

Results for the Three Months Ended June 30, 2007

August 6, 2007

KYOWA EXEO CORPORATION

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

Consolidated Figures

(1) Overview

(¥bn)

	FY 2006			FY 2007				
	1st Quarter	Interim		1st Quarter		Interim		
	Actual A	Actual B	Progress rate A/B	Actual C	YOY C/A	May 2007 Forecast D	YOY D/B	Progress rate C/D
Orders received	81.6	156.0	52%	76.7	94%	152.0	97%	50%
Net sales	51.7	128.1	40%	52.6	102%	136.0	106%	39%
Gross profit	(11.5%) 5.9	(13.5%) 17.3	34%	(12.4%) 6.5	110%	(12.7%) 17.3	100%	38%
Selling, general and administrative expenses	(9.6%) 4.9	(8.0%) 10.2	48%	(9.6%) 5.0	102%	(7.5%) 10.2	100%	50%
Operating income	(1.9%) 0.9	(5.5%) 7.1	14%	(2.8%) 1.4	147%	(5.2%) 7.1	100%	21%
Ordinary income	(2.7%) 1.3	(6.0%) 7.7	18%	(3.8%) 1.9	145%	(5.6%) 7.6	99%	26%
Net income	(1.2%) 0.6	(3.5%) 4.4	14%	(2.2%) 1.1	186%	(3.2%) 4.3	97%	27%

Notes: All amounts less than ¥100m are disregarded. Figures in parentheses are ratio to net sales.

Consolidated Figures

(2) Orders Received and Net Sales

(¥bn)

				FY 2006			FY 2007				
				1st Quarter	Interim		1st Quarter		Interim		
					Actual A	Actual B	Progress rate A/B	Actual C	YOY C/A	May 2007 Forecast D	YOY D/B
Orders received	ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	57.1	104.2	55%	50.4	88%	99.5	95%	51%
			Non-NTT telecom engineering	11.9	26.9	45%	14.4	120%	27.0	100%	54%
		Sub-total	69.1	131.1	53%	64.8	94%	126.5	96%	51%	
		Environmental and social infrastructure		8.7	17.2	51%	6.9	79%	18.5	107%	38%
		Sub-total		77.9	148.4	53%	71.8	92%	145.0	98%	50%
		SYSTEM-SOLUTIONS		3.6	7.6	48%	4.8	134%	7.0	92%	70%
		TOTAL		81.6	156.0	52%	76.7	94%	152.0	97%	50%
Net sales	ENGINEERING-SOLUTIONS	Telecommunications infrastructure	NTT Group engineering	36.3	89.8	41%	35.9	99%	92.0	102%	39%
			Non-NTT telecom engineering	8.1	20.3	40%	8.5	106%	25.0	123%	34%
		Sub-total	44.5	110.1	40%	44.5	100%	117.0	106%	38%	
		Environmental and social infrastructure		4.4	11.4	39%	4.7	107%	12.0	104%	40%
		Sub-total		48.9	121.6	40%	49.3	101%	129.0	106%	38%
		SYSTEM-SOLUTIONS		2.7	6.4	43%	3.2	120%	7.0	108%	47%
		TOTAL		51.7	128.1	40%	52.6	102%	136.0	106%	39%

Notes: All amounts less than ¥100m are disregarded.

Consolidated Figures

(3) Business Overview (by Group)

(¥bn; ratios)

	Wako Engineering Group			Daiwa Densetsu Group			KANAC Group		
	FY 2006	FY 2007		FY 2006	FY 2007		FY 2006	FY 2007	
	1st Quarter	1st Quarter	YOY	1st Quarter	1st Quarter	YOY	1st Quarter	1st Quarter	YOY
Orders received	10.0	9.1	91%	4.6	5.1	110%	-	-	
Net sales	7.4	7.7	104%	3.2	3.5	108%	1.1	1.2	109%
Gross profit	(8.7%) 0.6	(6.9%) 0.5	82%	(4.0%) 0.1	(9.0%) 0.3	242%	(13.2%) 0.1	(9.5%) 0.1	79%
Selling, general and administrative expenses	(6.7%) 0.4	(6.8%) 0.5	106%	(8.1%) 0.2	(7.1%) 0.2	94%	(24.5%) 0.2	(21.8%) 0.2	96%
Operating income	(2.0%) 0.1	(0.1%) 0.0	4%	-(4.1%) -0.1	(1.9%) 0.0	-	-(11.4%) -0.1	-(12.2%) -0.1	-
Ordinary income	(2.2%) 0.1	(0.2%) 0.0	9%	-(3.6%) -0.1	(2.2%) 0.0	-	-(10.9%) -0.1	-(10.9%) -0.1	-
Net income	(1.2%) 0.0	(0.0%) 0.0	2%	-(2.7%) -0.0	(3.8%) 0.1	-	-(5.7%) -0.0	-(5.8%) -0.0	-
Total assets	14.3	15.9	111%	6.1	6.4	105%	6.5	6.0	93%
Net assets	8.4	8.4	100%	3.1	3.6	115%	3.3	3.3	99%
Equity ratio (Shareholders' equity / Total assets)	59.1%	52.8%		51.3%	55.7%		50.6%	54.0%	

Notes1: The above figures are prior to elimination of intercompany transactions between group companies.

Notes2: All amounts less than ¥100m are disregarded. Figures in parentheses are ratio to net sales.

Disclaimer Regarding Forward-Looking Statements

Management of the Company has made estimates and assumptions relating to financial forecasts based on information available as of the reporting date. Actual results could differ from those estimates.

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