

November 5, 2013

Command Security Corporation Reports Second Quarter 2014 Financial Results

Command Reports Increased Second Quarter Revenues and Earnings

HERNDON, Va.-- [Command Security Corporation](#) (NYSE MKT: MOC) today reported financial results for its second fiscal quarter ended September 30, 2013.

Revenues for the three months ended September 30, 2013, were \$40,147,092, compared with \$38,164,921 in the same period of the prior year, an increase of 5.2%. Operating income for the three months ended September 30, 2013, increased 86% to \$1,290,052, compared with \$691,936 in the same period of the prior year. Net income for the three months ended September 30, 2013, increased 92% to \$633,221, or \$0.07 per basic and diluted share, compared with \$329,277, or \$0.03 per basic and diluted share in the same period of the prior year.

Revenues for the six months ended September 30, 2013, were \$78,108,587, compared with \$73,806,600 in the same period of the prior year, an increase of 5.8%. Operating income for the six months ended September 30, 2013, increased 27% to \$1,528,895, compared with \$1,205,719 in the same period of the prior year. Net income for the six months ended September 30, 2013, increased 19% to \$666,454, or \$0.07 per basic and diluted share, compared with \$560,546, or \$0.06 per basic and diluted share in the same period of the prior year.

The increase in revenues for three and six months ended September 30, 2013, compared with the corresponding periods of the prior year was due primarily to the following:

- Increased revenues associated with an expansion of services provided under a contract with a major transportation company;
- Addition of new revenues from New York based medical care facilities; and,
- Continued expansion of aviation related security services at east and west coast airports.

The increase in operating income and net income for the three and six months ended September 30, 2013, as compared to the corresponding periods of the prior year was due primarily to the increases in revenues and the absence of \$750,000 of restructuring and relocation costs incurred during the three months ended September 30, 2012, in connection with the Company's consolidation of its corporate headquarters personnel and functions to Herndon, VA. This increase in operating income and net income was partially offset by costs associated with ongoing legal issues including continuing litigation with a non-certified union in California. The non-certified union is seeking to be re-recognized by a work group that had previously voted to withdraw recognition.

Craig P. Coy, Chief Executive Officer of Command Security, stated, "The second quarter was an exciting and busy time for the company. The addition of Mark Sullivan, former Director of the United States Secret Service, has added tremendous value and experience

to our Board. Our initiatives to update and improve our operating systems continue at full pace. The recent award of the General Services Administration (GSA) contract which enables the Company to respond to requests for proposals (RFP) and be awarded new business directly with U.S. Federal Government agencies was a major accomplishment toward achieving one of our strategic objectives. New business awards demonstrate the quality of our operations team and the importance of our invigorated sales team. We recognize the on-going market challenges and are working to meet them with continued process improvements and strengthened management.”

About Command Security Corporation

Command Security Corporation and its Aviation Safeguards division provide physical security solutions through 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
CONDENSED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended		Six Months Ended	
	September 30,	September 30,	September 30,	September 30,
	2013	2012	2013	2012
Revenues	\$40,147,092	\$38,164,921	\$78,108,587	\$73,806,600
Operating income	1,290,052	691,936	1,528,895	1,205,719
Income before income taxes	1,243,221	669,277	1,426,454	1,150,546
Provision for income taxes	610,000	340,000	760,000	590,000
Net income	\$633,221	\$329,277	\$666,454	\$560,546
Net income per common share				
Basic	\$0.07	\$0.03	\$0.07	\$0.06
Diluted	\$0.07	\$0.03	\$0.07	\$0.06
Weighted average number of common shares outstanding				
Basic	9,179,531	9,666,498	9,136,565	9,666,498
Diluted	9,268,333	9,666,498	9,330,651	9,666,498

Balance Sheet Highlights	September 30, 2013 (Unaudited)	March 31, 2013 (Audited)
Cash and cash equivalents	\$ 775,764	\$8,504
Accounts receivable	27,100,877	28,460,654
Total current assets	29,805,267	32,401,930
Total assets	\$ 35,692,412	\$38,331,143
Short-term borrowings	7,540,693	8,482,331
Total current liabilities	17,233,610	20,768,032
Total liabilities	17,874,976	21,372,243
Stockholders' equity	17,817,436	16,958,900
Total liabilities and stockholders' equity	\$ 35,692,412	\$38,331,143

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Source: Command Security Corporation