three months ended June 30, 2013 decreased to \$238,843, compared with \$513,782 in the same period of the prior year. Net income decreased to \$33,233, or \$0.00 per basic and diluted share, compared with \$231,268, or \$0.02 per basic and diluted share in the same period of the prior year.

The increase in revenues for the three months ended June 30, 2013, as compared with the corresponding period of the prior year was due primarily to the following events:

- Increased revenues associated with an expansion of services provided under a contract with a major transportation company; and
- Expansion of aviation related security services at LaGuardia Airport.

The decrease in operating and net income for the three months ended June 30, 2013 as compared to the corresponding period of the prior year was due primarily to approximately \$450,000 in legal related costs. The legal issues include on-going litigation with a non-certified union in California seeking to be re-recognized by a work group that had previously voted to withdraw recognition and employment matters that occurred in 2010 and 2011. In addition, net income was adversely impacted by the tax consequences related to the expiration of stock options held by former employees and certain other permanent tax differences.

Craig P. Coy, Chief Executive Officer of Command Security, stated, "This was the first quarter for the new management and administrative team in Virginia which has resulted in improved coordination and reduced staff expenses. We continue to have several initiatives underway to further enhance our operating efficiencies, such as the deployment of new web-based employee management tools and a realignment of our operating offices. We are reenergizing our sales effort with new managers in our key markets. Importantly, sales growth is consistently challenged by strong competitive pricing pressures. Our operations were strong with improvements in delivering great service to our customers. In addition, our efforts to improve our working capital management have recently shown improvements. Overall, I continue to be pleased with the direction the Company is moving and progress we are making in building a solid platform for the future."

About Command Security Corporation

Command Security Corporation and its Aviation Safeguards subsidiary provides uniformed [security officers](#), aviation security services and support security services to commercial, financial, industrial, aviation and governmental customers throughout the United States. We

safeguard against theft, fraud, fire, intrusion, vandalism and the many other threats that our customers are facing today. By partnering with each customer, we design programs customized to meet their specific security needs and address their particular concerns. We bring years of expertise, including sophisticated systems for hiring, training, supervision and oversight, backed by cutting-edge technology, to every situation that our customers face involving security. Our mission is to enable our customers to operate their businesses without disruption or loss, and to create safe environments for their employees. For more information concerning our company, please refer to our website at www.commandsecurity.com.

Forward-Looking Statements

This announcement by Command Security Corporation (referred to herein as the “Company”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and within the meaning of the Private Securities Litigation Reform Act of 1995 about the Company that are based on management’s assumptions, expectations and projections about the Company. Such forward-looking statements by their nature involve a degree of risk and uncertainty. The Company cautions that actual results of the Company could differ materially from those projected in the forward-looking statements as a result of various factors, including but not limited to the factors described under the heading “Risk Factors” in the Company’s most recent Annual Report on Form 10-K for the fiscal year ended March 31, 2013, filed with the Securities and Exchange Commission, and such other risks disclosed from time to time in the Company’s periodic and other reports filed with the Securities and Exchange Commission. You should consider the areas of risk described above in connection with any forward-looking statements that may be made by the Company. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any additional disclosures the Company makes in proxy statements, quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K filed with the Securities and Exchange Commission, which are publicly available at the Securities and Exchange Commission’s website at www.sec.gov/edgar.shtml.

COMMAND SECURITY CORPORATION

Three Months Ended

June 30,

(Unaudited)

2013

2012

Revenues

\$37,961,495 \$35,641,679

Gross Profit	4,613,258	4,623,318
General and Administrative	4,299,884	4,037,249
Operating Income	238,843	513,782
Provision for income taxes	150,000	250,000
Net income	\$33,233	\$231,268
Net income per common share		
Basic	\$0.00	\$0.02
Diluted	\$0.00	\$0.02
Weighted average number of common shares outstanding		
Basic	9,093,598	9,666,498
Diluted	9,392,967	9,666,498

Balance Sheet Highlights	June 30, 2013 (Unaudited)	March 31, 2013 (Audited)
Cash	\$ 587,973	\$ 8,504
Accounts receivable	30,493,248	28,460,654
Total current assets	34,499,050	32,401,930
Total assets	40,248,575	38,331,143
Short-term debt	10,639,919	8,482,331
Total current liabilities	22,567,740	20,768,032
Total liabilities	23,171,929	21,372,243
Stockholders' equity	17,076,646	16,958,900
Total liabilities and stockholders' equity	\$40,248,575	\$38,331,143

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Source: Command Security Corporation